

EXHIBIT NO. MCC-1

Statement of Qualifications

Mr. Clevinger graduated from Pensacola Christian College with a Bachelor's degree in Accounting (1993) and from California Coast University with a Master's in Business Administration (2010).

He began his career in Accounting with Interim Healthcare as Payroll Accountant. Additionally, he has held positions with Regent Lighting Corp. as Staff Accountant from 1996 to 2000; University of North Carolina Dental Faculty Practice as Accounting Manager from 2000 to 2002; Redeye Inc. as Royalty Accounting Manager from 2004 to 2005; and Wavecom, Incorporated as a Financial Analyst from 2007 to 2009.

In 2011, he joined Xcel Energy as Senior Rate Analyst, and then Principal Rate Analyst in the Rates Dept. of their utility subsidiary, Public Service Company of Colorado ("PSCo"). His responsibilities included development of revenue requirement studies, calculation of various rate riders, as well as, annual reports, earnings test calculations, and supporting various base rate filings made by PSCo for its electric, gas, and steam utilities.

Mr. Clevinger began his employment with Black Hills Utilities Holding in August 2015 as Manager, Regulatory Services for the Company's two utility properties in Colorado. His current duties include preparing annual reports, normalized earnings reports, various riders, and preparing revenue requirement studies for rate reviews in various states including Colorado. He currently manages three analysts and a supervisor in this area.

BLACK HILLS NEBRASKA GAS, LLC

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BLACK HILLS NEBRASKA GAS, LLC
ASSETS AND OTHER DEBITS
FOR THE BASE YEAR ENDED DECEMBER 31, 2019

Exhibit No. MCC-2
Statement A
Page 1 of 2

Line No.	Description	Notes	FERC Account	December 31, 2019
1	Utility Plant			
2	Gas Plant in Service		101	\$ 718,134,793
3	Gas Plant in Service - ARO		101	3,261
4	Gas Leased Assets		101	933,812
5	Completed Construction Not Classified		106	92,659,688
6	Construction Work in Progress		107	11,800,664
7	Gas Plant Acquisition Adjustment	(1)	114	42,487,092
8	Gas Stored Underground		117	-
9	Other-Utility Property		118	45,535,472
10				
11	Gross Utility Plant			\$ 911,554,782
12	Accum. Prov. For Depreciation		108	(271,000,955)
13	Accum. Prov. For Depreciation - RWIP		108	1,183,436
14	Accum. Prov. For Depreciation - ARO		108	(3,263)
15	Accum. Prov. For Gas Leased Assets		108	(808,284)
16	Accum. Prov. For Amortization		111	(29,245)
17	Accum. Prov. For Amort. Of Acq Adj		115	-
18	Res for Depr Other Utility Property		119	(14,863,661)
19	Total Utility Plant			\$ 626,032,809
20				
21	Non-Utility Property	101; 108; 121-122		\$ 540,433
22				
23				
24	Current and Accrued Assets			
25	Cash		131	\$ -
26	Working Funds		135	-
27	Notes & Accts Receivable - Net		141-145; 173	70,482,287
28	Accts Rec Assoc Company		146	6,594,941
29	Fuel Stocks		151, 152	-
30	Material and Supplies		154-163	5,606,796
31	Gas Stored Underground		164	7,413,038
32	Prepayments		165	522,648
33	Other Current Assets		174, 176	2,894
34	Derv Instrument Assets		175	-
35	Total Current & Accrued Assets			\$ 90,622,604
36				
37	Deferred Debits			
38	Unamortized Debt Expense		181	\$ -
39	Other Regulatory Assets		182	28,079,156
40	Preliminary Survey		183	107,633
41	Miscellaneous Debits		184-187	1,463,618
42	Deferred Income Tax		190	60,194,005
43	Unrecovered PGA		191	303,221
44	Total Deferred Debits			\$ 90,147,633
45				
46	Total Assets and Other Debits			\$ 807,343,479

48 (Note 1): The 114 account contains the acquisition adjustment for Black Hills Nebraska Gas Utility.
49 The goodwill associated with the acquisition of SourceGas has not at any time been allocated to BHGD-NE.
50 It is entirely allocated to Black Hills Service Company ("BHSC") as is reflected on BHSC's books.

BLACK HILLS NEBRASKA GAS, LLC
LIABILITIES AND OTHER CREDITS
FOR THE BASE YEAR ENDED DECEMBER 31, 2019

Exhibit No. MCC-2
Statement A
Page 2 of 2

Line No.	Description	Notes	FERC Acct	December 31, 2019
1	Proprietary Capital			
2	Miscellaneous Paid in Capital		211	\$ 237,502,161
3	Unapprop. Retained Earnings		216	\$ 42,091,309
4	Accum. Other Comprehensive Income		219	-
5	Total Proprietary Capital			\$ 279,593,470
6				
7	Long Term Debt			
8	Intercompany Notes Payable	(2)	223	\$ 1,234,246
9	Unamort Discount on LTD		226	\$ -
10	Operating Lease Obligation		227	\$ 62,085
11				
12	Other Non-Current Liabilities		228-230	\$ 16,971,004
13				
14	Current & Accrued Liability			
15	Accounts Payable		232	\$ 34,281,628
16	Notes Pay. Assoc Company		233	301,784,014
17	Acc Pay. Assoc Company		234	57,569,074
18	Customer Deposits		235	3,518,846
19	Taxes Accrued		236	4,394,339
20	Interest Accrued		237	-
21	Tax Collections Payable		241	3,972,746
22	Misc Current & Accrued Liab		242	12,120,663
23	Operating Lease Obligation - ST		243	64,726
24	Deriv Instrument Liab		244	-
25	Total Current & Accrued Liability			\$ 417,706,036
26				
27	Deferred Credits			
28	Customer Advance for Construction		252	\$ -
29	Other Deferred Credits		253	5,390,841
30	Other Regulatory Liabilities		254	22,429,462
31	Acc Def ITC		255	-
32	Acc Def Inc Taxes - Property		282	53,045,323
33	Acc Def Inc Taxes - Other		283	10,911,013
34	Total Deferred Credits			\$ 91,776,639
35				
36				
37	Total Liabilities & Other Credits			\$ 807,343,479

39 (Note 2): Includes \$1,234,246 allocated from a corporate term loan due 2021, issued in accordance with a
40 PSC order related to the early termination and settlement of a gas supply contract (the Noble contract).
41 Proceeds from this term loan were used to finance the early termination of the gas supply contract,
42 resulting in a regulatory asset. This term loan is excluded from capital structures or cost of debt calculations.

BLACK HILLS NEBRASKA GAS, LLC
STATEMENT OF INCOME
FOR THE BASE YEAR ENDED DECEMBER 31, 2019

Exhibit No. MCC-2
Statement B

Line No.	Description	Reference	December 31, 2019
1	Gas Sales	480-482	\$ 145,980,108
2	Other Revenue	483-496	72,924,106
3	Sub-Total		\$ 218,904,213
4			
5			
6	Production & Gathering	750-770	\$ -
7	Other Gas Supply	800-813	75,525,851
8	Underground Storage	814-836	-
9	Other Storage Expense	840-844	-
10	Transmission Expense	850-867	365,206
11	Distribution Expense	870-894	27,047,946
12	Customer Accounts Expense	901-905	7,364,060
13	Customer Service and Informational Expenses	907-910	255,757
14	Sales Expenses	911-916	561,524
15	Administrative & General Expense	920-932	31,946,971
16	Total O&M		\$ 143,067,313
17			
18	Depreciation & Amortization	403-405	\$ 24,036,687
19	Taxes Other than Income	408.1	5,875,853
20	Sub-Total		\$ 29,912,539
21			
22	Net Operating Income	Ln.3 - Ln.16 - Ln.20	\$ 45,924,361
23			
24	Non-Utility Operating Income (& Expense)	403, 408.2, 409.2, 415-426	\$ 3,969,388
25	Interest (Expense)	427-431	(19,320,606)
26	AFUDC - Debt & Equity	432	1,088,104
27	Non-Operating (Expense)	Ln. 24 + Ln. 25 + Ln. 26	\$ (14,263,114)
28			
29	Income/(Loss) Before Tax	Ln.22 + Ln.27	\$ 31,661,247
30			
31	(Federal Income Taxes)/Benefit	409.1, 410-411	\$ (2,997,982)
32			
33	Net Utility Income/(Loss)	Ln.29 + Ln.31	\$ 28,663,266

**BLACK HILLS NEBRASKA GAS, LLC
RETAINED EARNINGS STATEMENT
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Exhibit No. MCC-2
Statement C**

Line No.	Description	Reference	Amount
1	Balance as of December 31, 2019	211 - 216	\$ 279,593,470
2	Change in Equity in calendar 2020	Ln. 4 - Ln. 1	\$ 45,406,530
3			
4	Balance at End of Period		<u>\$ 325,000,000</u>

**BLACK HILLS NEBRASKA GAS, LLC
PLANT IN SERVICE SUMMARY
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Sect II: 004.03A1, B
Exhibit No. MCC-2
Statement D**

Line No.	Description	Reference	(a)	(b)	(c)	(d)
			Plant in Service 12/31/2018	Plant in Service 12/31/2019	(Note 1) D-1 Subsequent & Expected Pro Forma Additions & Adjustments	(b) + (c) Adjusted Plant in Service
1	Intangible	Sched D-1 Ln.6	\$ 1,364,199	\$ 1,364,199	\$ -	\$ 1,364,199
2						
3	Gathering and Processing Plant	(Note 2)	-	-	-	-
4						
5	Storage Plant	(Note 2)	-	-	-	-
6						
7	Base Gas Storage	(Note 2)	-	-	-	-
8						
9	Transmission	Sched D-1 Ln.13	6,346,090	6,163,725	-	6,163,725
10						
11	Distribution	Sched D-1 Ln.33	623,395,574	715,468,698	75,664,063	791,132,761
12						
13	General	Sched D-1 Ln.59	49,010,994	87,797,857	14,739,313	102,537,170
14						
15	Other Utility	Sched D-1 Ln.66	40,650,508	45,535,472	(17,761,107)	27,774,365
16						
17	Plant in Service	Sum (Ln1:Ln15)	<u>\$ 720,767,365</u>	<u>\$ 856,329,951</u>	<u>\$ 72,642,269</u>	<u>\$ 928,972,220</u>
18						
19	Total Plant in Service	Ln 17	<u><u>\$ 720,767,365</u></u>	<u><u>\$ 856,329,951</u></u>	<u><u>\$ 72,642,269</u></u>	<u><u>\$ 928,972,220</u></u>

20

21 (Note 1) Subsequent additions references Schedule D-1, which includes property additions and adjustments for the Pro Forma Period.

22 (Note 2) There was no plant in service in this category in the base year, and no subsequent additions anticipated in the test year.

BLACK HILLS NEBRASKA GAS, LLC
PLANT IN SERVICE ADJUSTMENTS DETAIL
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect II: 004.03A1, B
Exhibit No. MCC-2
Schedule D-1

Line No.	FERC Acct	Description	(a) Plant in Service 12/31/2018	(b) Plant in Service 12/31/2019	(c) (Note 3) Existing Plant CAM Adjustment	(d) (Sched. D-2) Pro Forma Plant Additions	(e) (Sched. D-3) Pro Forma Plant Retirements	(f) Adjusted Balance 12/31/2020
1		INTANGIBLE PLANT						
2	301	Intangibles Organization	\$ 256	\$ 256	\$ -	\$ -	\$ -	\$ 256
3	302	Intangibles Franchises & Consents	121,062	121,062	-	-	-	121,062
4	303	Intangibles Miscellaneous	742,881	742,881	-	-	-	742,881
5	303.01	Intangibles Miscellaneous - Easements	500,000	500,000	-	-	-	500,000
6		Total Intangible Plant	\$ 1,364,199	\$ 1,364,199	\$ -	\$ -	\$ -	\$ 1,364,199
7								
8		TRANSMISSION PLANT						
9	365.03	Right-of-Way	\$ 176,834	\$ 170,272	\$ -	\$ -	\$ -	\$ 170,272
10	366.01	Structures and Improvements	8,174	8,174	-	-	-	8,174
11	367	Transmission Plant - Mains	5,536,951	5,361,147	-	-	-	5,361,147
12	369.03	Transmission Plant - Meas. & Reg. Sta. Equip.	624,132	624,132	-	-	-	624,132
13		Total Transmission Plant	\$ 6,346,090	\$ 6,163,725	\$ -	\$ -	\$ -	\$ 6,163,725
14								
15		DISTRIBUTION PLANT						
16	374.01	Distribution Plant - Land	\$ 2,832,146	\$ 1,358,868	\$ -	\$ -	\$ (750,374)	\$ 608,494
17	374.02	Land Rights (Non-Depreciable)	4,606,979	176,100	-	1,548,168	-	1,724,268
18	374.03	Land Rights - Right of Way (Depreciable)	160,217	6,797,136	-	-	-	6,797,136
19	375.01	Structures and Improvements	6,470,313	4,987,056	-	804,543	(2,379,315)	3,412,284
20	375.20	Structures and Improvements - Other	12,119	12,119	-	-	-	12,119
21	376	Distribution Plant - Mains	339,340,326	404,011,716	-	41,241,939	(747,438)	444,506,217
22	378	Distribution Plant - Meas. & Reg. Sta. Equip. - General	18,911,687	23,549,301	-	1,857,896	-	25,407,197
23	379	Measuring & Regulating Station Equip. - City Gate Check Stn.	4,499,659	4,504,804	-	1,447,570	-	5,952,374
24	380	Distribution Plant - Services	119,153,976	134,854,199	-	20,017,573	(484,329)	154,387,443
25	381	Meters	58,797,396	42,421,416	-	3,539,198	-	45,960,615
26	382.01	Meter Installations	12,135,182	11,094,170	-	1,201,506	-	12,295,676
27	383.01	Distribution Plant - House Regulators	42,601,890	70,846,697	-	2,754,301	-	73,600,998
28	383.71	Distribution Plant - House Regulators - Farm Taps	311,567	848,957	-	194,575	-	1,043,532
29	384.01	House regulator installations	1,680,850	1,505,149	-	48,644	-	1,553,793
30	385	Industrial Measuring & Regulating Station Equipment	11,408,783	8,058,005	-	5,369,606	-	13,427,611
31	386	Other Property on Customers' Premises	35,279	35,279	-	-	-	35,279
32	387	Other Equipment	437,205	407,725	-	-	-	407,725
33		Total Distribution Plant	\$ 623,395,574	\$ 715,468,698	\$ -	\$ 80,025,519	\$ (4,361,456)	\$ 791,132,761
34								
35		GENERAL PLANT						
36	389.01	Land	\$ 2,101,521	\$ 5,210,068	\$ -	\$ 543,081	\$ (3,944)	\$ 5,749,205
37	389.02	Land Rights - Right of Way	-	1,183,494	-	148,113	-	1,331,607
38	390.01	Structures and Improvements	6,932,000	38,224,611	-	4,147,164	(490,715)	41,881,060
39	390.51	Leasehold Improvements	353,875	93,091	-	-	-	93,091
40	391.01	Office Machines	470,109	425,979	-	49,371	-	475,350
41	391.02	Office Furniture	162,391	-	-	-	-	-
42	391.03	Computer Hardware	247,658	558,110	-	49,371	-	607,481
43	391.04	Software	329,173	170,100	-	544,747	-	714,847
44	391.05	System Development	150,246	-	-	-	-	-
45	391.07	Ipad Hardware	332,868	611,479	-	-	-	611,479
46	392.01	Transportation Equipment	4,673,240	-	-	-	-	-
47	392.02	Cars	7,011,752	3,878,361	-	-	(959,036)	2,919,325
48	392.03	Light Trucks	8,783,079	17,570,348	-	4,235,162	(1,468,256)	20,337,254
49	392.04	Medium Trucks	383,956	199,121	-	1,383,529	(57,896)	1,524,755
50	392.05	Heavy Trucks	2,007,098	3,072,012	-	271,961	(69,831)	3,274,142
51	392.06	Trailers	200,544	818,274	-	264,801	(41,646)	1,041,429
52	393	Stores Equipment	28,178	28,178	-	-	-	28,178
53	394	Tools, Shop, and Garage Equipment	7,886,979	8,876,092	-	6,461,962	-	15,338,054
54	395	Laboratory Equipment	241,206	88,803	-	-	-	88,803
55	396	Power Operated Equipment	4,789,334	5,766,089	-	-	(268,625)	5,497,464
56	397	Communication Equipment	872,646	846,080	-	-	-	846,080
57	398	Miscellaneous Equipment	1,056,783	177,568	-	-	-	177,568
58	399	Other Tangible Property	(3,643)	-	-	-	-	-
59		Total General Plant	\$ 49,010,994	\$ 87,797,857	\$ -	\$ 18,099,262	\$ (3,359,949)	\$ 102,537,170
60								
61	118	Other Utility Plant (Corporate Shared Assets - Note 1a)	\$ 18,801,771	\$ 20,990,031	\$ (2,725,014)	\$ 610,268	\$ (12,041,346)	\$ 6,833,939
62	118	Other Utility Plant (Corporate Shared Assets - Note 1b)	5,037,743	7,174,394	(1,187,323)	-	(321,263)	5,665,808
63	118	Other Utility Plant (Corporate Shared Assets - Note 2a)	7,854,963	9,280,391	(296,930)	2,444,756	(2,753,329)	8,674,888
64	118	Other Utility Plant (Corporate Shared Assets - Note 2b)	3,521,818	2,269,139	(131,008)	352,590	(996,106)	1,494,615
65	118	Other Utility Plant (Corporate Shared Assets - Note 2c)	5,434,212	5,821,518	(1,054,269)	499,243	(161,376)	5,105,116
66		Total Other Utility Plant	\$ 40,650,508	\$ 45,535,472	\$ (5,394,543)	\$ 3,906,857	\$ (16,273,421)	\$ 27,774,365
67								
68		Total Gas Plant In Service	\$ 720,767,365	\$ 856,329,951	\$ (5,394,543)	\$ 102,031,638	\$ (23,994,826)	\$ 928,972,220

70 (Note 1a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated utilities per CAM.
71 (Note 1b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated gas utilities per CAM.
72 (Note 2a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all entities per CAM.
73 (Note 2b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated utilities per CAM.
74 (Note 2c) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated gas utilities per CAM.
75 (Note 3) Adjustment to include BHSC plant assets that will be allocated to Black Hills Nebraska Gas, LLC. As discussed in the Direct Testimony of Michael Clevinger.

BLACK HILLS NEBRASKA GAS, LLC
PLANNED PLANT ADDITIONS FROM JANUARY 1, 2020 TO DECEMBER 31, 2020
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect II: 004.03A1, B
Exhibit No. MCC-2
Schedule D-2

Line No.	FERC Acct	Project Description	Amount
1			
2		DISTRIBUTION PLANT	
3	374.01	Distribution Plant - Land	\$ -
4	374.02	Land Rights (Non-Depreciable)	1,548,168
5	374.03	Land Rights - Right of Way (Depreciable)	-
6	375.01	Structures and Improvements	804,543
7	375.20	Structures and Improvements - Other	-
8	376	Distribution Plant - Mains	41,241,939
9	378	Distribution Plant - Meas. & Reg. Sta. Equip. - General	1,857,896
10	379	Measuring & Regulating Station Equip.- City Gate Check Stn.	1,447,570
11	380	Distribution Plant - Services	20,017,573
12	381	Meters	3,539,198
13	382.01	Meter Installations	1,201,506
14	383.01	Distribution Plant - House Regulators	2,754,301
15	383.71	Distribution Plant - House Regulators - Farm Taps	194,575
16	384.01	House regulator installations	48,644
17	385	Industrial Measuring & Regulating Station Equipment	5,369,606
18	386	Other Property on Customers' Premises	-
19	387	Other Equipment	-
20		Total Distribution Plant	\$ 80,025,519
21			
22		GENERAL PLANT	
23	389.01	Land	\$ 543,081
24	389.02	Land Rights - Right of Way	148,113
25	390.01	Structures and Improvements	4,147,164
26	390.51	Leasehold Improvements	-
27	391.01	Office Machines	49,371
28	391.02	Office Furniture	-
29	391.03	Computer Hardware	49,371
30	391.04	Software	544,747
31	391.05	System Development	-
32	391.07	Ipad Hardware	-
33	392.01	Transportation Equipment	-
34	392.02	Cars	-
35	392.03	Light Trucks	4,235,162
36	392.04	Medium Trucks	1,383,529
37	392.05	Heavy Trucks	271,961
38	392.06	Trailers	264,801
39	393	Stores Equipment	-
40	394	Tools, Shop, and Garage Equipment	6,461,962
41	395	Laboratory Equipment	-
42	396	Power Operated Equipment	-
43	397	Communication Equipment	-
44	398	Miscellaneous Equipment	-
45	399	Other Tangible Property	-
46		Total General Plant	\$ 18,099,262
47			
48	118	Other Utility Plant (Corporate Shared Assets - Note 1a)	\$ 610,268
49	118	Other Utility Plant (Corporate Shared Assets - Note 1b)	-
50	118	Other Utility Plant (Corporate Shared Assets - Note 2a)	2,444,756
51	118	Other Utility Plant (Corporate Shared Assets - Note 2b)	352,590
52	118	Other Utility Plant (Corporate Shared Assets - Note 2c)	499,243
53		Total Other Utility Plant	\$ 3,906,857
54			
55		Total Gas Plant In Service	\$ 102,031,638
56			

57 (Note 1a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated utilities per CAM.
58 (Note 1b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated gas utilities per CAM.
59 (Note 2a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all entities per CAM.
60 (Note 2b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated utilities per CAM.
61 (Note 2c) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated gas utilities per CAM.

**BLACK HILLS NEBRASKA GAS, LLC
PLANNED PLANT RETIREMENTS FROM JANUARY 1, 2020 TO DECEMBER 31, 2020
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

Sect II: 004.03A1, B
Exhibit No. MCC-2
Schedule D-3

Line No.	FERC Acct	Project Description	Amount
1			
2		INTANGIBLE PLANT	
3	301	Intangibles Organization	\$ -
4	302	Intangibles Franchises & Consents	-
5	303	Intangibles Miscellaneous	-
6	303.01	Intangibles Miscellaneous - Easements	-
7		Total Intangible Plant	\$ -
8			
9		TRANSMISSION PLANT	
10	365.03	Right-of-Way	\$ -
11	366.01	Structures and Improvements	-
12	367	Transmission Plant - Mains	-
13	369.03	Transmission Plant - Meas. & Reg. Sta. Equip.	-
14		Total Transmission Plant	\$ -
15			
16		DISTRIBUTION PLANT	
17	374.01	Distribution Plant - Land	\$ (750,374)
18	374.02	Land Rights (Non-Depreciable)	-
19	374.03	Land Rights - Right of Way (Depreciable)	-
20	375.01	Structures and Improvements	(2,379,315)
21	375.2	Structures and Improvements - Other	-
22	376	Distribution Plant - Mains	(747,438)
23	378	Distribution Plant - Meas. & Reg. Sta. Equip. - General	-
24	379	Measuring & Regulating Station Equip.- City Gate Check Stn.	-
25	380	Distribution Plant - Services	(484,329)
26	381	Meters	-
27	382.01	Meter Installations	-
28	383.01	Distribution Plant - House Regulators	-
29	383.71	Distribution Plant - House Regulators - Farm Taps	-
30	384.01	House regulator installations	-
31	385	Industrial Measuring & Regulating Station Equipment	-
32	386	Other Property on Customers' Premises	-
33	387	Other Equipment	-
34		Total Distribution Plant	\$ (4,361,456)
35			
36		GENERAL PLANT	
37	389.01	Land	\$ (3,944)
38	389.02	Land Rights - Right of Way	-
39	390.01	Structures and Improvements	(490,715)
40	390.51	Leasehold Improvements	-
41	391.01	Office Machines	-
42	391.02	Office Furniture	-
43	391.03	Computer Hardware	-
44	391.04	Software	-
45	391.05	System Development	-
46	391.07	Ipad Hardware	-
47	392.01	Transportation Equipment	-
48	392.02	Cars	(959,036)
49	392.03	Light Trucks	(1,468,256)
50	392.04	Medium Trucks	(57,896)
51	392.05	Heavy Trucks	(69,831)
52	392.06	Trailers	(41,646)
53	393	Stores Equipment	-
54	394	Tools, Shop, and Garage Equipment	-
55	395	Laboratory Equipment	-
56	396	Power Operated Equipment	(268,625)
57	397	Communication Equipment	-
58	398	Miscellaneous Equipment	-
59	399	Other Tangible Property	-
60		Total General Plant	\$ (3,359,949)
61			
62	118	Other Utility Plant (Corporate Shared Assets - Note 1a)	\$ (12,041,346)
63	118	Other Utility Plant (Corporate Shared Assets - Note 1b)	(321,263)
64	118	Other Utility Plant (Corporate Shared Assets - Note 2a)	(2,753,329)
65	118	Other Utility Plant (Corporate Shared Assets - Note 2b)	(996,106)
66	118	Other Utility Plant (Corporate Shared Assets - Note 2c)	(161,376)
67		Total Other Utility Plant	\$ (16,273,421)
68			
69		Total Gas Plant In Service	\$ (23,994,827)
70			
71		(Note 1a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated utilities per CAM.	
72		(Note 1b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated gas utilities per CAM.	
73		(Note 2a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all entities per CAM.	
74		(Note 2b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated utilities per CAM.	
75		(Note 2c) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated gas utilities per CAM.	

BLACK HILLS NEBRASKA GAS, LLC
ADJUSTED ACCUMULATED PROVISION FOR DEPRECIATION
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect II: 004.03A1, B
 Exhibit No. MCC-2
 Statement E

Line No.	Description	(a) 12/31/2018 Per Book Accumulated Depreciation	(b) 12/31/2019 Per Book Accumulated Depreciation	(c) Existing Plant CAM Accumulated Depreciation	(d) (Note 3) Accumulated Depreciation Plant Addition Adjustments (M-2)	(e) (Note 4) Accumulated Depreciation Retirements (D-3)	(f) (Note 6) Accumulated Depreciation Roll Forward	(g) 12/31/2020 Adjusted Accumulated Depreciation
1	Intangible	\$ 954,603	\$ 988,584	\$ -	\$ -	\$ -	\$ 63,434	\$ 1,052,018
2								
3	Gathering and Processing (Note 5)	(18,028)	(18,028)	-	-	18,028	-	-
4								
5	Storage Plant	-	-	-	-	-	-	-
6								
7	Transmission	4,212,174	4,260,643	-	-	-	50,163	4,310,806
8								
9	Distribution	237,496,161	249,936,085	-	909,436	(3,611,082)	19,237,273	266,471,712
10								
11	General	16,522,247	15,862,916	-	446,331	(3,356,005)	4,485,592	17,438,834
12								
13	Other Utility Plant (Corporate Shared Assets - Note 1a)	12,040,900	12,887,426	(1,673,100)	17,535	(12,041,346)	1,263,503	454,018
14	Other Utility Plant (Corporate Shared Assets - Note 1b)	155,500	233,297	(38,609)	-	(321,263)	564,348	437,773
15	Other Utility Plant (Corporate Unrecovered Reserve - Note 1c)	(1,178,988)	(1,178,988)	(492,173)	-	-	139,263	(1,531,898)
16	Other Utility Plant (Corporate Shared Assets - Note 2a)	3,909,308	4,446,443	(142,266)	94,379	(2,753,329)	757,396	2,402,624
17	Other Utility Plant (Corporate Shared Assets - Note 2b)	824,923	154,562	(8,924)	9,182	(996,106)	120,410	(720,876)
18	Other Utility Plant (Corporate Shared Assets - Note 2c)	2,216,338	3,002,681	(543,781)	33,824	(161,376)	751,540	3,082,887
19	Other Utility Plant (Corporate Unrecovered Reserve - Note 2d)	(4,681,761)	(4,681,761)	(84,364)	-	-	397,177	(4,368,948)
20								
21	Total Adjusted Accumulated Depreciation	\$ 272,453,377	\$ 285,893,862	\$ (2,983,217)	\$ 1,510,686	\$ (23,222,480)	\$ 27,830,101	\$ 289,028,951

- 22
- 23 (Note 1a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated utilities per CAM.
- 24 (Note 1b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated gas utilities per CAM.
- 25 (Note 1c) Figure represents Other Utility Plant, Corporate Unrecovered Reserve allocated on customer count per CAM.
- 26 (Note 2a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all entities per CAM.
- 27 (Note 2b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated utilities per CAM.
- 28 (Note 2c) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated gas utilities per CAM.
- 29 (Note 2d) Figure represents Other Utility Plant, Corporate Unrecovered Reserve allocated on general ratio per CAM.
- 30 (Note 3) Includes depreciation expenses for subsequent additions and adjustments for the pro forma period based on depreciation rates provided on Statement J. This amount is then divided by two to reflect the Test Year.
- 31 (Note 4) Adjustment to remove the accumulated depreciation associated to the assets removed on Schedule D-3.
- 32 (Note 5) Adjustment to remove the accumulated depreciation on Gathering and Processing, which has no related assets.
- 33 (Note 6) Roll forward of the 12/31/2019 balances to reflect the 2020 year end balances.

BLACK HILLS NEBRASKA GAS, LLC
 ACCUMULATED PROVISION FOR DEPRECIATION ROLL FORWARD TO DECEMBER 31, 2020
 FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect II: 004.03A1, B
 Exhibit No. MCC-2
 Schedule E-1

Line No.	FERC Acct	Description	(a)	(b)	(c)	(d)
			Plant in Service 12/31/2019	(Note 3) 2020 Depreciation Existing Rates	(Note 4) 2020 Depreciation New Rates	(b) + (c) 2020 Adjustment to Accumulated Depr 12/31/2020
1		INTANGIBLE PLANT				
2	301	Intangibles Organization	\$ 256	\$ 7	\$ -	\$ 7
3	302	Intangibles Franchises & Consents	121,062	3,008	234	3,242
4	303	Intangibles Miscellaneous	742,881	18,733	16,368	35,102
5	303.01	Intangibles Miscellaneous - Easements	500,000	16,667	8,417	25,083
6		Total Intangible Plant	\$ 1,364,199	\$ 38,415	\$ 25,019	\$ 63,434
7						
8		TRANSMISSION PLANT				
9	365.03	Right-of-Way (Depreciable)	\$ 170,272	\$ 1,782	\$ 431	\$ 2,214
10	366.01	Structures and Improvements	8,174	135	13	148
11	367	Transmission Plant - Mains	5,361,147	29,308	8,757	38,064
12	369.03	Transmission Plant - Meas. & Reg. Sta. Equip.	624,132	5,409	4,327	9,736
13		Total Transmission Plant	\$ 6,163,725	\$ 36,634	\$ 13,529	\$ 50,163
14						
15		DISTRIBUTION PLANT				
16	374.01	Distribution Plant - Land	\$ 1,358,868	\$ -	\$ -	\$ -
17	374.02	Land Rights (Non-Depreciable)	176,100	-	-	-
18	374.03	Land Rights - Right of Way (Depreciable)	6,797,136	94,132	21,524	115,656
19	375.01	Structures and Improvements	4,987,056	97,403	12,634	110,037
20	375.20	Structures and Improvements - Other	12,119	242	86	329
21	376	Distribution Plant - Mains	404,011,716	7,152,348	1,952,723	9,105,071
22	378	Distribution Plant - Meas. & Reg. Sta. Equip. - General	23,549,301	332,700	212,729	545,429
23	379	Measuring & Regulating Station Equip.- City Gate Check Stn.	4,504,804	90,096	21,173	111,269
24	380	Distribution Plant - Services	134,854,199	3,037,325	1,591,280	4,628,604
25	381	Meters	42,421,416	1,243,505	677,329	1,920,833
26	382.01	Meter Installations	11,094,170	192,194	98,738	290,932
27	383.01	Distribution Plant - House Regulators	70,846,697	1,333,467	769,867	2,103,335
28	383.71	Distribution Plant - House Regulators - Farm Taps	848,957	15,225	7,046	22,271
29	384.01	House regulator installations	1,505,149	30,103	6,071	36,174
30	385	Industrial Measuring & Regulating Station Equipment	8,058,005	163,444	69,299	232,743
31	386	Other Property on Customers' Premises	35,279	706	122	828
32	387	Other Equipment	407,725	10,964	2,800	13,763
33		Total Distribution Plant	\$ 715,468,698	\$ 13,793,853	\$ 5,443,421	\$ 19,237,273
34						
35		GENERAL PLANT				
36	389.01	Land	\$ 5,210,068	\$ -	\$ -	\$ -
37	389.02	Land Rights - Right of Way (Non-Depreciable)	1,183,494	-	-	-
38	390.01	Structures and Improvements	38,224,611	585,863	379,698	965,561
39	390.51	Leasehold Improvements	93,091	-	2,880	2,880
40	391.01	Office Machines	425,979	20,096	7,071	27,167
41	391.02	Office Furniture	-	-	-	-
42	391.03	Computer Hardware	558,110	26,658	36,779	63,437
43	391.04	Software	170,100	55,543	102	55,645
44	391.05	System Development	-	-	-	-
45	391.07	Ipad Hardware	611,479	135,883	40,765	176,648
46	392.01	Transportation Equipment	-	-	-	-
47	392.02	Cars	3,878,361	255,329	127,598	382,927
48	392.03	Light Trucks	17,570,348	1,106,448	409,975	1,516,422
49	392.04	Medium Trucks	199,121	11,947	8,337	20,284
50	392.05	Heavy Trucks	3,072,012	193,375	48,743	242,117
51	392.06	Trailers	818,274	52,599	17,975	70,573
52	393	Stores Equipment	28,178	1,409	376	1,785
53	394	Tools, Shop, and Garage Equipment	8,876,092	280,518	116,869	397,387
54	395	Laboratory Equipment	88,803	1,760	1,365	3,125
55	396	Power Operated Equipment	5,766,089	373,018	73,614	446,632
56	397	Communication Equipment	846,080	82,105	18,783	100,888
57	398	Miscellaneous Equipment	177,568	9,154	2,959	12,114
58	399	Other Tangible Property	-	-	-	-
59		Total General Plant	\$ 87,797,857	\$ 3,191,704	\$ 1,293,887	\$ 4,485,592
60						
61	118	Other Utility Plant (Corporate Shared Assets - Note 1a)	20,990,031	258,335	1,005,168	1,263,503
62	118	Other Utility Plant (Corporate Shared Assets - Note 1b)	7,174,394	70,051	494,297	564,348
63	118	Other Utility Plant (Corporate Unrecovered Reserve - Note 1c)	1,671,161	-	139,263	139,263
64	118	Other Utility Plant (Corporate Shared Assets - Note 2a)	9,280,391	160,285	597,112	757,396
65	118	Other Utility Plant (Corporate Shared Assets - Note 2b)	2,269,139	21,925	98,486	120,410
66	118	Other Utility Plant (Corporate Shared Assets - Note 2c)	5,821,518	94,195	657,345	751,540
67	118	Other Utility Plant (Corporate Unrecovered Reserve - Note 2d)	4,766,125	-	397,177	397,177
68		Total Other Utility Plant	\$ 51,972,758	\$ 604,791	\$ 3,388,848	\$ 3,993,639
69						
70		Total Gas Plant In Service	\$ 862,767,237	\$ 17,665,397	\$ 10,164,704	\$ 27,830,101
71						

(Note 1a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated utilities per CAM.
 (Note 1b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated gas utilities per CAM.
 (Note 1c) Figure represents Other Utility Plant, Corporate Unrecovered Reserve allocated on customer count per CAM.
 (Note 2a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all entities per CAM.
 (Note 2b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated utilities per CAM.
 (Note 2c) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated gas utilities per CAM.
 (Note 2d) Figure represents Other Utility Plant, Corporate Unrecovered Reserve allocated on general ratio per CAM.
 (Note 3) Calculation of 2020 depreciation under existing rates for 8 months (January - August), except account 118 Other Utility Plant, which calculates 2 months under existing rates since new rates were effective March 1, 2020.
 (Note 4) Calculation of 2020 depreciation under new rates for 4 months (September - December) when interim rates go into effect except account 118 Other Utility Plant, which calculates 10 months under the new rates effective March 1, 2020.

BLACK HILLS NEBRASKA GAS, LLC
WORKING CAPITAL
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect II: 004.03A2
Exhibit No. MCC-2
Statement F

Line No.	Description	Reference	(a) Per Books	(b) Pro Forma Adjustment (Note 1)	(c) Other Adjustments (Note 2)	(d) [(a) + (b) + (c)] Adjusted
1	Cash Working Capital	Sched F-2 pg1 Ln.21	\$ (1,677,029)	\$ -	\$ (509,119)	\$ (2,186,148)
2						
3	Materials and Supplies	Sched F-1 Ln.13 (a)	5,398,698	(350,675)	-	5,048,023
4						
5	Prepaid Expenses	Sched F-1 Ln.13 (b)	488,586	(94,303)	-	394,283
6						
7	Total Working Capital	Sum Ln.1 - Ln.5	<u>\$ 4,210,255</u>	<u>\$ (444,978)</u>	<u>\$ (509,119)</u>	<u>\$ 3,256,158</u>
8						
9	(Note 1) The adjustment is based on a thirteen month average. See Schedule F-1 for details.					
10	(Note 2) Reference Schedule F-2 pg 2 which utilizes the lead lag results including adjustments to Pro Forma Period amounts.					

BLACK HILLS NEBRASKA GAS, LLC
COMPONENTS OF CLAIMED WORKING CAPITAL
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect II: 004.03A2
Exhibit No. MCC-2
Schedule F-1

Line No.	Year	Month	(a) Materials and Supplies (a/c 154, 163)	(b) Prepaid Expenses (a/c 165)
1	2018	December	\$ 4,301,179	\$ 546,123
2	2019	January	4,277,948	399,227
3		February	4,657,931	269,670
4		March	4,548,778	165,063
5		April	4,648,359	95,266
6		May	4,991,732	81,285
7		June	5,057,769	192,666
8		July	5,852,063	433,146
9		August	6,025,857	512,267
10		September	5,378,730	575,000
11		October	5,201,358	743,923
12		November	5,283,892	623,459
13	2019	December	5,398,698	488,586
14				
15	13-Month Average		\$ 5,048,023	\$ 394,283
16				
17	Pro Forma Adjustment		\$ (350,675)	(94,303)

**BLACK HILLS NEBRASKA GAS, LLC
CASH WORKING CAPITAL - PER BOOKS
FOR THE BASE YEAR ENDED DECEMBER 31, 2019**

**Sect II: 004.03A2
Exhibit No. MCC-2
Schedule F-2
Page 1 of 2**

Line No.	(a) Account Description	(b) Test Year Expenses	(c) Revenue Lag	(d) Expense Lead	(e) (b/ sum of b) *d Lead Days Weighted	(f) (c) - (d) Net (Lead)/Lag	(g) (f)/365 days Factor	(h) (b) * (g) CWC Req
1	<u>Operations & Maintenance Expense</u>							
2	Federal Income Tax Withheld	\$ 4,788,843	37.6996	14.0000	0.3642	23.6996	0.0649	\$ 310,942
3	FICA Taxes Withheld - Employee	2,264,966	37.6996	14.0000	0.1723	23.6996	0.0649	147,065
4	Net Payroll	13,460,749	37.6996	14.0000	1.0238	23.6996	0.0649	874,013
5	Gas Purchases - PGA - NEG	75,442,264	38.8566	32.6530	13.3826	6.2036	0.0170	1,282,220
6	Other O & M	47,110,492	37.6996	45.6250	11.6767	(7.9254)	(0.0217)	(1,022,928)
7	Total Operation & Maintenance Expense	\$ 143,067,314						\$ 1,591,312
8								
9	Gas Purchases (ChoiceGas Supplier Payments) - NEGD	\$ 70,932,491	36.1261	35.0634	13.5114	1.0627	0.0029	\$ 206,513
10								
11	<u>Taxes other than Income Taxes</u>							
12	Property Taxes	\$ 3,909,166	37.6996	335.8070	7.1314	(298.1074)	(0.8167)	\$ (3,192,743)
13	FICA Taxes - Employer's	2,264,966	37.6996	14.0000	0.1723	23.6996	0.0649	147,065
14	Unemployment Taxes (FUTA & SUTA)	51,886	37.6996	14.0000	0.0039	23.6996	0.0649	3,369
15	City Franchise Taxes	6,969,285	37.6996	65.7954	2.4911	(28.0958)	(0.0770)	(536,459)
16	Sales Taxes	18,239,542	37.6996	35.2000	3.4879	2.4996	0.0068	124,909
17	Total Taxes other than Income Taxes	\$ 31,434,846						\$ (3,453,858)
18								
19	Current Income Taxes-Federal and State	\$ 9,574,529	37.6996	38.5000	2.0025	(0.8004)	(0.0022)	\$ (20,995)
20								
21	Total Cash Working Capital Requirement	\$ 184,076,689						(1,677,029)

**BLACK HILLS NEBRASKA GAS, LLC
CASH WORKING CAPITAL - AS ADJUSTED
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Sect II: 004.03A2
Exhibit No. MCC-2
Schedule F-2
Page 2 of 2**

Line No.	(a) Account Description	(b) Pro Forma Period Expenses	(c) Revenue Lag	(d) Expense Lead	(e) (b/ sum of b) *d Lead Days Weighted	(f) (c) - (d) Net (Lead)/Lag	(g) (f)/365 days Factor	(h) (b) * (g) CWC Req
1	Operations & Maintenance Expense							
2	Federal Income Tax Withheld (Note 1)	\$ 5,482,949	37.6996	14.0000	0.4013	23.6996	0.0649	\$ 356,010
3	FICA Taxes Withheld - Employee	2,492,433	37.6996	14.0000	0.1824	23.6996	0.0649	161,835
4	Net Payroll	15,512,604	37.6996	14.0000	1.1355	23.6996	0.0649	1,007,240
5	Gas Purchases - PGA - NEG	75,442,264	38.8566	32.6530	12.8799	6.2036	0.0170	1,282,220
6	Other O & M	52,047,386	37.6996	45.6250	12.4158	(7.9254)	(0.0217)	(1,130,125)
7	Total Operation & Maintenance Expense	\$ 150,977,636						\$ 1,677,181
8								
9	Gas Purchases (ChoiceGas Supplier Payments) - NEGD	\$ 70,932,491	36.1261	35.0634	13.0039	1.0627	0.0029	\$ 206,513
10								
11	Taxes other than Income Taxes							
12	Property Taxes	\$ 4,660,325	37.6996	335.8070	8.1824	(298.1074)	(0.8167)	\$ (3,806,239)
13	FICA Taxes - Employer's	2,492,433	37.6996	14.0000	0.1824	23.6996	0.0649	161,835
14	Unemployment Taxes (FUTA & SUTA)	51,886	37.6996	14.0000	0.0038	23.6996	0.0649	3,369
15	City Franchise Taxes	6,969,285	37.6996	65.7954	2.3975	(28.0958)	(0.0770)	(536,459)
16	Sales Taxes	18,239,542	37.6996	35.2000	3.3568	2.4996	0.0068	124,909
17	Total Taxes other than Income Taxes	\$ 32,413,472						\$ (4,052,585)
18								
19	Current Income Taxes-Federal and State	\$ 7,869,975	37.6996	38.5000	1.5842	(0.8004)	(0.0022)	\$ (17,258)
20								
21	Total Cash Working Capital Requirement	\$ 191,261,083						\$ (2,186,148)

(Note 1) Pro Forma expenses in column (b) are calculated by dividing 2019 Federal Income Tax Withheld by 2019 Per Book Wages & Salaries Expense, and multiplying that percentage by the 2020 Annualized Payroll on Sched H-4.

BLACK HILLS NEBRASKA GAS, LLC
COST OF CAPITAL - PRO FORMA
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect IV: 004.05A, B
Exhibit No. MCC-2
Statement G

Line No.	Description	(a) Amount	(b) Percent of Total	(c) Cost	(d) (b) x (c) Weighted Cost
1	Per Book Base Year as of December 31, 2018:				
2	Long-Term Debt	\$ 208,250,000	48.42%	4.35%	2.11%
3	Preferred Stock	-	0.00%	0.00%	0.00%
4	Common Equity (Note 1)	221,825,595	51.58%	10.00%	5.16%
5	Rate of Return	<u>\$ 430,075,595</u>	<u>100.00%</u>		<u>7.27%</u>
6					
7					
8	Per Book Base Year as of December 31, 2019:				
9	Long-Term Debt	\$ 284,250,000	50.41%	4.17%	2.10%
10	Preferred Stock	-	0.00%	0.00%	0.00%
11	Common Equity (Note 1)	279,593,470	49.59%	10.00%	4.96%
12	Rate of Return	<u>\$ 563,843,470</u>	<u>100.00%</u>		<u>7.06%</u>
13					
14					
15	For the Test Year Ending December 31, 2020				
16	Long-Term Debt	Sched. G-1 Ln 58 \$ 325,000,000	50.00%	4.11%	2.06%
17	Preferred Stock	-	0.00%	0.00%	0.00%
18	Common Equity	325,000,000	50.00%	10.00%	5.00%
19	Rate of Return	<u>\$ 650,000,000</u>	<u>100.00%</u>		<u>7.06%</u>

20

21 (Note 1) Prior year return on equity percentage is adjusted to reflect the rate proposed in this proceeding.

BLACK HILLS NEBRASKA GAS, LLC
COST OF DEBT - TOTAL COMPANY

Sect IV: 004.05A, B
Exhibit No. MCC-2
Schedule G-1

Line No.	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	AS OF DECEMBER 31, 2018 (BEGINNING OF BASE YEAR)												
					= (f) ÷ (d)						= (h)+(i)+(j)		= (k) x (l)
	Title	Issue	Maturity	Amount Issued	Price Per Unit	Net Proceeds Amount	Coupon/Interest Rate	Yield to Maturity	Financing Costs	(Gain)/Loss on Reacquired Debt	Cost of Money	Principal Outstanding	Annual Cost
6	BHC \$525M Notes Due 2023	11/19/2013	11/30/2023	\$ 112,500,000	0.9953	111,971,250	4.25%	4.31%	0.09%	0.00%	4.40%	112,500,000	4,950,000
7	BHC \$300M Notes Due 2026	1/13/2016	1/15/2026	20,517,857	0.9970	20,455,688	3.95%	3.99%	0.10%	0.00%	4.08%	20,517,857	837,129
8	BHC \$300M Notes Due 2046	8/19/2016	9/15/2046	20,517,857	0.9946	20,406,035	4.20%	4.23%	0.04%	0.10%	4.37%	20,517,857	896,630
9	BHC \$400M Notes Due 2027	8/19/2016	1/15/2027	27,357,143	0.9995	27,343,191	3.15%	3.16%	0.79%	0.20%	4.15%	27,357,143	1,135,321
10	BHC \$400M Notes Dues 2033	8/17/2018	5/1/2033	27,357,143	0.9954	27,232,121	4.35%	4.39%	0.08%	0.04%	4.51%	27,357,143	1,233,807
12	Total Long-Term Debt											208,250,000	9,052,888
14	Average Cost of Debt												4.35%
18	FOR THE BASE YEAR ENDED DECEMBER 31, 2019												
20	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
21					= (f) ÷ (d)						= (h)+(i)+(j)		= (k) x (l)
22	Title	Issue	Maturity	Amount Issued	Price Per Unit	Net Proceeds Amount	Coupon/Interest Rate	Yield to Maturity	Financing Costs	(Gain)/Loss on Reacquired Debt	Cost of Money	Principal Outstanding	Annual Cost
24	BHC \$525M Notes Due 2023	11/19/2013	11/30/2023	\$ 112,500,000	0.9953	111,971,250	4.25%	4.31%	0.09%	0.00%	4.40%	112,500,000	4,950,000
25	BHC \$300M Notes Due 2026	1/13/2016	1/15/2026	23,817,857	0.9970	23,745,689	3.95%	3.99%	0.10%	0.00%	4.08%	23,817,857	971,769
26	BHC \$300M Notes Due 2046	8/19/2016	9/15/2046	23,817,857	0.9946	23,688,050	4.20%	4.23%	0.04%	0.10%	4.37%	23,817,857	1,040,840
27	BHC \$400M Notes Due 2027	8/19/2016	1/15/2027	31,757,143	0.9995	31,740,947	3.15%	3.16%	0.79%	0.20%	4.15%	31,757,143	1,317,921
28	BHC \$400M Notes Dues 2033	8/17/2018	5/1/2033	27,357,143	0.9954	27,232,121	4.35%	4.39%	0.08%	0.04%	4.51%	27,357,143	1,233,807
29	BHC \$400M Notes Due 2029	10/3/2019	10/15/2029	32,500,000	0.9966	32,388,200	3.05%	3.09%	0.09%	0.00%	3.18%	32,500,000	1,033,500
30	BHC \$300M Notes Due 2049	10/3/2019	10/15/2049	32,500,000	0.9981	32,436,625	3.88%	3.89%	0.04%	0.06%	3.99%	32,500,000	1,296,750
33	Total Long-Term Debt											284,250,000	11,844,587
35	Average Cost of Debt												4.17%
39	FOR THE TEST YEAR ENDING DECEMBER 31, 2020												
41	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
42					= (f) ÷ (d)						= (h)+(i)+(j)		= (k) x (l)
43	Title	Issue	Maturity	Amount Issued	Price Per Unit	Net Proceeds Amount	Coupon/Interest Rate	Yield to Maturity	Financing Costs	(Gain)/Loss on Reacquired Debt	Cost of Money	Principal Outstanding	Annual Cost
45	BHC \$525M Notes Due 2023	11/19/2013	11/30/2023	525,000,000	0.9953	522,532,500	4.25%	4.31%	0.09%	0.00%	4.40%	525,000,000	23,100,000
46	BHC \$300M Notes Due 2026	1/13/2016	1/15/2026	300,000,000	0.9970	299,091,000	3.95%	3.99%	0.10%	0.00%	4.08%	300,000,000	12,240,000
47	BHC \$300M Notes Due 2046	8/19/2016	9/15/2046	300,000,000	0.9946	298,365,000	4.20%	4.23%	0.04%	0.10%	4.37%	300,000,000	13,110,000
48	BHC \$400M Notes Due 2027	8/19/2016	1/15/2027	400,000,000	0.9995	399,796,000	3.15%	3.16%	0.79%	0.20%	4.15%	400,000,000	16,600,000
49	BHC \$400M Notes Dues 2033	8/17/2018	5/1/2033	400,000,000	0.9954	398,172,000	4.35%	4.39%	0.08%	0.04%	4.51%	400,000,000	18,040,000
50	BHC \$400M Notes Due 2029	10/3/2019	10/15/2029	400,000,000	0.9966	398,624,000	3.05%	3.09%	0.09%	0.00%	3.18%	400,000,000	12,720,000
51	BHC \$300M Notes Due 2049	10/3/2019	10/15/2049	300,000,000	0.9981	299,415,000	3.88%	3.89%	0.04%	0.06%	3.99%	300,000,000	11,970,000
54	Long-Term Debt											\$ 2,625,000,000	\$ 107,780,000
56	Weighted Average Cost of BHC Debt												4.11%
58	Debt Allocated to Black Hills Nebraska Gas											325,000,000	13,357,500

BLACK HILLS NEBRASKA GAS, LLC
OPERATING AND MAINTENANCE EXPENSES
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect III: 004.04A
Exhibit No. MCC-2
Statement H

Line No.	FERC Acct	Description	(a) Base Year Adjusted	(b) Sched H-1	(c) Sched H-2	(d) Sched H-3	(e) Sched H-4	(f) Sched H-5	(g) Sched H-6	(h) Sched H-7	(i) Sched H-8	(j) Sched H-9
127		Customer Service and Information Expenses										
128		Operation										
129	907	Supervision	\$ 101,887	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,223	\$ -	\$ -	\$ -
130	908	Customer Assistance Expense	132,164	-	(409)	-	-	-	869	-	-	-
131	909	Informational/Instructional Advertising Expense	17,850	-	(17,193)	-	-	-	7	-	-	-
132	910	Miscellaneous Cust Serv & Inform Expense	3,857	-	(16)	-	-	-	(30)	-	-	-
133		Total Customer Srvc & Inform Exp.	\$ 255,757	\$ -	\$ (17,618)	\$ -	\$ -	\$ -	\$ 2,070	\$ -	\$ -	\$ -
134												
135		Sales Expenses										
136		Operation										
137	911	Supervision	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
138	912	Demonstrating and Selling Expense	352,923	-	(8,538)	-	1,631	-	1,252	-	-	-
139	913	Advertising Expenses	208,274	-	(206,976)	-	353	-	83	-	-	-
140	916	Miscellaneous Sales Expense	326	-	-	-	-	-	1	-	-	-
141		Total Sales Expense	\$ 561,524	\$ -	\$ (215,514)	\$ -	\$ 1,984	\$ -	\$ 1,336	\$ -	\$ -	\$ -
142												
143		Administrative & General Expense										
144		Operation										
145	920	Administrative & General Salaries	\$ 11,029,388	\$ -	\$ -	\$ -	\$ 53,547	\$ -	\$ 2,265,233	\$ -	\$ -	\$ -
146	921	Office Supplies & Expense	3,723,829	-	(105,854)	-	29	-	698,375	-	-	-
147	922	Administrative Expense Transferred-Cr	(2,373,972)	-	-	-	-	-	(874,617)	-	-	-
148	923	Outside Services Employed	3,281,237	(411,096)	-	-	-	-	162,910	-	-	-
149	924	Property Insurance	31,740	-	-	-	-	-	75	-	-	-
150	925	Injuries and Damages	1,439,451	-	-	-	-	-	88,201	-	-	-
151	926	Employee Pensions and Benefits	8,937,872	-	-	-	213,287	328,708	2,276,143	-	-	212,676
152	927	Franchise Requirements	-	-	-	-	-	-	-	-	-	-
153	928	Regulatory Commission Expense	-	-	-	-	-	-	-	-	-	-
154	929	Duplicate Charges - Credit	(1,240)	-	-	-	-	-	(30)	-	-	-
155	930.1	General Advertising Expense	410,817	-	(412,156)	-	-	-	(2,168)	-	-	-
156	930.2	Miscellaneous General Expense	1,331,686	(56,679)	(17,733)	-	(9)	-	48,946	-	-	-
157	931	Rents	2,465,662	-	-	-	-	-	697,391	-	-	-
158		Total Operation	\$ 30,276,470	\$ (467,775)	\$ (535,744)	\$ -	\$ 266,854	\$ 328,708	\$ 5,360,459	\$ -	\$ -	\$ 212,676
159												
160		Maintenance										
161	932	Maintenance of General Plant	\$ 1,670,501	\$ -	\$ -	\$ -	\$ 46	\$ -	\$ 36,611	\$ -	\$ -	\$ -
162		Total Administrative & General Exp	\$ 31,946,971	\$ (467,775)	\$ (535,744)	\$ -	\$ 266,900	\$ 328,708	\$ 5,397,071	\$ -	\$ -	\$ 212,676
163												
164		Total Operating & Maintenance Exp	\$ 143,067,314	\$ (854,648)	\$ (776,834)	\$ (75,525,851)	\$ 2,973,428	\$ 328,708	\$ 5,463,365	\$ 177,782	\$ 243,387	\$ 212,676

BLACK HILLS NEBRASKA GAS, LLC
OPERATING AND MAINTENANCE EXPENSES
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect III: 004.04A
Exhibit No. MCC-2
Statement H

Line No.	FERC Acct	Description	(k)	(l)	(m)	(n)	(o)
			Sched H-10	Sched H-11	Sched H-12	Total Adjustments	Adjusted Total
1							
2		Production and Gathering					
3		Operation					
4	750	Operation Supervision & Engineering	\$ -	\$ -	\$ -	\$ -	\$ -
5	752	Gas Wells Expense	-	-	-	-	-
6	753	Field Line Expense	-	-	-	-	-
7	754	Field Compressor Station Expense	-	-	-	-	-
8	755	Field Compressor Station Fuel and Power	-	-	-	-	-
9	756	Field Measuring & Regulating Station Expense	-	-	-	-	-
10	757	Purification Expense	-	-	-	-	-
11	758	Gas Well Royalties	-	-	-	-	-
12	759	Other Expenses	-	-	-	-	-
13	760	Rents	-	-	-	-	-
14		Total Production Operation Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
15							
16		Maintenance					
17	761	Maintenance Supervision & Engineering	\$ -	\$ -	\$ -	\$ -	\$ -
18	762	Maintenance of Structures & Improvements	-	-	-	-	-
19	763	Maintenance of Producing Gas Wells	-	-	-	-	-
20	764	Maintenance of Field Lines	-	-	-	-	-
21	765	Maintenance of Field Compressor Station Equipment	-	-	-	-	-
22	766	Maintenance of Field Measuring & Regulating Station Equipment	-	-	-	-	-
23	767	Maintenance of Purification Equipment	-	-	-	-	-
24		Total Production Maintenance Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
25							
26							
27		Other Gas Supply Expense					
28		Operation					
29	804	Natural Gas City Gate Purchase	\$ -	\$ -	\$ -	\$ (70,953,810)	\$ -
30	805	Other Gas Purchases	-	-	-	2,419,037	-
31	805.1	Purchased Gas Cost Adjustments	-	-	-	(5,499,380)	-
32	806	Exchange Gas	-	-	-	-	-
33	808	Gas Storage-Gas Ops	-	-	-	-	-
34	808.1	Withdrawals from Storage	-	-	-	(10,881,933)	-
35	808.2	Gas Delivered to Storage	-	-	-	9,373,035	-
36	812	Gas Used for Other Utility Operation	-	-	-	17,200	-
37	813	Other Gas Supply Expense	-	-	-	-	-
38		Total Other Gas Supply Expense	\$ -	\$ -	\$ -	\$ (75,525,851)	\$ -
39							
40		Underground Storage Expense					
41		Operation					
42	814	Operation Supervision & Engineering	\$ -	\$ -	\$ -	\$ -	\$ -
43	816	Wells Expense	-	-	-	-	-
44	817	Lines Expense	-	-	-	-	-
45	818	Compressor Station Expense	-	-	-	-	-
46	819	Compressor Station Fuel and Power	-	-	-	-	-
47	820	Storage - Measuring & Regulating Station Expense	-	-	-	-	-
48	821	Purification Expense	-	-	-	-	-
49	824	Other Expenses	-	-	-	-	-
50	826	Rents	-	-	-	-	-
51		Total Operation Underground Storage Expense	\$ -	\$ -	\$ -	\$ -	\$ -
52							
53		Maintenance					
54	830	Maintenance Supervision & Engineering	\$ -	\$ -	\$ -	\$ -	\$ -
55	832	Maintenance of Reservoirs & Wells	-	-	-	-	-
56	833	Maintenance of Lines	-	-	-	-	-
57	834	Maintenance of Compressor Station Equipment	-	-	-	-	-
58	835	Maintenance of Measuring & Regulating Station Equipment	-	-	-	-	-
59	836	Maintenance of Purification Equipment	-	-	-	-	-
60		Total Maintenance Underground Storage Expense	\$ -	\$ -	\$ -	\$ -	\$ -
61							
62		Total Underground Storage Expense	\$ -	\$ -	\$ -	\$ -	\$ -

BLACK HILLS NEBRASKA GAS, LLC
OPERATING AND MAINTENANCE EXPENSES
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect III: 004.04A
Exhibit No. MCC-2
Statement H

Line No.	FERC Acct	Description	(k) Sched H-10	(l) Sched H-11	(m) Sched H-12	(n) Total Adjustments	(o) Adjusted Total
63							
64		Transmission Expense					
65		Operation					
66	850	Operation Supervision & Engineering	\$ -	\$ -	\$ (42)	\$ 502	\$ 203,756
67	851	System Control & Load Dispatching	-	-	(5)	33	1,213
68	852	Communication System Expenses	-	-	-	-	-
69	853	Compressor Labor & Expense	-	-	-	-	-
70	856	Mains Expense	-	-	(2)	24	63,039
71	857	Measuring & Regulating Station Expense	-	-	(1)	6	12,317
72	859	Other Expenses	-	-	(47)	1,030	65,930
73	860	Rents	-	-	-	-	-
74		Total Operation	\$ -	\$ -	\$ (97)	\$ 1,595	\$ 346,254
75							
76		Maintenance					
77	861	Maintenance Supervision & Engineering	\$ -	\$ -	\$ (48)	\$ 299	\$ 17,530
78	862	Maintenance of Structures & Improvements	-	-	-	-	-
79	863	Maintenance of Mains	-	-	(18)	176	3,357
80	864	Maintenance of Compressor Station Equipment	-	-	-	-	-
81	865	Maintenance of Measuring & Regulating Station Equipment	-	-	-	-	-
82	866	Maintenance of Communication Equipment	-	-	-	8	143
83	867	Maintenance of Other Equipment	-	-	-	-	-
84		Total Maintenance	\$ -	\$ -	\$ (66)	\$ 483	\$ 21,030
85							
86		Total Transmission Expense	\$ -	\$ -	\$ (163)	\$ 2,078	\$ 367,284
87							
88		Distribution Expense					
89		Operation					
90	870	Dist. Operating and Supervision Engineering	\$ -	\$ -	\$ (18,212)	\$ 239,996	\$ 4,151,603
91	871	Dist. Load Dispatching	-	-	(1)	(1)	830
92	872	Compressor Station Labor & Expense	-	-	-	-	147
93	874	Oper./Inspect Underground Dist. Mains - Gas	-	161,999	(33,524)	810,063	7,497,411
94	875	Dist. Measuring & Regulating Station Expense - General	-	-	(4,829)	(272,271)	1,236,884
95	876	Dist. Measuring & Regulating Station Expense - Industrial	-	-	(162)	1,679	24,528
96	877	Measuring & Regulating Station Expense - City Gate Check Station	-	-	(1,126)	24,928	204,071
97	878	Oper./Inspect Meters & Collect Data - Gas	-	-	(11,602)	175,729	1,776,106
98	879	Dist. Customer Installation Expense	-	-	(7,154)	108,113	1,268,296
99	880	Dist. Ops. Other Expenses	-	-	(56,502)	923,925	9,897,722
100	881	Dist. Oper. Rents	-	-	-	3	36,574
101		Total Operation	\$ -	\$ 161,999	\$ (133,112)	\$ 2,012,162	\$ 26,094,171
102							
103		Maintenance					
104	885	Dist. Maint. Supervision & Engineering	\$ -	\$ -	\$ -	\$ -	\$ 203
105	886	Maintenance of Structures & Improvements	-	-	-	-	302
106	887	Perf. Underground Distribution Line Maintenance - Gas	-	-	(3,334)	21,867	533,709
107	888	Dist. Maint. of Compressor Station Equipment	-	-	(6)	1,008	7,885
108	889	Maintenance of Measuring & Regulating Station Expense -General	-	-	(1,309)	14,583	309,381
109	890	Dist. Maint. of Measuring & Regulating Station Equip - Industrial	-	-	(402)	6,207	85,321
110	891	Maintenance of Measuring & Regulating Station - City Gate Check Stn.	-	-	(1,978)	19,692	517,019
111	892	Dist. Maint. of Services	-	-	(3,101)	43,825	466,194
112	893	Dist. Maint. of Meters & House Regulators	-	-	(7,427)	70,040	1,091,228
113	894	Dist. Maint. of Other Equipment	-	-	(1,093)	18,133	150,049
114		Total Maintenance	\$ -	\$ -	\$ (18,648)	\$ 195,354	\$ 3,161,290
115							
116		Total Distribution Expense	\$ -	\$ 161,999	\$ (151,760)	\$ 2,207,516	\$ 29,255,462
117							
118		Customer Account Expenses					
119		Operation					
120	901	Customer Accounts Supervision	\$ -	\$ -	\$ (328)	\$ 4,391	\$ 259,162
121	902	Meter Reading Expense	-	-	(5,504)	65,556	730,551
122	903	Customer Record & Collection Expense	-	-	(4,080)	331,521	6,094,718
123	904	Uncollectible Accounts	-	-	-	177,782	697,023
124	905	Miscellaneous Customer Accounts Expense	-	-	(233)	4,857	166,714
125		Total Customer Account Expense	\$ -	\$ -	\$ (10,144)	\$ 584,108	\$ 7,948,168
126							

BLACK HILLS NEBRASKA GAS, LLC
OPERATING AND MAINTENANCE EXPENSES
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect III: 004.04A
Exhibit No. MCC-2
Statement H

Line No.	FERC Acct	Description	(k)	(l)	(m)	(n)	(o)
			Sched H-10	Sched H-11	Sched H-12	Total Adjustments	Adjusted Total
127		Customer Service and Information Expenses					
128		Operation					
129	907	Supervision	\$ -	\$ -	\$ (4)	\$ 1,220	\$ 103,107
130	908	Customer Assistance Expense	-	-	(30)	430	132,593
131	909	Informational/Instructional Advertising Expense	-	-	-	(17,186)	664
132	910	Miscellaneous Cust Serv & Inform Expense	-	-	(0)	(46)	3,811
133		Total Customer Srvc & Inform Exp.	\$ -	\$ -	\$ (34)	\$ (15,582)	\$ 240,175
134							
135		Sales Expenses					
136		Operation					
137	911	Supervision	\$ -	\$ -	\$ -	\$ -	\$ -
138	912	Demonstrating and Selling Expense	-	-	(231)	(5,886)	347,037
139	913	Advertising Expenses	-	-	-	(206,539)	1,735
140	916	Miscellaneous Sales Expense	-	-	-	1	327
141		Total Sales Expense	\$ -	\$ -	\$ (231)	\$ (212,424)	\$ 349,099
142							
143		Administrative & General Expense					
144		Operation					
145	920	Administrative & General Salaries	\$ -	\$ -	\$ -	\$ 2,318,779	\$ 13,348,167
146	921	Office Supplies & Expense	-	-	-	592,550	4,316,380
147	922	Administrative Expense Transferred-Cr	-	-	-	(874,617)	(3,248,589)
148	923	Outside Services Employed	-	-	-	(248,186)	3,033,051
149	924	Property Insurance	-	-	-	75	31,815
150	925	Injuries and Damages	-	-	-	88,201	1,527,652
151	926	Employee Pensions and Benefits	-	-	-	3,030,814	11,968,686
152	927	Franchise Requirements	-	-	-	-	-
153	928	Regulatory Commission Expense	-	-	-	-	-
154	929	Duplicate Charges - Credit	-	-	-	(30)	(1,270)
155	930.1	General Advertising Expense	-	-	-	(414,324)	(3,507)
156	930.2	Miscellaneous General Expense	142,854	-	(58)	117,321	1,449,007
157	931	Rents	-	-	-	697,391	3,163,053
158		Total Operation	\$ 142,854	\$ -	\$ (58)	\$ 5,307,974	\$ 35,584,444
159							
160		Maintenance					
161	932	Maintenance of General Plant	\$ -	\$ -	\$ (5)	\$ 36,652	\$ 1,707,153
162		Total Administrative & General Exp	\$ 142,854	\$ -	\$ (63)	\$ 5,344,627	\$ 37,291,598
163							
164		Total Operating & Maintenance Exp	\$ 142,854	\$ 161,999	\$ (162,394)	\$ (67,615,528)	\$ 75,451,785

BLACK HILLS NEBRASKA GAS, LLC
OUT OF PERIOD/ATYPICAL ACCOUNTING ADJUSTMENTS
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule H-1

Line No.	FERC Acct	Account Description	(a)	(b)	(c)	(d)	(e)	(f)
			(Note 1) Base Year	(Note 2) Base Year	(Note 3) Base Year	(Note 4) Base Year	(Note 5) Base Year	-(a) - (b) - (c) - (d) - (e)
			Flood Costs	Construction Damages	Odorant Disposal	Office Moves	Paint Town Border Station	Pro Forma Adjustment
1	870	Dist. Operating and Supervision Engineering	\$ 143	\$ -	\$ -	\$ -	\$ -	\$ (143)
2	874	Dist. Mains & Services Expense	4,345	9,780	-	-	-	(14,126)
3	875	Dist. Measuring & Regulating Station Expense - General	-	-	-	-	344,922	(344,922)
4	878	Dist. Meter & House Regulator Expense	1,774	-	-	-	-	(1,774)
5	879	Dist. Customer Installation Expense	1,971	-	-	-	-	(1,971)
6	880	Dist. Other Expenses	3,931	-	-	-	-	(3,931)
7	887	Dist. Maint. of Mains	14,595	-	-	-	-	(14,595)
8	889	Maintenance of Measuring & Regulating Station Expense -General	175	-	-	-	-	(175)
9	890	Dist. Maint. of Measuring & Regulating Station Equip - Industrial	26	-	-	-	-	(26)
10	891	Maintenance of Measuring & Regulating Station - City Gate Check Stn.	1,742	-	-	-	-	(1,742)
11	892	Dist. Maint. of Services	143	-	-	-	-	(143)
12	893	Dist. Maint. of Meters & House Regulators	1,685	-	-	-	-	(1,685)
13	903	Customer Record & Collection Expense	1,640	-	-	-	-	(1,640)
14	923	Outside Services Employed	-	-	-	411,096	-	(411,096)
15	930.2	Miscellaneous General Expense	-	-	56,679	-	-	(56,679)
16								
17		Total	\$ 32,171	\$ 9,780	\$ 56,679	\$ 411,096	\$ 344,922	\$ (854,648)

- 19 (Note 1) This schedule reflects expenses charged to Operations & Maintenance for flooding cleanup, which are removed to reflect a normal base year.
20 (Note 2) This schedule reflects expenses charged to Operations & Maintenance for a construction damages, which are removed to reflect a normal base year.
21 (Note 3) This schedule reflects expenses charged to Operations & Maintenance for odorant disposal, which are removed to reflect a normal base year.
22 (Note 4) This schedule reflects expenses charged to Operations & Maintenance for office moves, which are removed to reflect a normal base year.
23 (Note 5) This schedule reflects expenses charged to Operations & Maintenance for painting town border stations, which are removed to reflect a normal base year.

BLACK HILLS NEBRASKA GAS, LLC
REMOVAL OF EXPENSES NOT APPROPRIATE FOR RECOVERY
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect III: 004.04B, C, D, E
Exhibit No. MCC-2
Schedule H-2

Line No.	FERC Acct	Account Description	(a) (Notes 1, 2) Base Year Advertising Expenses	(b) (Note 2) Base Year Dues Expense	(c) (Note 2) Base Year Charitable Expense	(d) (Note 2) Base Year Rebates & Promotional Expense	(e) (Note 2) Base Year Sponsorship Expense	(f) -(a) - (b) - (c) - (d) - (e) Total Expense Adjustment
1	850	Operation Supervision & Engineering	\$ -	\$ 1,843	\$ -	\$ -	\$ -	\$ (1,843)
2								
3	861	Maintenance Supervision & Engineering	-	64	-	-	-	(64)
4								
5	870	Dist. Operating and Supervision Engineering	2,612	1,353	-	-	-	(3,965)
6								
7	880	Dist. Ops. Other Expenses	1,415	171	-	-	500	(2,086)
8								
9	893	Dist. Maint. of Meters & House Regulators	-	-	-	-	-	-
10								
11	903	Customer Record & Collection Expense	-	-	-	-	-	-
12								
13	908	Customer Assistance Expense	-	409	-	-	-	(409)
14								
15	909	Informational & Instructional Advertising	17,193	-	-	-	-	(17,193)
16								
17	910	Miscellaneous Cust Serv & Inform Exp.	16	-	-	-	-	(16)
18								
19	912	Demonstrating & Selling Expense	4,913	2,402	1,223	-	-	(8,538)
20								
21	913	Advertising Expense	89,483	-	-	114,752	2,741	(206,976)
22								
23	916	Miscellaneous Sales Expense	-	-	-	-	-	-
24								
25	921	Office Supplies & Expense	1,450	103,864	-	-	540	(105,854)
26								
27	928	Regulatory Commission Expense	-	-	-	-	-	-
28								
29	930.1	General Advertising	281,410	-	-	-	130,747	(412,156)
30								
31	930.2	Misc. General Expense	14,648	3,086	-	-	-	(17,733)
32								
33		Total	\$ 413,139	\$ 113,192	\$ 1,223	\$ 114,752	\$ 134,528	\$ (776,834)
34								

35 (Note 1) Base Year Advertising Expense of \$67,912 is included as it is related to Human Resource Hiring, Regulatory Notices, or Safety.

36 (Note 2) The removal of expenses not appropriate for recovery is discussed in the direct testimony of Mr. Clevinger.

BLACK HILLS NEBRASKA GAS, LLC
REMOVAL OF GAS COSTS
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule H-3

Line No.	FERC Acct	Description	Reference	Accounts Recovered Through the PGA
1	804	Natural Gas City Gate Purchase	Stmt H Ln. 29 (a)	\$ 70,953,810
2				
3	805	Purchased Gas Expense	Stmt H Ln. 30 (a)	(2,419,037)
4				
5	805.1	Purchased Gas Cost Adjustments	Stmt H Ln. 31 (a)	5,499,380
6				
7	806	Purchased Gas Expense	Stmt H Ln. 32 (a)	-
8				
9	808.1	Withdrawals from Storage	Stmt H Ln. 34 (a)	10,881,933
10				
11	808.2	Gas Delivered to Storage	Stmt H Ln. 35 (a)	(9,373,035)
12				
13	812	Gas Used for Other Utility Operation	Stmt H Ln. 35 (a)	(17,200)
14				
15	813	Other Gas Supply Expense	Stmt H Ln. 37 (a)	-
16				
17		Total Gas Costs	Sum Ln.1 - Ln.15	<u>\$ 75,525,851</u>
18				

BLACK HILLS NEBRASKA GAS, LLC
WAGES AND SALARIES ADJUSTMENT FOR ANNUALIZATION OF DIRECT EMPLOYEES
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule H-4

Line No.	FERC Acct	Description	(a) Test Year Per Book Total	(b) (Note 1) Annualized Payroll	(c) (b) - (a) Payroll & Benefit Annualization Adjustment
1		Production and Gathering			
2		Operation			
3	754	Field Compressor Station Expense	\$ -	\$ -	\$ -
4	756	Field Measuring & Regulating Station Expense	-	-	-
5		Total Operation	\$ -	\$ -	\$ -
6					
7		Maintenance			
8	766	Maintenance of Field Measuring & Regulating Station Equipment	\$ -	\$ -	\$ -
9	767	Maintenance of Purification Equipment	-	-	-
10		Total Maintenance	\$ -	\$ -	\$ -
11					
12		Underground Storage Expense			
13		Operation			
14	816	Wells Expense	\$ -	\$ -	\$ -
15	817	Lines Expense	-	-	-
16	818	Compressor Station Expense	-	-	-
17	820	Storage - Measuring & Regulating Station Expense	-	-	-
18	821	Purification Expense	-	-	-
19		Total Operation	\$ -	\$ -	\$ -
20					
21		Maintenance			
22	830	Maintenance Supervision & Engineering	\$ -	\$ -	\$ -
23	832	Maintenance of Reservoirs & Wells	-	-	-
24	833	Maintenance of Lines	-	-	-
25	834	Maintenance of Compressor Station Equipment	-	-	-
26	835	Maintenance of Measuring & Regulating Station Equipment	-	-	-
27	836	Maintenance of Purification Equipment	-	-	-
28		Total Maintenance	\$ -	\$ -	\$ -
29					
30		Transmission Expense			
31		Operation			
32	850	Operation Supervision & Engineering	\$ -	\$ -	\$ -
33	851	System Control & Load Dispatching	396	422	25
34	852	Communication System Expense	-	-	-
35	853	Compressor Labor & Expense	-	-	-
36	856	Mains Expense	412	439	26
37	857	Measuring & Regulating Station Expense	106	113	7
38	859	Other Expenses	2,705	2,877	172
39	860	Rents	-	-	-
40		Total Operation	\$ 3,620	\$ 3,851	\$ 231
41					
42		Maintenance			
43	861	Maintenance Supervision & Engineering	\$ -	\$ -	\$ -
44	862	Maintenance of Structures & Improvements	-	-	-
45	863	Maintenance of Mains	3,037	3,231	194
46	864	Maintenance of Compressor Station Equipment	-	-	-
47	865	Maintenance of Measuring & Regulating Station Equipment	-	-	-
48	866	Maintenance of Communication Equipment	132	141	8
49	867	Maintenance of Other Equipment	-	-	-
50		Total Maintenance	\$ 3,169	\$ 3,371	\$ 202
51					
52		Total Transmission Expense	\$ 6,789	\$ 7,222	\$ 433
53					
54		Distribution Expense			
55		Operation			
56	870	Dist. Operating and Supervision Engineering	\$ 1,958,993	\$ 2,217,375	\$ 258,382
57	871	Dist. Load Dispatching	-	-	-
58	872	Compressor Station Labor & Expense	-	-	-
59	874	Dist. Mains & Services Expense	4,254,742	4,950,430	695,688
60	875	Dist. Measuring & Regulating Station Expense - General	580,917	658,397	77,480
61	876	Dist. Measuring & Regulating Station Expense - Industrial	8,816	10,657	1,841
62	877	Measuring & Regulating Station Expense - City Gate Check Station	152,793	178,847	26,053
63	878	Dist. Meter & House Regulator Expense	1,311,023	1,500,125	189,102
64	879	Dist. Customer Installation Expense	888,405	1,005,643	117,237
65	880	Dist. Other Expenses	6,221,349	7,207,447	986,098
66	881	Dist. Rents	-	-	-
67		Total Operation	\$ 15,377,038	\$ 17,728,919	\$ 2,351,881

BLACK HILLS NEBRASKA GAS, LLC
WAGES AND SALARIES ADJUSTMENT FOR ANNUALIZATION OF DIRECT EMPLOYEES
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule H-4

Line No.	FERC Acct	Description	(a) Test Year Per Book Total	(b) (Note 1) Annualized Payroll	(c) (b) - (a) Payroll & Benefit Annualization Adjustment
68					
69		Maintenance			
70	885	Dist. Maint Supervision & Engineering	\$ -	\$ -	\$ -
71	886	Maintenance of Structures & Improvements	-	-	-
72	887	Dist. Maint. of Mains	418,617	458,416	39,798
73	888	Dist. Maint. of Compressor Station Equipment	7,279	8,293	1,014
74	889	Maintenance of Measuring & Regulating Station Expense -General	140,672	156,738	16,066
75	890	Dist. Maint. of Measuring & Regulating Station Equip - Industrial	59,123	65,759	6,635
76	891	Maintenance of Measuring & Regulating Station Expense - City Gate Check Station	226,976	250,388	23,412
77	892	Dist. Maint. of Services	332,849	379,917	47,068
78	893	Dist. Maint. of Meters & House Regulators	581,856	662,150	80,293
79	894	Dist. Maint. of Other Equipment	103,474	122,700	19,226
80		Total Maintenance	\$ 1,870,847	\$ 2,104,361	\$ 233,514
81					
82		Total Distribution Expense	\$ 17,247,885	\$ 19,833,280	\$ 2,585,395
83					
84		Customer Account Expenses			
85		Operation			
86	901	Supervision	\$ 29,639	\$ 31,529	\$ 1,890
87	902	Meter Reading Expenses	488,903	559,880	70,977
88	903	Customer Record & Collection Expenses	366,619	410,254	43,634
89	904	Uncollectible Accounts	-	-	-
90	905	Misc Customer Accounts Expenses	33,586	35,801	2,215
91		Total Customer Account Expense	\$ 918,748	\$ 1,037,464	\$ 118,716
92					
93		Customer Service and Information Expenses			
94		Operation			
95	907	Supervision	\$ -	\$ -	\$ -
96	908	Customer Assistance Expenses	-	-	-
97	909	Informational/Instructional Advertising Exp.	-	-	-
98	910	Miscellaneous Cust Serv & Inform Exp.	-	-	-
99		Total Customer Srvc & Inform Exp.	\$ -	\$ -	\$ -
100					
101		Sales Expenses			
102		Operation			
103	911	Supervision	\$ -	\$ -	\$ -
104	912	Demonstrating and Selling Expenses	25,581	27,212	1,631
105	913	Advertising Expenses	1,945	2,298	353
106	916	Misc Sales Expenses	-	-	-
107		Total Sales Expense	\$ 27,526	\$ 29,510	\$ 1,984
108					
109		Administrative & General Expense			
110		Operation			
111	920	Administrative & General Salaries	\$ 634,762	\$ 688,308	\$ 53,547
112	921	Office Supplies & Expenses	195	224	29
113	922	Administrative Expenses Transferred-Cr	-	-	-
114	923	Outside Services Employed	-	-	-
115	924	Property Insurance	-	-	-
116	925	Injuries and Damages	-	-	-
117	926	Employee Pensions and Benefits	1,677,995	1,891,281	213,287
118	927	Franchise Requirements	-	-	-
119	928	Regulatory Commission Expenses	-	-	-
120	930.1	General Advertising Expense	-	-	-
121	930.2	Miscellaneous General Expenses	(64)	(72)	(9)
122	931	Rents	-	-	-
123		Total Operation	\$ 2,312,887	\$ 2,579,741	\$ 266,854
124					
125		Maintenance			
126	932	Maintenance of General Plant	\$ 722	\$ 769	\$ 46
127		Total Administrative & General Exp	\$ 2,313,610	\$ 2,580,510	\$ 266,900
128					
129			\$ 20,514,558	\$ 23,487,986	\$ 2,973,428
130					

131 (Note 1) The Company calculated its annual pro forma period costs (including benefits, incentives and base pay) for each of the 375 direct employees.

**BLACK HILLS NEBRASKA GAS, LLC
EMPLOYEE BENEFITS ADJUSTMENT
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Exhibit No. MCC-2
Schedule H-5**

Line No.	FERC Acct	Description	(a) Base Year Per Books	(b) Pro Forma (Note 1) (2018-2020) Average	(c) Adjustment
1		Benefits Plan:			
2	926	Retiree Healthcare Net Periodic Expense and Administrative Costs	\$ 835,847	\$ 820,368	\$ (15,480)
3					
4	926	Retiree Healthcare Plan Costs (amortization of Regulated Assets)	\$ 287,461	\$ 201,919	\$ (85,541)
5					
6		Pension:			
7	926	Pension Plan Net Periodic Expense and Administrative Costs	\$ 782,086	\$ 1,217,856	\$ 435,770
8					
9	926	Pension Plan Costs (amortization of Regulated Assets)	\$ 639,254	\$ 633,214	\$ (6,041)
10					
11		Total Benefits Adjustment	<u>\$ 2,544,648</u>	<u>\$ 2,873,356</u>	<u>\$ 328,708</u>

12
13 (Note 1) The three year average is comprised of actual expenses for 2018 & 2019 as well as the forecasted expense for 2020 as provided by our actuaries.

BLACK HILLS NEBRASKA GAS, LLC
INTERCOMPANY CHARGES FROM BLACK HILLS SERVICE COMPANY
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule H-6

			(a)	(b)	(c)	(d)	(e)
			(Note 2)				
Line No.	FERC Acct	Account Description	Base Year	2020 CAM Factors	Add 2021 CAM Factors Update from 2020 Capital Expenditures	Merit Adjustment	Headcount Adjustment
1	850	Operation Supervision & Engineering	\$ 154,995	\$ 3,157	\$ (770)	\$ -	\$ -
2							
3	851	System Control & Load Dispatching	671	17	(4)	-	-
4							
5	859	Other Expenses	62,427	1,188	(283)	-	-
6							
7	861	Maintenance Supervision & Engineering	17,231	541	(130)	-	-
8							
9	863	Maintenance of Mains	91	(0)	-	-	-
10							
11	866	Maintenance of Communication Equipment	2	0	(0)	-	-
12							
13	870	Dist. Operating and Supervision Engineering	1,658,970	4,826	(892)	-	-
14							
15	871	Dist. Load Dispatching	963	-	-	-	-
16							
17	874	Oper./Inspect Underground Dist. Mains - Gas	9,057	33	(7)	-	-
18							
19	875	Dist. Measuring & Regulating Station Expense - General	-	-	-	-	-
20							
21	878	Oper./Inspect Meters & Collect Data - Gas	891	4	(1)	-	-
22							
23	880	Dist. Ops. Other Expenses	693,056	450	(104)	-	-
24							
25	881	Dist. Oper. Rents	21,879	4	(1)	-	-
26							
27	887	Perf. Underground Distribution Line Maintenance - Gas	(847)	(3)	1	-	-
28							
29	888	Dist. Maint. of Compressor Station Equipment	271	(1)	(0)	-	-
30							
31	893	Dist. Maint. of Meters & House Regulators	323,883	(1,113)	(29)	-	-
32							
33	901	Customer Accounts Supervision	219,095	2,828	2	-	-
34							
35	902	Meter Reading Expense	16,827	83	(0)	-	-
36							
37	903	Customer Record & Collection Expense	5,272,641	49,578	641	-	-
38							
39	905	Miscellaneous Customer Accounts Expense	135,483	2,788	87	-	-
40							
41	907	Supervision	101,806	1,223	-	-	-
42							
43	908	Customer Assistance Expense	131,933	946	(77)	-	-
44							
45	909	Informational/Instructional Advertising Expense	12,161	14	(7)	-	-
46							

BLACK HILLS NEBRASKA GAS, LLC
INTERCOMPANY CHARGES FROM BLACK HILLS SERVICE COMPANY
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule H-6

			(a)	(b)	(c)	(d)	(e)
			(Note 2)				
Line No.	FERC Acct	Account Description	Base Year	2020 CAM Factors	Add 2021 CAM Factors Update from 2020 Capital Expenditures	Merit Adjustment	Headcount Adjustment
47	910	Miscellaneous Cust Serv & Inform Expense	1,343	(30)	0	-	-
48							
49	912	Demonstrating and Selling Expense	356,300	1,398	(147)	-	-
50							
51	913	Advertising Expenses	88,596	98	(15)	-	-
52							
53	916	Miscellaneous Sales Expense	326	1	(0)	-	-
54							
55	920	Administrative & General Salaries	10,426,511	476,978	11,684	279,873	1,496,697
56							
57	921	Office Supplies & Expense	3,125,876	132,487	6,913	-	-
58							
59	922	Administrative Expense Transferred-Cr	(2,251,200)	-	-	-	-
60							
61	923	Outside Services Employed	2,740,730	152,714	10,195	-	-
62							
63	924	Property Insurance	28,949	69	6	-	-
64							
65	925	Injuries and Damages	1,082,857	81,751	6,450	-	-
66							
67	926	Employee Pensions and Benefits	3,584,488	1,241,103	(6,359)	144,128	897,270
68							
69	929	Duplicate Charges - Credit	(1,240)	(31)	1	-	-
70							
71	930.1	General Advertising Expense	266,759	(416)	(1,752)	-	-
72							
73	930.2	Miscellaneous General Expense	708,149	46,175	2,771	-	-
74							
75	931	Rents	2,264,118	172,541	28,755	-	-
76							
77	932	Maintenance of General Plant	1,603,530	128,046	6,780	-	-
78							
79		Total Costs	<u>\$ 32,859,578</u>	<u>\$ 2,499,451</u>	<u>\$ 63,707</u>	<u>\$ 424,001</u>	<u>\$ 2,393,967</u>

81 (Note 1) Removed pro forma adjusted balances in accounts 930.1 and 913 related to advertising.
82 (Note 2) These expenses are a combination of Assigned, Distributed and indirect allocated
83 charges to Black Hills Nebraska Gas Utility Company and Black Hills Nebraska Gas Distribution
84 from Black Hills Service Company without any additional fees. All costs are charged to Black Hills
85 Nebraska as the costs are incurred by Black Hills Service Company.
86 The allocation methods for indirect charges are described in the Cost Allocation Manual.

BLACK HILLS NEBRASKA GAS, LLC
INTERCOMPANY CHARGES FROM BLACK HILLS SERVICE COMPANY
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule H-6

			(f)	(g)	(h)	(i)	(j)	(k)
Line No.	FERC Acct	Account Description	IT Initiatives	Trans Credit	FERC Software Adjustment	Facilities	Pro Forma Adjusted	Increase/ (Decrease)
47	910	Miscellaneous Cust Serv & Inform Expense	-	-	-	-	1,314	(30)
48								
49	912	Demonstrating and Selling Expense	-	-	-	-	357,552	1,252
50								
51	913	Advertising Expenses	Note 1	-	-	-	88,679	83
52								
53	916	Miscellaneous Sales Expense	-	-	-	-	327	1
54								
55	920	Administrative & General Salaries	-	-	-	-	12,691,743	2,265,233
56								
57	921	Office Supplies & Expense	558,975	-	-	-	3,824,250	698,375
58								
59	922	Administrative Expense Transferred-Cr	-	(397,271)	-	(477,346)	(3,125,817)	(874,617)
60								
61	923	Outside Services Employed	-	-	-	-	2,903,640	162,910
62								
63	924	Property Insurance	-	-	-	-	29,024	75
64								
65	925	Injuries and Damages	-	-	-	-	1,171,058	88,201
66								
67	926	Employee Pensions and Benefits	-	-	-	-	5,860,631	2,276,143
68								
69	929	Duplicate Charges - Credit	-	-	-	-	(1,270)	(30)
70								
71	930.1	General Advertising Expense	Note 1	-	-	-	264,592	(2,168)
72								
73	930.2	Miscellaneous General Expense	-	-	-	-	757,095	48,946
74								
75	931	Rents	-	-	-	496,095	2,961,509	697,391
76								
77	932	Maintenance of General Plant	-	-	(98,215)	-	1,640,141	36,611
78								
79		Total Costs	<u>\$ 558,975</u>	<u>\$ (397,271)</u>	<u>\$ (98,215)</u>	<u>\$ 18,749</u>	<u>\$ 38,322,943</u>	<u>\$ 5,463,365</u>

81 (Note 1) Removed pro forma adjusted balances in accounts 930.1 and 913 related to advertising.
82 (Note 2) These expenses are a combination of Assigned, Distributed and indirect allocated
83 charges to Black Hills Nebraska Gas Utility Company and Black Hills Nebraska Gas Distribution
84 from Black Hills Service Company without any additional fees. All costs are charged to Black Hills
85 Nebraska as the costs are incurred by Black Hills Service Company.
86 The allocation methods for indirect charges are described in the Cost Allocation Manual.

BLACK HILLS NEBRASKA GAS, LLC
BAD DEBT ADJUSTMENT
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule H-7

Line No.	Description	Reference	Amount
1	Calendar Year 2017 Net Write-Offs		\$ 641,877
2	Calendar Year 2018 Net Write-Offs		771,643
3	Calendar Year 2019 Net Write-Offs		519,241
4	Total Net Write-Offs		<u>\$ 1,932,762</u>
5			
6	Average Net Write Offs		\$ 644,254
7			
8	Billed Revenue - Calendar Year 2017		\$ 141,184,429
9	Billed Revenue - Calendar Year 2018		151,735,026
10	Billed Revenue - Calendar Year 2019		146,161,049
11			<u>146,360,168</u>
12	Average Billed Revenue (2017 - 2019)		\$ 146,360,168
13			
14	Average Effective Uncollectible Rate (3 year average)	Ln.6 / Ln.12	0.4402%
15			
16	Adjusted Revenue	Stmt M Ln. 5 (e)	\$ 158,348,235
17			
18	Net Write Off Calculated		\$ 697,023
19			
20	FERC 904	Stmt H Ln. 123 (a)	\$ 519,241
21			<u>519,241</u>
22	Total Adjustment		<u><u>\$ 177,782</u></u>

**BLACK HILLS NEBRASKA GAS, LLC
 ALTERNATIVE FORMS OF PAYMENT ADJUSTMENT
 FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Exhibit No. MCC-2
 Schedule H-8**

Line No.	FERC Acct	Description	(a) Per Book	(b) Pro Forma Adjusted	(a) Pro Forma Adjusted
1	903	Customer Record & Collection Expenses	\$ -	\$ 243,387	<u>\$ 243,387</u>
2					
3		(Note 1) The alternative forms of payment adjustment extends the convenience of customers paying their bills by credit card to all customers.			

BLACK HILLS NEBRASKA GAS, LLC
SYNERGY REGULATORY ASSETS AMORTIZATION ADJUSTMENT
FOR THE BASE YEAR ENDED DECEMBER 31, 2019

Exhibit No. MCC-2
Schedule H-9

(Note 1)

Line No.	FERC Acct	Description	FERC Description	Reference	Amount
1		Synergy Regulatory Asset balance		Application No. NG-0084	\$ 850,705
2					
3		Amortization Period		4 Years	<u>4</u>
4					
5	926	Annual Amortization Amount	Employee Pensions and Benefits	Ln.1 ÷ Ln.3	<u>\$ 212,676</u>
6					

7 (Note 1) The acquisition severance adjustment stems from the 2016 acquisition of SourceGas, as discussed in the testimony of Michael Clevinger.

**BLACK HILLS NEBRASKA GAS, LLC
RESEARCH AND DEVELOPMENT ADJUSTMENT
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Exhibit No. MCC-2
Schedule H-10**

**(Note 1)
(c)**

Line No.	FERC Acct	Description	(a) Amount Per Customer	(b) Average Number of Customers	(c) Pro Forma Adjustment
1	930.2	Miscellaneous General Expense	\$ 0.50	285,707	\$ <u>142,854</u>
2					
3		(Note 1) Operations Technology Development (OTD) membership dues are based upon the number of customers.			

**BLACK HILLS NEBRASKA GAS, LLC
LINE LOCATE ADJUSTMENT
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Exhibit No. MCC-2
Schedule H-11**

Line No.	FERC Acct	Account Description	(a) Base Year Expense	(b) (Note 1) External Locates Moving to Internal	(c) (Note 2) External Locates Price Increase	(d) Test Year Expense	(e) Total Expense Adjustment
1	874	Oper./Inspect Underground Dist. Mains - Gas	\$ 6,687,347	\$ (248,193)	\$ 410,191	\$ 6,849,346	\$ 161,999
2							
3		Total	<u>\$ 6,687,347</u>	<u>\$ (248,193)</u>	<u>\$ 410,191</u>	<u>\$ 6,849,346</u>	<u>\$ 161,999</u>
4							
5		(Note 1) Reduction in expense due to line locates in Columbus, Norfolk, and York performed by employees instead of external contractor.					
6		(Note 2) Increase in expense due to price increase from external contractor for the Lincoln service area.					

BLACK HILLS NEBRASKA GAS, LLC
FLEET DEPRECIATION ADJUSTMENT
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Line No.	FERC Acct	Account Description	Base Year Vehicle Loadings	(Note 1) Pro Forma Adjusted
1	754	Field Compressor Station Expense	\$ -	\$ -
2	756	Field Measuring & Regulating Station Expense	-	-
3	764	Maintenance of Field Lines	-	-
4	766	Maintenance of Field Measuring & Regulating Station Equipment	-	-
5	767	Maintenance of Purification Equipment	-	-
6	814	Operation Supervision & Engineering	-	-
7	816	Wells Expense	-	-
8	817	Lines Expense	-	-
9	818	Compressor Station Expense	-	-
10	820	Storage - Measuring & Regulating Station Expense	-	-
11	821	Purification Expense	-	-
12	830	Maintenance Supervision & Engineering	-	-
13	832	Maintenance of Reservoirs & Wells	-	-
14	833	Maintenance of Lines	-	-
15	834	Maintenance of Compressor Station Equipment	-	-
16	835	Maintenance of Measuring & Regulating Station Equipment	-	-
17	836	Maintenance of Purification Equipment	-	-
18	850	Operation Supervision & Engineering	975	(42)
19	851	System Control & Load Dispatching	112	(5)
20	852	Communication System Expenses	-	-
21	853	Compressor Labor & Expense	-	-
22	856	Mains Expense	47	(2)
23	857	Measuring & Regulating Station Expense	17	(1)
24	859	Other Expenses	1,106	(47)
25	860	Rents	-	-
26	861	Maintenance Supervision & Engineering	1,129	(48)
27	862	Maintenance of Structures & Improvements	-	-
28	863	Maintenance of Mains	412	(18)
29	864	Maintenance of Compressor Station Equipment	-	-
30	865	Maintenance of Measuring & Regulating Station Equipment	-	-
31	866	Maintenance of Communication Equipment	-	-
32	867	Maintenance of Other Equipment	-	-
33	870	Dist. Operating and Supervision Engineering	425,450	(18,212)
34	871	Dist. Load Dispatching	28	(1)
35	874	Oper./Inspect Underground Dist. Mains - Gas	783,160	(33,524)
36	875	Dist. Measuring & Regulating Station Expense - General	112,813	(4,829)
37	876	Dist. Measuring & Regulating Station Expense - Industrial	3,783	(162)
38	877	Measuring & Regulating Station Expense - City Gate Check Station	26,298	(1,126)
39	878	Oper./Inspect Meters & Collect Data - Gas	271,037	(11,602)
40	879	Dist. Customer Installation Expense	167,122	(7,154)
41	880	Dist. Ops. Other Expenses	1,319,952	(56,502)
42	885	Dist. Maint. Supervision & Engineering	-	-
43	886	Maintenance of Structures & Improvements	-	-
44	887	Perf. Underground Distribution Line Maintenance - Gas	77,879	(3,334)
45	888	Dist. Maint. of Compressor Station Equipment	130	(6)
46	889	Maintenance of Measuring & Regulating Station Expense -General	30,577	(1,309)
47	890	Dist. Maint. of Measuring & Regulating Station Equip - Industrial	9,384	(402)
48	891	Maintenance of Measuring & Regulating Station - City Gate Check Stn.	46,206	(1,978)
49	892	Dist. Maint. of Services	72,438	(3,101)
50	893	Dist. Maint. of Meters & House Regulators	173,494	(7,427)
51	894	Dist. Maint. of Other Equipment	25,533	(1,093)
52	901	Customer Accounts Supervision	7,660	(328)
53	902	Meter Reading Expense	128,571	(5,504)
54	903	Customer Record & Collection Expense	95,308	(4,080)
55	905	Miscellaneous Customer Accounts Expense	5,442	(233)
56	907	Supervision	82	(4)
57	908	Customer Assistance Expense	709	(30)
58	910	Miscellaneous Cust Serv & Inform Expense	2	(0)
59	911	Supervision	-	-
60	912	Demonstrating and Selling Expense	5,388	(231)
61	921	Office Supplies & Expense	-	-
62	930.2	Miscellaneous General Expense	1,348	(58)
63	932	Maintenance of General Plant	118	(5)
64				
65		Total Costs	<u>\$ 3,793,710</u>	<u>\$ (162,394)</u>
66				
67				
68		Fleet Depreciation Expense adjustment from Statement J (Line 22 & 23)		\$ (269,127)
69		Below The Line Vehicle loading Capitalization rate		39.66%
70		Capitalized amount (Line 68 x Line 69)		\$ (106,733)
71		O&M amount (Line 68 - Line 70)		\$ (162,394)
72				
73				
74				

(Note 1) This schedule reflects the calculation on Statement J for the portion of depreciation expense charged to Operation & Maintenance.

BLACK HILLS NEBRASKA GAS, LLC
OPERATING REVENUE
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Statement I

Line No.		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
	Operating Revenue	Base Year Revenues	Exclude Unbilled/Other Revenues	Exclude Discontinued Revenues	Billing Determinant Synchronization Adj. to I-1 (Ln. 1)	Customer Revenue Adj. 1-1 (Ln. 2)	Customer Class Adj. 1-1 (Ln. 3)	Remove Gas Cost Adjustment	Weather Normalization Adj. 1-1 (Ln. 5)	Incremental Growth Adj. 1-1 (Ln. 6)	Agriculture Revenue Adj. 1-1 (Ln. 10)	Pipeline Replacement Adj. 1-1 (Ln. 7)	2020 Safety & Integrity (SSIR) Adj. 1-1 (Ln. 8)	Fuel Line Replacement Adj. 1-1 (Ln. 9)	Non-Regulated Revenue Credit 1-2	Sum (a - n) Pro Forma Adjusted Total
1	Base Revenues - Jurisdictional															
2	480-482, 489 Sales of Gas - Jurisdictional	\$ 118,394,409	\$ -	\$ -	\$ 64,984	\$ 671,223	\$ (207,142)	\$ -	\$ (4,118,020)	\$ 898,797	\$ -	\$ 393,733	\$ (692,726)	\$ (105,688)	\$ -	\$ 115,299,571
3	480-482, 489 Sales of Gas - Unbilled	(2,221,036)	2,221,036	-	-	-	-	-	-	-	-	-	-	-	-	-
4	480-482 Sales of Gas - PGA	77,344,023	-	-	-	-	-	(77,344,023)	-	-	-	-	-	-	-	-
5	496 Provision for Rate Refunds - Jurisdictional	(3,156,985)	3,156,985	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Total Base Revenues - Jurisdictional	\$ 190,360,412	\$ 5,378,021	\$ -	\$ 64,984	\$ 671,223	\$ (207,142)	\$ (77,344,023)	\$ (4,118,020)	\$ 898,797	\$ -	\$ 393,733	\$ (692,726)	\$ (105,688)	\$ -	\$ 115,299,571
7																
8	Base Revenues - Non-Jurisdictional															
9	480-482, 489 Sales of Gas - Non-Jurisdictional	\$ 23,448,674	\$ -	\$ -	\$ (140)	\$ 191,442	\$ 207,142	\$ -	\$ -	\$ -	\$ 2,164,749	\$ -	\$ -	\$ -	\$ -	\$ 26,011,867
10	480-482 Sales of Gas - PGA	560,397	-	-	-	-	-	(560,397)	-	-	-	-	-	-	-	-
11	489 Transportation Revenue - Unbilled	254,003	(254,003)	-	-	-	-	-	-	-	-	-	-	-	-	-
12	496 Provision for Rate Refunds - Non-Jurisdictional	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Total Base Revenues - Non-Jurisdictional	\$ 24,263,074	\$ (254,003)	\$ -	\$ (140)	\$ 191,442	\$ 207,142	\$ (560,397)	\$ -	\$ -	\$ 2,164,749	\$ -	\$ -	\$ -	\$ -	\$ 26,011,867
14																
15	Subtotal Base Revenues - Jurisdictional & Non-Jurisdictional	\$ 214,623,486	\$ 5,124,018	\$ -	\$ 64,844	\$ 862,666	\$ -	\$ (77,904,421)	\$ (4,118,020)	\$ 898,797	\$ 2,164,749	\$ 393,733	\$ (692,726)	\$ (105,688)	\$ -	\$ 141,311,438
16																
17	Other Revenues															
18	483 Sales for Resale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	487 Forfeited Discounts	715,622	-	-	-	-	-	-	-	-	-	-	-	-	-	715,622
20	488 Miscellaneous Service Revenues	2,910,285	-	-	-	-	-	-	-	-	-	-	-	-	-	2,910,285
21	493 Rent From Gas Property	1,000	-	(1,000)	-	-	-	-	-	-	-	-	-	-	1,023,704	1,023,704
22	495 Other Gas Revenues	653,820	-	-	-	-	-	-	-	-	-	-	-	-	-	653,820
23	Total Other Operating Revenue	\$ 4,280,727	\$ -	\$ (1,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,023,704	\$ 5,303,431
24																
25	Total Gas Operating Revenue	\$ 218,904,213	\$ 5,124,018	\$ (1,000)	\$ 64,844	\$ 862,666	\$ -	\$ (77,904,421)	\$ (4,118,020)	\$ 898,797	\$ 2,164,749	\$ 393,733	\$ (692,726)	\$ (105,688)	\$ 1,023,704	\$ 146,614,868

BLACK HILLS NEBRASKA GAS, LLC
SUMMARY OF REVENUE ADJUSTMENTS
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule I-1
Section 3, Exhibit B
Page 1 of 1

	A	B	C	D	E	F	G	H	I
Line No.	Description	Total State	Jurisdictional	BH Gas Utility	BH Gas Distribution	Non-Jurisdictional	BH Gas Utility	BH Gas Distribution	Reference
<u>1. Base Rate Revenue</u>									
1	Base Year Revenue - \$	141,907,927	118,459,393	77,584,534	40,874,859	23,448,534	9,184,807	14,263,727	Stmt I col (d)
2	Customer Revenue Adjustments - \$	862,666	671,223	649,513	21,711	191,442	232,888	(41,446)	Stmt I col (e)
3	Customer Class Realignment - \$	-	(207,142)	-	(207,142)	207,142	-	207,142	Stmt I col (f)
4	Adjusted Revenue - \$	142,770,592	118,923,474	78,234,047	40,689,428	23,847,118	9,417,695	14,429,423	
5	Weather Normalization - \$	(4,118,020)	(4,118,020)	(2,903,341)	(1,214,679)	-	-	-	Stmt I col (h)
6	Growth - \$	898,797	898,797	723,520	175,277	-	-	-	Stmt I col (i)
7	Pipeline Replacement Adjustment - \$	393,733	393,733	393,733	-	-	-	-	Stmt I col (k)
8	2020 Safety and Integrity (SSIR) Adjustment - \$	(692,726)	(692,726)	-	(692,726)	-	-	-	Stmt I col (l)
9	Fuel Line Replacement Adjustment - \$	(105,688)	(105,688)	(105,688)	-	-	-	-	Stmt I col (m)
10	Agricultural Adjustment - \$	2,164,749	-	-	-	2,164,749	-	2,164,749	Stmt I col (j)
11	Total Adjusted Revenue - \$	141,311,438	115,299,571	76,342,271	38,957,300	26,011,867	9,417,695	16,594,172	

**BLACK HILLS NEBRASKA GAS, LLC
NON-REGULATED ALLOCATED ADJUSTMENT
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Exhibit No. MCC-2
Schedule I-2**

Line No.	Revenue Requirement Components	Reference	(a) Non-Utility Allocated Adjustment	(b) (Note 1) Adjusted Total
1				
2	Gross Plant	Sched I-2 Pg. 2 Ln. 24 + 40 (a)	\$ 8,666,614	
3	Accumulated Reserve	Sched I-2 Pg. 2 Ln. 24 + 40 (d)	(2,239,621)	
4	Accumulated Deferred Income Tax (ADIT)	Sched I-2 Pg. 2 Ln. 24 + 40 (g)	(470,401)	
5	Rate Base		<u>\$ 5,956,593</u>	
6				
7	Interest Expense	Ln. 5 x Stmt G Ln. 16 (d)	\$ 122,408	
8	Equity Return	Ln. 5 x Stmt G Ln. 18 (d)	\$ 297,830	
9				
10	Depreciation Expense	Sched I-2 Pg. 2 Ln. 24 + 40 (c)	\$ 473,146	
11				
12	Property Taxes	Ln 2 x Property Tax Rate (Note 2)	\$ 49,400	
13				
14	Income Tax Expense	Ln 8 x (((1-0.0781) x (0.21)) + 0.0781)	\$ 80,920	
15				
16	Revenue Requirement / Credit	Sum Ln.7 through Ln.14	\$ 1,023,704	\$ 1,023,704
17				
18	Total Gas Revenue Adjustment		<u>\$ 1,023,704</u>	<u>\$ 1,023,704</u>
19				
20	(Note 1) Revenue credit associated with the non-regulated use of Nebraska Gas, LLC assets.			
21	(Note 2) Property Tax Rate is the calculation of 2019 property taxes divided by 2019 plant in service.			
22	Property Tax Rate = 0.0057			

BLACK HILLS NEBRASKA GAS, LLC
NON-REGULATED USE OF ASSETS ADJUSTMENT
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule I-2 Pg. 2

Line No.	Schedule Reference	(a) Plant in Service	(b) 1 Year Depreciation Rate (Note 1)	(c) (a) * (b) Book Depreciation Expense	(d) Accumulated Depreciation Adjustment	(e) MACRS HY Convnt	(f) Tax Depreciation Rate	(g) Tax Basis Depreciation	(h) (g) - ((a)-(d)) Difference	(i) Tax Rate	(j) (h) * (i) Ending Deferred Tax	(k) Deferred Tax Adjustment
1												
2	Remove Non-Regulated Use of Assets											
3	Revenue Credit (Schedule I-9)											
4	387	\$ 57,081	2.06%	\$ 1,176	\$ 97,001	PowerTax	PowerTax	\$ -	\$ 39,920	27.17%	\$ 10,846	\$ 10,846.15
5	389.01	255,293	0.00%	-	(2,068)	PowerTax	PowerTax	313,156	55,795	27.17%	15,159	15,159
6	390.01	1,873,006	2.98%	55,816	10,807	PowerTax	PowerTax	1,786,715	(75,484)	27.17%	(20,509)	(20,509)
7	390.51	4,561	9.28%	423	(5,207)	PowerTax	PowerTax	4,423	(5,346)	27.17%	(1,452)	(1,452)
8	391.01	20,873	4.98%	1,039	(7,490)	PowerTax	PowerTax	2,638	(25,725)	27.17%	(6,990)	(6,990)
9	391.03	27,347	19.77%	5,407	(34,688)	PowerTax	PowerTax	17,108	(44,927)	27.17%	(12,207)	(12,207)
10	391.04	8,335	0.18%	15	(31,083)	PowerTax	PowerTax	61	(39,356)	27.17%	(10,693)	(10,693)
11	391.07	29,962	20.00%	5,992	3,163	PowerTax	PowerTax	26,000	(799)	27.17%	(217)	(217)
12	392.01	-	0.00%	-	370,029	PowerTax	PowerTax	18,842	388,870	27.17%	105,656	105,656
13	392.02	542,971	9.87%	53,591	498,908	PowerTax	PowerTax	431,132	387,069	27.17%	105,166	105,166
14	392.03	2,459,849	7.00%	172,189	442,640	PowerTax	PowerTax	348,732	(1,668,477)	27.17%	(453,324)	(453,324)
15	392.04	27,877	12.56%	3,501	5,899	PowerTax	PowerTax	5,743	(16,235)	27.17%	(4,411)	(4,411)
16	392.05	430,082	4.76%	20,472	181,698	PowerTax	PowerTax	36,196	(212,187)	27.17%	(57,651)	(57,651)
17	392.06	114,558	6.59%	7,549	15,689	PowerTax	PowerTax	4,242	(94,628)	27.17%	(25,710)	(25,710)
18	393	1,381	4.00%	55	376	PowerTax	PowerTax	65	(939)	27.17%	(255)	(255)
19	394	434,929	3.95%	17,180	133,075	PowerTax	PowerTax	110,989	(190,864)	27.17%	(51,858)	(51,858)
20	395	4,351	4.61%	201	2,390	PowerTax	PowerTax	(4,860)	(6,821)	27.17%	(1,853)	(1,853)
21	396	807,252	3.83%	30,918	407,025	PowerTax	PowerTax	273,543	(126,684)	27.17%	(34,420)	(34,420)
22	397	118,451	6.66%	7,889	92,922	PowerTax	PowerTax	5,034	(20,495)	27.17%	(5,568)	(5,568)
23	398	8,701	5.00%	435	13,886	PowerTax	PowerTax	(11,003)	(5,818)	27.17%	(1,581)	(1,581)
24	Total Non-Regulated Use of Assets 12/31/19	\$ 7,226,861		\$ 383,849	\$ 2,194,972			\$ 3,368,756	\$ (1,663,134)		\$ (451,872)	\$ (451,872)

Line No.	Schedule Reference	(a) Plant in Service	(b) 1 Year Depreciation Rate (Note 1)	(c) (a) * (b) Book Depreciation Expense	(d) Accumulated Depreciation Adjustment	(e) MACRS HY Convnt	(f) Tax Depreciation Rate	(g) Tax Basis Depreciation	(h) (c) - (g) Difference	(i) Tax Rate	(j) (h) * (i) Ending Deferred Tax	(k) Deferred Tax Adjustment
29												
30												
31	Non-Regulated Use of Assets Plant Additions											
32	Revenue Credit (Schedule I-9)											
33	389.01	\$ 26,611	0.00%	\$ -	\$ -	None	0.00%	\$ -	\$ -	27.17%	\$ -	\$ -
34	390.01	203,211	2.98%	6,056	3,028	39 Year	1.39%	2,827	3,229	27.17%	877	439
35	390.51	-	9.28%	-	-	39 Year	1.39%	-	-	27.17%	-	-
36	391.01	2,419	4.98%	120	60	7 Yr HYC	14.29%	346	(225)	27.17%	(61)	(31)
37	391.03	2,419	19.77%	478	239	5 Yr HYC	20.00%	484	(6)	27.17%	(2)	(1)
38	391.04	26,693	0.18%	48	24	3 Yr SL	16.67%	4,449	(4,401)	27.17%	(1,196)	(598)
39	392.03	592,923	7.00%	41,505	20,752.29	5 Yr HYC	20.00%	118,585	(77,080)	27.17%	(20,943)	(10,471)
40	392.04	193,694	12.56%	24,328	12,164	5 Yr HYC	20.00%	38,739	(14,411)	27.17%	(3,915)	(1,958)
41	392.05	38,075	4.76%	1,812	906.18	5 Yr HYC	20.00%	7,615	(5,803)	27.17%	(1,577)	(788)
42	392.06	37,072	6.59%	2,443	1,222	5 Yr HYC	20.00%	7,414	(4,971)	27.17%	(1,351)	(675)
43	394	316,636	3.95%	12,507	6,254	7 Yr HYC	14.29%	45,234	(32,727)	27.17%	(8,892)	(4,446)
44	Total Non-Regulated Use of Asset Additions	\$ 1,439,753		\$ 89,298	\$ 44,649			\$ 225,691	\$ (136,394)		\$ (37,058)	\$ (18,529)

46 (Note 1) Composite depreciation rates as recommended in the depreciation study by Gannett Fleming, as found on Schedule J-1.

**BLACK HILLS NEBRASKA GAS, LLC
DEPRECIATION AND AMORTIZATION EXPENSE
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Exhibit No. MCC-2
Statement J**

Line No.	Description	Reference	(a) Test Year Depreciation Expense	(b) Depreciation/ Amortization Expense Base Year	(c) (a) - (b) Depreciation/ Amortization Adjustment
1	Depreciation				
2					
3	Intangible	Sched. J-1 Ln. 6 (e)	\$ 75,057	\$ 33,980	\$ 41,077
4					
5	Gathering and Processing Plant	(Note 2)	-	-	-
6					
7	Storage Plant	(Note 2)	-	-	-
8					
9	Transmission	Sched. J-1 Ln. 13 (e)	40,586	49,688	(9,102)
10					
11	Distribution	Sched. J-1 Ln. 33 (e)	18,103,068	19,753,043	(1,649,975)
12					
13	General (less Vehicles)	Sched. J-1 Ln. 59 (e) - Ln.22 (a)	2,097,454	868,501	1,228,953
14	Amortization of Unrecovered Reserve	Attachment MCC-4 Black Hills Nebraska Gas, LLC Depreciation Study - (\$1,060,862 / 5 yrs)	212,172	-	212,172
15					
16	Other Utility Plant-BHSC (less Vehicles)	Sched J-1 Ln. 69 (e)	2,841,311	3,331,474	(490,163)
17					
18	Total Other Utility Plant		\$ 2,841,311	\$ 3,331,474	\$ (490,163)
19					
20	Total Depreciation and Amort Expense less Vehicles	(Note 1)	\$ 23,369,648	\$ 24,036,687	\$ (667,038)
21					
22	Depreciation charged to O&M Accounts (Vehicles)	Sched J-1 Ln. 46 to 51 (e) + Sched J-1 Ln. 55 (e) + Sched J-1 Ln 72-76 (e)	\$ 2,441,182	\$ 2,712,861	\$ (271,679)
23	Depreciation charged to O&M Accounts (Vehicles)	Sched J-1 Ln. 77 (e)	102,895	100,343	2,552
24					
25	Total Depreciation and Amortization Expense	Ln. 20 + Ln.22 + Ln.23	\$ 25,913,725	\$ 26,849,891	\$ (936,166)

(Note 1) The Adjusted Depreciation Expense and Per Books amount includes the removal of fleet capitalization which is charged through the vehicle loadings process.

(Note 2) There was no plant in service in this category in the base year, and no subsequent additions anticipated in the test year.

BLACK HILLS NEBRASKA GAS, LLC
GAS PLANT IN SERVICE
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule J-1
(e)
(c) * (d)
(Note 4)
Adjusted
Depreciation
Expense

Line No.	FERC Acct	Description	(a) Adjusted Plant in Service (Sched D-1)	(b) Remove: Non-Depreciable Items	(c) (a) + (b) Depreciable Plant	(d) (Note 3) Plant Account Depreciation Rate	(e) (c) * (d) (Note 4) Adjusted Depreciation Expense
INTANGIBLE PLANT							
1							
2	301	Intangibles Organization	\$ 256	\$ (256)	\$ -		\$ -
3	302	Intangibles Franchises & Consents	121,062	-	121,062	0.58%	702
4	303	Intangibles Miscellaneous	742,881	-	742,881	6.61%	49,104
5	303.01	Intangibles Miscellaneous - Easements	500,000	-	500,000	5.05%	25,250
6		Total Intangible Plant	\$ 1,364,199	\$ (256)	\$ 1,363,943		\$ 75,057
7							
TRANSMISSION PLANT							
8							
9	365.03	Right-of-Way	\$ 170,272	\$ -	\$ 170,272	0.76%	\$ 1,294
10	366.01	Structures and Improvements	8,174	-	8,174	0.49%	40
11	367	Transmission Plant - Mains	5,361,147	-	5,361,147	0.49%	26,270
12	369.03	Transmission Plant - Meas. & Reg. Sta. Equip.	624,132	-	624,132	2.08%	12,982
13		Total Transmission Plant	\$ 6,163,725	\$ -	\$ 6,163,725		\$ 40,586
14							
DISTRIBUTION PLANT							
15							
16	374.01	Distribution Plant - Land	\$ 608,494	\$ (608,494)	\$ -		\$ -
17	374.02	Land Rights (Non-Depreciable)	1,724,268	(1,724,267.90)	-		-
18	374.03	Land Rights - Right of Way (Depreciable)	6,797,136	-	6,797,136	0.95%	64,573
19	375.01	Structures and Improvements	3,412,284	-	3,412,284	0.76%	25,933
20	375.20	Structures and Improvements - Other	12,119	-	12,119	2.14%	259
21	376	Distribution Plant - Mains	444,506,217	-	444,506,217	1.45%	6,445,340
22	378	Distribution Plant - Meas. & Reg. Sta. Equip. - General	25,407,197	-	25,407,197	2.71%	688,535
23	379	Measuring & Regulating Station Equip.- City Gate Check Stn.	5,952,374	-	5,952,374	1.41%	83,928
24	380	Distribution Plant - Services	154,387,443	-	154,387,443	3.54%	5,465,315
25	381	Meters	45,960,615	-	45,960,615	4.79%	2,201,513
26	382.01	Meter Installations	12,295,676	-	12,295,676	2.67%	328,295
27	383.01	Distribution Plant - House Regulators	73,600,998	-	73,600,998	3.26%	2,399,393
28	383.71	Distribution Plant - House Regulators - Farm Taps	1,043,532	-	1,043,532	2.49%	25,984
29	384.01	House regulator installations	1,553,793	-	1,553,793	1.21%	18,801
30	385	Industrial Measuring & Regulating Station Equipment	13,427,611	-	13,427,611	2.58%	346,432
31	386	Other Property on Customers' Premises	35,279	-	35,279	1.04%	367
32	387	Other Equipment	407,725	-	407,725	2.06%	8,399
33		Total Distribution Plant	\$ 791,132,761	\$ (2,332,761)	\$ 788,799,999		\$ 18,103,068
34							
GENERAL PLANT							
35							
36	389.01	Land	\$ 5,749,205	\$ (5,749,205)	\$ -		\$ -
37	389.02	Land Rights - Right of Way	1,331,607	(1,331,607.11)	-		-
38	390.01	Structures and Improvements	41,881,060	-	41,881,060	2.98%	1,248,056
39	390.51	Leasehold Improvements	93,091	-	93,091	9.28%	8,639
40	391.01	Office Machines	475,350	-	475,350	4.98%	23,672
41	391.02	Office Furniture	-	-	-		-
42	391.03	Computer Hardware	607,481	-	607,481	19.77%	120,099
43	391.04	Software	714,847	-	714,847	0.18%	1,287
44	391.05	System Development	-	-	-		-
45	391.07	Ipad Hardware	611,479	-	611,479	20.00%	122,296
46	392.01	Transportation Equipment	-	-	-		-
47	392.02	Cars	2,919,325	-	2,919,325	9.87%	288,137
48	392.03	Light Trucks	20,337,254	-	20,337,254	7.00%	1,423,608
49	392.04	Medium Trucks	1,524,755	-	1,524,755	12.56%	191,509
50	392.05	Heavy Trucks	3,274,142	-	3,274,142	4.76%	155,849
51	392.06	Trailers	1,041,429	-	1,041,429	6.59%	68,630
52	393	Stores Equipment	28,178	-	28,178	4.00%	1,127
53	394	Tools, Shop, and Garage Equipment	15,338,054	-	15,338,054	3.95%	605,853
54	395	Laboratory Equipment	88,803	-	88,803	4.61%	4,094
55	396	Power Operated Equipment	5,497,464	-	5,497,464	3.83%	210,553
56	397	Communication Equipment	846,080	-	846,080	6.66%	56,349
57	398	Miscellaneous Equipment	177,568	-	177,568	5.00%	8,878
58	399	Other Tangible Property	-	-	-		-
59		Total General Plant	\$ 102,537,170	\$ (7,080,812)	\$ 95,456,358		\$ 4,538,636

BLACK HILLS NEBRASKA GAS, LLC
GAS PLANT IN SERVICE
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule J-1
(e)
(c) * (d)
(Note 4)
Adjusted
Depreciation
Expense

Line No.	FERC Acct	Description	(a) Adjusted Plant in Service (Sched D-1)	(b) Remove: Non-Depreciable Items	(c) (a) + (b) Depreciable Plant	(d) (Note 3) Plant Account Depreciation Rate	(e) (c) * (d) (Note 4) Adjusted Depreciation Expense
60							
61		OTHER UTILITY PLANT (less Vehicles)					
62	118	Other Utility Plant (Corporate Shared Assets - Note 1a)	\$ 6,810,747	\$ -	\$ 6,810,747	5.75%	\$ 391,383
63	118	Other Utility Plant (Corporate Shared Assets - Note 1b)	5,637,556	-	5,637,556	8.27%	466,095
64	119	Other Utility Plant (Corporate Unrecovered Reserve - Note 1c)	1,671,161	-	1,671,161	10.00%	167,116
65	118	Other Utility Plant (Corporate Shared Assets - Note 2a)	8,094,533	-	8,094,533	7.72%	624,975
66	118	Other Utility Plant (Corporate Shared Assets - Note 2b)	1,413,652	-	1,413,652	5.21%	73,627
67	118	Other Utility Plant (Corporate Shared Assets - Note 2c)	4,734,353	-	4,734,353	13.55%	641,503
68	119	Other Utility Plant (Corporate Unrecovered Reserve - Note 2d)	4,766,125	-	4,766,125	10.00%	476,612
69		Total Other Utility Plant (less Vehicles)	\$ 33,128,126	\$ -	\$ 33,128,126		\$ 2,841,311
70							
71		OTHER UTILITY PLANT (Vehicles)					
72	118	Other Utility Plant (Corporate Shared Assets - Note 1a)	\$ 23,191	\$ -	\$ 23,191	9.30%	\$ 2,157
73	118	Other Utility Plant (Corporate Shared Assets - Note 1b)	28,252	-	28,252	7.14%	2,018
74	118	Other Utility Plant (Corporate Shared Assets - Note 2a)	580,355	-	580,355	9.70%	56,270
75	118	Other Utility Plant (Corporate Shared Assets - Note 2b)	80,963	-	80,963	9.61%	7,780
76	118	Other Utility Plant (Corporate Shared Assets - Note 2c)	370,763	-	370,763	9.35%	34,671
77		Total Other Utility Plant (Vehicles)	\$ 1,083,525	\$ -	\$ 1,083,525		\$ 102,895
78							
79		Total Gas Plant In Service	\$ 935,409,506	\$ (9,413,829)	\$ 925,995,676		\$ 25,701,553
80							

81 (Note 1a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated utilities per CAM.
82 (Note 1b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on customer count of all regulated gas utilities per CAM.
83 (Note 1c) Figure represents Other Utility Plant, Corporate Unrecovered Reserve allocated on customer count per CAM.
84 (Note 2a) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all entities per CAM.
85 (Note 2b) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated utilities per CAM.
86 (Note 2c) Figure represents Other Utility Plant, Corporate Shared Assets allocated on the blended ratio to all regulated gas utilities per CAM.
87 (Note 2d) Figure represents Other Utility Plant, Corporate Unrecovered Reserve allocated on general ratio per CAM.
88 (Note 3) Depreciation rates as recommended in the depreciation studies by Gamnett Fleming, presented in attachments MCC-4 and MCC-5.
89 (Note 4) Annual depreciation expense related to pro forma capital additions and adjustments.

**BLACK HILLS NEBRASKA GAS, LLC
COMPUTATION OF FEDERAL INCOME TAX
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Exhibit No. MCC-2
Statement K**

Line No.	Description	Reference	(a)	(b)	(c)
			Total Company Per Books	Adjustment to Per Books	(a) + (b) Adjusted
1	Operating Income Before Federal Income Taxes	Stmt. M Ln. 13	\$ 45,924,360	\$ (5,216,877)	\$ 40,707,483
2	Interest Expense		(11,043,220)	(1,031,686)	(12,074,906)
3	Pre-tax net operating income		\$ 34,881,140	\$ (6,248,563)	\$ 28,632,577
4	Tax Adjustments - Permanent Differences				
5	Fines & Penalties		\$ 454	\$ (454)	\$ -
6	Meals		333,210	-	333,210
7	Club Dues		24,532	(24,532)	-
8	Lobbying		20,809	(20,809)	-
9	Entertainment		16,172	(16,172)	-
10	PEP Life - Cash Surrender Value		(36,848)	36,848	-
11	Total Permanent Differences		\$ 358,330	\$ (25,120)	\$ 333,210
12					
13	Tax Adjustments - Temporary Differences				
14	DTA LT - VACATION:		\$ 102,042	\$ -	\$ 102,042
15	DTA LT - BAD DEBT RESERVE:		(4,913,707)	177,782	(4,735,924)
16	DTA LT - EMPLOYEE GROUP INSURANCE:		74,328	-	74,328
17	DTA LT - BONUS:		(253,021)	-	(253,021)
18	DTA LT - STIP BONUS:		-	-	-
19	DTA LT - AIP BONUS:		-	-	-
20	DTA LT - WORKMANS COMP:		(3,038)	-	(3,038)
21	DTA LT- BOWDOIN REGULATED LIABILITY:		-	-	-
22	DTA LT- OTHER CURRENT:		276	-	276
23	DTA LT-RETIREE HEALTHCARE:		-	-	-
24	DTA LT- PERFORMANCE PLAN:		(14,392)	-	(14,392)
25	DTA LT-LINE EXTENSION DEP GAS:		-	-	-
26	DTL LT-PENSION FAS 87:		(1,233,957)	429,729	(804,228)
27	DTA LT-FAS 106 RETIREE LIAB:		(436,494)	420,290	(16,204)
28	DTA LT - PUC FEES:		-	-	-
29	DTA LT - OPERATING LEASE:		(122,612)	122,612	(0)
30	DTA LT-RATE REFUND		(394,472)	394,472	0
31	DTA LT - LIABILITY FED NON-RATE BASE:		(930,906)	930,906	(0)
32	DTA LT-PGA LIAB:		(192,038)	192,038	-
33	DTA LT - GOODWILL AMORT:		(9,497,500)	-	(9,497,500)
34	DTA LT - LIABILITY FED PROPERTY:		1,404	(1,404)	0
35	DTA LT - DEFERRED COSTS GAS:		-	-	-
36	DTA LT - TRANSACTION COSTS:		-	-	-
37	DEF TAX PROPERTY LT-ACCELERATED DEP:		(9,967,153)	(22,885,485)	(32,852,638)
38	DTL LT - REG ASSET NONSERVICE :		(490,255)	490,255	(0)
39	DTL LT- BOWDOIN REGULATED ASSET:		5,225,804	(5,225,804)	-
40	DTL LT-REG RETIREE HEALTHCARE ASSET:		242,272	(242,272)	-
41	DTA LT-DEBT PREMIUM:		-	-	-
42	DTL LT - PREPAID EXPENSES:		-	-	-
43	DTA LT-DEFERRED REVENUE:		3,166,396	(3,166,396)	0
44	DTL LT-LT RATE CASE ASSET:		(339,662)	-	(339,662)
45	DTL LT-OPERATING LEASE:		121,337	(121,337)	0
46	DTL LT-REG PSC PENSION ASSET:		479,242	(479,242)	-
47	DTL LT - PGA ASSET:		619,962	(619,962)	(0)
48	DTL LT-GOODWILL AMORT:		(11,559,681)	-	(11,559,681)
49	Total Temporary Differences		\$ (30,315,824)	\$ (29,583,818)	\$ (59,899,642)
50					
51	Taxable Income (NOL)		\$ 4,923,646	\$ (35,857,501)	\$ (30,933,855)
52	Net Operating Loss		(4,923,646)	35,857,501	30,933,855
53	Taxable Income		\$ -	\$ -	\$ -
54					
55	Provision for Federal Income Tax:				
56	Federal Taxable Income		-	-	-
57	Total Federal Tax	21.00%	-	-	-
58					
59	Summary of Provision for Income Tax:				
60	Federal Income Tax		\$ -	\$ -	\$ -
61					
62	Deferred Income Taxes:				
63	Deferred Income Tax	27.17%	\$ 9,574,529	\$ (1,704,553)	\$ 7,869,975
64	ARAM Plant Protected EDFIT		-	-	-
65	ARAM NOL DDFIT		-	-	-
66	Total EDFIT Amortization		\$ -	\$ -	\$ -
67					
68	Total Income Tax		<u>\$ 9,574,529</u>	<u>\$ (1,704,553)</u>	<u>\$ 7,869,975</u>
69					
70	Interest Expense Sync with Rate Base:				
71	Total Rate Base	Stmt M Ln.27	\$ 525,867,609		\$ 586,160,478
72	X Wtd Cost of Debt	Stmt G Ln.9	2.10%		2.06%
73	Interest Expense		\$ 11,043,220		\$ 12,074,906
74					
75	Adjusted Interest Exp.		\$ 11,043,220		\$ 12,074,906

**BLACK HILLS NEBRASKA GAS, LLC
TAXES OTHER THAN FEDERAL INCOME TAX
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Exhibit No. MCC-2
Statement L**

Line No.	Description	(a) Reference	(b) Amount
1	FICA Tax		
2	Per Books		\$ 2,264,966
3	Out of Period adjustments		-
4	Pro Forma Adjustment	Sched L-1 Ln. 4	227,467
5	Adjusted Total		<u>\$ 2,492,433</u>
6			
7	Federal Unemployment Tax		
8	Per Books		\$ 23,120
9	Out of Period adjustments		-
10	Pro Forma Adjustment		-
11	Adjusted Total		<u>\$ 23,120</u>
12			
13	State Unemployment Tax		
14	Per Books		\$ 28,766
15	Out of Period adjustments		-
16	Pro Forma Adjustment		-
17	Adjusted Total		<u>\$ 28,766</u>
18			
19	State Sales & Use Tax		
20	Per Books		\$ (212,355)
21	Out of Period adjustments	Sched L-1 Ln. 7	231,473
22	Pro Forma Adjustment		-
23	Adjusted Total		<u>\$ 19,118</u>
24			
25	Property Taxes		
26	Per Books		\$ 3,909,166
27	Out of Period adjustments		235,859
28	Pro Forma Adjustment	Sched L-1 Ln. 13	515,300
29	Adjusted Total		<u>\$ 4,660,325</u>
30			
31	Miscellaneous Other Taxes		
32	Per Books		\$ 178
33	Out of Period adjustments		-
34	Pro Forma Adjustment		-
35	Adjusted Total		<u>\$ 178</u>
36			
37	TOTIT - Payroll Loading & Other		
38	Per Books		\$ (137,989)
39	Out of Period adjustments		-
40	Pro Forma Adjustment		-
41	Adjusted Total		<u>\$ (137,989)</u>
42			
43	Total Taxes Other Than Income		
44	Per Books		\$ 5,875,853
45	Out of Period adjustments		467,332
46	Pro Forma Adjustment		742,767
47	Adjusted Total		<u><u>\$ 7,085,952</u></u>

BLACK HILLS NEBRASKA GAS, LLC
TAXES OTHER THAN FEDERAL INCOME TAX
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Exhibit No. MCC-2
Schedule L-1

Line No.	Description	Reference	(a) Amount
1	<u>FICA Tax Adjustment</u>		
2	Net O&M Payroll Changes	Sched H-4 Ln.129	\$ 2,973,428
3	FICA Tax Rate		<u>7.65%</u>
4	Adjustment to FICA Tax	Ln. 2 x Ln. 3	\$ 227,467
5			
6	State Sales & Use Tax		
7	NE Advantage Act tax reduction in base period	Note 1	<u>\$ 231,473</u>
8	Total Sales & Use Tax adjustment		\$ 231,473
9			
10	<u>Property Tax Adjustment</u>		
11	Pro Forma Capital Additions	Stmt D Ln. 17 (c) - Ln. 15 (c)	\$ 90,403,376
12	Property to Gross Plant Factor		<u>0.5700%</u>
13	Pro Forma Adjustment	Ln. 11 x Ln. 12	\$ 515,300
14			
15	(Note 1) - This was a one-time reduction in 2019 relating to 2008-2009.		

**BLACK HILLS NEBRASKA GAS, LLC
OVERALL REVENUE REQUIREMENT
FOR THE TEST YEAR ENDING DECEMBER 31, 2020**

**Sect II: 004.03A
Exhibit No. MCC-2
Statement M
Page 1**

Line No.	Description	Reference	(a) Base Year 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	Total Sales - Jurisdictional	Stmt I Ln.6	\$ 190,360,412	\$ (75,060,842)	\$ 115,299,571	\$ 11,733,366	\$ 127,032,937
3	Total Sales - Non Jurisdictional	Stmt I Ln.13	24,263,074	1,748,793	26,011,867	-	26,011,867
4	Other Operating Revenue	Stmt I Ln.23	4,280,727	1,022,704	5,303,431	-	5,303,431
5	Total Operating Revenue		<u>\$ 218,904,213</u>	<u>\$ (72,289,345)</u>	<u>\$ 146,614,869</u>	<u>\$ 11,733,366</u>	<u>\$ 158,348,235</u>
6							
7	Operating Expenses						
8	Operation and Maintenance	Stmt H Ln.164	\$ 143,067,314	\$ (67,615,528)	\$ 75,451,786	\$ -	\$ 75,451,786
9	Depreciation	Stmt J Ln.20(b)	24,036,687	(667,038)	23,369,648	-	23,369,648
10	Taxes Other Than Income Tax	Stmt L Ln.44	5,875,853	1,210,099	7,085,952	-	7,085,952
11	Total Operating Expenses		<u>\$ 172,979,853</u>	<u>\$ (67,072,467)</u>	<u>\$ 105,907,386</u>	<u>\$ -</u>	<u>\$ 105,907,386</u>
12							
13	Operating Income Before Tax	Ln.5 - Ln.11	\$ 45,924,360	\$ (5,216,878)	\$ 40,707,483	\$ 11,733,366	\$ 52,440,849
14							
15	Income Tax Expense	Stmt K Ln.70	9,574,529	(1,704,553)	7,869,975	3,187,944	11,057,919
16							
17	Return (Operating Income)	Ln.13 - Ln.15	<u>\$ 36,349,831</u>		<u>\$ 32,837,508</u>		<u>\$ 41,382,930</u>
18							
19	Rate of Return	Ln.17 ÷ Ln.27	<u>6.91%</u>		<u>5.60%</u>		<u>7.06%</u>
20							
21	Rate Base						
22	Plant in Service	Stmt D, Ln.19	\$ 856,329,951	\$ 72,642,269	\$ 928,972,220	\$ -	\$ 928,972,220
23	Accumulated Depreciation	Stmt E, Ln.21	(285,893,862)	(3,135,089)	(289,028,951)	-	(289,028,951)
24	Working Capital	Stmt F Ln.7	4,210,255	(954,097)	3,256,158	-	3,256,158
25	Other Rate Base Items	Sched M-1 Ln.74	(48,778,735)	(8,260,213)	(57,038,949)	-	(57,038,949)
26							
27	Total Rate Base		<u>\$ 525,867,609</u>	<u>\$ 60,292,870</u>	<u>\$ 586,160,478</u>	<u>\$ -</u>	<u>\$ 586,160,478</u>

BLACK HILLS NEBRASKA GAS, LLC
JURISDICTIONAL REVENUE REQUIREMENT
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect IV: 004.03A
Exhibit No. MCC-2
Statement M
Page 2

Line No.	Description	Reference	(a) Base Year 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	Total Sales - Jurisdictional	Stmt N Ln. 292	\$ 175,116,722	\$ (59,817,152)	\$ 115,299,571	\$ 17,295,841	\$ 132,595,412
3	Total Sales - Non Jurisdictional		-	-	-	-	-
4	Other Operating Revenue	Stmt N Ln. 289	3,822,696	881,088	4,703,784	-	4,703,784
5	Total Operating Revenue		\$ 178,939,419	\$ (58,936,064)	\$ 120,003,355	\$ 17,295,841	\$ 137,299,196
6							
7	Operating Expenses						
8	Operation and Maintenance	Stmt N Ln. 260	\$ 58,831,274	\$ 6,992,782	\$ 65,824,056	\$ -	\$ 65,824,056
9	Depreciation	Stmt N Ln. 270	-	20,260,396	20,260,396	-	20,260,396
10	Taxes Other Than Income Tax	Stmt N Ln. 279	5,089,119	1,048,515	6,137,633	-	6,137,633
11	Total Operating Expenses		\$ 63,920,392	\$ 28,301,693	\$ 92,222,086	\$ -	\$ 92,222,085
12							
13	Operating Income Before Tax	Ln.5- Ln.11	\$ 115,019,027	\$ (87,237,758)	\$ 27,781,269	\$ 17,295,841	\$ 45,077,111
14							
15	Income Tax Expense	Stmt N Ln. 302	5,846,812	(1,040,908)	4,805,904	4,699,263	9,505,167
16							
17	Return (Operating Income)	Ln.13 - Ln.15	\$ 109,172,215		\$ 22,975,365		\$ 35,571,944
18							
19	Rate of Return	Ln.17 ÷ Ln.27	24.23%		4.56%		7.06%
20							
21	Rate Base						
22	Plant in Service	Stmt N Ln. 61	\$ 737,967,774	\$ 62,367,854	\$ 800,335,628	\$ -	\$ 800,335,628
23	Accumulated Depreciation	Stmt N Ln. 72	(246,253,636)	(1,567,271)	(247,820,907)	-	(247,820,907)
24	Working Capital	Stmt N Ln. 82	3,796,547	(822,250)	2,974,297	-	2,974,297
25	Other Rate Base Items	Stmt N Ln. 89	(44,952,955)	(6,684,174)	(51,637,129)	-	(51,637,129)
26							
27	Total Rate Base		\$ 450,557,729	\$ 53,294,160	\$ 503,851,889	\$ -	\$ 503,851,889

BLACK HILLS NEBRASKA GAS, LLC
OTHER RATE BASE ITEMS
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect II: 004.03A3, B
Exhibit No. MCC-2
Schedule M-1

Line No.	Account	Description	(a)	(b)	(c)	(d)
			December 31, 2018 Ending Balance	December 31, 2019 Ending Balance	Pro Forma Adjustment	Adjusted Other Rate Base Reductions
1		Deferred Income Tax Assets				
2	190300	DT1000 - VACATION:	\$ 163,072	\$ 167,440	\$ -	\$ 167,440
3	190300	DT1010 - BAD DEBT RESERVE:	1,672,345	736,429	48,303	784,732
4	190300	DT1020 - EMPLOYEE GROUP INSURANCE:	35,984	85,292	-	85,292
5	190300	DT1030 - BONUS:	336,237	269,758	-	269,758
6	190300	DT1050 - WORKMANS COMP:	189,748	179,287	-	179,287
7	190300	DT1050 - OTHER:	3,892	3,743	-	3,743
8	190300	DT2020 - RETIREE HEALTHCARE	103,338	158,751	114,192	272,943
9	190300	DT2092 - FAS 109 OTHER:	4,110,482	2,962,262	(1,222,062)	1,740,200
10	190300	DT3010 - PERFORMANCE PLAN	3,086	140	-	140
11	190300	DT3076 - LINE EXTENSION DEP GAS:	(1,165)	(1,040)	-	(1,040)
12	190300	DT3090 - PENSION FAS 87	(1,716,297)	(1,837,486)	116,757	(1,720,729)
13	190300	DT4110 - OTHER REG LIAB:	-	2,522	-	2,522
14	190300	DT4120 - PENSION FAS 158 LIAB:	3,925,153	4,001,446	-	4,001,446
15	190300	DT4125 - RET HLTH FAS158 LIAB:	72,296	320,280	-	320,280
16	190300	DT4130 - FAS 106 RETIREE LIAB:	1,647,073	1,453,579	-	1,453,579
17	190300	DT4132 - UNIFORM CAP ADJUSTMENT:	-	-	-	-
18	190300	DT4135 - INSURANCE RESERVE	38,809	-	-	-
19	190300	DT4165 - NOL CARRYFORWARD:	5,029,651	7,611,459	1,684,782	9,296,241
20	190300	DT4415 - ALT FUEL VEHICLE CREDIT	50,000	50,000	-	50,000
21	190300	DT4430 - R&D CREDIT	7,286	7,286	-	7,286
22	190300	DT4466 - PUC FEES:	76,066	82,809	-	82,809
23	190300	DT3060 - ARO FASB 143 ASSET	1,502,653	-	-	-
24		Total Deferred Income Tax Assets	\$ 17,249,709	\$ 16,253,957	\$ 741,973	\$ 16,995,930
25						
26		Regulatory Liabilities for Excess Deferred Income Taxes ("EDFIT")				
27	254015	Protected Property - (EDFIT)	\$ (20,047,884)	\$ (20,763,764)	\$ -	\$ (20,763,764)
28	254015	Non-Protected Plant - (EDFIT)	(5,007,957)	(3,620,477)	3,620,477	-
29	254015	Protected NOL - Deficient Deferred Federal Income Taxes ("DDFIT")	3,528,551	3,722,221	-	3,722,221
30	254015	Non-Protected Non-Property - (EDFIT)/DDFIT	2,059,536	2,172,577	(2,172,577)	-
31	254015	Regulatory Liability for non-refunded ARAM	(581,204)	(3,049,952)	3,049,952	-
32		Total Regulatory Liabilities for (EDFIT)	\$ (20,048,958)	\$ (21,539,395)	\$ 4,497,852	\$ (17,041,543)
33						
34		Accumulated Deferred Income Taxes - Property				
35	282300	DT4063 - ACCUMULATED DEPRECIATION	\$ (36,324,563)	\$ (37,136,762)	\$ (5,769,213)	\$ (42,905,975)
36		Total Accelerated Deferred Income Taxes - Property	\$ (36,324,563)	\$ (37,136,762)	\$ (5,769,213)	\$ (42,905,975)
37						
38		State Tax Items				
39	190300	DT1500 - STATE INC TAX INCL:	\$ 1,619,124	\$ 3,718,721	\$ -	\$ 3,718,721
40	190300	DT3020 - STATE NOL:	731,392	2,200,756	1,549,452	3,750,208
41	282300	DT1059 - ACCUMULATED DEPRECIATION-ST	(4,891,299)	(14,981,386)	-	(14,981,386)
42	254015	DT1500 - NON-PROTECTED STATE TAXES (DDIT):	-	7,400,436	-	7,400,436
43	283300	DT1500 - STATE INC TAX INCL	(122,822)	40,823	-	40,823
44		Total State Taxes	\$ (2,663,605)	\$ (1,620,650)	\$ 1,549,452	\$ (71,198)
45						
46		Accumulated Deferred Income Taxes - Other				
47	283300	DT1030 - BONUS	\$ -	\$ -	\$ -	\$ -
48	283300	DT2014 - REG RETIREE HEALTHCARE ASSET:	49,478	-	-	-
49	283300	DT3018 - FED EFF OF STATE NOL:	803,541	(462,159)	(325,385)	(787,544)
50	283300	DT3090 - PENSION FAS 87:	(190,829)	(209,303)	-	(209,303)
51	283300	DT4040 - PREPAID EXPENSES:	(19,627)	(19,692)	-	(19,692)
52	283300	DT4100a - GAIN DEFERRAL	(1,616,568)	-	-	-
53	283300	DT4150 - LT RATE CASE ASSET:	(173,736)	(230,454)	-	(230,454)
54	283300	DT4155 - REG PSC PENSION ASSET:	390,638	-	-	-
55	283300	DT4201 - REG OTHER ASSET	(311,647)	(295,432)	-	(295,432)
56	283300	DT4265 - REG ASSET ARO LIAB	1	-	-	-
57		Total Accelerated Deferred Income Taxes - Other	\$ (1,068,748)	\$ (1,217,040)	\$ (325,385)	\$ (1,542,425)
58						
59						
60	282000/254015	OTHER UTILITY PLANT DIT and EDFIT	\$ (9,099,262)	\$ -	\$ (8,954,892)	\$ (8,954,892)
61	235000	CUSTOMER DEPOSITS	-	(3,518,846)	-	(3,518,846)
62	252000/252001	CUSTOMER ADVANCES	-	-	-	-
63						
64		Total Other Rate Base Items	\$ (51,955,428)	\$ (48,778,735)	\$ (8,260,213)	\$ (57,038,949)

BLACK HILLS NEBRASKA GAS, LLC
OTHER RATE BASE ITEMS - PRO FORMA CAPITAL ADDITIONS
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Sect II: 004.03A3
Exhibit No. MCC-2
Schedule M-2

Line No.	Schedule Reference	(a) Plant in Service	(b) 1 Year Depreciation Rate (Note 3)	(c) (a) * (b) Book Depreciation Expense	(d) Accumulated Depreciation Adjustment	(e) MACRS HY Convent	(f) Tax Depreciation Rate	(g) (a) * (f) Tax Depreciation	(h) (g) - (c) Difference	(i) Tax Rate	(j) (h) * (i) Ending Deferred Tax	(k) Deferred Tax Adjustment
1	Schedule D-2 Plant Additions Non-Repair Items											
2												
3	374.01	\$ -	0.00%	\$ -	\$ -	None	0.00%	\$ -	\$ -	27.17%	\$ -	\$ -
4	374.02	1,548,168	0.00%	-	-	None	0.00%	-	-	27.17%	-	-
5	374.03	-	0.95%	-	-	None	0.00%	-	-	27.17%	-	-
6	375.01	704,242	0.76%	5,352	2,676	20 Yr HYC	3.75%	26,409	(21,057)	27.17%	(5,721)	(5,721)
7	375.20	-	2.14%	-	-	20 Yr HYC	3.75%	-	-	27.17%	-	-
8	376	36,514,294	1.45%	529,457	264,729	20 Yr HYC	3.75%	1,369,286	(839,829)	27.17%	(228,181)	(228,181)
9	378	1,601,713	2.71%	43,406	21,703	20 Yr HYC	3.75%	60,064	(16,658)	27.17%	(4,526)	(4,526)
10	379	1,365,217	1.41%	19,250	9,625	20 Yr HYC	3.75%	51,196	(31,946)	27.17%	(8,680)	(8,680)
11	380	12,831,636	3.54%	454,240	227,120	20 Yr HYC	3.75%	481,186	(26,946)	27.17%	(7,321)	(7,321)
12	381	3,291,454	4.79%	157,661	78,830	20 Yr HYC	3.75%	123,430	34,231	27.17%	9,301	9,301
13	382.01	1,032,557	2.67%	27,569	13,785	20 Yr HYC	3.75%	38,721	(11,152)	27.17%	(3,030)	(3,030)
14	383.01	2,210,889	3.26%	72,075	36,037	20 Yr HYC	3.75%	82,908	(10,833)	27.17%	(2,943)	(2,943)
15	383.71	-	2.49%	-	-	20 Yr HYC	3.75%	-	-	27.17%	-	-
16	384.01	-	1.21%	-	-	20 Yr HYC	3.75%	-	-	27.17%	-	-
17	385	3,973,985	2.58%	102,529	51,264	20 Yr HYC	3.75%	149,024	(46,496)	27.17%	(12,633)	(12,633)
18	386	-	1.04%	-	-	20 Yr HYC	3.75%	-	-	27.17%	-	-
19	387	-	2.06%	-	-	20 Yr HYC	3.75%	-	-	27.17%	-	-
20	389.01	543,081	0.00%	-	-	None	0.00%	-	-	27.17%	-	-
21	389.02	148,113	0.00%	-	-	20 Yr HYC	3.75%	5,554	(5,554)	27.17%	(1,509)	(1,509)
22	390.01	4,147,164	2.98%	123,585	61,793	39 Year	1.39%	57,687	65,898	27.17%	17,905	17,905
23	390.51	-	9.28%	-	-	39 Year	1.39%	-	-	27.17%	-	-
24	391.01	49,371	4.98%	2,459	1,229	7 Yr HYC	14.29%	7,053	(4,594)	27.17%	(1,248)	(1,248)
25	391.02	-	0.00%	-	-	7 Yr HYC	14.29%	-	-	27.17%	-	-
26	391.03	49,371	19.77%	9,761	4,880	5 Yr HYC	20.00%	9,874	(114)	27.17%	(31)	(31)
27	391.04	544,747	0.18%	981	490	3 Yr SL	16.67%	90,791	(89,811)	27.17%	(24,401)	(24,401)
28	391.05	-	0.00%	-	-	7 Yr HYC	14.29%	-	-	27.17%	-	-
29	391.07	-	20.00%	-	-	7 Yr HYC	14.29%	-	-	27.17%	-	-
30	392.01	-	0.00%	-	-	7 Yr HYC	14.29%	-	-	27.17%	-	-
31	392.02	-	9.87%	-	-	5 Yr HYC	20.00%	-	-	27.17%	-	-
32	392.03	4,235,162	7.00%	296,461	148,231	5 Yr HYC	20.00%	847,032	(550,571)	27.17%	(149,590)	(149,590)
33	392.04	1,383,529	12.56%	173,771	86,886	5 Yr HYC	20.00%	276,706	(102,935)	27.17%	(27,967)	(27,967)
34	392.05	271,961	4.76%	12,945	6,473	5 Yr HYC	20.00%	54,392	(41,447)	27.17%	(11,261)	(11,261)
35	392.06	264,801	6.59%	17,450	8,725	5 Yr HYC	20.00%	52,960	(35,510)	27.17%	(9,648)	(9,648)
36	393	-	4.00%	-	-	7 Yr HYC	14.29%	-	-	27.17%	-	-
37	394	6,461,962	3.95%	255,248	127,624	7 Yr HYC	14.29%	923,137	(667,890)	27.17%	(181,465)	(181,465)
38	395	-	4.61%	-	-	7 Yr HYC	14.29%	-	-	27.17%	-	-
39	396	-	3.83%	-	-	7 Yr HYC	14.29%	-	-	27.17%	-	-
40	397	-	6.66%	-	-	7 Yr HYC	14.29%	-	-	27.17%	-	-
41	398	-	5.00%	-	-	7 Yr HYC	14.29%	-	-	27.17%	-	-
42	399	-	0.00%	-	-	7 Yr HYC	14.29%	-	-	27.17%	-	-
43	Total Direct Plant Addition Non-Repair Items	\$ 83,173,417		\$ 2,304,200	\$ 1,152,100			\$ 4,707,412	\$ (2,403,212)		\$ (652,950)	\$ (652,950)

BLACK HILLS NEBRASKA GAS, LLC
OTHER RATE BASE ITEMS - ADJUSTMENTS
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Line No.	Schedule Reference	(a) 2019 Gross Plant Ending Balance	(b) 1 Year Depreciation Rate	(c) Book Depreciation Expense Period	(d) (a) * (b) Book Depreciation Expense	(e) MACRS HY Convent	(f) Tax Depreciation Rate	(g) Tax Depreciation Expense	(h) Difference	(i) Tax Rate	(j) Ending Deferred Tax	(g) Deferred Tax Adjustment
1	Direct Roll Forward to 12/31/20 (Note 1)	\$ 810,794,479	Various	Calendar 2020	\$ 23,836,463	Various	Various	\$ 31,838,689	\$ (8,002,226)	27.17%	PowerTax	\$ (2,174,197)
2												
3	Shared Service Roll Forward to 12/31/20 (Note 2)	\$ 45,535,472	Various	Calendar 2020	\$ 3,993,639	Various	Various	\$ 2,239,493	\$ 1,754,145	27.17%	PowerTax	\$ 476,600
4												
5	Retirements by 12/31/2020	(23,994,827)	Various	Calendar 2020	\$ 3,215,865	Various	Various	\$ 1,564,218	\$ 1,651,647	27.17%	PowerTax	\$ 448,751
6												
7	Grand Total Adjustment											\$ (1,248,847)
8												
9	(Note 1) Provides the direct accumulated deferred income tax adjustment for Sched. M-1, associated with the roll forward of the direct accumulated reserve balance (Stmt E) as of 12/31/2019 to 12/31/2020 reflecting the full rate base impact.											
10	(Note 2) Provides the shared service accumulated deferred income tax adjustment for Sched. M-1, associated with the roll forward of shared service accumulated reserve balance (Stmt E) as of 12/31/2019 to 12/31/2020 reflecting the full rate base impact.											

BLACK HILLS NEBRASKA GAS, LLC
PER BOOKS AND PRO FORMA ADJUSTED REVENUE REQUIREMENT ANALYSIS
FOR THE TEST YEAR ENDING DECEMBER 31, 2020

Line	FERC	Total Company				Jurisdictional			
		(a)	(b)	(c)	(d)	(e) = (a) * (d)	(f) = (c) * (d)		
No.	Acct	Description	Reference	Base Year	Reference	Pro Forma Adjusted	Jurisdictional %	Jurisdictional Base Year	Jurisdictional \$
327		Overall Revenue Requirement and Revenue Deficiency							
328									
329		Rate Base				\$ 586,160,478	CALC \$	450,557,729	\$ 503,851,889
330		Rate of Return			Stmnt G	7.06%	CALC	7.06%	7.06%
331		Return				\$ 41,382,930	CALC \$	31,809,376	\$ 35,571,943
332		Operation and Maintenance Expenses				75,451,785	CALC	58,831,274	65,824,056
333		Depreciation and Amortization Expense				23,369,648	CALC	20,889,575	20,260,396
334		Taxes Other than Income Tax				7,085,952	CALC	5,089,119	6,137,633
335		Federal Income Tax - Existing Rates				7,869,975	CALC	5,846,812	4,805,904
336									
337		Total Pre-tax Revenue Requirement				\$ 155,160,290	CALC \$	122,466,155	\$ 132,599,933
338		Less: Other Operating Revenue				5,303,431	CALC	3,822,696	4,703,784
339									
340		Net Pre-tax Revenue Requirement				\$ 149,856,859	CALC \$	118,643,458	\$ 127,896,149
341									
342		Revenue Under Existing Rates				\$ 141,311,438	CALC \$	175,116,722	\$ 115,299,571
343		Revenue Deficiency							
344		Amount before tax adjustment				\$ (8,545,422)	CALC \$	56,473,264	\$ (12,596,578)
345		Tax Adjusted Amount Needed (line 346 x line 349)				(11,733,365)	CALC	77,541,105	(17,295,841)
346									
347		Tax Multiplier (1/(1-.2717))				1.37306	CALC	1.37306	1.37306

349 Note: In column (d), the Jurisdictional %, 'CALC' denotes lines with calculated values. Inputting hard-coded figures on these lines will create inaccurate model results.

BLACK HILLS NEBRASKA GAS, LLC.
PER BOOKS - CASH WORKING CAPITAL
FOR THE BASE YEAR ENDING DECEMBER 31, 2019

Line No.	Account Description (A)	Test Year Expenses (B)	Revenue Lag (C)	Expense Lead Days (D)	Lead Days Weighted (B/ SUM OF B) *D (E)	Net (Lead)/Lag (C) - (D) (F)	Factor (Col F/365) (G)	CWC Req (B) X (G) (H)
1	Operations & Maintenance Expense							
2	Federal Income Tax Withheld	4,788,843	37.6996	14.0000	0.3642	23.6996	0.0649	\$ 310,941.78
3	FICA Taxes Withheld - Employee (1)	2,264,966	37.6996	14.0000	0.1723	23.6996	0.0649	147,065
4	Net Payroll (1)	13,460,749	37.6996	14.0000	1.0238	23.6996	0.0649	874,013
5	Gas Purchases - PGA - NEG	75,442,264	38.8566	32.6530	13.3826	6.2036	0.0170	1,282,220
6	Other O&M	47,110,492	37.6996	45.6250	11.6767	(7.9254)	(0.0217)	(1,022,928)
7	Total Operation & Maintenance Expense (1)	143,067,314			26.6195			1,591,312
8								
9								
10	Gas Purchases - Choice - NEGD	70,932,491	36.1261	35.0634	13.5114	1.0627	0.0029	206,513
11								
12	Taxes other than Income Taxes							
13	Property Taxes (1)	3,909,166	37.6996	335.8070	7.1314	(298.1074)	(0.8167)	(3,192,743)
14	FICA Taxes - Employer's (1)	2,264,966	37.6996	14.0000	0.1723	23.6996	0.0649	147,065
15	Unemployment Taxes (FUTA & SUTA) (1)	51,886	37.6996	14.0000	0.0039	23.6996	0.0649	3,369
16	City Franchise Taxes	6,969,285	37.6996	65.7954	2.4911	(28.0958)	(0.0770)	(536,459)
17	Sales Taxes	18,239,542	37.6996	35.2000	3.4879	2.4996	0.0068	124,909
18	Total Taxes other than Income Taxes	31,434,846			13.2865			(3,453,858)
19								
20	Current Income Taxes-Federal (1)	9,574,529	37.6996	38.5000	2.0025	(0.8004)	(0.0022)	(20,995)
21								
22	Total Cash Working Capital Requirement	\$ 184,076,689						\$ (1,677,029)
23								
24	(Note 1) Calculations that are made within Exhibit 3							

BLACK HILLS NEBRASKA GAS, LLC.
AS ADJUSTED - CASH WORKING CAPITAL
FOR THE PRO FORMA PERIOD ENDING DECEMBER 31, 2019

Line No.	Account Description (A)	Test Year Expenses (B)	Revenue Lag (C)	Expense Lead Days (D)	Lead Days Weighted (B/ SUM OF B) *D (E)	Net (Lead)/Lag (C) - (D) (F)	Factor (Col F/365) (G)	CWC Req (B) X (G) (H)
1	<u>Operations & Maintenance Expense</u>							
2	Federal Income Tax Withheld	5,482,949	37.6996	14.0000	0.4034	23.6996	0.0649	\$ 356,010.41
3	FICA Taxes Withheld - Employee (1)	2,492,433	37.6996	14.0000	0.1834	23.6996	0.0649	161,835
4	Net Payroll (1)	15,512,604	37.6996	14.0000	1.1413	23.6996	0.0649	1,007,240
5	Gas Purchases - PGA - NEG	75,442,264	38.8566	32.6530	12.9461	6.2036	0.0170	1,282,220
6	Other O&M	52,047,386	37.6996	45.6250	12.4797	(7.9254)	(0.0217)	(1,130,125)
7	Total Operation & Maintenance Expense (1)	150,977,636			27.1539			1,677,181
8								
9								
10	Gas Purchases - Choice - NEGD	70,932,491	36.1261	35.0634	13.0708	1.0627	0.0029	206,513
11								
12	<u>Taxes other than Income Taxes</u>							
13	Property Taxes (1)	4,660,325	37.6996	335.8070	8.2245	(298.1074)	(0.8167)	(3,806,239)
14	FICA Taxes - Employer's (1)	2,492,433	37.6996	14.0000	0.1834	23.6996	0.0649	161,835
15	Unemployment Taxes (FUTA & SUTA) (1)	51,886	37.6996	14.0000	0.0038	23.6996	0.0649	3,369
16	City Franchise Taxes	6,969,285	37.6996	65.7954	2.4098	(28.0958)	(0.0770)	(536,459)
17	Sales Taxes	18,239,542	37.6996	35.2000	3.3741	2.4996	0.0068	124,909
18	Total Taxes other than Income Taxes	31,434,846	0	0	14.1956			(4,052,585)
19								
20	Current Income Taxes-Federal (1)	7,869,975	37.6996	38.5000	1.5923	(0.8004)	(0.0022)	(17,258)
21								
22	Total Cash Working Capital Requirement	\$ 190,282,457						\$ (2,186,148)
23								
24	(Note 1) Calculations that are made within Exhibit 3							

**BLACK HILLS NEBRASKA GAS, LLC.
CASH WORKING CAPITAL - REVENUE LAG
FOR THE BASE YEAR ENDING DECEMBER 31, 2019**

**Exhibit No. MCC-3
Page 3 of 14**

LINE NO.	DESCRIPTION	(A) RECEIPT LAG	(B) SERVICE LAG	(C) BILLING PROCESS LAG	(D) = (A) + (B) + (C) TOTAL REVENUE LAG TIME	(E) REVENUE	(F) WEIGHTED REVENUE
1	NEG REVENUE LAG	21.80	15.21	1.84	38.8566	200,282,857	7,782,301,633
2	BHGD NE REVENUE LAG	18.89	15.21	2.03	36.1261	147,257,794	5,319,847,934
3							
4	TOTAL					347,540,651	13,102,149,567
5							
6	NEG / NEGD WEIGHTED AVERAGE LAG TIME				Total Weighted Revenue / Total Revenue		<u><u>37.6996</u></u>

BLACK HILLS NEBRASKA GAS, LLC.
CASH WORKING CAPITAL - PAYROLL EXPENSE LEAD
FOR THE BASE YEAR ENDING DECEMBER 31, 2019

Exhibit No. MCC-3
Page 4 of 14

LINE NO.	DESCRIPTION	(A) NUMBER OF DAYS IN YEAR	(B) PAY PERIODS	(C) = (A) / (B) DAYS IN PAY PERIOD	(D) = (C) / 2 MIDPOINT OF PAY PERIOD	(E) PAY LEAD DAYS	(F) (Note 1)
1	NEG PAYROLL EXPENSE LEAD	365	26	14.0	7.0	7.0	14.00
2	BHGD NE PAYROLL EXPENSE LEAD	365	26	14.0	7.0	7.0	14.00
						NEG/NEGD LEAD TIME	<u>14.00</u>

(Note 1) EMPLOYEES ARE PAID BI-WEEKLY (EVERY OTHER TUESDAY).

BLACK HILLS NEBRASKA GAS, LLC.
CASH WORKING CAPITAL - GAS PURCHASES EXPENSE LEAD
FOR THE BASE YEAR ENDING DECEMBER 31, 2019

Exhibit No. MCC-3
Page 5 of 14

LINE NO.	DESCRIPTION	(A) TOTAL OF AMOUNTS PAID	(B) DAILY WEIGHTED AMOUNT PAID	(C) 365 DAYS	(D) = [(B) / (A)] X (C) (Note 1) WEIGHTED GAS PURCHASES LEAD DAYS
1	NEG GAS PURCHASES EXPENSE LEAD	75,442,264	6,749,085	365	32.65
2	BHGD NE GAS PURCHASES EXPENSE LEAD	70,932,491	6,814,072	365	35.06
3					
4					
5					
			Total Nebraska WEIGHTED AVERAGE LEAD TIME		<u>33.82</u>

(NOTE 1) DOLLAR WEIGHTED AVERAGE OF DAYS FROM LAST DAY OF THE DELIVERY PERIOD TO PAYMENT DATE.

BLACK HILLS NEBRASKA GAS, LLC.
CASH WORKING CAPITAL -PROPERTY TAX LEAD
FOR THE BASE YEAR ENDING DECEMBER 31, 2019

Exhibit No. MCC-3
Page 6 of 14

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
LINE NO.	SERVICE PERIOD	STATUTORY PAYMENT DATE	DUE DATE	Amount	Length of Service time	Mid point	Days pmnt date out following service period	Exp Lag	% OF 365	DOLLAR DAYS
1	JANUARY 1 - JUNE 30, 2018	4/1/2019	NEG - On or before April 1	\$ 553,561.40	182.50	91.25	254	344.75	94.5%	522,850.12
2	JULY 1 - DECEMBER 31, 2018	8/1/2019	NEG - On or before August 1	\$ 538,134.88	182.50	91.25	200	290.75	79.7%	428,664.98
3	JANUARY 1 - JUNE 30, 2018	5/1/2019	NEG - On or before May 1	\$ 548,804.91	182.50	91.25	254	344.75	94.5%	518,357.51
4	JULY 1 - DECEMBER 31, 2018	9/1/2019	NEG - On or before September 1	\$ 261,719.64	182.50	91.25	200	290.75	79.7%	208,479.41
5	JANUARY 1 - JUNE 30, 2018	5/1/2019	BHGD NE - On or before May 1	1,053,515.68	182.50	91.25	285	375.75	102.9%	1,084,543.88
6	JULY 1 - DECEMBER 31, 2018	9/1/2019	BHGD NE - On or before September 1	660,929.08	182.50	91.25	221	311.75	85.4%	564,505.86
7				<u>3,616,665.59</u>						<u>3,327,401.77</u>
8										
9								Dollar days/ total annual amount		<u>92%</u>
10								Days in Year		<u>365.00</u>
11								NEG / BHGD NE Weighted average lead days		<u>335.81</u>

Nebraska property taxes are payable as follows according to Neb. Rev. Stat. § 77-203 and § 77-204:

*All property taxes levied for any county, city, village, or other political subdivision therein shall be due and payable on December 31 next following the date of levy except as provided in section 77-1214. The first half of the real estate taxes due under Neb. Rev. Stat. §77-203 in all counties except Douglas, Lancaster and Sarpy becomes delinquent and must be paid by May 1, with the second half due by September 1. Douglas, Lancaster and Sarpy Counties, and other counties whose populations may exceed 100,000, follow the above rules with the relevant dates being April 1 and August 1.

**BLACK HILLS NEBRASKA GAS, LLC.
 CASH WORKING CAPITAL - INCOME TAX LEAD
 FOR THE BASE YEAR ENDING DECEMBER 31, 2019**

**Exhibit No. MCC-3
 Page 7 of 14**

	(A)	(B)	(C) = (A) + or - (B)	(D) (NOTE 1) PERCENT OF PAYMENT	(E) = (C) x (D)
<u>LINE NO.</u>	<u>STATUTORY PAYMENT DATE</u>	<u>MID-POINT OF SERVICE PERIOD</u>	<u>PERIOD DAYS</u>		<u>LEAD DAYS</u>
1	APRIL 15	JULY 1	(77.0)	25.0%	(19.25)
2	JUNE 17	JULY 1	(14.0)	25.0%	(3.50)
3	SEPTEMBER 16	JULY 1	77.0	25.0%	19.25
4	DECEMBER 16	JULY 1	168.0	25.0%	42.00
5					
6	INCOME TAX LEAD				38.50

(NOTE 1) REFLECTS PAYMENT OF 25% OF INCOME TAX ON EACH QUARTERLY DUE DATE.

BLACK HILLS NEBRASKA GAS, LLC.
CASH WORKING CAPITAL - OTHER O&M LEAD
FOR THE BASE YEAR ENDING DECEMBER 31, 2019

Exhibit No. MCC-3
Page 8 of 14

LINE NO.	DESCRIPTION	(A) NUMBER OF DAYS IN YEAR	(B) (Note 1) (1 / 8)	(A) x (B) (C) CALCULATED LEAD
1	OTHER O & M LEAD	365	0.125	45.6250

(Note 1) THE 1/8TH RULE WAS USED TO CALCULATE THE EXPENSE LEAD FOR OTHER O&M.

BLACK HILLS NEBRASKA GAS, LLC.
CASH WORKING CAPITAL - FICA / FED W/H / STATE W/H EXPENSE LEADS
FOR THE BASE YEAR ENDING DECEMBER 31, 2019

Exhibit No. MCC-3
Page 9 of 14

LINE NO.	(A) PERIOD BEGIN	(B) PERIOD END	(C) PAY DATE	(D) = (E -1) FUNDS TSF OUT OF NE ACCT	(E) = (A+B)/2 MIDPOINT	(F) = (A + E) MIDPOINT DATE	(G) = (D - F) TAX LEAD
1	12/17/18	12/30/18	01/08/19	01/07/19	7.0	12/24/18	14
2	12/31/18	01/13/19	01/22/19	01/21/19	7.0	01/07/19	14
3	01/14/19	01/27/19	02/05/19	02/04/19	7.0	01/21/19	14
4	01/28/19	02/10/19	02/19/19	02/18/19	7.0	02/04/19	14
5	02/11/19	02/24/19	03/05/19	03/04/19	7.0	02/18/19	14
6	02/25/19	03/10/19	03/19/19	03/18/19	7.0	03/04/19	14
7	03/11/19	03/24/19	04/02/19	04/01/19	7.0	03/18/19	14
8	03/25/19	04/07/19	04/16/19	04/15/19	7.0	04/01/19	14
9	04/08/19	04/21/19	04/30/19	04/29/19	7.0	04/15/19	14
10	04/22/19	05/05/19	05/14/19	05/13/19	7.0	04/29/19	14
11	05/06/19	05/19/19	05/28/19	05/27/19	7.0	05/13/19	14
12	05/20/19	06/02/19	06/11/19	06/10/19	7.0	05/27/19	14
13	06/03/19	06/16/19	06/25/19	06/24/19	7.0	06/10/19	14
14	06/17/19	06/30/19	07/09/19	07/08/19	7.0	06/24/19	14
15	07/01/19	07/14/19	07/23/19	07/22/19	7.0	07/08/19	14
16	07/15/19	07/28/19	08/06/19	08/05/19	7.0	07/22/19	14
17	07/29/19	08/11/19	08/20/19	08/19/19	7.0	08/05/19	14
18	08/12/19	08/25/19	09/03/19	09/02/19	7.0	08/19/19	14
19	08/26/19	09/08/19	09/17/19	09/16/19	7.0	09/02/19	14
20	09/09/19	09/22/19	10/01/19	09/30/19	7.0	09/16/19	14
21	09/23/19	10/06/19	10/15/19	10/14/19	7.0	09/30/19	14
22	10/07/19	10/20/19	10/29/19	10/28/19	7.0	10/14/19	14
23	10/21/19	11/03/19	11/12/19	11/11/19	7.0	10/28/19	14
24	11/04/19	11/17/19	11/26/19	11/25/19	7.0	11/11/19	14
25	11/18/19	12/01/19	12/10/19	12/09/19	7.0	11/25/19	14
26	12/02/19	12/15/19	12/24/19	12/23/19	7.0	12/09/19	14

NEG/ NEGD FICA / FED W/H Expense Lead

14.00

BLACK HILLS NEBRASKA GAS, LLC.
CASH WORKING CAPITAL - FUTA & SUTA TAXES
FOR THE BASE YEAR ENDING DECEMBER 31, 2019

Exhibit No. MCC-3
Page 10 of 14

LINE NO.	(A) PERIOD BEGIN	(B) PERIOD END	(C) PAY DATE	(D) = (E - 1) FUNDS TSF OUT OF NE ACCT	(E) = (A+B)/2 MIDPOINT	(F) = (A + E) MIDPOINT DATE	(G) = (D - F) TAX LEAD
1	12/17/18	12/30/18	01/08/19	01/07/19	7.0	12/24/18	14
2	12/31/18	01/13/19	01/22/19	01/21/19	7.0	01/07/19	14
3	01/14/19	01/27/19	02/05/19	02/04/19	7.0	01/21/19	14
4	01/28/19	02/10/19	02/19/19	02/18/19	7.0	02/04/19	14
5	02/11/19	02/24/19	03/05/19	03/04/19	7.0	02/18/19	14
6	02/25/19	03/10/19	03/19/19	03/18/19	7.0	03/04/19	14
7	03/11/19	03/24/19	04/02/19	04/01/19	7.0	03/18/19	14
8	03/25/19	04/07/19	04/16/19	04/15/19	7.0	04/01/19	14
9	04/08/19	04/21/19	04/30/19	04/29/19	7.0	04/15/19	14
10	04/22/19	05/05/19	05/14/19	05/13/19	7.0	04/29/19	14
11	05/06/19	05/19/19	05/28/19	05/27/19	7.0	05/13/19	14
12	05/20/19	06/02/19	06/11/19	06/10/19	7.0	05/27/19	14
13	06/03/19	06/16/19	06/25/19	06/24/19	7.0	06/10/19	14
14	06/17/19	06/30/19	07/09/19	07/08/19	7.0	06/24/19	14
15	07/01/19	07/14/19	07/23/19	07/22/19	7.0	07/08/19	14
16	07/15/19	07/28/19	08/06/19	08/05/19	7.0	07/22/19	14
17	07/29/19	08/11/19	08/20/19	08/19/19	7.0	08/05/19	14
18	08/12/19	08/25/19	09/03/19	09/02/19	7.0	08/19/19	14
19	08/26/19	09/08/19	09/17/19	09/16/19	7.0	09/02/19	14
20	09/09/19	09/22/19	10/01/19	09/30/19	7.0	09/16/19	14
21	09/23/19	10/06/19	10/15/19	10/14/19	7.0	09/30/19	14
22	10/07/19	10/20/19	10/29/19	10/28/19	7.0	10/14/19	14
23	10/21/19	11/03/19	11/12/19	11/11/19	7.0	10/28/19	14
24	11/04/19	11/17/19	11/26/19	11/25/19	7.0	11/11/19	14
25	11/18/19	12/01/19	12/10/19	12/09/19	7.0	11/25/19	14
26	12/02/19	12/15/19	12/24/19	12/23/19	7.0	12/09/19	14
NEG/ NEGD FUTA / SUTA Expense Lead							14.0000

**BLACK HILLS NEBRASKA GAS, LLC.
CASH WORKING CAPITAL - SALES TAX LEAD
FOR THE BASE YEAR ENDING DECEMBER 31, 2019**

**Exhibit No. MCC-3
Page 14 of 14**

LINE NO.	DESCRIPTION	(A) NUMBER OF DAYS IN YEAR	(B) MONTHS	(C) = (A) / (B) AVERAGE DAYS IN MONTH	(D) = (C) / 2 MIDPOINT OF AVERAGE DAYS IN MONTH
1					
2	MIDPOINT	365	12	30.4167	15.2000
3	NEG REMITTANCE DATE (1)				18.0000
4	BHGD NE REMITTANCE DAT (2)				15.0000
5	NEG LLC REMITTANCE DATE (3)				20.0000
6					
7	Total Nebraska Calculated SALES TAX LEAD				35.2000

The State of Nebraska requires sales & use tax returns to be filed on or before the 20th day of the month following the last month in the reporting period in which the sale occurred. Sales tax collected from customers are remitted along with the sales & use tax return, which is paid by the 20th of the following month.

Note (1) Black Hills Nebraska Gas Utility Co. typically remits returns and payments on or around the 18th of each month.

Note (2) Black Hills Gas Distribution Nebraska typically remits returns and payments on or around the 15th of each month.

Note (3) Black Hills Nebraska Gas, LLC made it's first consolidated filing February 20, 2020. Black Hills Nebraska Gas, LLC will remit returns and payments on or around the 20th of each month.



2019 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION
ACCRUALS RELATED TO GAS PLANT
AS OF NOVEMBER 30, 2019

Prepared by:



*Excellence Delivered **As Promised***

BLACK HILLS CORPORATION
Rapid City, South Dakota

2019 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION
ACCRUALS RELATED TO GAS PLANT
AS OF NOVEMBER 30, 2019

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC
Harrisburg, Pennsylvania



*Excellence Delivered **As Promised***

February 18, 2020

Black Hills Corporation
625 9th Street
Rapid City, SD 57701

Attention Mr. Robert Amdor
Director, Regulatory

Ladies and Gentlemen:

Pursuant to your request, we have conducted a depreciation study related to the combined gas plant of Black Hills Nebraska as of November 30, 2019. The attached report presents a description of the methods used in the estimation of depreciation, the summary of annual depreciation accrual rates, the statistical support for the life and net salvage estimates and the detailed tabulations of annual depreciation.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC.

A handwritten signature in blue ink that reads "John J. Spanos".

JOHN J. SPANOS
President

JJS:mle

066335.000

Gannett Fleming Valuation and Rate Consultants, LLC

207 Senate Avenue • Camp Hill, PA 17011-2316

t: 717.763.7211 • f: 717.763.4590

www.gfvrc.com

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BLACK HILLS NEBRASKA

DEPRECIATION STUDY

EXECUTIVE SUMMARY

Pursuant to Black Hills Nebraska's ("BHN" or "Company") request, Gannett Fleming Valuation and Rate Consultants, LLC ("Gannett Fleming") conducted a depreciation study related to the combined gas plant of BHN as of November 30, 2019. The purpose of this study was to determine the annual depreciation accrual rates and amounts for book and ratemaking purposes of the consolidated companies.

The depreciation rates are based on the straight line method using the average service life ("ASL") procedure and were applied on a remaining life basis. The calculations were based on attained ages and estimated average service life and forecasted net salvage characteristics for each depreciable group of assets.

BHN's accounting policy has not changed since depreciation rates were most recently established. However, there have been changes to the plant in service due to system improvements, as well as the consolidation of two individual predecessor companies. The consolidation has produced changes in the life and salvage estimates which results in new depreciation rates as compared to what currently are utilized for the individual companies.

Gannett Fleming recommends the calculated annual depreciation accrual rates set forth herein apply specifically to gas plant in service as of November 30, 2019 as summarized by Table 1 of the study. Supporting analysis and calculations are provided within the study.

The study results set forth an annual depreciation expense of \$19.3 million when applied to depreciable plant balances as of November 30, 2019. The results are summarized at the functional level as follows:

SUMMARY OF ORIGINAL COST, ACCRUAL RATES AND AMOUNTS

FUNCTION	ORIGINAL COST	PROPOSED RATE	ANNUAL ACCRUAL
INTANGIBLE PLANT	\$ 1,363,943.43	5.50	\$ 75,046
TRANSMISSION PLANT	6,161,196.61	0.66	40,785
DISTRIBUTION PLANT	669,304,085.06	2.32	15,549,688
GENERAL PLANT	65,670,205.76	5.19	3,411,092
GENERAL PLANT RESERVE AMORTIZATION	-	-	<u>212,172</u>
TOTAL	<u>\$742,499,430.86</u>	2.60	<u>\$19,288,783</u>

PART I. INTRODUCTION

BLACK HILLS NEBRASKA

DEPRECIATION STUDY

PART I. INTRODUCTION

SCOPE

This report sets forth the results of the depreciation study for Black Hills Nebraska (“Company”), to determine the annual depreciation accrual rates and amounts for book purposes applicable to the original cost of the consolidated Black Hills Nebraska plant as of November 30, 2019. The rates and amounts are based on the straight line remaining life method of depreciation. This report also describes the concepts, methods and judgments which underlie the recommended annual depreciation accrual rates related to gas plant in service as of November 30, 2019.

The service life and net salvage estimates resulting from the study were based on informed judgment which incorporated analyses of historical plant retirement data as recorded through November 2019, a review of Company practice and outlook as they relate to plant operation and retirement, and consideration of current practice in the gas industry, including knowledge of service lives and net salvage estimates used for other gas companies.

PLAN OF REPORT

Part I, Introduction, contains statements with respect to the plan of the report, and the basis of the study. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and methods used in the service life study. Part III, Service Life Considerations, presents the results of the average service life analysis. Part IV, Net Salvage Considerations, presents the results of the net salvage study. Part V, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of

group depreciation. Part VI, Results of Study, presents summaries by depreciable group of annual depreciation accrual rates and amounts, as well as composite remaining lives. Part VII, Service Life Statistics presents the statistical analysis of service life estimates, Part VIII, Net Salvage Statistics sets forth the statistical indications of net salvage percents, and Part IX, Detailed Depreciation Calculations presents the detailed tabulations of annual depreciation.

BASIS OF THE STUDY

Depreciation

Depreciation, in public utility regulation, is the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among causes to be given consideration are wear and tear, deterioration, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and the requirements of public authorities.

Depreciation, as used in accounting, is a method of distributing fixed capital costs, less net salvage, over a period of time by allocating annual amounts to expense. Each annual amount of such depreciation expense is part of that year's total cost of providing gas utility service. Normally, the period of time over which the fixed capital cost is allocated to the cost of service is equal to the period of time over which an item renders service, that is, the item's service life. The most prevalent method of allocation is to distribute an equal amount of cost to each year of service life. This method is known as the straight-line method of depreciation.

For most accounts, the annual depreciation was calculated by the straight line method using the average service life procedure and the remaining life basis. For certain

General Plant accounts, the annual depreciation is based on amortization accounting. Both types of calculations were based on original cost, attained ages, and estimates of service lives and net salvage.

The straight line method, average service life procedure is a commonly used depreciation calculation procedure that has been widely accepted in jurisdictions throughout North America. Gannett Fleming recommends its continued use. Amortization accounting is used for certain General Plant accounts because of the disproportionate plant accounting effort required when compared to the minimal original cost of the large number of items in these accounts. An explanation of the calculation of annual and accrued amortization is presented beginning on page V-4 of the report.

Service Life and Net Salvage Estimates

The service life and net salvage estimates used in the depreciation and amortization calculations were based on informed judgment which incorporated a review of management's plans, policies and outlook, a general knowledge of the gas utility industry, and comparisons of the service life and net salvage estimates from our studies of other gas utilities. The use of survivor curves to reflect the expected dispersion of retirement provides a consistent method of estimating depreciation for gas plant. Iowa type survivor curves were used to depict the estimated survivor curves for the plant accounts not subject to amortization accounting.

The procedure for estimating service lives consisted of compiling historical data for the plant accounts or depreciable groups, analyzing this history through the use of widely accepted techniques, and forecasting the survivor characteristics for each depreciable group on the basis of interpretations of the historical data analyses and the probable future. The combination of the historical experience and the estimated future yielded estimated survivor curves from which the average service lives were derived.

PART II. ESTIMATION OF SURVIVOR CURVES

PART II. ESTIMATION OF SURVIVOR CURVES

The calculation of annual depreciation based on the straight line method requires the estimation of survivor curves and the selection of group depreciation procedures. The estimation of survivor curves is discussed below and the development of net salvage is discussed in later sections of this report.

SURVIVOR CURVES

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units, or by constructing a survivor curve by plotting the number of units which survive at successive ages.

The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life, and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1, the remaining life at age 30 is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval. It is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

This study has incorporated the use of Iowa curves developed from a retirement rate analysis of historical retirement history. A discussion of the concepts of survivor curves and of the development of survivor curves using the retirement rate method is presented below.

Iowa Type Curves

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numbers represent the relative heights of the modes of the frequency curves within each family.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves, which constitute three of the four families, was published in 1935 in the form of the Experiment Station's Bulletin 125.

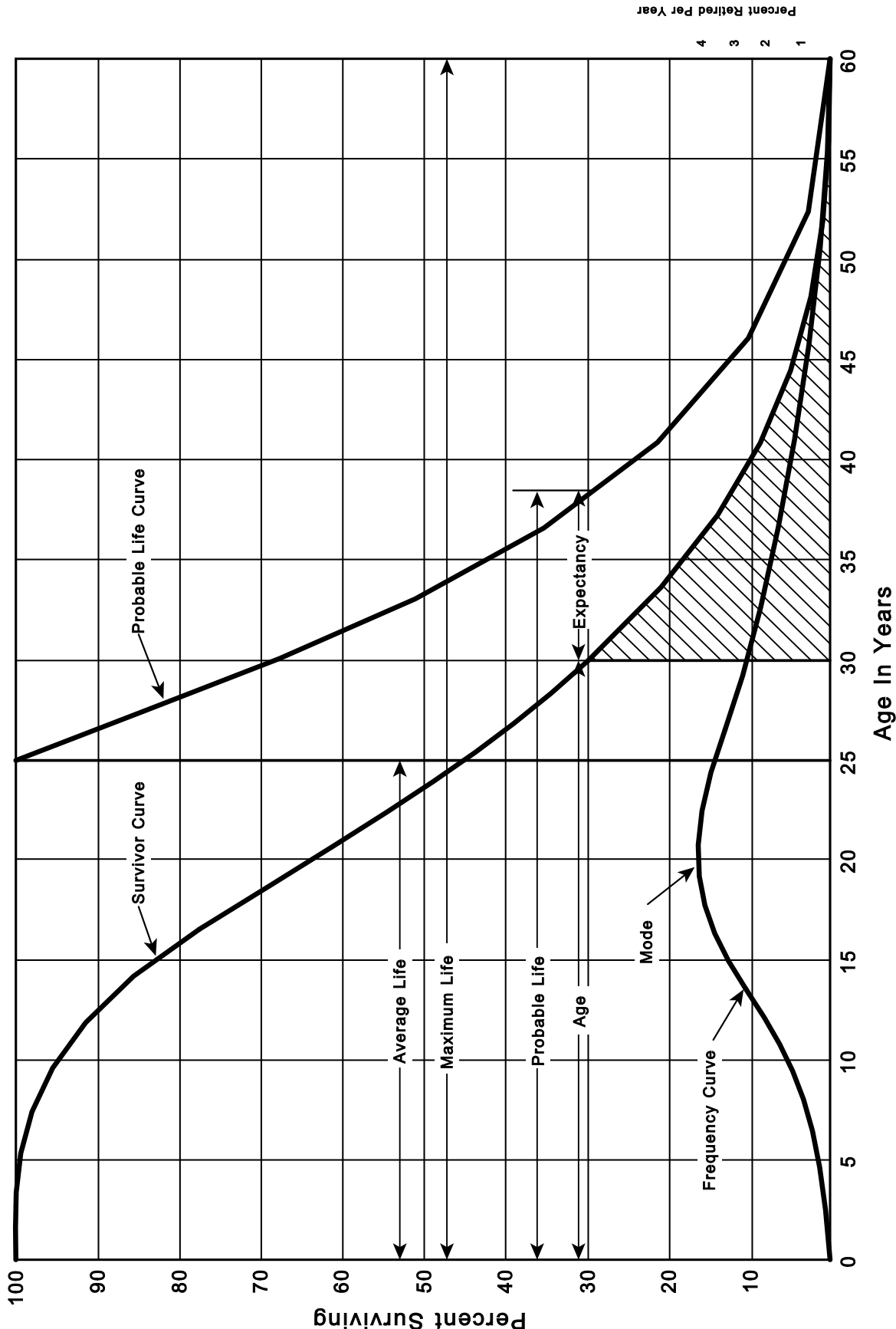


Figure 1. A Typical Survivor Curve and Derived Curves

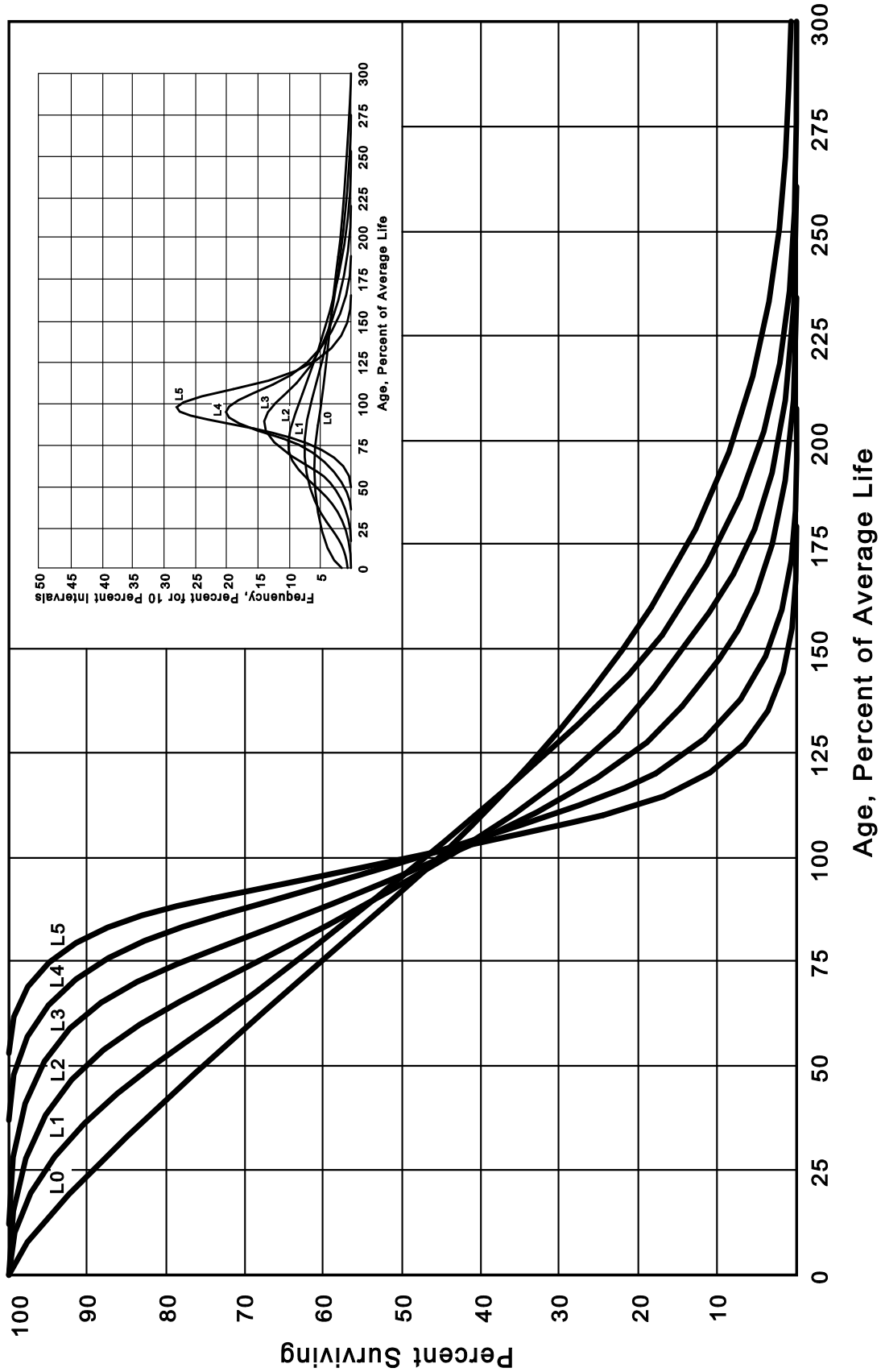


Figure 2. Left Modal or "L" Iowa Type Survivor Curves

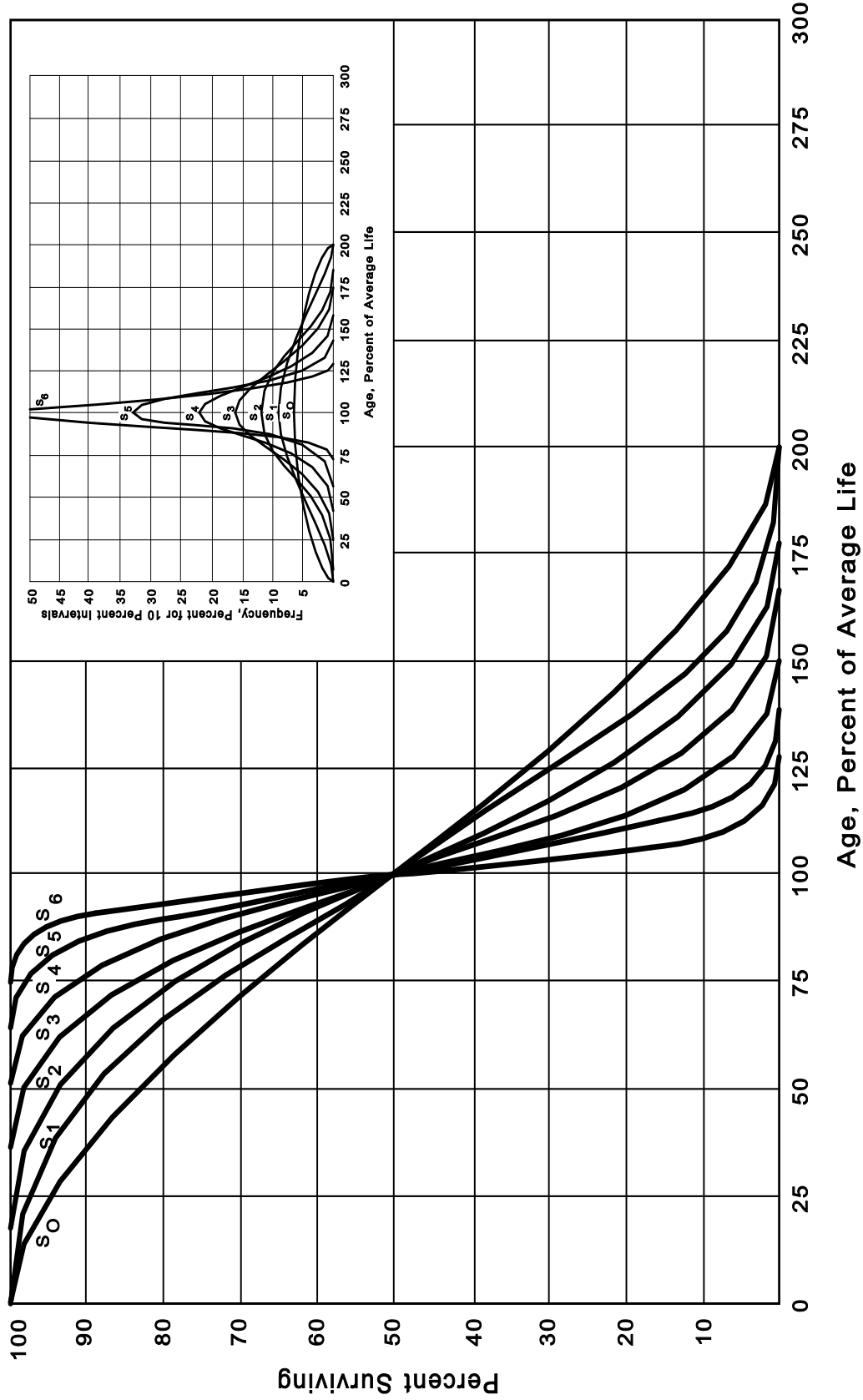


Figure 3. Symmetrical or "S" Iowa Type Survivor Curves

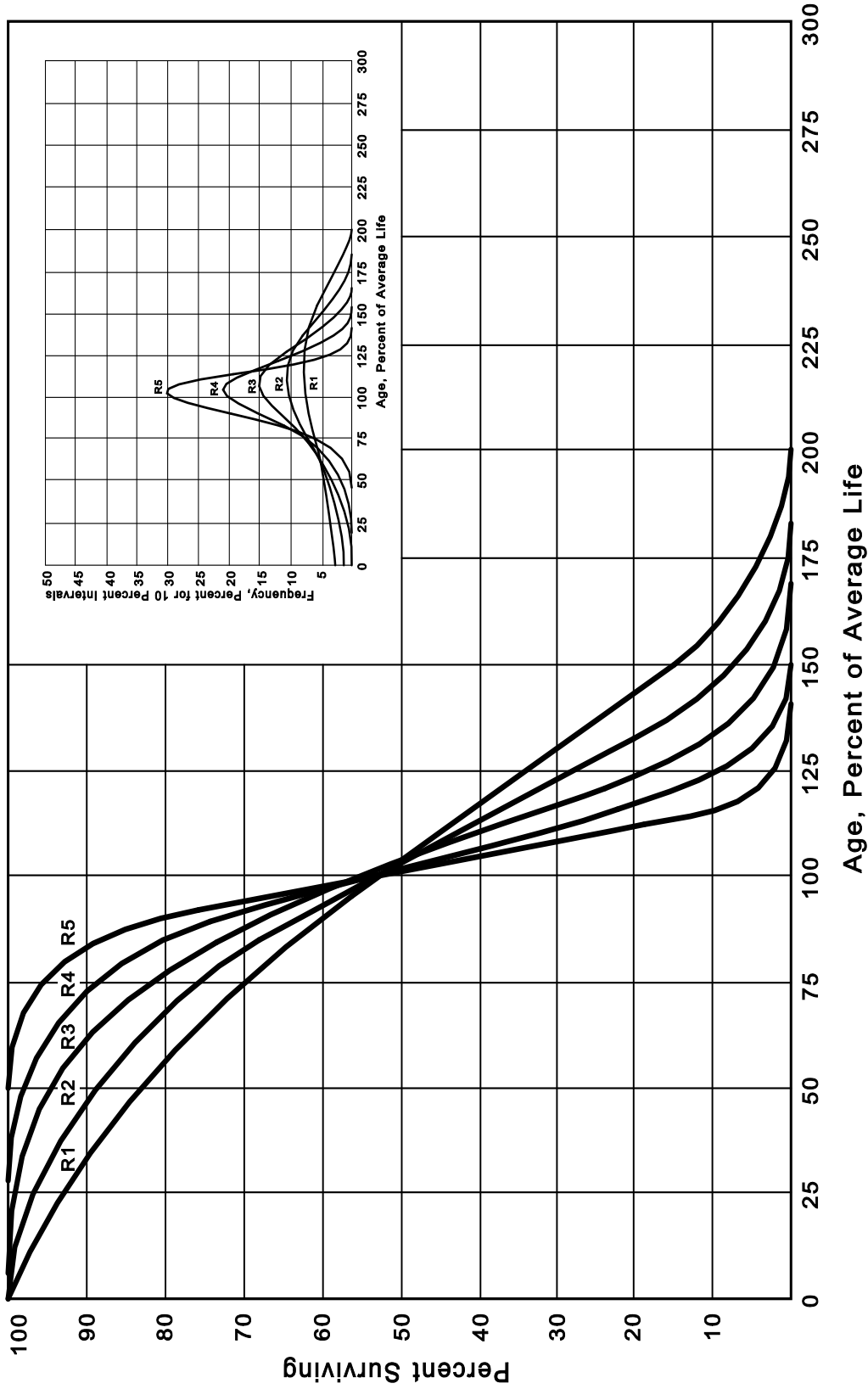


Figure 4. Right Modal or "R" Iowa Type Survivor Curves

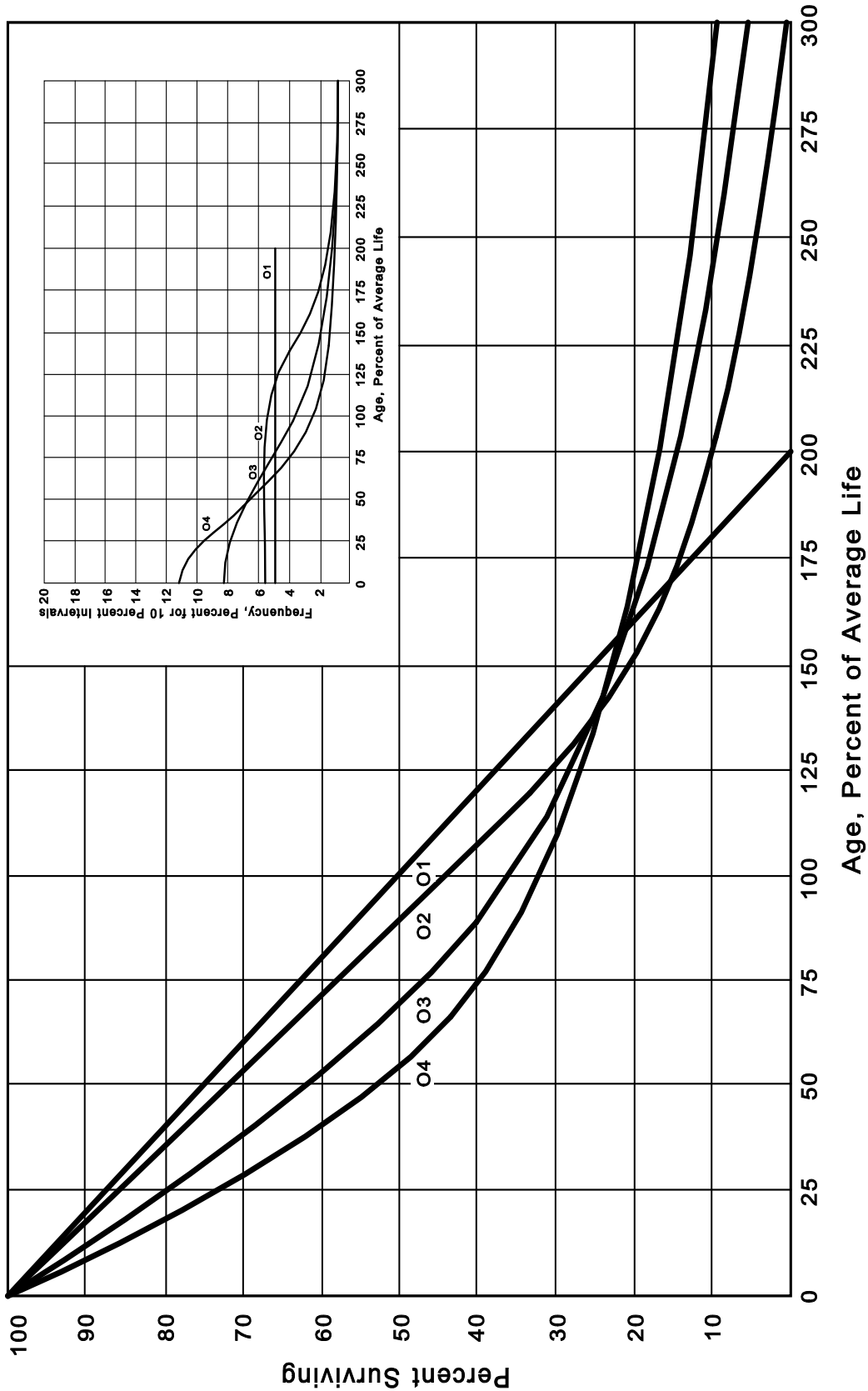


Figure 5. Origin Modal or "O" Iowa Type Survivor Curves

These curve types have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation."¹ In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student submitted a thesis presenting his development of the fourth family consisting of the four O type survivor curves.

Retirement Rate Method of Analysis

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text, and is also explained in several publications, including "Statistical Analyses of Industrial Property Retirements,"² "Engineering Valuation and Depreciation,"³ and "Depreciation Systems."⁴

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginning of the age intervals during the same period. The period of observation is referred to as the experience band, and the band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

¹Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.

²Winfrey, Robley, Statistical Analyses of Industrial Property Retirements. Iowa State College. Engineering Experiment Station, Bulletin 125. 1935.

³Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 1.

⁴Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994.

Schedules of Annual Transactions in Plant Records

The property group used to illustrate the retirement rate method is observed for the experience band 2010-2019 during which there were placements during the years 2005-2019. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Schedules 1 and 2 on pages II-11 and II-12. In Schedule 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, \$10,000 of the dollars invested in 2005 were retired in 2010. The \$10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of \$143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Schedule 1 immediately above the stair step line drawn on the table beginning with the 2010 retirements of 2005 installations and ending with the 2019 retirements of the 2014 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

$$10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.$$

SCHEDULE 1. RETIREMENTS FOR EACH YEAR 2010-2019
 SUMMARIZED BY AGE INTERVAL

Year Placed (1)	Retirements, Thousands of Dollars										Total During		Age Interval (13)
	2010 (2)	2011 (3)	2012 (4)	2013 (5)	2014 (6)	2015 (7)	2016 (8)	2017 (9)	2018 (10)	2019 (11)	Age Interval (12)	Age Interval (13)	
2005	10	11	12	13	14	16	23	24	25	26	26	13½-14½	
2006	11	12	13	15	16	18	20	21	22	19	44	12½-13½	
2007	11	12	13	14	16	17	19	21	22	18	64	11½-12½	
2008	8	9	10	11	11	13	14	15	16	17	83	10½-11½	
2009	9	10	11	12	13	14	16	17	19	20	93	9½-10½	
2010	4	9	10	11	12	13	14	15	16	20	105	8½-9½	
2011		5	11	12	13	14	15	16	18	20	113	7½-8½	
2012			6	12	13	15	16	17	19	19	124	6½-7½	
2013				6	13	15	16	17	19	19	131	5½-6½	
2014					13	14	16	17	19	20	143	4½-5½	
2015					7	8	18	20	22	23	146	3½-4½	
2016						9	9	20	22	25	150	2½-3½	
2017								11	23	25	151	1½-2½	
2018									11	24	153	½-1½	
2019										13	80	0-½	
Total	53	68	86	106	128	157	196	231	273	308	1,606		

Experience Band 2010-2019

Placement Band 2005-2019

SCHEDULE 2. OTHER TRANSACTIONS FOR EACH YEAR 2010-2019
 SUMMARIZED BY AGE INTERVAL

Year Placed	During Year										Total During Age Interval (12)	Age Interval (13)	
	2010 (2)	2011 (3)	2012 (4)	2013 (5)	2014 (6)	2015 (7)	2016 (8)	2017 (9)	2018 (10)	2019 (11)			
2005	-	-	-	-	-	-	60 ^a	-	-	-	-	-	13½-14½
2006	-	-	-	-	-	-	-	-	-	-	-	-	12½-13½
2007	-	-	-	-	-	-	-	-	-	-	-	-	11½-12½
2008	-	-	-	-	-	-	-	(5) ^b	-	-	60	-	10½-11½
2009	-	-	-	-	-	-	-	6 ^a	-	-	-	-	9½-10½
2010	-	-	-	-	-	-	-	-	-	-	(5)	-	8½-9½
2011	-	-	-	-	-	-	-	-	-	-	6	-	7½-8½
2012	-	-	-	-	-	-	-	-	-	-	-	-	6½-7½
2013	-	-	-	-	-	-	-	(12) ^b	-	-	-	-	5½-6½
2014	-	-	-	-	-	-	-	-	22 ^a	-	-	-	4½-5½
2015	-	-	-	-	-	-	-	(19) ^b	-	-	10	-	3½-4½
2016	-	-	-	-	-	-	-	-	-	-	-	-	2½-3½
2017	-	-	-	-	-	-	-	-	-	(102) ^c	(121)	-	1½-2½
2018	-	-	-	-	-	-	-	-	-	-	-	-	½-1½
2019	-	-	-	-	-	-	-	-	-	-	-	-	0-½
Total	-	-	-	-	-	-	60	(30)	22	(102)	(50)	-	

^a Transfer Affecting Exposures at Beginning of Year

^b Transfer Affecting Exposures at End of Year

^c Sale with Continued Use

Parentheses Denote Credit Amount.

In Schedule 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement

The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Schedule 3 on page II-14. The surviving plant at the beginning of each year from 2010 through 2019 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Schedule 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Schedules 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2015 are calculated in the following manner:

Exposures at age 0	= amount of addition	= \$750,000
Exposures at age ½	= \$750,000 - \$ 8,000	= \$742,000
Exposures at age 1½	= \$742,000 - \$18,000	= \$724,000
Exposures at age 2½	= \$724,000 - \$20,000 - \$19,000	= \$685,000
Exposures at age 3½	= \$685,000 - \$22,000	= \$663,000

SCHEDULE 3. PLANT EXPOSED TO RETIREMENT
 JANUARY 1 OF EACH YEAR 2010-2019
 SUMMARIZED BY AGE INTERVAL

Year Placed	Exposures, Thousands of Dollars										Total at Beginning of Age Interval	Age Interval	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)			(11)
2005	255	279	245	234	222	209	195	239	216	192	167	167	13½-14½
2006	307	338	268	256	243	228	212	194	174	153	131	323	12½-13½
2007	376	420 ^a	296	284	271	257	241	224	205	184	162	531	11½-12½
2008	376	420 ^a	330	321	311	300	289	276	262	242	226	823	10½-11½
2009	376	420 ^a	367	357	346	334	321	307	297	280	261	1,097	9½-10½
2010	420 ^a	460 ^a	416	407	397	386	374	361	347	332	316	1,503	8½-9½
2011	420 ^a	460 ^a	460 ^a	455	444	432	419	405	390	374	356	1,952	7½-8½
2012	420 ^a	460 ^a	460 ^a	510 ^a	504	492	479	464	448	431	412	2,463	6½-7½
2013	420 ^a	460 ^a	460 ^a	510 ^a	580 ^a	574	561	546	530	501	482	3,057	5½-6½
2014	420 ^a	460 ^a	460 ^a	510 ^a	580 ^a	660 ^a	653	639	623	628	609	3,789	4½-5½
2015	420 ^a	460 ^a	460 ^a	510 ^a	580 ^a	660 ^a	750 ^a	742	724	685	663	4,332	3½-4½
2016	420 ^a	460 ^a	460 ^a	510 ^a	580 ^a	660 ^a	750 ^a	850 ^a	841	821	799	4,955	2½-3½
2017	420 ^a	460 ^a	460 ^a	510 ^a	580 ^a	660 ^a	750 ^a	850 ^a	960 ^a	949	926	5,719	1½-2½
2018	420 ^a	460 ^a	460 ^a	510 ^a	580 ^a	660 ^a	750 ^a	850 ^a	960 ^a	1,080 ^a	1,069	6,579	½-1½
2019	420 ^a	460 ^a	460 ^a	510 ^a	580 ^a	660 ^a	750 ^a	850 ^a	960 ^a	1,080 ^a	1,220 ^a	7,490	0-½
Total	1,975	2,382	2,382	2,824	3,318	3,872	4,494	5,247	6,017	6,852	7,799	44,780	

^aAdditions during the year

For the entire experience band 2010-2019, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing of the retirements during an age interval (Schedule 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

$$255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.$$

Original Life Table

The original life table, illustrated in Schedule 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Schedules 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15	
Exposures at age 4½	=	3,789,000	
Retirements from age 4½ to 5½	=	143,000	
Retirement Ratio	=	$143,000 \div 3,789,000$	= 0.0377
Survivor Ratio	=	$1.000 - 0.0377$	= 0.9623
Percent surviving at age 5½	=	$(88.15) \times (0.9623)$	= 84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Schedules 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless. The original survivor curve is plotted from the original life table (column 6, Schedule 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

SCHEDULE 4. ORIGINAL LIFE TABLE
 CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2010-2019

Placement Band 2005-2019

(Exposure and Retirement Amounts are in Thousands of Dollars)

Age at Beginning of Interval	Exposures at Beginning of Age Interval	Retirements During Age Interval	Retirement Ratio	Survivor Ratio	Percent Surviving at Beginning of Age Interval
(1)	(2)	(3)	(4)	(5)	(6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	167	26	0.1557	0.8443	42.24
14.5					35.66
Total	<u>44,780</u>	<u>1,606</u>			

Column 2 from Schedule 3, Column 12, Plant Exposed to Retirement.

Column 3 from Schedule 1, Column 12, Retirements for Each Year.

Column 4 = Column 3 Divided by Column 2.

Column 5 = 1.0000 Minus Column 4.

Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

Smoothing the Original Survivor Curve

The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities, as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Schedule 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0.

In Figure 9, the three fittings, 12-L1, 12-S0 and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group.

FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE
 ORIGINAL AND SMOOTH SURVIVOR CURVES

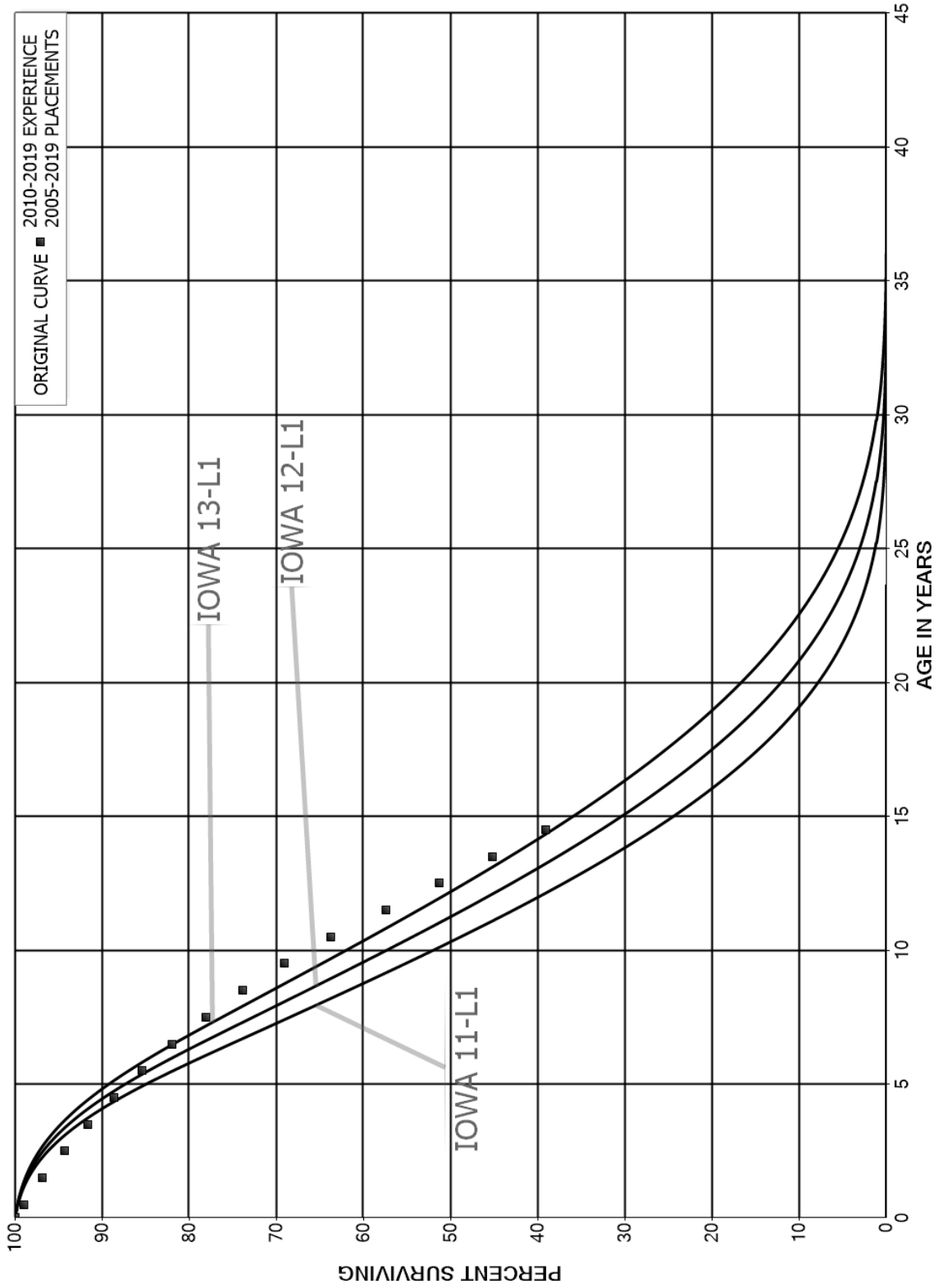


FIGURE 7. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN S0 IOWA TYPE CURVE ORIGINAL AND SMOOTH SURVIVOR CURVES

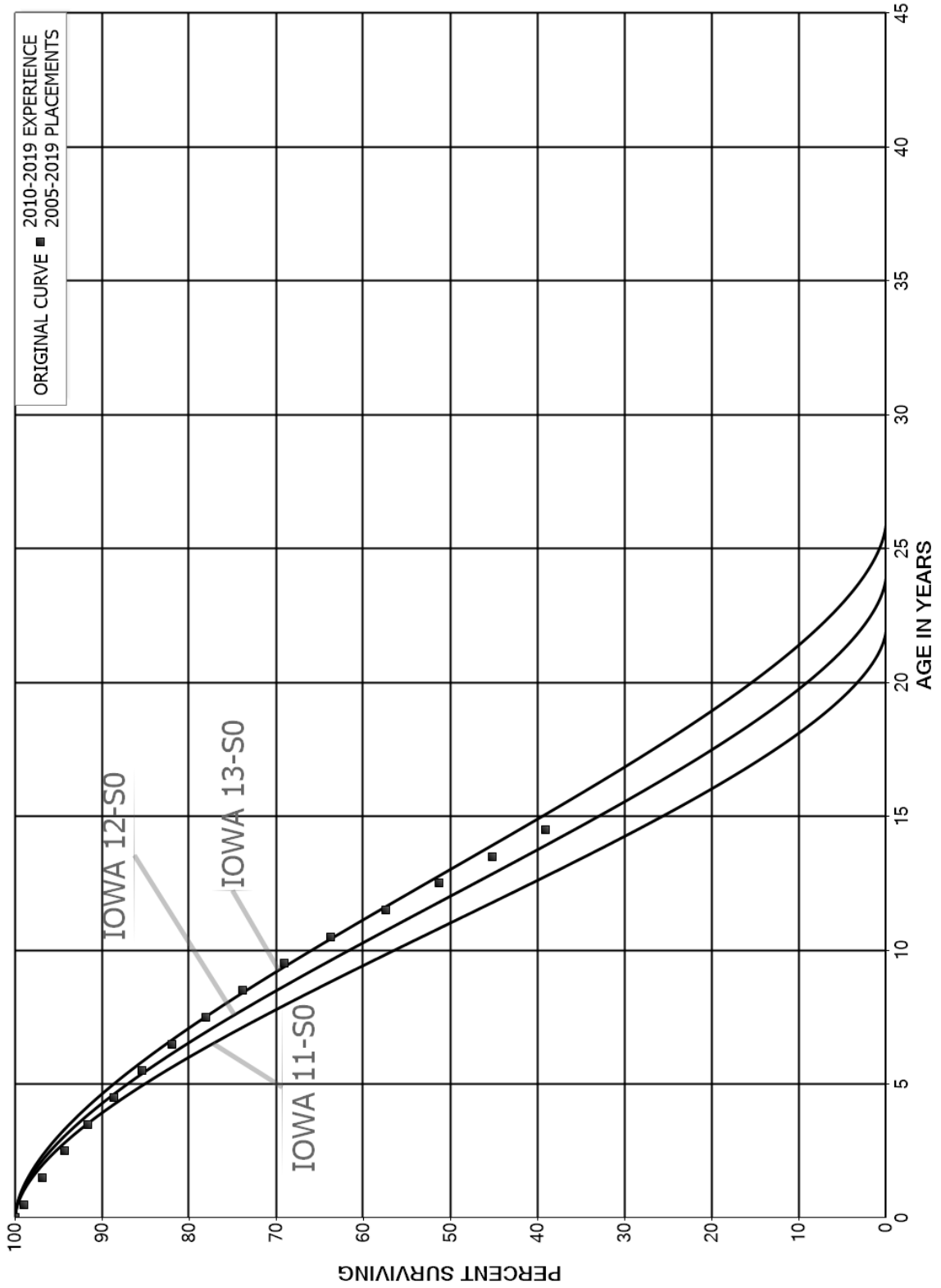


FIGURE 8. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN R1 IOWA TYPE CURVE ORIGINAL AND SMOOTH SURVIVOR CURVES

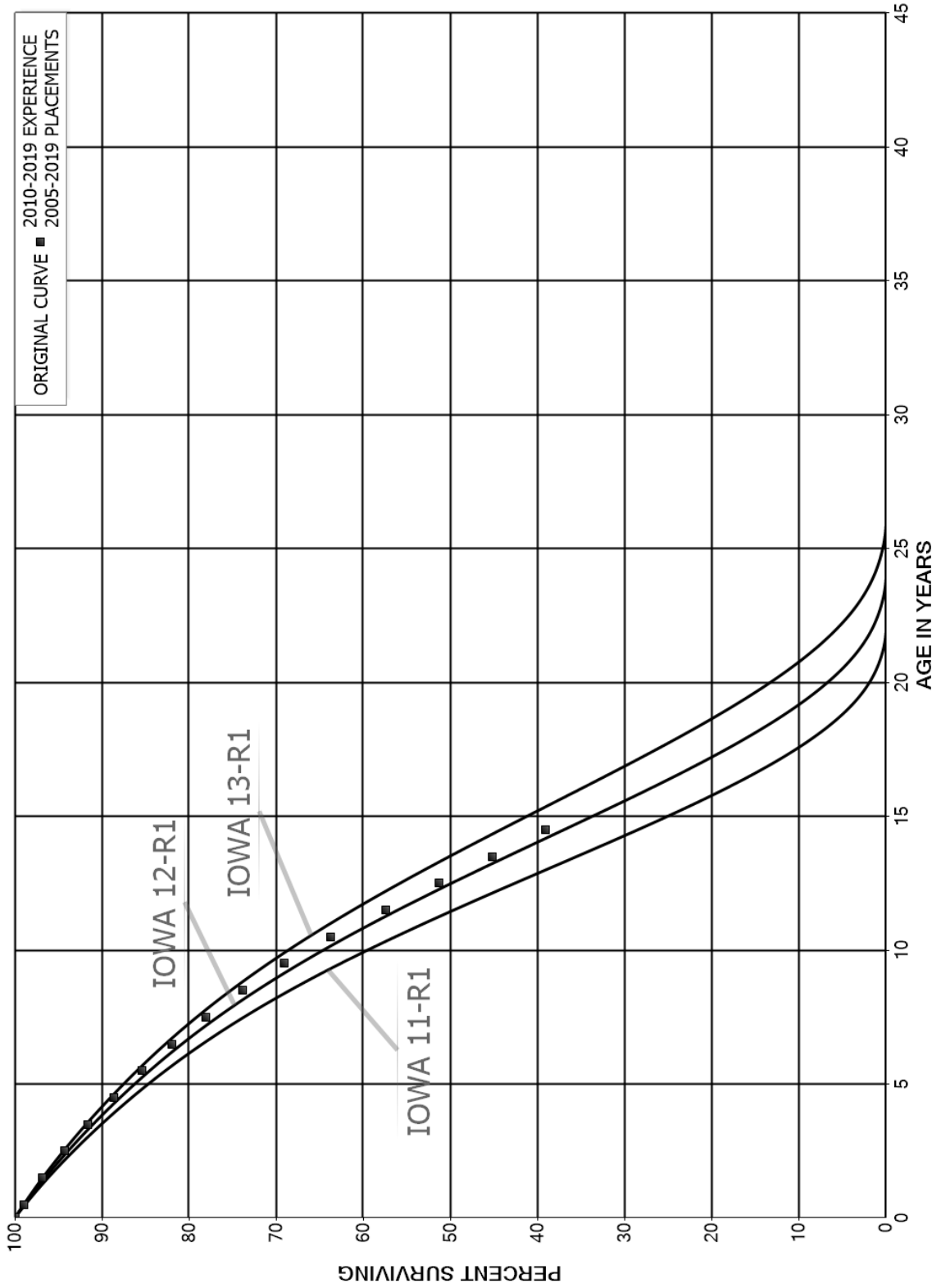
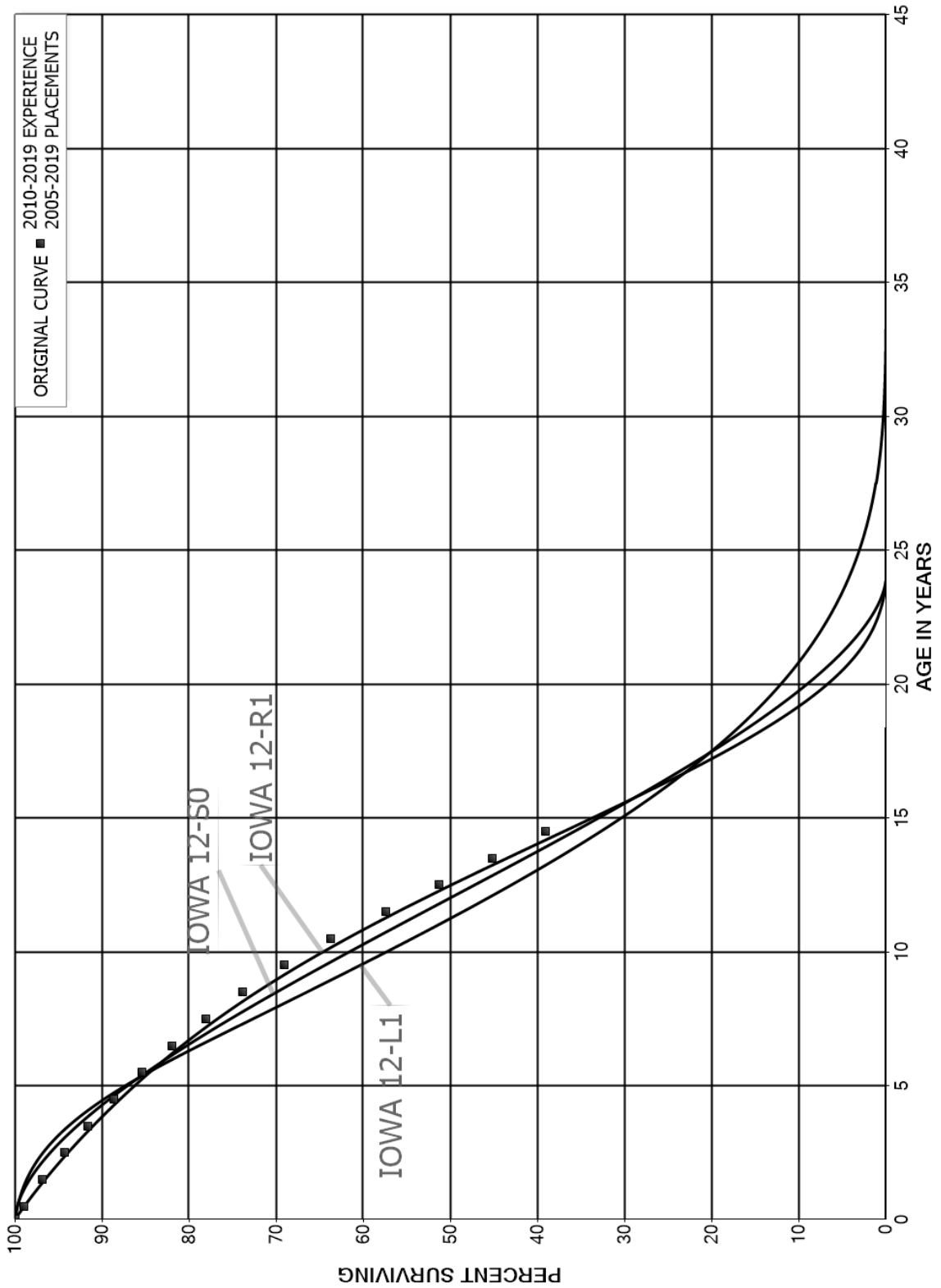


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1, S0 AND R1 IOWA TYPE CURVE ORIGINAL AND SMOOTH SURVIVOR CURVES



PART III. SERVICE LIFE CONSIDERATIONS

PART III. SERVICE LIFE CONSIDERATIONS

FIELD TRIPS

In order to be familiar with the operation of the Company and observe representative portions of the plant, a field trip was conducted for the study. A general understanding of the function of the plant and information with respect to the reasons for past retirements and the expected future causes of retirements are obtained during field trips. This knowledge and information were incorporated in the interpretation and extrapolation of the statistical analyses.

The following is a list of the locations visited during the initial field trip.

December 9, 2019

- Papillion Service Center
- Westmont #14 Regulating Station
- Westmont #12 and #15 Regulating Station
- Gretna #3 and #4 Regulating Station
- Gretna #1 Regulating Station
- Gretna #2 Regulating Station
- Gretna #5 Regulating Station
- Gretna Concrete Meter Set

December 10, 2019

- Lincoln Service Center
- Lincoln 1B Town Border Station
- Lincoln 1A Town Border Station
- District Regulating Station #54
- District Regulating Station #96

SERVICE LIFE ANALYSIS

The service life estimates were based on informed judgment which considered a number of factors. The primary factors were the statistical analyses of data; current Company policies and outlook as determined during conversations with management; and the survivor curve estimates from previous studies of this company and other gas companies.

For many of the plant accounts and subaccounts for which survivor curves were estimated, the statistical analyses using the retirement rate method resulted in good to excellent indications of the survivor patterns experienced. These accounts represent 96 percent of depreciable plant. Generally, the information external to the statistics led to little to no significant departure from the indicated survivor curves for the accounts listed below. The statistical support for the service life estimates is presented in the section beginning on page VII-2.

TRANSMISSION PLANT

369.03 Measuring and Regulating Station Equipment

DISTRIBUTION PLANT

375.01 Structures and Improvements
376.00 Mains
378.00 Measuring and Regulating Station Equipment
380.00 Services
381.00 Meters – Small Volume and Other
381.00 Meters – ERT, AMR and AMI
382.01 Meter Installations
383.01 House Regulators
383.71 House Regulators – Farm Taps
384.01 House Regulator Installations
385.00 Industrial Measuring and Regulating Station Equipment

GENERAL PLANT

390.01 Structures and Improvements
392.02 Transportation Equipment – Cars
392.03 Transportation Equipment – Light Trucks
392.04 Transportation Equipment – Medium Trucks
392.05 Transportation Equipment – Heavy Trucks
396.00 Power Operated Equipment

The estimated survivor curves for most of the mass property accounts are based on statistical analyses of plant accounting data and the range of lives and type curves used for other companies in the gas industry. Account 376.00, Mains has a survivor curve estimate of 70-R2.5 which is consistent with the statistical indications for the period 1998

through 2019. The Iowa 70-R2.5 is a good fit of the stub curve for Mains through age 80 and is consistent with the outlook for this account. The 70-year service life is within the typical service life range of 55 to 75 years for mains. Based on these considerations, the 70-R2.5 survivor curve is the most reasonable estimate for this account.

Account 378.00, Measuring and Regulating Station Equipment has aged plant accounting data compiled for the years 1998 through 2019. The survivor curve estimate of 45-S1 is comparable to the statistical indications for the period 1998 through 2019. The Iowa 45-S1 is an excellent fit of the entire stub curve for Measuring and Regulating Station Equipment and is consistent with the company's outlook for this account. The 45-year service life is within the typical service life range of 40 to 55 years for Measuring and Regulating Station Equipment. Based on these considerations, the 45-S1 survivor curve is the most reasonable estimate for this account.

Account 380.00, Services has aged plant accounting data compiled for the years 1998 through 2019. The survivor curve estimate of 40-S0 is consistent with the statistical indications for the period 1998 through 2019. The Iowa 40-S0 is a good fit of the stub curve for Services through age 67 and is consistent with the outlook for this account. The 40-year service life is at the lower end of the typical service life range of 40 to 55 years for services, however, is consistent with the Company's practices relating to assets in this account. Based on these considerations, the 40-S0 survivor curve is the most reasonable estimate for this account.

Similar studies were performed for the remaining plant accounts. Each of the judgments represented a consideration of statistical analyses of aged plant activity, management's outlook for the future, and the typical range of lives used by other gas companies.

The selected amortization periods for other General Plant accounts are described in the section “Calculated Annual and Accrued Amortization.”

PART IV. NET SALVAGE CONSIDERATIONS

PART IV. NET SALVAGE CONSIDERATIONS

SALVAGE ANALYSIS

The estimates of net salvage by account were based in part on historical data compiled for the years 2010 through 2019. Cost of removal and salvage were expressed as percents of the original cost of plant retired, both on annual and three-year moving average bases. The most recent five-year average also was calculated for consideration. The net salvage estimates by account are expressed as a percent of the original cost of plant retired.

Net Salvage Considerations

The estimates of future net salvage are expressed as percentages of surviving plant in service, i.e., all future retirements. In cases in which removal costs are expected to exceed salvage receipts, a negative net salvage percentage is estimated. The net salvage estimates were based on judgment which incorporated analyses of historical cost of removal and salvage data, expectations with respect to future removal requirements and markets for retired equipment and materials.

The analyses of historical cost of removal and salvage data are presented in the section titled "Net Salvage Statistics" for the plant accounts for which the net salvage estimate relied partially on those analyses.

Statistical analyses of historical data for the period 2010-2019 were major factors in determining net salvage estimates combined with judgment and estimates of other gas companies.

The net salvage results for Account 376.00, Mains, is used to illustrate the methods for estimating net salvage. The net salvage estimate for Mains is negative 30 percent and is based on the historical analysis of net salvage percents for the period, 2010

through 2019. The overall net salvage percent for this period is negative 28 percent with the most recent five-year average, 2015-2019, trending to negative 45 percent. The estimate of negative 30 percent is within the industry range of negative 10 percent to negative 60 percent used by other gas utilities for Mains. Based on these considerations, the negative 30 percent is the most reasonable estimate for this account.

Account 380.00, Services, is another large account used to illustrate the net salvage estimation. The net salvage estimate for Services is negative 40 percent and is based on the historical analysis of net salvage percents for the period, 2010-2019. The overall net salvage percent for this period is negative 26 percent with cost of removal trending much higher over the last five years. The most recent five-year average for net salvage is negative 47 percent which is more negative than the estimate. The estimate of negative 40 percent is within the industry average of negative 25 percent to negative 150 percent used by other gas utilities for Services. Based on these considerations, the negative 40 percent is the most reasonable estimate for this account.

Account 392.02, Transportation Equipment - Cars, is another account used to illustrate the methods of estimating net salvage. The net salvage estimate for Transportation Equipment – Cars is positive 10 percent and is based on the historical analysis of net salvage percents for the period, 2010-2019. The overall net salvage percent for this period is 9 percent with the most recent five-year average trending more positive to 12 percent. The estimate of 10 percent is within the industry average of 0 percent to 25 percent used by other gas utilities for Transportation Equipment - Cars.

Based on these considerations, 10 percent is the most reasonable estimate for this account.

The net salvage estimates for the remaining accounts were estimated using the above-described process of historical indications, judgment and reviewing the typical range of estimates used by other gas companies. The results of the net salvage for each plant account are presented in account sequence beginning in the section titled “Net Salvage Statistics”, page VIII-2.

Generally, the net salvage estimates for remaining amortized general plant accounts were zero percent, consistent with amortization accounting.

PART V. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

PART V. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

GROUP DEPRECIATION PROCEDURES

A group procedure for depreciation is appropriate when considering more than a single item of property. Normally the items within a group do not have identical service lives, but have lives that are dispersed over a range of time. There are two primary group procedures, namely, average service life and equal life group. In the average service life procedure, the rate of annual depreciation is based on the average life or average remaining life of the group, and this rate is applied to the surviving balances of the group's cost. A characteristic of this procedure is that the cost of plant retired prior to average life is not fully recouped at the time of retirement, whereas the cost of plant retired subsequent to average life is more than fully recouped. Over the entire life cycle, the portion of cost not recouped prior to average life is balanced by the cost recouped subsequent to average life.

Single Unit of Property

The calculation of straight line depreciation for a single unit of property is straightforward. For example, if a \$1,000 unit of property attains an age of four years and has a life expectancy of six years, the annual accrual over the total life is:

$$\frac{\$1,000}{(4 + 6)} = \$100 \text{ per year.}$$

The accrued depreciation is:

$$\$1,000 \left(1 - \frac{6}{10} \right) = \$400.$$

Remaining Life Annual Accruals

For the purpose of calculating remaining life accruals as of November 30, 2019, the depreciation reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account. Explanations of remaining life accruals and calculated accrued depreciation follow. The detailed calculations as of November 30, 2019, are set forth in the Results of Study section of the report.

Average Service Life Procedure

In the average service life procedure, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the average remaining life of the vintage. The average remaining life is a directly weighted average derived from the estimated future survivor curve in accordance with the average service life procedure.

The calculated accrued depreciation for each depreciable property group represents that portion of the depreciable cost of the group which would not be allocated to expense through future depreciation accruals if current forecasts of life characteristics are used as the basis for such accruals. The accrued depreciation calculation consists of applying an appropriate ratio to the surviving original cost of each vintage of each account based upon the attained age and service life. The straight line accrued depreciation ratios are calculated as follows for the average service life procedure:

$$\text{Ratio} = 1 - \frac{\text{Average Remaining Life}}{\text{Average Service Life}}$$

CALCULATION OF ANNUAL AND ACCRUED AMORTIZATION

Amortization is the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. Normally, the distribution of the amount is in equal amounts to each year of the amortization period.

The calculation of annual and accrued amortization requires the selection of an amortization period. The amortization periods used in this report were based on judgment which incorporated a consideration of the period during which the assets will render most of their service, the amortization period and service lives used by other utilities, and the service life estimates previously used for the asset under depreciation accounting.

Amortization accounting is proposed for a number of accounts that represent numerous units of property, but a very small portion of depreciable gas plant in service.

The accounts and their amortization periods are as follows:

<u>Account</u>	<u>Amortization Period, Years</u>
391.01 Office Furniture and Equipment	20
391.03 Computer Hardware	5
391.04 Software	5
391.07 iPad Hardware	5
393.00 Stores Equipment	25
394.00 Tools, Shop, and Garage Equipment	25
395.00 Laboratory Equipment	20
397.00 Communication Equipment	15
398.00 Miscellaneous Equipment	20

For the purpose of calculating annual amortization amounts as of November 30, 2019, the book depreciation reserve for each plant account or subaccount is assigned or allocated to vintages. The book reserve assigned to vintages with an age greater than the amortization period is equal to the vintage's original cost. The remaining book reserve is allocated among vintages with an age less than the amortization period in proportion to the calculated accrued amortization. The calculated accrued amortization is equal to the original cost multiplied by the ratio of the vintage's age to its amortization period. The annual amortization amount is determined by dividing the future amortizations (original cost less allocated book reserve) by the remaining period of amortization for the vintage.

PART VI. RESULTS OF STUDY

PART VI. RESULTS OF STUDY

QUALIFICATION OF RESULTS

The calculated annual and accrued depreciation are the principal results of the study. Continued surveillance and periodic revisions are normally required to maintain continued use of appropriate annual depreciation accrual rates. An assumption that accrual rates can remain unchanged over a long period of time implies a disregard for the inherent variability in service lives and salvage and for the change of the composition of property in service. The annual accrual rates were calculated in accordance with the straight line remaining life method of depreciation, using the average service life procedure based on estimates which reflect considerations of current historical evidence and expected future conditions.

The annual depreciation accrual rates are applicable specifically to the gas plant in service as of November 30, 2019. For most plant accounts, the application of such rates to future balances that reflect additions subsequent to November 30, 2019, is reasonable for a period of three to five years.

DESCRIPTION OF STATISTICAL SUPPORT

The service life estimates were based on judgment that incorporated statistical analysis of retirement data, discussions with management and consideration of estimates made for other gas utilities. The results of the statistical analysis of service life are presented in the section beginning on page VII-2, within the supporting documents of this report.

For each depreciable group analyzed by the retirement rate method, a chart depicting the original and estimated survivor curves followed by a tabular presentation of

the original life table(s) plotted on the chart. The survivor curves estimated for the depreciable groups are shown as dark smooth curves on the charts. Each smooth survivor curve is denoted by a numeral followed by the curve type designation. The numeral used is the average life derived from the entire curve from 100 percent to zero percent surviving. The titles of the chart indicate the group, the symbol used to plot the points of the original life table, and the experience and placement bands of the life tables which were plotted. The experience band indicates the range of years for which retirements were used to develop the stub survivor curve. The placements indicate, for the related experience band, the range of years of installations which appear in the experience.

The analyses of salvage data are presented in the section titled, "Net Salvage Statistics". The tabulations present annual cost of removal and salvage data, three-year moving averages and the most recent five-year average. Data are shown in dollars and as percentages of original costs retired.

DESCRIPTION OF DETAILED TABULATIONS

A summary of the results of the study, as applied to the original cost of gas plant at November 30, 2019, is presented on pages VI-5 through VI-7 of this report. The schedule sets forth the original cost, the book depreciation reserve, future accruals, the calculated annual depreciation rate and amount, and the composite remaining life related to gas plant.

The tables of the calculated annual depreciation applicable to depreciable assets as of November 30, 2019 are presented in account sequence starting on page IX-2 of the supporting documents. The tables indicate the estimated survivor curve and net salvage

percent for the account and set forth, for each installation year, the original cost, the calculated accrued depreciation, the allocated book reserve, future accruals, the remaining life, and the calculated annual accrual amount.

BLACK HILLS NEBRASKA

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO GAS PLANT AS OF NOVEMBER 30, 2019

	ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST AS OF NOVEMBER 30, 2019 (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED		COMPOSITE REMAINING LIFE (9)=(6)/(7)
							ANNUAL AMOUNT (7)	ACCURAL RATE (8)=(7)/(4)	
DEPRECIABLE PLANT									
INTANGIBLE PLANT									
	302.00	30-SQ	0	121,062.49	117,148	3,914	704	0.58	5.6
	303.00	15-SQ	0	742,880.94	585,015	157,866	49,089	6.61	3.2
	303.01	20-SQ	0	500,000.00	283,353	216,667	25,253	5.05	8.6
				1,363,943.43	985,496	378,447	75,046	5.50	
TRANSMISSION PLANT									
	365.03	70-R4	0	170,272.49	116,001	54,271	1,299	0.76	41.8
	366.01	60-R4	0	8,173.65	6,835	1,339	40	0.49	33.5
	367.00	70-R3	0	5,358,618.90	4,060,928	1,297,691	26,467	0.49	49.0
	369.03	45-R2	(5)	624,131.57	318,002	337,336	12,979	2.08	26.0
				6,161,196.61	4,501,766	1,690,637	40,785	0.66	
DISTRIBUTION PLANT									
	374.03	75-R4	0	5,981,058.73	2,099,335	3,881,724	56,566	0.95	68.6
	375.01	60-R1	0	4,779,829.56	2,941,673	1,838,157	36,546	0.76	50.3
	375.20	45-R3	0	12,119.44	1,861	10,258	259	2.14	39.6
	376.00	70-R2.5	(30)	368,534,043.19	151,043,192	328,051,064	5,358,903	1.45	61.2
	378.00	45-S1	(15)	20,627,024.28	4,306,617	19,414,461	558,236	2.71	34.8
	379.00	60-R3	(15)	4,504,804.09	2,108,144	3,072,381	63,676	1.41	48.3
	380.00	40-S0	(40)	132,537,973.28	41,999,727	143,553,436	4,695,090	3.54	30.6
	381.00	26-R1.5	0	21,393,947.32	8,222,411	13,171,536	681,598	3.19	19.3
		13-S1.5	0	21,057,410.09	12,404,550	8,652,860	1,349,841	6.41	6.4
				42,451,357.41	20,626,961	21,824,396	2,031,439	4.79	
	382.01	36-R2	(2)	15,027,221.02	6,768,889	8,558,876	400,767	2.67	21.4
	383.01	40-R2	(15)	64,404,962.63	13,582,974	60,482,733	2,102,069	3.26	28.8
	383.71	40-R2	0	626,094.46	14,267	611,827	15,621	2.49	39.2
	384.01	47-R4	(5)	1,517,403.30	1,170,752	422,521	18,367	1.21	23.0
	385.00	38-R0.5	0	8,058,395.01	956,325	7,102,070	207,519	2.58	34.2
	386.00	20-R4	0	35,278.87	33,764	1,515	366	1.04	4.1
	387.00	25-R2.5	0	206,519.79	128,073	78,447	4,264	2.06	18.4
				669,304,085.06	247,782,554	598,903,866	15,549,688	2.32	

BLACK HILLS NEBRASKA

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO GAS PLANT AS OF NOVEMBER 30, 2019

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)=(7)/(4)	(9)=(6)/(7)
	ACCOUNT	SURVIVOR CURVE	NET SALVAGE PERCENT	ORIGINAL COST AS OF NOVEMBER 30, 2019	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL AMOUNT	RATE	COMPOSITE REMAINING LIFE
	GENERAL PLANT								
390.01	STRUCTURES AND IMPROVEMENTS	38-R2	(5)	22,478,214.22	123,211	23,478,914	670,911	2.98	35.0
390.51	LEASEHOLD IMPROVEMENTS	15-S1	0	96,461.46	66,163	30,298	8,948	9.28	3.4
391.01	OFFICE FURNITURE AND EQUIPMENT FULLY ACQUIRED AND AMORTIZED	20-SQ	0	1,134.23 415,193.62	1,134 81,543	0 333,651	0 20,751	- 5.00	- 16.1
	TOTAL OFFICE FURNITURE AND EQUIPMENT			416,327.85	82,677	333,651	20,751	4.98	
391.03	COMPUTER HARDWARE FULLY ACQUIRED AND AMORTIZED	5-SQ	0	6,175.74 544,785.01	6,176 170,581	0 374,204	0 108,941	- 20.00	- 3.4
	TOTAL COMPUTER HARDWARE			550,960.75	176,757	374,204	108,941	19.77	
391.04	SOFTWARE FULLY ACQUIRED AND AMORTIZED	5-SQ	0	168,549.44 1,550.56	168,549 142	0 1,409	0 310	- 19.99	- 4.5
	TOTAL SOFTWARE			170,100.00	168,691	1,409	310	0.18	
391.07	IPAD HARDWARE	5-SQ	0	581,994.77	53,544	528,451	116,399	20.00	4.5
	TOTAL OFFICE FURNITURE AND EQUIPMENT			1,719,383.37	481,669	1,237,715	246,401	14.33	
392.02	TRANSPORTATION EQUIPMENT CARS	9-S3	10	3,928,687.04	2,608,027	927,791	387,805	9.87	2.4
392.03	LIGHT TRUCKS	9-L3	25	17,523,332.34	5,858,296	7,284,203	1,226,077	7.00	5.9
392.04	MEDIUM TRUCKS	8-L2	25	127,109.01	37,019	58,313	15,961	12.56	3.7
392.05	HEAVY TRUCKS	11-R3	5	3,070,645.01	1,687,747	1,229,366	146,182	4.76	8.4
392.06	TRAILERS	12-S1	0	816,542.88	381,137	435,406	53,848	6.59	8.1
	TOTAL TRANSPORTATION EQUIPMENT			25,466,316.28	10,572,226	9,935,079	1,829,873	7.19	28.5
393.00	STORES EQUIPMENT	25-SQ	0	28,177.52	5,180	22,998	1,127	4.00	20.4
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT FULLY ACQUIRED AND AMORTIZED	25-SQ	0	85,929.22 8,190,435.44	85,929 2,395,107	0 5,795,328	0 327,313	- 4.00	- 17.7
	TOTAL TOOLS, SHOP AND GARAGE EQUIPMENT			8,276,364.66	2,481,036	5,795,328	327,313	3.95	
395.00	LABORATORY EQUIPMENT FULLY ACQUIRED AND AMORTIZED	20-SQ	0	6,915.47 81,887.05	6,915 49,617	0 32,270	0 4,098	- 5.00	- 7.9
	TOTAL LABORATORY EQUIPMENT			88,802.52	56,532	32,270	4,098	4.61	

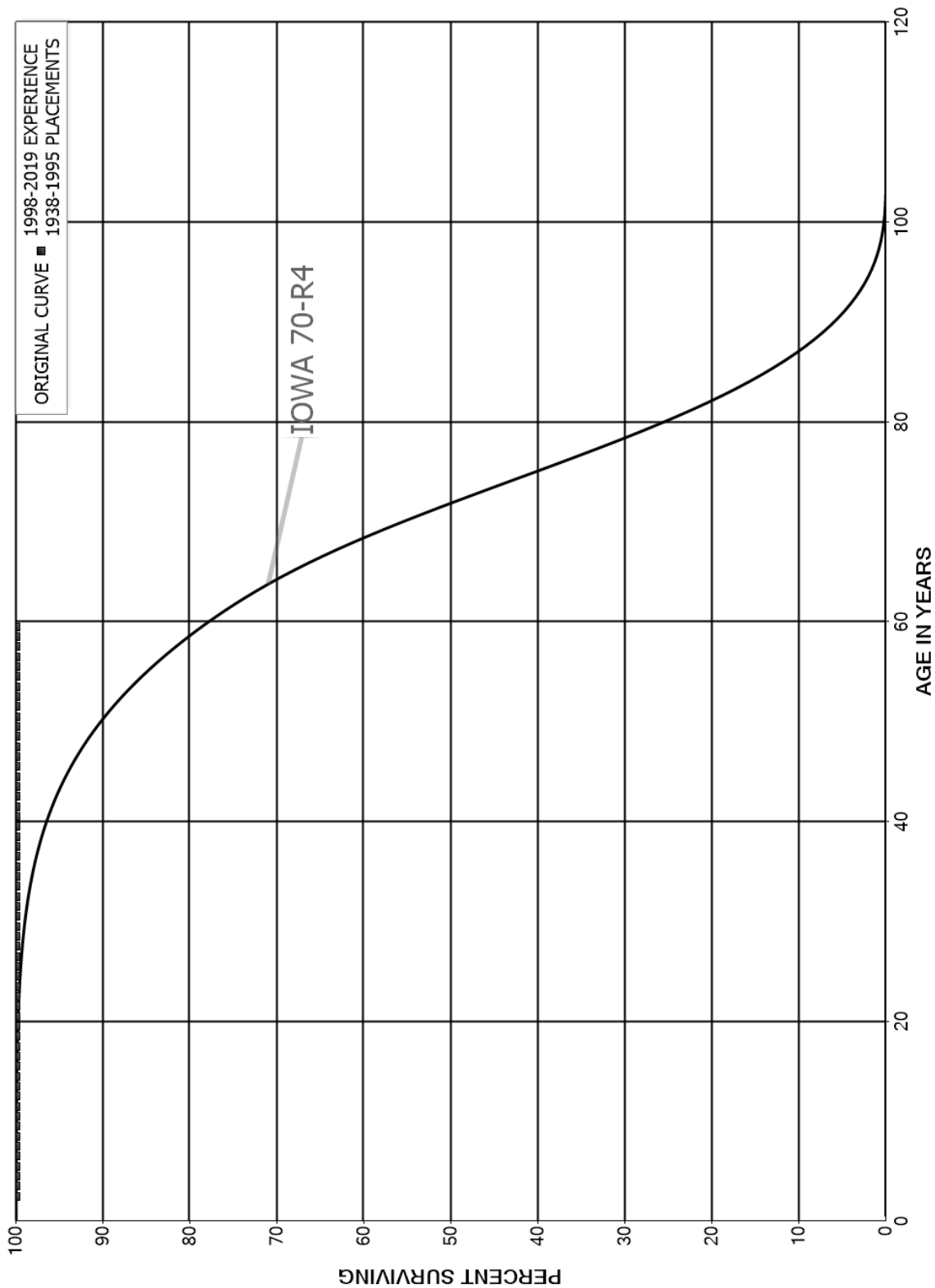
BLACK HILLS NEBRASKA

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO GAS PLANT AS OF NOVEMBER 30, 2019

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST AS OF NOVEMBER 30, 2019 (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL ACCRUAL AMOUNT (7)	CALCULATED RATE (8)=(7)/(4)	COMPOSITE REMAINING LIFE (9)=(6)/(7)
396.00	13-L1.5	10	5,766,088.78	2,861,009	2,328,471	220,896	3.83	10.5
397.00	15-SQ	0	909.41 845,170.99	909 438,292	0 406,879	0 56,342	- 6.67	- 7.2
398.00	20-SQ	0	846,080.40 904,316.55	439,201 162,103	406,879 742,214	56,342 45,183	6.66 5.00	16.4
TOTAL GENERAL PLANT			65,670,205.76	17,248,330	44,010,166	3,411,092	5.19	
UNRECOVERED RESERVE TO BE AMORTIZED								
391.01						70,784		
391.03				(353,919)		177,238		
391.04				(886,191)		160,964		
391.07				(804,822)		1,113		
393.00				(5,565)		(464)		
394.00				2,321		(129,677)		
395.00				648,385		1,323		
397.00				(6,617)		(44,853)		
398.00				224,266		(24,256)		
				121,280		212,172		
TOTAL UNRECOVERED RESERVE TO BE AMORTIZED				(1,060,862)		19,288,783	2.60	
TOTAL DEPRECIABLE GAS PLANT			742,499,430.86	269,457,284	644,983,116	19,288,783		
NONDEPRECIABLE PLANT AND ACCOUNTS NOT STUDIED								
301.00			256.00	256				
374.01			1,540,540.48	(5,554)				
374.02			176,100.00	0				
389.01			5,210,058.38	(42,203)				
389.02			1,134,618.31	0				
TOTAL NONDEPRECIABLE PLANT AND ACCOUNTS NOT STUDIED			8,061,573.17	(47,501)				
TOTAL GAS PLANT			750,561,004.03	269,409,783	644,983,116	19,288,783		

PART VII. SERVICE LIFE STATISTICS

BLACK HILLS NEBRASKA
ACCOUNT 365.03 LAND AND LAND RIGHTS - RIGHTS OF WAY
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 365.03 LAND AND LAND RIGHTS - RIGHTS OF WAY

ORIGINAL LIFE TABLE

PLACEMENT BAND 1938-1995			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0					
0.5					
1.5					
2.5	41,542		0.0000	1.0000	100.00
3.5	41,542		0.0000	1.0000	100.00
4.5	41,542		0.0000	1.0000	100.00
5.5	41,542		0.0000	1.0000	100.00
6.5	41,542		0.0000	1.0000	100.00
7.5	41,542		0.0000	1.0000	100.00
8.5	41,542		0.0000	1.0000	100.00
9.5	41,542		0.0000	1.0000	100.00
10.5	41,542		0.0000	1.0000	100.00
11.5	41,542		0.0000	1.0000	100.00
12.5	41,542		0.0000	1.0000	100.00
13.5	41,542		0.0000	1.0000	100.00
14.5	41,542		0.0000	1.0000	100.00
15.5	41,542		0.0000	1.0000	100.00
16.5	41,542		0.0000	1.0000	100.00
17.5	41,542		0.0000	1.0000	100.00
18.5	169,440		0.0000	1.0000	100.00
19.5	169,440		0.0000	1.0000	100.00
20.5	169,440		0.0000	1.0000	100.00
21.5	169,440		0.0000	1.0000	100.00
22.5	169,440		0.0000	1.0000	100.00
23.5	169,440		0.0000	1.0000	100.00
24.5	127,898		0.0000	1.0000	100.00
25.5	127,898		0.0000	1.0000	100.00
26.5	127,898		0.0000	1.0000	100.00
27.5	127,898		0.0000	1.0000	100.00
28.5	127,898		0.0000	1.0000	100.00
29.5	128,442		0.0000	1.0000	100.00
30.5	544		0.0000	1.0000	100.00
31.5	544		0.0000	1.0000	100.00
32.5	544		0.0000	1.0000	100.00
33.5	544		0.0000	1.0000	100.00
34.5	544		0.0000	1.0000	100.00
35.5	544		0.0000	1.0000	100.00
36.5	544		0.0000	1.0000	100.00
37.5	544		0.0000	1.0000	100.00
38.5	544		0.0000	1.0000	100.00

BLACK HILLS NEBRASKA

ACCOUNT 365.03 LAND AND LAND RIGHTS - RIGHTS OF WAY

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1938-1995			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	544		0.0000	1.0000	100.00
40.5	544		0.0000	1.0000	100.00
41.5	544		0.0000	1.0000	100.00
42.5	544		0.0000	1.0000	100.00
43.5	544		0.0000	1.0000	100.00
44.5	544		0.0000	1.0000	100.00
45.5	544		0.0000	1.0000	100.00
46.5	544		0.0000	1.0000	100.00
47.5	544		0.0000	1.0000	100.00
48.5	804		0.0000	1.0000	100.00
49.5	804		0.0000	1.0000	100.00
50.5	804		0.0000	1.0000	100.00
51.5	261		0.0000	1.0000	100.00
52.5	261		0.0000	1.0000	100.00
53.5	261		0.0000	1.0000	100.00
54.5	261		0.0000	1.0000	100.00
55.5	261		0.0000	1.0000	100.00
56.5	261		0.0000	1.0000	100.00
57.5	261		0.0000	1.0000	100.00
58.5	261		0.0000	1.0000	100.00
59.5	289		0.0000	1.0000	100.00
60.5	289		0.0000	1.0000	100.00
61.5	289		0.0000	1.0000	100.00
62.5	289		0.0000	1.0000	100.00
63.5	289		0.0000	1.0000	100.00
64.5	289		0.0000	1.0000	100.00
65.5	289		0.0000	1.0000	100.00
66.5	289		0.0000	1.0000	100.00
67.5	289		0.0000	1.0000	100.00
68.5	289		0.0000	1.0000	100.00
69.5	289		0.0000	1.0000	100.00
70.5	28		0.0000	1.0000	100.00
71.5	28		0.0000	1.0000	100.00
72.5	28		0.0000	1.0000	100.00
73.5	28		0.0000	1.0000	100.00
74.5	28		0.0000	1.0000	100.00
75.5	28		0.0000	1.0000	100.00
76.5	28		0.0000	1.0000	100.00
77.5	28		0.0000	1.0000	100.00
78.5	28		0.0000	1.0000	100.00

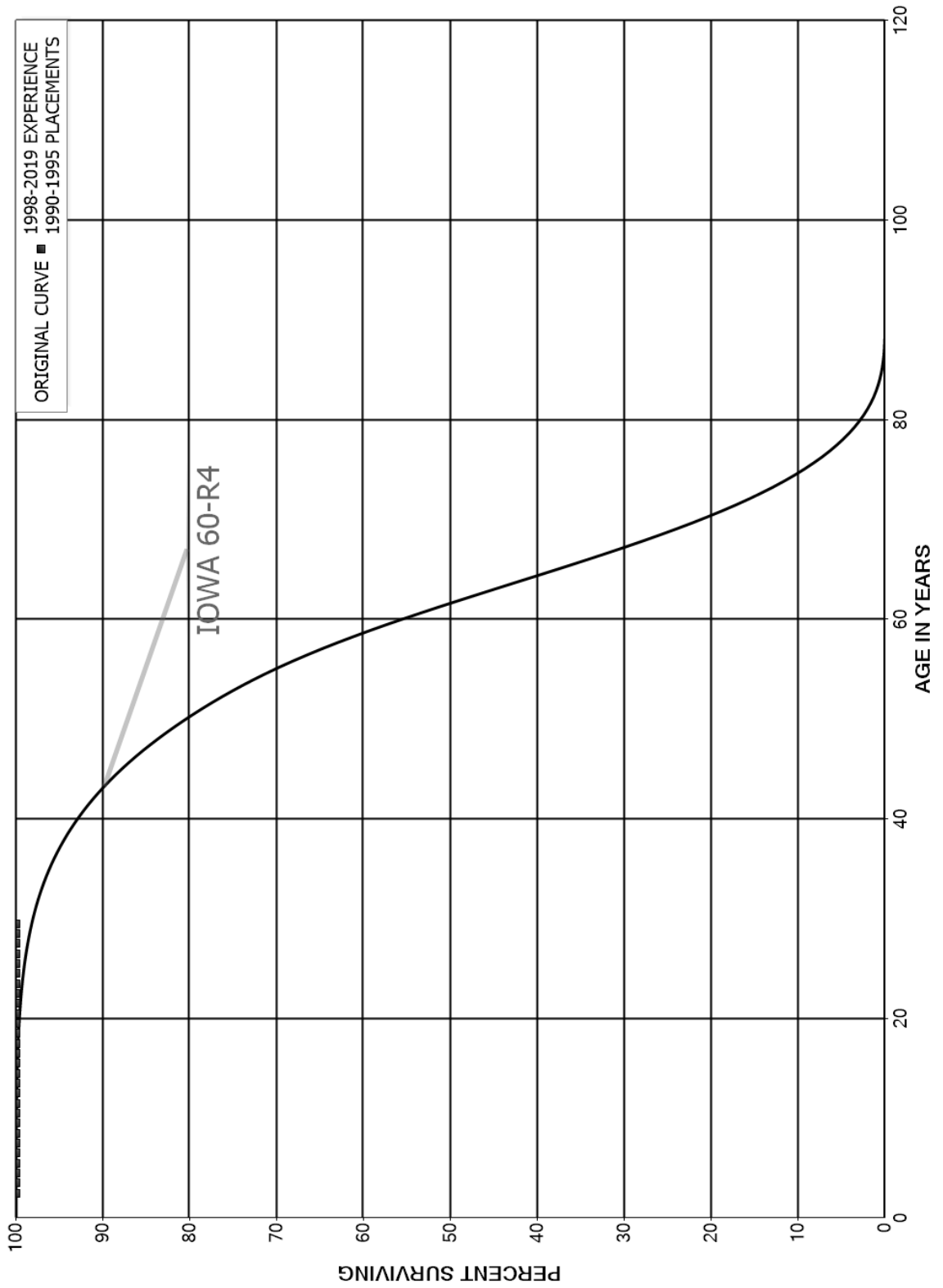
BLACK HILLS NEBRASKA

ACCOUNT 365.03 LAND AND LAND RIGHTS - RIGHTS OF WAY

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1938-1995			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	28		0.0000	1.0000	100.00
80.5	28		0.0000	1.0000	100.00
81.5					100.00

BLACK HILLS NEBRASKA
ACCOUNT 366.01 STRUCTURES AND IMPROVEMENTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



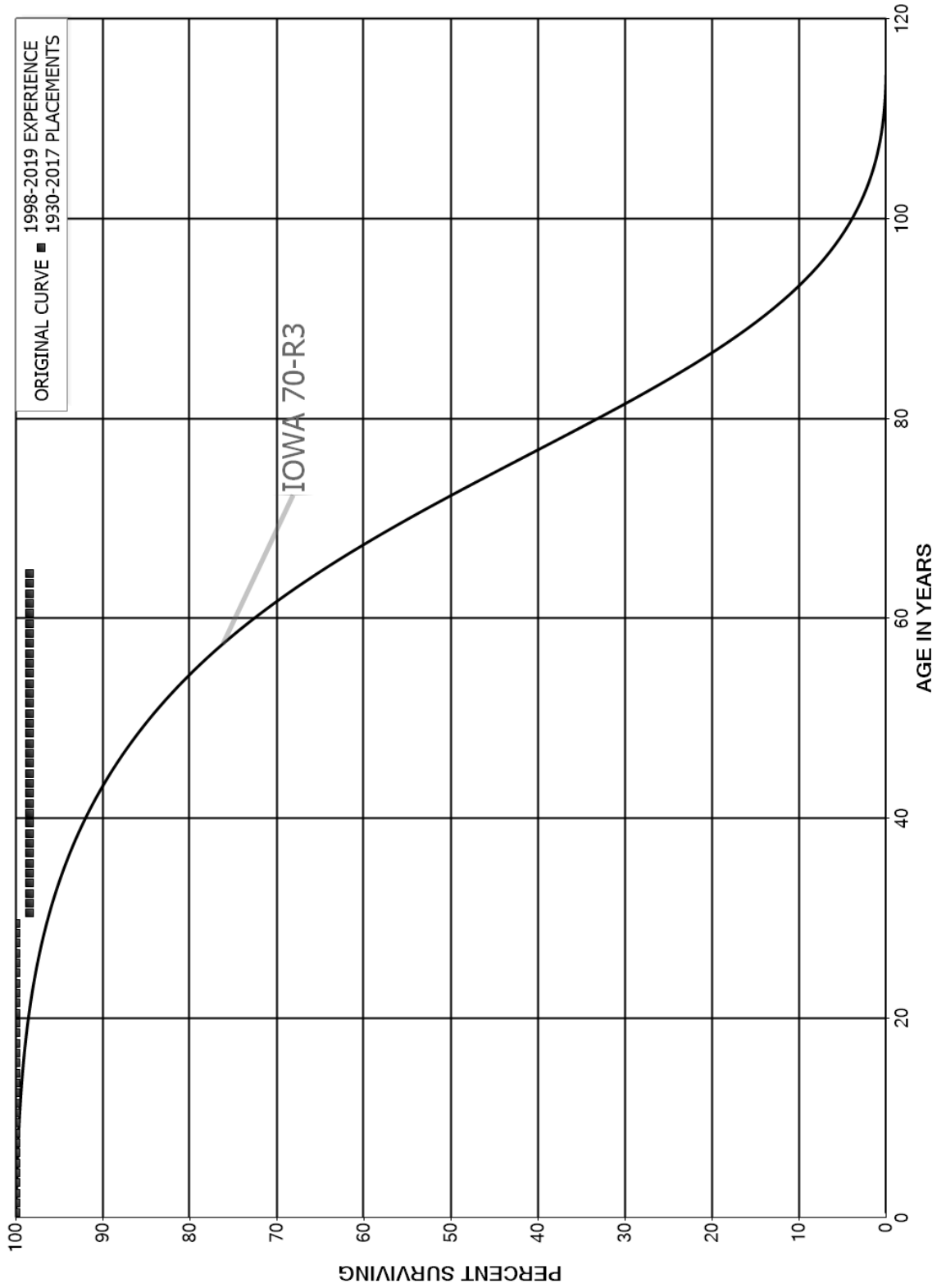
BLACK HILLS NEBRASKA

ACCOUNT 366.01 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1990-1995			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0					
0.5					
1.5					
2.5	2,147		0.0000	1.0000	100.00
3.5	2,147		0.0000	1.0000	100.00
4.5	2,147		0.0000	1.0000	100.00
5.5	2,147		0.0000	1.0000	100.00
6.5	2,147		0.0000	1.0000	100.00
7.5	2,147		0.0000	1.0000	100.00
8.5	2,147		0.0000	1.0000	100.00
9.5	2,147		0.0000	1.0000	100.00
10.5	2,147		0.0000	1.0000	100.00
11.5	2,147		0.0000	1.0000	100.00
12.5	2,147		0.0000	1.0000	100.00
13.5	2,147		0.0000	1.0000	100.00
14.5	2,147		0.0000	1.0000	100.00
15.5	2,147		0.0000	1.0000	100.00
16.5	2,147		0.0000	1.0000	100.00
17.5	8,174		0.0000	1.0000	100.00
18.5	8,174		0.0000	1.0000	100.00
19.5	8,174		0.0000	1.0000	100.00
20.5	8,174		0.0000	1.0000	100.00
21.5	8,174		0.0000	1.0000	100.00
22.5	8,174		0.0000	1.0000	100.00
23.5	8,174		0.0000	1.0000	100.00
24.5	6,027		0.0000	1.0000	100.00
25.5	6,027		0.0000	1.0000	100.00
26.5	6,027		0.0000	1.0000	100.00
27.5	6,027		0.0000	1.0000	100.00
28.5	6,027		0.0000	1.0000	100.00
29.5					100.00

BLACK HILLS NEBRASKA
ACCOUNT 367.00 MAINS
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 367.00 MAINS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1930-2017

EXPERIENCE BAND 1998-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	654,648		0.0000	1.0000	100.00
0.5	654,648		0.0000	1.0000	100.00
1.5	678,694		0.0000	1.0000	100.00
2.5	1,406,473		0.0000	1.0000	100.00
3.5	1,403,887		0.0000	1.0000	100.00
4.5	1,403,887		0.0000	1.0000	100.00
5.5	1,670,618		0.0000	1.0000	100.00
6.5	2,187,146		0.0000	1.0000	100.00
7.5	1,590,296		0.0000	1.0000	100.00
8.5	1,590,296		0.0000	1.0000	100.00
9.5	1,590,296		0.0000	1.0000	100.00
10.5	1,590,296		0.0000	1.0000	100.00
11.5	1,590,296		0.0000	1.0000	100.00
12.5	1,590,297		0.0000	1.0000	100.00
13.5	1,590,297		0.0000	1.0000	100.00
14.5	1,590,297		0.0000	1.0000	100.00
15.5	1,590,477		0.0000	1.0000	100.00
16.5	1,590,477		0.0000	1.0000	100.00
17.5	4,694,950		0.0000	1.0000	100.00
18.5	4,694,950		0.0000	1.0000	100.00
19.5	4,694,789		0.0000	1.0000	100.00
20.5	4,685,500		0.0000	1.0000	100.00
21.5	4,685,500	1,866	0.0004	0.9996	100.00
22.5	4,433,108		0.0000	1.0000	99.96
23.5	4,409,626		0.0000	1.0000	99.96
24.5	3,649,310		0.0000	1.0000	99.96
25.5	3,652,443		0.0000	1.0000	99.96
26.5	3,652,443		0.0000	1.0000	99.96
27.5	3,625,022		0.0000	1.0000	99.96
28.5	3,107,931		0.0000	1.0000	99.96
29.5	26,249	400	0.0152	0.9848	99.96
30.5	22,717		0.0000	1.0000	98.44
31.5	22,717		0.0000	1.0000	98.44
32.5	22,849		0.0000	1.0000	98.44
33.5	23,354		0.0000	1.0000	98.44
34.5	23,492		0.0000	1.0000	98.44
35.5	23,547		0.0000	1.0000	98.44
36.5	23,547		0.0000	1.0000	98.44
37.5	25,889		0.0000	1.0000	98.44
38.5	25,889		0.0000	1.0000	98.44

BLACK HILLS NEBRASKA

ACCOUNT 367.00 MAINS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1930-2017			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	25,889		0.0000	1.0000	98.44
40.5	25,889		0.0000	1.0000	98.44
41.5	25,804		0.0000	1.0000	98.44
42.5	25,804		0.0000	1.0000	98.44
43.5	25,804		0.0000	1.0000	98.44
44.5	25,745		0.0000	1.0000	98.44
45.5	25,745		0.0000	1.0000	98.44
46.5	3,351		0.0000	1.0000	98.44
47.5	3,351		0.0000	1.0000	98.44
48.5	36,098		0.0000	1.0000	98.44
49.5	35,786		0.0000	1.0000	98.44
50.5	35,281		0.0000	1.0000	98.44
51.5	37,046		0.0000	1.0000	98.44
52.5	36,991		0.0000	1.0000	98.44
53.5	36,991		0.0000	1.0000	98.44
54.5	34,649		0.0000	1.0000	98.44
55.5	34,649		0.0000	1.0000	98.44
56.5	34,649		0.0000	1.0000	98.44
57.5	34,649		0.0000	1.0000	98.44
58.5	34,649		0.0000	1.0000	98.44
59.5	35,038		0.0000	1.0000	98.44
60.5	85,295		0.0000	1.0000	98.44
61.5	84,906		0.0000	1.0000	98.44
62.5	84,906		0.0000	1.0000	98.44
63.5	84,906		0.0000	1.0000	98.44
64.5	84,906		0.0000	1.0000	98.44
65.5	1,902		0.0000	1.0000	98.44
66.5	1,902		0.0000	1.0000	98.44
67.5	1,902		0.0000	1.0000	98.44
68.5					98.44
69.5					
70.5					
71.5					
72.5					
73.5					
74.5					
75.5					
76.5					
77.5					
78.5					

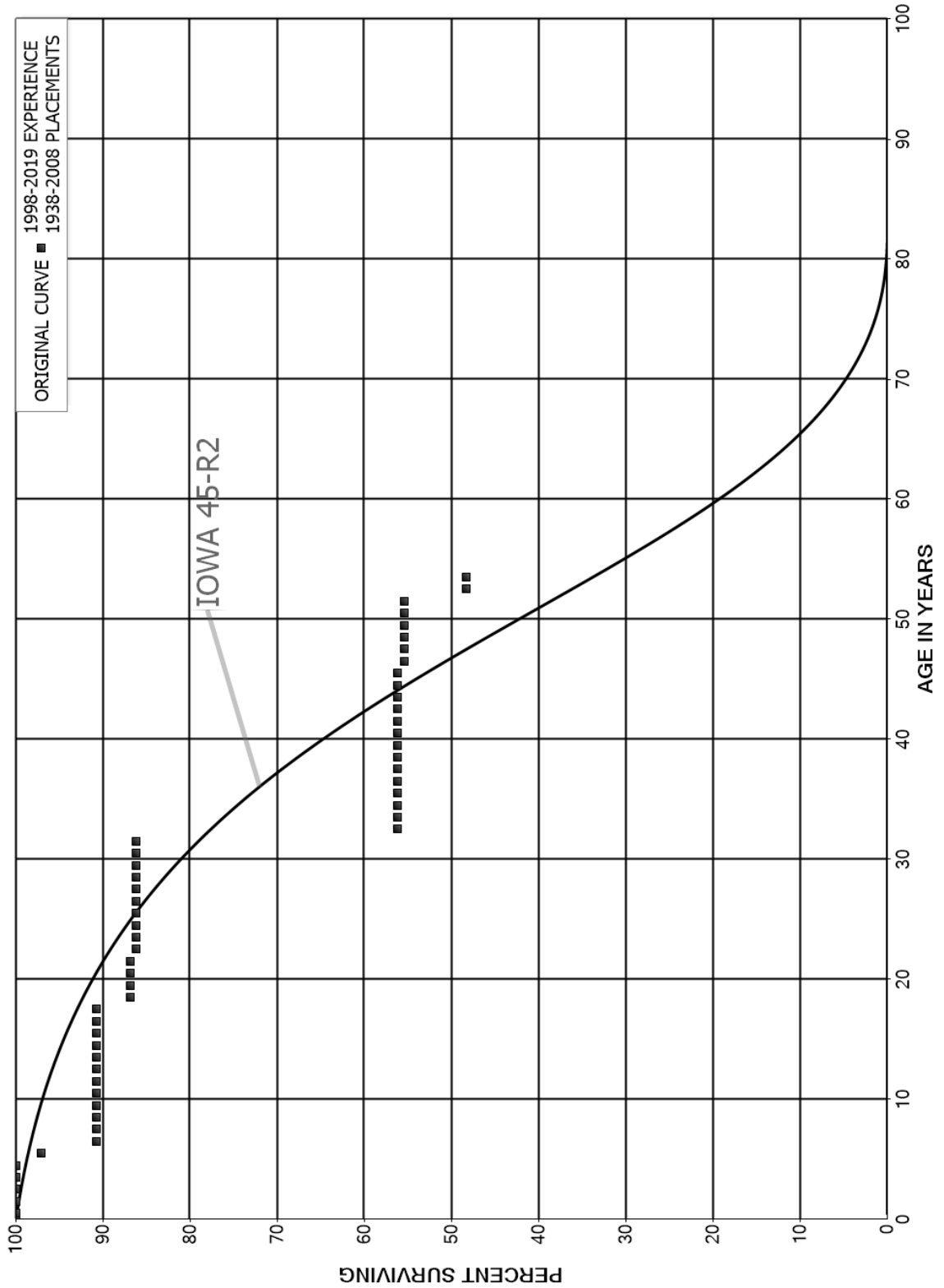
BLACK HILLS NEBRASKA

ACCOUNT 367.00 MAINS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1930-2017			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5					
80.5					
81.5					
82.5					
83.5	120,238		0.0000		
84.5	285,225		0.0000		
85.5	284,247		0.0000		
86.5	284,247		0.0000		
87.5	284,247		0.0000		
88.5	164,009		0.0000		
89.5					

BLACK HILLS NEBRASKA
ACCOUNT 369.03 MEASURING AND REGULATING STATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 369.03 MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1938-2008			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	238,460		0.0000	1.0000	100.00
0.5	250,910		0.0000	1.0000	100.00
1.5	250,910		0.0000	1.0000	100.00
2.5	297,891		0.0000	1.0000	100.00
3.5	300,681		0.0000	1.0000	100.00
4.5	304,267	9,068	0.0298	0.9702	100.00
5.5	380,427	24,606	0.0647	0.9353	97.02
6.5	343,155		0.0000	1.0000	90.74
7.5	337,910		0.0000	1.0000	90.74
8.5	358,127		0.0000	1.0000	90.74
9.5	358,127		0.0000	1.0000	90.74
10.5	359,851		0.0000	1.0000	90.74
11.5	367,065		0.0000	1.0000	90.74
12.5	364,239		0.0000	1.0000	90.74
13.5	161,258		0.0000	1.0000	90.74
14.5	168,160		0.0000	1.0000	90.74
15.5	176,148		0.0000	1.0000	90.74
16.5	176,148		0.0000	1.0000	90.74
17.5	458,038	19,975	0.0436	0.9564	90.74
18.5	445,600		0.0000	1.0000	86.79
19.5	445,600		0.0000	1.0000	86.79
20.5	443,766		0.0000	1.0000	86.79
21.5	437,525	3,281	0.0075	0.9925	86.79
22.5	420,017		0.0000	1.0000	86.14
23.5	420,017		0.0000	1.0000	86.14
24.5	388,442		0.0000	1.0000	86.14
25.5	388,059		0.0000	1.0000	86.14
26.5	374,797		0.0000	1.0000	86.14
27.5	321,234		0.0000	1.0000	86.14
28.5	321,234		0.0000	1.0000	86.14
29.5	21,057		0.0000	1.0000	86.14
30.5	21,446		0.0000	1.0000	86.14
31.5	21,694	7,538	0.3475	0.6525	86.14
32.5	14,208		0.0000	1.0000	56.21
33.5	6,749		0.0000	1.0000	56.21
34.5	1,092		0.0000	1.0000	56.21
35.5	1,103		0.0000	1.0000	56.21
36.5	1,101		0.0000	1.0000	56.21
37.5	1,352		0.0000	1.0000	56.21
38.5	1,354		0.0000	1.0000	56.21

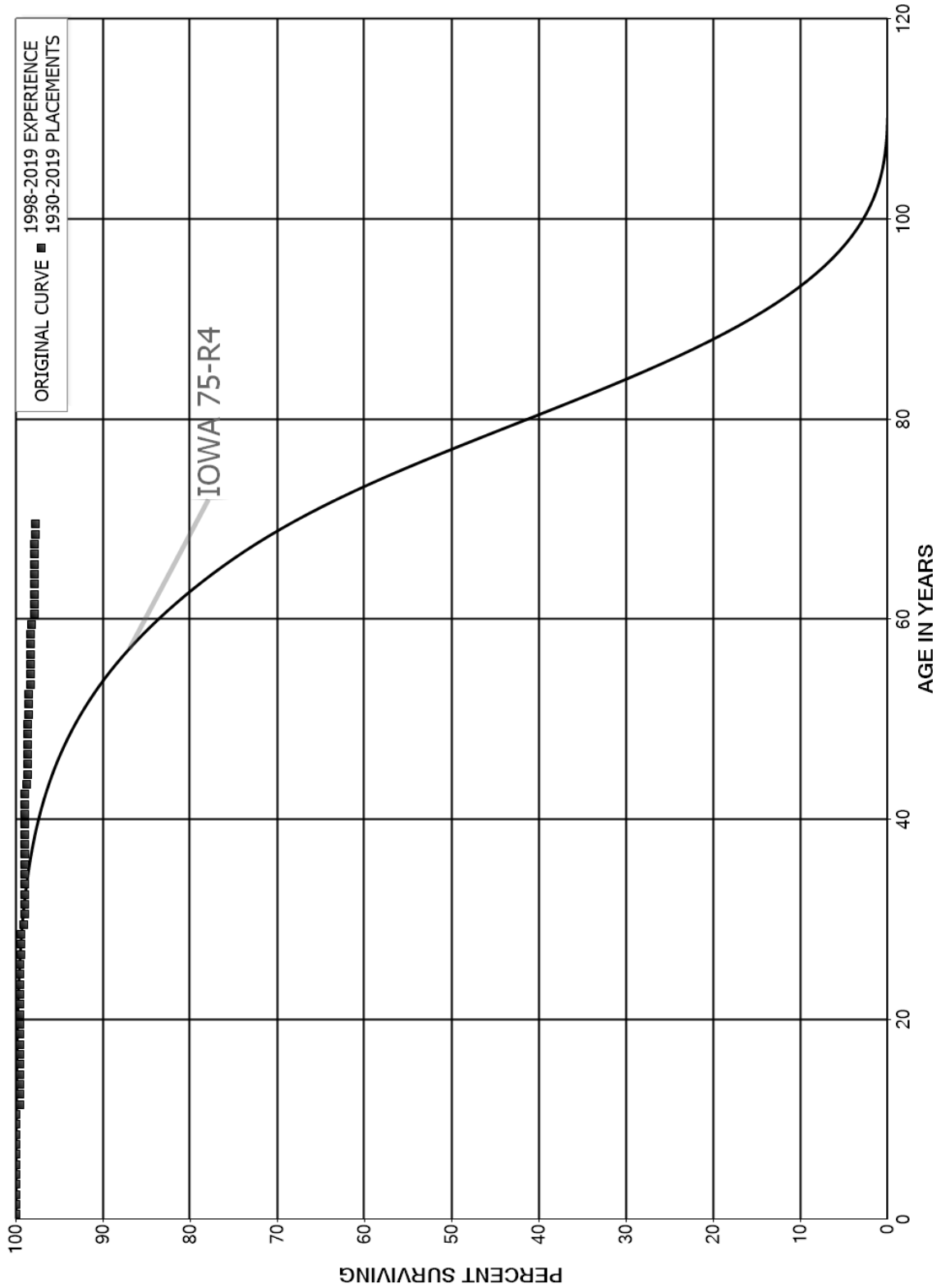
BLACK HILLS NEBRASKA

ACCOUNT 369.03 MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1938-2008			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,151		0.0000	1.0000	56.21
40.5	1,354		0.0000	1.0000	56.21
41.5	1,196		0.0000	1.0000	56.21
42.5	1,196		0.0000	1.0000	56.21
43.5	1,196		0.0000	1.0000	56.21
44.5	807		0.0000	1.0000	56.21
45.5	807	12	0.0145	0.9855	56.21
46.5	765		0.0000	1.0000	55.39
47.5	765		0.0000	1.0000	55.39
48.5	499		0.0000	1.0000	55.39
49.5	492		0.0000	1.0000	55.39
50.5	486		0.0000	1.0000	55.39
51.5	443	57	0.1279	0.8721	55.39
52.5	384		0.0000	1.0000	48.31
53.5	384		0.0000	1.0000	48.31
54.5	213		0.0000	1.0000	48.31
55.5	197		0.0000	1.0000	48.31
56.5	178		0.0000	1.0000	48.31
57.5	170		0.0000	1.0000	48.31
58.5	170		0.0000	1.0000	48.31
59.5					48.31
60.5					
61.5					
62.5	389		0.0000		
63.5	389		0.0000		
64.5	389		0.0000		
65.5	389		0.0000		
66.5	389		0.0000		
67.5	389		0.0000		
68.5	389		0.0000		
69.5	389		0.0000		
70.5	389		0.0000		
71.5	389		0.0000		
72.5	389		0.0000		
73.5	389		0.0000		
74.5	389		0.0000		
75.5	389		0.0000		
76.5					

BLACK HILLS NEBRASKA
ACCOUNT 374.03 LAND AND LAND RIGHTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 374.03 LAND AND LAND RIGHTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	3,603,721		0.0000	1.0000	100.00
0.5	3,665,541		0.0000	1.0000	100.00
1.5	2,107,285		0.0000	1.0000	100.00
2.5	2,114,561		0.0000	1.0000	100.00
3.5	1,824,826		0.0000	1.0000	100.00
4.5	1,654,410		0.0000	1.0000	100.00
5.5	1,157,242		0.0000	1.0000	100.00
6.5	1,013,924		0.0000	1.0000	100.00
7.5	663,403		0.0000	1.0000	100.00
8.5	675,843		0.0000	1.0000	100.00
9.5	221,640		0.0000	1.0000	100.00
10.5	205,079	1,007	0.0049	0.9951	100.00
11.5	209,673		0.0000	1.0000	99.51
12.5	288,933		0.0000	1.0000	99.51
13.5	262,418		0.0000	1.0000	99.51
14.5	546,484		0.0000	1.0000	99.51
15.5	680,878		0.0000	1.0000	99.51
16.5	994,467		0.0000	1.0000	99.51
17.5	972,623		0.0000	1.0000	99.51
18.5	1,009,241		0.0000	1.0000	99.51
19.5	976,283	36	0.0000	1.0000	99.51
20.5	977,250		0.0000	1.0000	99.51
21.5	676,302	5	0.0000	1.0000	99.51
22.5	537,975		0.0000	1.0000	99.50
23.5	225,980		0.0000	1.0000	99.50
24.5	352,327		0.0000	1.0000	99.50
25.5	312,267	396	0.0013	0.9987	99.50
26.5	278,015	25	0.0001	0.9999	99.38
27.5	283,686		0.0000	1.0000	99.37
28.5	234,001	700	0.0030	0.9970	99.37
29.5	244,875	160	0.0007	0.9993	99.07
30.5	253,840		0.0000	1.0000	99.01
31.5	100,083	10	0.0001	0.9999	99.01
32.5	106,035	51	0.0005	0.9995	99.00
33.5	95,367		0.0000	1.0000	98.95
34.5	66,548		0.0000	1.0000	98.95
35.5	69,309		0.0000	1.0000	98.95
36.5	55,221		0.0000	1.0000	98.95
37.5	42,872		0.0000	1.0000	98.95
38.5	42,592		0.0000	1.0000	98.95

BLACK HILLS NEBRASKA

ACCOUNT 374.03 LAND AND LAND RIGHTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	47,570		0.0000	1.0000	98.95
40.5	51,735		0.0000	1.0000	98.95
41.5	54,567		0.0000	1.0000	98.95
42.5	62,831	125	0.0020	0.9980	98.95
43.5	67,706	62	0.0009	0.9991	98.75
44.5	75,848		0.0000	1.0000	98.66
45.5	90,816	14	0.0002	0.9998	98.66
46.5	117,620		0.0000	1.0000	98.65
47.5	112,512		0.0000	1.0000	98.65
48.5	112,832		0.0000	1.0000	98.65
49.5	120,935	127	0.0010	0.9990	98.65
50.5	114,479		0.0000	1.0000	98.54
51.5	110,268		0.0000	1.0000	98.54
52.5	125,810	275	0.0022	0.9978	98.54
53.5	89,046	15	0.0002	0.9998	98.33
54.5	86,499		0.0000	1.0000	98.31
55.5	80,694		0.0000	1.0000	98.31
56.5	61,752	26	0.0004	0.9996	98.31
57.5	67,650	6	0.0001	0.9999	98.27
58.5	80,641	83	0.0010	0.9990	98.26
59.5	52,328	161	0.0031	0.9969	98.16
60.5	56,652		0.0000	1.0000	97.86
61.5	72,390	18	0.0003	0.9997	97.86
62.5	77,851	36	0.0005	0.9995	97.84
63.5	83,703		0.0000	1.0000	97.79
64.5	76,614		0.0000	1.0000	97.79
65.5	56,395	5	0.0001	0.9999	97.79
66.5	47,511		0.0000	1.0000	97.78
67.5	40,468	11	0.0003	0.9997	97.78
68.5	23,770		0.0000	1.0000	97.76
69.5	22,448	3	0.0002	0.9998	97.76
70.5	15,027		0.0000	1.0000	97.74
71.5	12,331		0.0000	1.0000	97.74
72.5	12,951		0.0000	1.0000	97.74
73.5	11,927	2	0.0002	0.9998	97.74
74.5	11,389		0.0000	1.0000	97.72
75.5	11,439		0.0000	1.0000	97.72
76.5	17,103		0.0000	1.0000	97.72
77.5	23,603		0.0000	1.0000	97.72
78.5	23,454	13	0.0006	0.9994	97.72

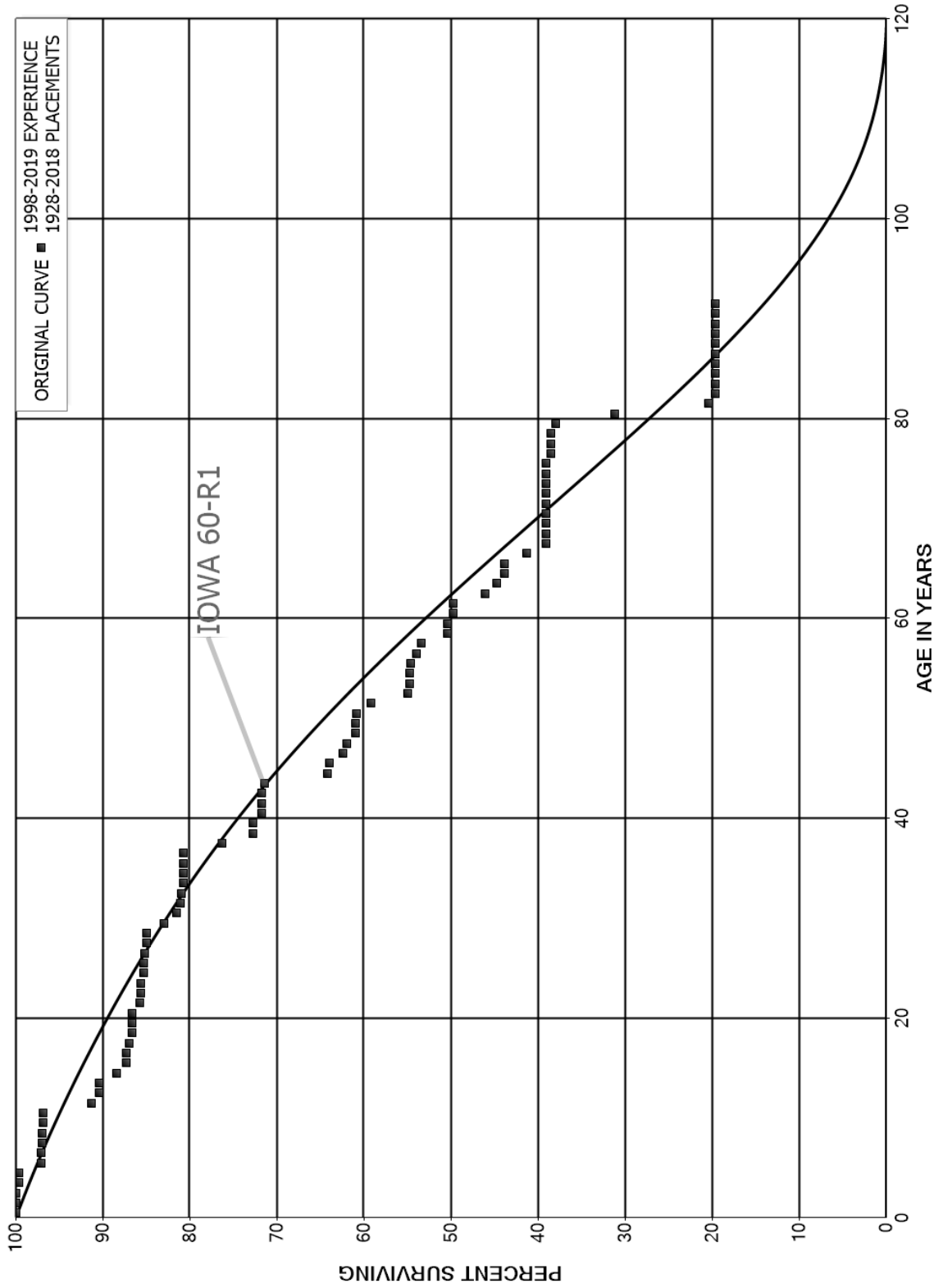
BLACK HILLS NEBRASKA

ACCOUNT 374.03 LAND AND LAND RIGHTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
79.5	20,365	2	0.0001	0.9999	97.67	
80.5	20,141	904	0.0449	0.9551	97.66	
81.5	28,233		0.0000	1.0000	93.27	
82.5	28,348		0.0000	1.0000	93.27	
83.5	16,717		0.0000	1.0000	93.27	
84.5	10,191		0.0000	1.0000	93.27	
85.5	10,191		0.0000	1.0000	93.27	
86.5	10,146		0.0000	1.0000	93.27	
87.5	9,946		0.0000	1.0000	93.27	
88.5	207		0.0000	1.0000	93.27	
89.5					93.27	

BLACK HILLS NEBRASKA
ACCOUNT 375.01 STRUCTURES AND IMPROVEMENTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 375.01 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1928-2018			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	447,374		0.0000	1.0000	100.00
0.5	480,342		0.0000	1.0000	100.00
1.5	384,631		0.0000	1.0000	100.00
2.5	558,599	2,234	0.0040	0.9960	100.00
3.5	1,748,905	117	0.0001	0.9999	99.60
4.5	1,846,345	46,787	0.0253	0.9747	99.59
5.5	1,731,302		0.0000	1.0000	97.07
6.5	1,656,362	1,166	0.0007	0.9993	97.07
7.5	1,583,235	1,488	0.0009	0.9991	97.00
8.5	1,559,951	554	0.0004	0.9996	96.91
9.5	1,445,375		0.0000	1.0000	96.88
10.5	342,554	19,705	0.0575	0.9425	96.88
11.5	328,700	3,462	0.0105	0.9895	91.30
12.5	368,290		0.0000	1.0000	90.34
13.5	391,011	8,423	0.0215	0.9785	90.34
14.5	416,474	5,192	0.0125	0.9875	88.40
15.5	407,063		0.0000	1.0000	87.29
16.5	1,673,755	6,451	0.0039	0.9961	87.29
17.5	1,648,048	6,267	0.0038	0.9962	86.96
18.5	1,564,586		0.0000	1.0000	86.63
19.5	1,521,743		0.0000	1.0000	86.63
20.5	1,473,711	15,232	0.0103	0.9897	86.63
21.5	1,397,496	1,685	0.0012	0.9988	85.73
22.5	1,514,900		0.0000	1.0000	85.63
23.5	301,512	1,086	0.0036	0.9964	85.63
24.5	373,676	39	0.0001	0.9999	85.32
25.5	360,151	491	0.0014	0.9986	85.31
26.5	346,898	1,096	0.0032	0.9968	85.19
27.5	521,564		0.0000	1.0000	84.92
28.5	512,726	12,200	0.0238	0.9762	84.92
29.5	428,008	6,943	0.0162	0.9838	82.90
30.5	434,297	2,840	0.0065	0.9935	81.56
31.5	369,006	339	0.0009	0.9991	81.03
32.5	377,644	899	0.0024	0.9976	80.95
33.5	387,408		0.0000	1.0000	80.76
34.5	211,239		0.0000	1.0000	80.76
35.5	236,834		0.0000	1.0000	80.76
36.5	227,039	12,628	0.0556	0.9444	80.76
37.5	178,940	8,263	0.0462	0.9538	76.27
38.5	184,183		0.0000	1.0000	72.75

BLACK HILLS NEBRASKA

ACCOUNT 375.01 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2018			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	187,839	2,678	0.0143	0.9857	72.75
40.5	234,628		0.0000	1.0000	71.71
41.5	249,042		0.0000	1.0000	71.71
42.5	363,267	1,526	0.0042	0.9958	71.71
43.5	381,222	38,583	0.1012	0.8988	71.41
44.5	356,458	1,051	0.0029	0.9971	64.18
45.5	310,940	7,829	0.0252	0.9748	63.99
46.5	340,940	2,492	0.0073	0.9927	62.38
47.5	309,844	4,745	0.0153	0.9847	61.92
48.5	403,409		0.0000	1.0000	60.98
49.5	312,183	658	0.0021	0.9979	60.98
50.5	260,832	7,139	0.0274	0.9726	60.85
51.5	244,939	17,703	0.0723	0.9277	59.18
52.5	234,644	977	0.0042	0.9958	54.90
53.5	187,448		0.0000	1.0000	54.68
54.5	186,573	83	0.0004	0.9996	54.68
55.5	59,047	745	0.0126	0.9874	54.65
56.5	60,634	661	0.0109	0.9891	53.96
57.5	60,065	3,382	0.0563	0.9437	53.37
58.5	56,490		0.0000	1.0000	50.37
59.5	38,999	503	0.0129	0.9871	50.37
60.5	38,339		0.0000	1.0000	49.72
61.5	42,203	3,127	0.0741	0.9259	49.72
62.5	42,271	1,203	0.0285	0.9715	46.03
63.5	42,768	850	0.0199	0.9801	44.72
64.5	40,860		0.0000	1.0000	43.83
65.5	38,131	2,262	0.0593	0.9407	43.83
66.5	36,940	1,939	0.0525	0.9475	41.23
67.5	30,261		0.0000	1.0000	39.07
68.5	28,622		0.0000	1.0000	39.07
69.5	31,357		0.0000	1.0000	39.07
70.5	25,740		0.0000	1.0000	39.07
71.5	17,450		0.0000	1.0000	39.07
72.5	16,884		0.0000	1.0000	39.07
73.5	16,542		0.0000	1.0000	39.07
74.5	16,542		0.0000	1.0000	39.07
75.5	16,192	230	0.0142	0.9858	39.07
76.5	16,184		0.0000	1.0000	38.51
77.5	16,184		0.0000	1.0000	38.51
78.5	14,711	203	0.0138	0.9862	38.51

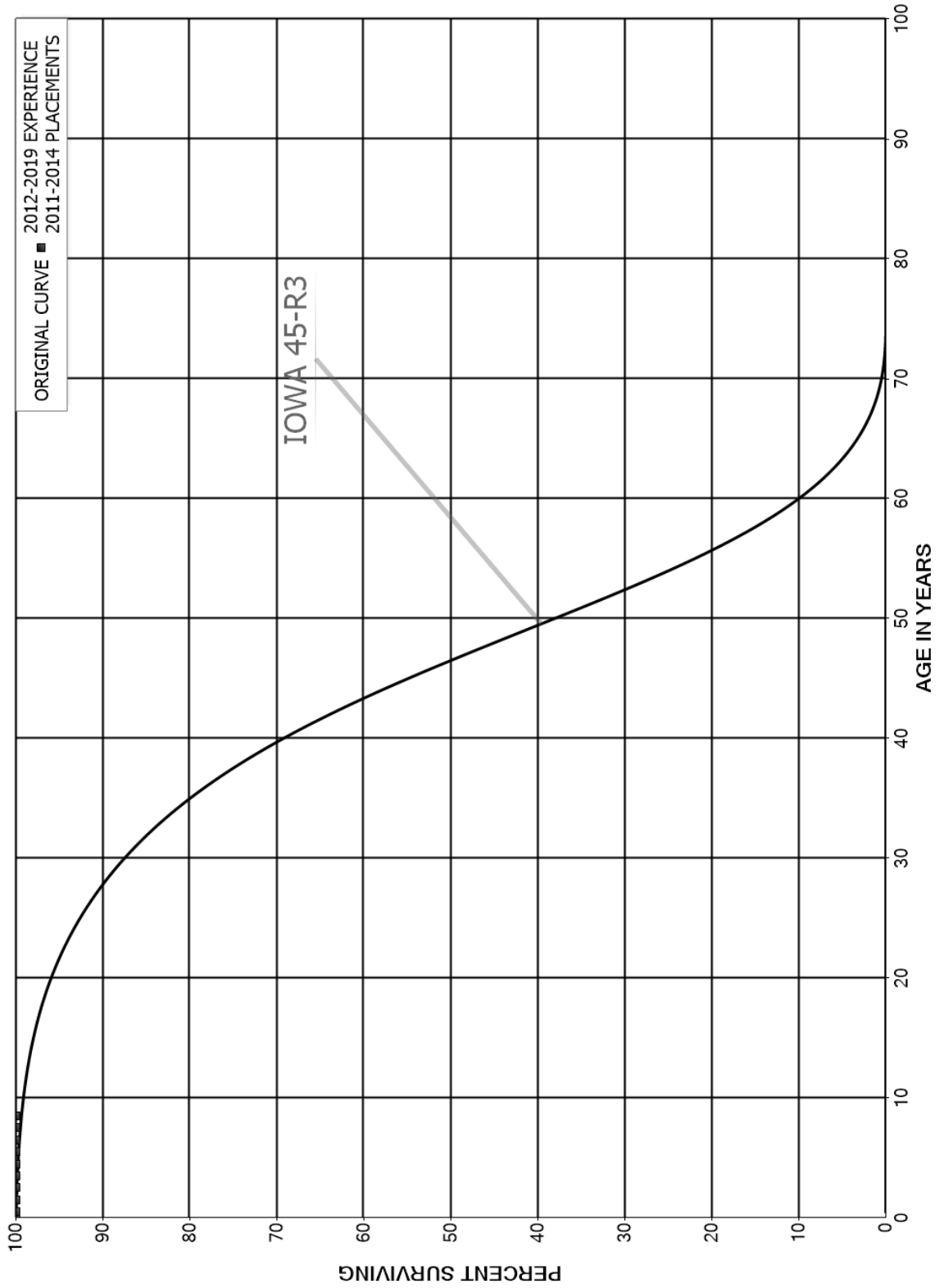
BLACK HILLS NEBRASKA

ACCOUNT 375.01 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2018			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
79.5	14,508	2,593	0.1788	0.8212	37.98	
80.5	11,914	4,121	0.3458	0.6542	31.19	
81.5	7,511	297	0.0396	0.9604	20.40	
82.5	7,214		0.0000	1.0000	19.60	
83.5	6,992		0.0000	1.0000	19.60	
84.5	6,992		0.0000	1.0000	19.60	
85.5	6,449		0.0000	1.0000	19.60	
86.5	6,418		0.0000	1.0000	19.60	
87.5	6,418		0.0000	1.0000	19.60	
88.5	6,215		0.0000	1.0000	19.60	
89.5	6,215		0.0000	1.0000	19.60	
90.5	6,215		0.0000	1.0000	19.60	
91.5					19.60	

BLACK HILLS NEBRASKA
ACCOUNT 375.20 STRUCTURES AND IMPROVEMENTS - OTHER
ORIGINAL AND SMOOTH SURVIVOR CURVES



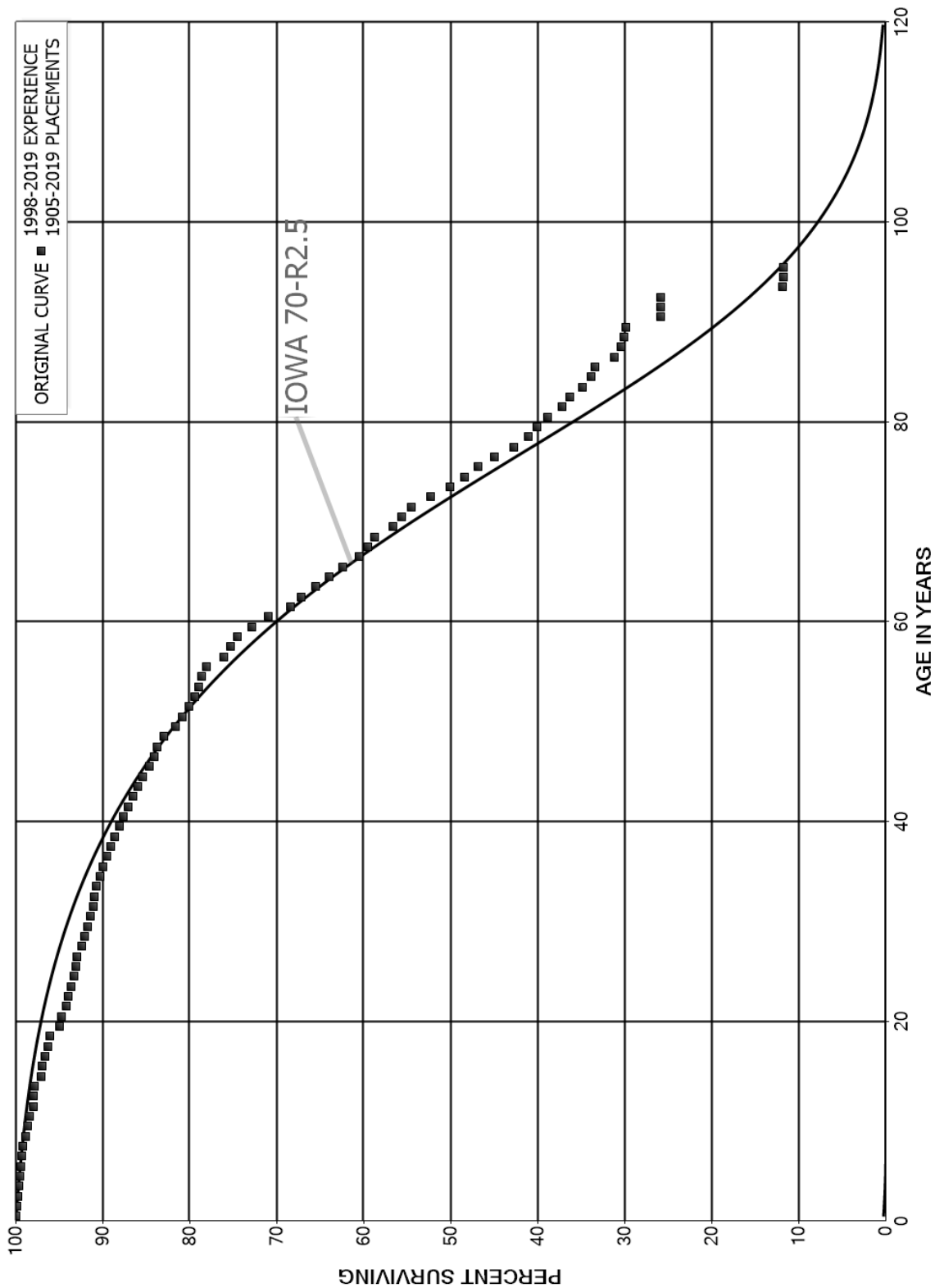
BLACK HILLS NEBRASKA

ACCOUNT 375.20 STRUCTURES AND IMPROVEMENTS - OTHER

ORIGINAL LIFE TABLE

PLACEMENT BAND 2011-2014			EXPERIENCE BAND 2012-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	11,707		0.0000	1.0000	100.00
0.5	11,707		0.0000	1.0000	100.00
1.5	12,119		0.0000	1.0000	100.00
2.5	12,119		0.0000	1.0000	100.00
3.5	12,119		0.0000	1.0000	100.00
4.5	12,119		0.0000	1.0000	100.00
5.5	413		0.0000	1.0000	100.00
6.5	413		0.0000	1.0000	100.00
7.5	413		0.0000	1.0000	100.00
8.5					100.00

BLACK HILLS NEBRASKA
ACCOUNT 376.00 MAINS
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 376.00 MAINS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1905-2019

EXPERIENCE BAND 1998-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	228,310,735	47,994	0.0002	0.9998	100.00
0.5	201,357,505	353,429	0.0018	0.9982	99.98
1.5	178,678,433	129,216	0.0007	0.9993	99.80
2.5	163,506,317	112,507	0.0007	0.9993	99.73
3.5	148,937,485	177,175	0.0012	0.9988	99.66
4.5	122,606,256	119,779	0.0010	0.9990	99.54
5.5	107,412,395	147,826	0.0014	0.9986	99.45
6.5	103,984,431	98,397	0.0009	0.9991	99.31
7.5	99,464,038	363,329	0.0037	0.9963	99.22
8.5	91,957,495	175,793	0.0019	0.9981	98.85
9.5	86,298,444	271,233	0.0031	0.9969	98.66
10.5	81,339,892	333,371	0.0041	0.9959	98.35
11.5	75,030,999	35,696	0.0005	0.9995	97.95
12.5	70,911,051	50,407	0.0007	0.9993	97.90
13.5	63,592,490	475,171	0.0075	0.9925	97.84
14.5	63,672,764	127,373	0.0020	0.9980	97.10
15.5	65,466,248	225,303	0.0034	0.9966	96.91
16.5	66,328,186	164,176	0.0025	0.9975	96.58
17.5	65,495,807	180,660	0.0028	0.9972	96.34
18.5	64,753,868	745,236	0.0115	0.9885	96.07
19.5	62,526,564	140,029	0.0022	0.9978	94.97
20.5	61,617,282	394,707	0.0064	0.9936	94.75
21.5	55,773,983	116,538	0.0021	0.9979	94.15
22.5	48,416,712	164,163	0.0034	0.9966	93.95
23.5	44,531,983	182,339	0.0041	0.9959	93.63
24.5	45,225,419	82,328	0.0018	0.9982	93.25
25.5	42,328,916	66,566	0.0016	0.9984	93.08
26.5	41,002,249	231,978	0.0057	0.9943	92.93
27.5	39,787,307	161,621	0.0041	0.9959	92.41
28.5	37,273,663	144,413	0.0039	0.9961	92.03
29.5	36,371,093	97,768	0.0027	0.9973	91.67
30.5	35,607,308	139,933	0.0039	0.9961	91.43
31.5	32,176,297	52,696	0.0016	0.9984	91.07
32.5	32,175,441	77,944	0.0024	0.9976	90.92
33.5	30,254,738	121,602	0.0040	0.9960	90.70
34.5	27,423,479	109,618	0.0040	0.9960	90.33
35.5	26,408,988	129,263	0.0049	0.9951	89.97
36.5	25,396,624	134,399	0.0053	0.9947	89.53
37.5	23,217,945	118,194	0.0051	0.9949	89.06
38.5	21,228,218	119,240	0.0056	0.9944	88.61

BLACK HILLS NEBRASKA

ACCOUNT 376.00 MAINS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1905-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	19,052,293	102,952	0.0054	0.9946	88.11
40.5	17,774,626	115,225	0.0065	0.9935	87.63
41.5	17,438,053	118,683	0.0068	0.9932	87.06
42.5	17,346,257	95,671	0.0055	0.9945	86.47
43.5	17,586,762	116,304	0.0066	0.9934	85.99
44.5	18,498,036	176,251	0.0095	0.9905	85.43
45.5	18,793,331	119,344	0.0064	0.9936	84.61
46.5	18,773,621	65,759	0.0035	0.9965	84.07
47.5	17,705,101	168,513	0.0095	0.9905	83.78
48.5	16,556,284	279,872	0.0169	0.9831	82.98
49.5	15,371,832	141,937	0.0092	0.9908	81.58
50.5	14,147,759	125,551	0.0089	0.9911	80.83
51.5	11,988,080	109,018	0.0091	0.9909	80.11
52.5	11,736,579	58,310	0.0050	0.9950	79.38
53.5	10,537,158	54,780	0.0052	0.9948	78.99
54.5	9,931,812	68,421	0.0069	0.9931	78.58
55.5	9,412,790	240,639	0.0256	0.9744	78.03
56.5	8,440,149	84,381	0.0100	0.9900	76.04
57.5	7,982,032	83,002	0.0104	0.9896	75.28
58.5	7,631,744	169,917	0.0223	0.9777	74.50
59.5	6,553,680	172,512	0.0263	0.9737	72.84
60.5	6,199,037	217,118	0.0350	0.9650	70.92
61.5	6,016,653	111,522	0.0185	0.9815	68.44
62.5	5,654,903	136,490	0.0241	0.9759	67.17
63.5	5,240,038	127,478	0.0243	0.9757	65.55
64.5	4,578,213	109,515	0.0239	0.9761	63.95
65.5	3,331,242	102,012	0.0306	0.9694	62.42
66.5	2,905,532	49,940	0.0172	0.9828	60.51
67.5	3,211,690	41,354	0.0129	0.9871	59.47
68.5	2,642,144	95,180	0.0360	0.9640	58.70
69.5	2,313,354	40,474	0.0175	0.9825	56.59
70.5	1,957,883	39,240	0.0200	0.9800	55.60
71.5	1,795,438	70,757	0.0394	0.9606	54.49
72.5	1,640,251	71,304	0.0435	0.9565	52.34
73.5	1,527,187	50,419	0.0330	0.9670	50.06
74.5	1,465,487	48,616	0.0332	0.9668	48.41
75.5	1,435,408	55,333	0.0385	0.9615	46.80
76.5	1,438,120	71,721	0.0499	0.9501	45.00
77.5	1,372,856	53,317	0.0388	0.9612	42.76
78.5	1,326,639	34,960	0.0264	0.9736	41.10

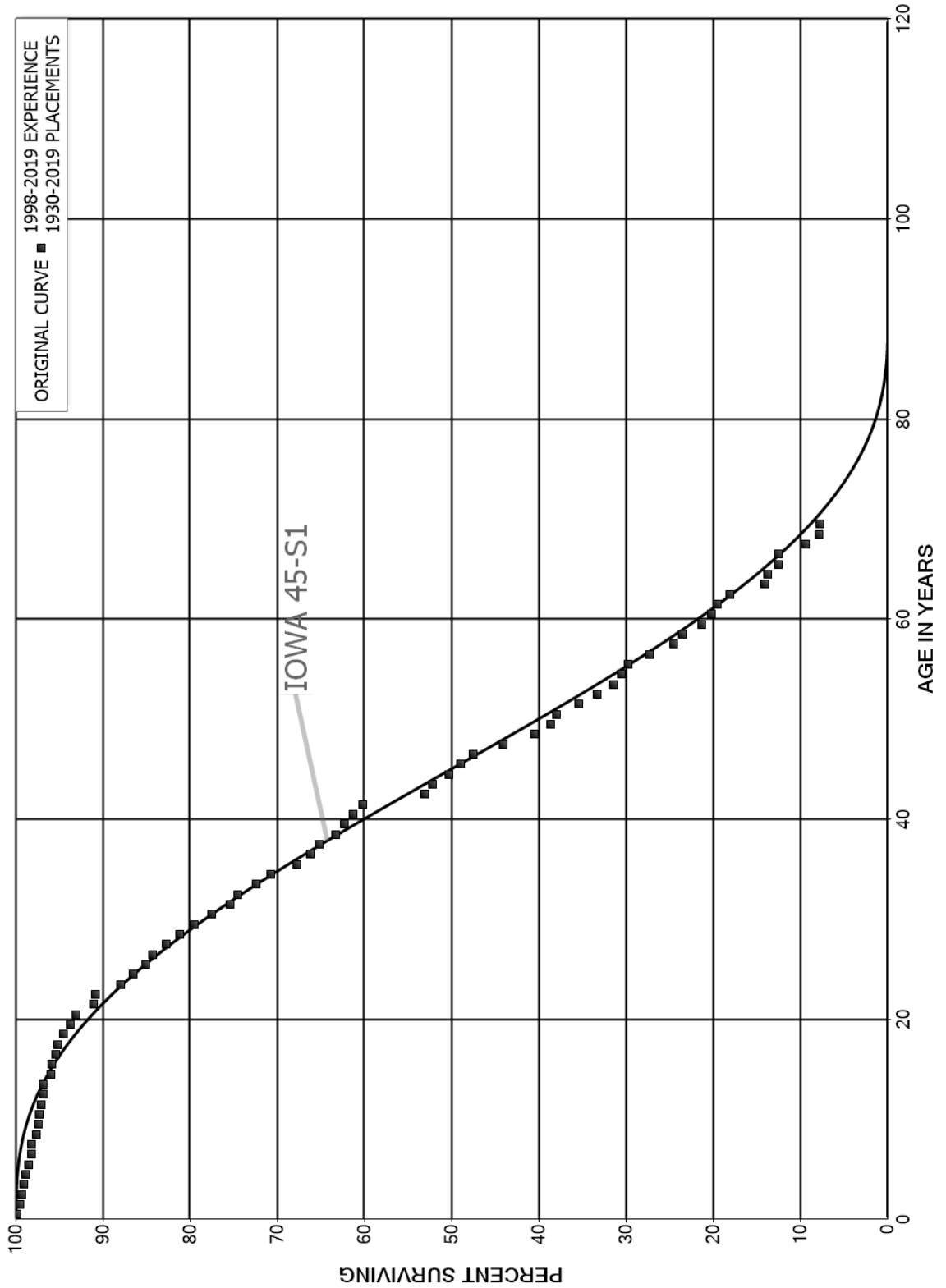
BLACK HILLS NEBRASKA

ACCOUNT 376.00 MAINS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1905-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,240,668	37,873	0.0305	0.9695	40.01
80.5	1,194,833	50,815	0.0425	0.9575	38.79
81.5	1,120,690	24,183	0.0216	0.9784	37.14
82.5	1,067,094	45,049	0.0422	0.9578	36.34
83.5	841,820	24,305	0.0289	0.9711	34.81
84.5	644,103	8,091	0.0126	0.9874	33.80
85.5	635,425	42,610	0.0671	0.9329	33.38
86.5	590,437	13,479	0.0228	0.9772	31.14
87.5	569,529	6,559	0.0115	0.9885	30.43
88.5	300,223	2,895	0.0096	0.9904	30.08
89.5	215	29	0.1340	0.8660	29.79
90.5	903		0.0000	1.0000	25.80
91.5	1,142		0.0000	1.0000	25.80
92.5	30,044	16,233	0.5403	0.4597	25.80
93.5	13,810	156	0.0113	0.9887	11.86
94.5	13,654	44	0.0032	0.9968	11.72
95.5	13,611		0.0000	1.0000	11.69
96.5	13,611	6,156	0.4523	0.5477	11.69
97.5	7,454	540	0.0724	0.9276	6.40
98.5	6,914	620	0.0897	0.9103	5.94
99.5	6,294	476	0.0756	0.9244	5.40
100.5	5,819	1,930	0.3316	0.6684	5.00
101.5	3,889		0.0000	1.0000	3.34
102.5	3,889		0.0000	1.0000	3.34
103.5	3,889	3,208	0.8249	0.1751	3.34
104.5	681	671	0.9852	0.0148	0.58
105.5	10	10	1.0000		0.01
106.5					

BLACK HILLS NEBRASKA
ACCOUNT 378.00 MEASURING AND REGULATING STATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 378.00 MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
0.0	16,318,926	30,789	0.0019	0.9981	100.00	
0.5	15,854,113	57,288	0.0036	0.9964	99.81	
1.5	15,317,931	24,736	0.0016	0.9984	99.45	
2.5	14,322,740	31,413	0.0022	0.9978	99.29	
3.5	13,806,883	26,060	0.0019	0.9981	99.07	
4.5	11,121,604	44,964	0.0040	0.9960	98.89	
5.5	9,850,362	26,671	0.0027	0.9973	98.49	
6.5	9,229,986		0.0000	1.0000	98.22	
7.5	8,417,431	48,422	0.0058	0.9942	98.22	
8.5	7,681,788	23,148	0.0030	0.9970	97.65	
9.5	6,456,557	3,841	0.0006	0.9994	97.36	
10.5	5,678,145	13,220	0.0023	0.9977	97.30	
11.5	4,426,669	9,467	0.0021	0.9979	97.08	
12.5	4,167,330	1,610	0.0004	0.9996	96.87	
13.5	3,714,859	34,183	0.0092	0.9908	96.83	
14.5	3,496,358	4,519	0.0013	0.9987	95.94	
15.5	3,397,224	15,723	0.0046	0.9954	95.82	
16.5	3,479,670	6,406	0.0018	0.9982	95.37	
17.5	3,249,421	22,467	0.0069	0.9931	95.20	
18.5	3,161,352	27,230	0.0086	0.9914	94.54	
19.5	3,220,740	23,140	0.0072	0.9928	93.72	
20.5	3,155,792	68,393	0.0217	0.9783	93.05	
21.5	2,802,411	5,541	0.0020	0.9980	91.03	
22.5	2,514,641	79,012	0.0314	0.9686	90.85	
23.5	2,316,479	39,694	0.0171	0.9829	88.00	
24.5	2,279,299	37,720	0.0165	0.9835	86.49	
25.5	2,104,916	19,740	0.0094	0.9906	85.06	
26.5	2,029,890	36,361	0.0179	0.9821	84.26	
27.5	1,755,156	34,160	0.0195	0.9805	82.75	
28.5	1,561,569	31,333	0.0201	0.9799	81.14	
29.5	1,534,252	39,354	0.0257	0.9743	79.51	
30.5	1,462,858	39,452	0.0270	0.9730	77.47	
31.5	1,294,324	15,055	0.0116	0.9884	75.38	
32.5	1,237,230	35,549	0.0287	0.9713	74.51	
33.5	1,174,385	26,654	0.0227	0.9773	72.37	
34.5	1,075,977	44,933	0.0418	0.9582	70.72	
35.5	986,430	22,617	0.0229	0.9771	67.77	
36.5	921,587	13,783	0.0150	0.9850	66.22	
37.5	851,431	25,942	0.0305	0.9695	65.23	
38.5	757,868	11,214	0.0148	0.9852	63.24	

BLACK HILLS NEBRASKA

ACCOUNT 378.00 MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	621,833	10,597	0.0170	0.9830	62.30
40.5	553,820	9,973	0.0180	0.9820	61.24
41.5	436,568	51,416	0.1178	0.8822	60.14
42.5	341,417	5,709	0.0167	0.9833	53.06
43.5	326,614	11,688	0.0358	0.9642	52.17
44.5	320,423	8,862	0.0277	0.9723	50.30
45.5	295,733	8,420	0.0285	0.9715	48.91
46.5	289,796	21,013	0.0725	0.9275	47.52
47.5	247,667	20,358	0.0822	0.9178	44.07
48.5	232,778	10,828	0.0465	0.9535	40.45
49.5	226,323	3,871	0.0171	0.9829	38.57
50.5	212,380	14,180	0.0668	0.9332	37.91
51.5	185,199	10,906	0.0589	0.9411	35.38
52.5	168,411	9,784	0.0581	0.9419	33.29
53.5	153,613	4,013	0.0261	0.9739	31.36
54.5	138,561	3,771	0.0272	0.9728	30.54
55.5	135,235	11,244	0.0831	0.9169	29.71
56.5	119,926	12,010	0.1001	0.8999	27.24
57.5	107,144	4,518	0.0422	0.9578	24.51
58.5	92,967	8,664	0.0932	0.9068	23.48
59.5	88,453	4,434	0.0501	0.9499	21.29
60.5	81,004	3,021	0.0373	0.9627	20.22
61.5	86,803	6,342	0.0731	0.9269	19.47
62.5	80,840	17,766	0.2198	0.7802	18.05
63.5	58,848	1,393	0.0237	0.9763	14.08
64.5	52,479	4,569	0.0871	0.9129	13.75
65.5	44,563	198	0.0044	0.9956	12.55
66.5	45,287	11,291	0.2493	0.7507	12.49
67.5	33,930	5,425	0.1599	0.8401	9.38
68.5	20,349	418	0.0205	0.9795	7.88
69.5	19,189	167	0.0087	0.9913	7.72
70.5	16,460	753	0.0458	0.9542	7.65
71.5	14,595	1,207	0.0827	0.9173	7.30
72.5	12,486		0.0000	1.0000	6.70
73.5	11,524	964	0.0836	0.9164	6.70
74.5	10,086	104	0.0103	0.9897	6.14
75.5	5,593		0.0000	1.0000	6.07
76.5	5,131	1,526	0.2973	0.7027	6.07
77.5	3,595		0.0000	1.0000	4.27
78.5	3,654	102	0.0278	0.9722	4.27

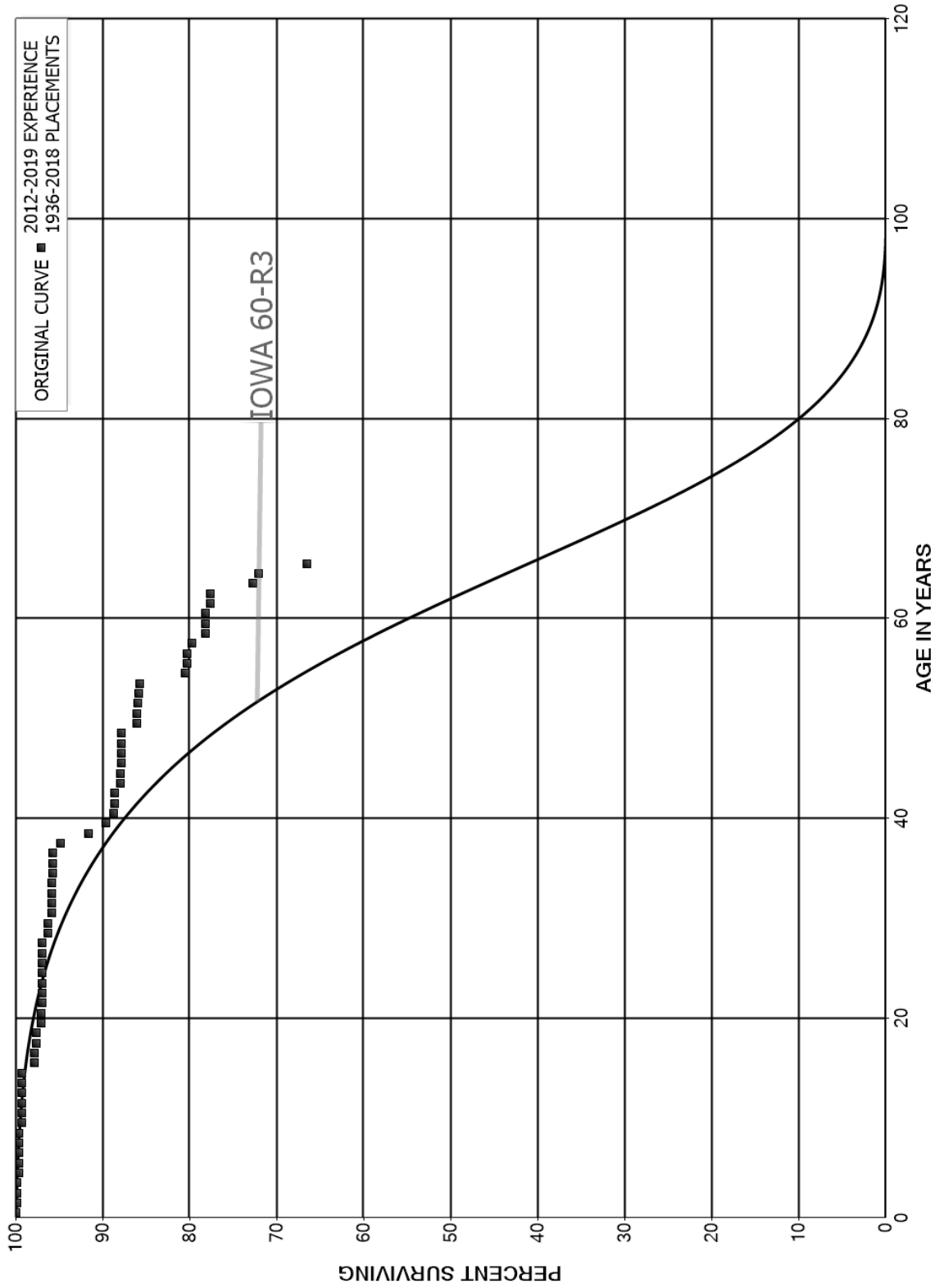
BLACK HILLS NEBRASKA

ACCOUNT 378.00 MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
79.5	3,553		0.0000	1.0000	4.15	
80.5	3,553	2,845	0.8008	0.1992	4.15	
81.5	646	531	0.8212	0.1788	0.83	
82.5	206		0.0000	1.0000	0.15	
83.5	206	256	1.2403	0.2403-	0.15	
84.5	206		0.0000			
85.5	147	850	5.7951			
86.5						

BLACK HILLS NEBRASKA
ACCOUNT 379.00 MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 379.00 MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE

ORIGINAL LIFE TABLE

PLACEMENT BAND 1936-2018			EXPERIENCE BAND 2012-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,836,941		0.0000	1.0000	100.00
0.5	1,962,508	2,452	0.0012	0.9988	100.00
1.5	1,566,129		0.0000	1.0000	99.88
2.5	1,671,793		0.0000	1.0000	99.88
3.5	722,755	1,929	0.0027	0.9973	99.88
4.5	714,945		0.0000	1.0000	99.61
5.5	1,014,068		0.0000	1.0000	99.61
6.5	737,649		0.0000	1.0000	99.61
7.5	671,904		0.0000	1.0000	99.61
8.5	654,911	2,448	0.0037	0.9963	99.61
9.5	528,804		0.0000	1.0000	99.24
10.5	665,022		0.0000	1.0000	99.24
11.5	699,779		0.0000	1.0000	99.24
12.5	344,279		0.0000	1.0000	99.24
13.5	721,989		0.0000	1.0000	99.24
14.5	825,596	11,711	0.0142	0.9858	99.24
15.5	831,009		0.0000	1.0000	97.83
16.5	917,437	2,382	0.0026	0.9974	97.83
17.5	802,168		0.0000	1.0000	97.57
18.5	766,586	4,013	0.0052	0.9948	97.57
19.5	841,394		0.0000	1.0000	97.06
20.5	553,512	633	0.0011	0.9989	97.06
21.5	489,240		0.0000	1.0000	96.95
22.5	479,776		0.0000	1.0000	96.95
23.5	387,146		0.0000	1.0000	96.95
24.5	342,203		0.0000	1.0000	96.95
25.5	333,441		0.0000	1.0000	96.95
26.5	265,099	20	0.0001	0.9999	96.95
27.5	334,831	2,213	0.0066	0.9934	96.95
28.5	269,718		0.0000	1.0000	96.30
29.5	339,752	1,540	0.0045	0.9955	96.30
30.5	333,718		0.0000	1.0000	95.87
31.5	326,608		0.0000	1.0000	95.87
32.5	349,106		0.0000	1.0000	95.87
33.5	342,603	557	0.0016	0.9984	95.87
34.5	200,756		0.0000	1.0000	95.71
35.5	193,113		0.0000	1.0000	95.71
36.5	126,938	1,133	0.0089	0.9911	95.71
37.5	170,487	5,877	0.0345	0.9655	94.86
38.5	183,323	4,028	0.0220	0.9780	91.59

BLACK HILLS NEBRASKA

ACCOUNT 379.00 MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2018			EXPERIENCE BAND 2012-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	166,538	1,534	0.0092	0.9908	89.58
40.5	208,507	424	0.0020	0.9980	88.75
41.5	236,520		0.0000	1.0000	88.57
42.5	242,973	1,724	0.0071	0.9929	88.57
43.5	236,860		0.0000	1.0000	87.94
44.5	189,978	123	0.0006	0.9994	87.94
45.5	172,886		0.0000	1.0000	87.88
46.5	193,130		0.0000	1.0000	87.88
47.5	147,648	150	0.0010	0.9990	87.88
48.5	113,820	2,254	0.0198	0.9802	87.80
49.5	92,939		0.0000	1.0000	86.06
50.5	87,904	118	0.0013	0.9987	86.06
51.5	90,448	91	0.0010	0.9990	85.94
52.5	111,448	178	0.0016	0.9984	85.85
53.5	66,943	4,091	0.0611	0.9389	85.72
54.5	61,115	159	0.0026	0.9974	80.48
55.5	65,559		0.0000	1.0000	80.27
56.5	53,955	332	0.0062	0.9938	80.27
57.5	52,971	1,090	0.0206	0.9794	79.78
58.5	66,187		0.0000	1.0000	78.13
59.5	40,080		0.0000	1.0000	78.13
60.5	41,245	270	0.0065	0.9935	78.13
61.5	50,781		0.0000	1.0000	77.62
62.5	47,443	2,984	0.0629	0.9371	77.62
63.5	47,716	421	0.0088	0.9912	72.74
64.5	45,260	3,525	0.0779	0.9221	72.10
65.5	25,947		0.0000	1.0000	66.49
66.5	23,468		0.0000	1.0000	66.49
67.5	21,752		0.0000	1.0000	66.49
68.5	6,645		0.0000	1.0000	66.49
69.5	3,659		0.0000	1.0000	66.49
70.5	841		0.0000	1.0000	66.49
71.5	452		0.0000	1.0000	66.49
72.5	82		0.0000	1.0000	66.49
73.5	82	82	1.0000		66.49
74.5	796		0.0000	1.0000	
75.5	1,056		0.0000		
76.5	1,278		0.0000		
77.5	1,278		0.0000		
78.5	1,278		0.0000		

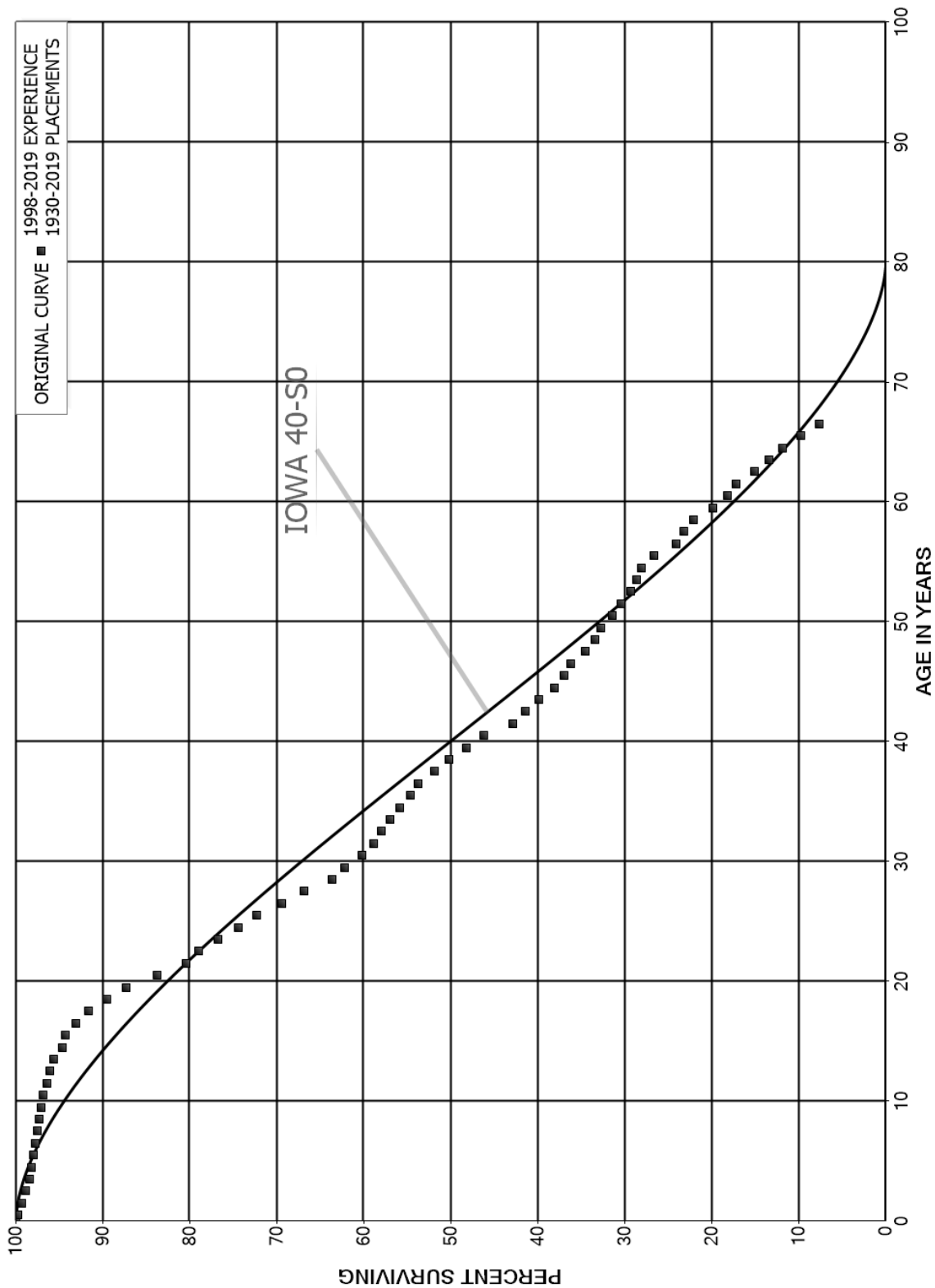
BLACK HILLS NEBRASKA

ACCOUNT 379.00 MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2018			EXPERIENCE BAND 2012-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,278		0.0000		
80.5	1,278		0.0000		
81.5	482		0.0000		
82.5	222		0.0000		
83.5					

BLACK HILLS NEBRASKA
ACCOUNT 380.00 SERVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 380.00 SERVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1930-2019

EXPERIENCE BAND 1998-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	94,811,741	255,907	0.0027	0.9973	100.00
0.5	82,725,824	380,321	0.0046	0.9954	99.73
1.5	81,347,146	328,701	0.0040	0.9960	99.27
2.5	78,087,966	335,323	0.0043	0.9957	98.87
3.5	70,788,399	167,077	0.0024	0.9976	98.45
4.5	67,388,921	189,630	0.0028	0.9972	98.21
5.5	63,570,005	129,622	0.0020	0.9980	97.94
6.5	61,253,700	142,146	0.0023	0.9977	97.74
7.5	58,699,897	131,607	0.0022	0.9978	97.51
8.5	57,676,097	145,337	0.0025	0.9975	97.29
9.5	56,716,088	148,376	0.0026	0.9974	97.05
10.5	56,822,159	253,230	0.0045	0.9955	96.79
11.5	55,776,163	199,004	0.0036	0.9964	96.36
12.5	54,204,962	251,699	0.0046	0.9954	96.02
13.5	49,417,538	489,488	0.0099	0.9901	95.57
14.5	47,142,785	189,618	0.0040	0.9960	94.63
15.5	45,096,937	587,131	0.0130	0.9870	94.24
16.5	43,426,011	667,296	0.0154	0.9846	93.02
17.5	41,113,917	950,926	0.0231	0.9769	91.59
18.5	38,620,604	935,363	0.0242	0.9758	89.47
19.5	35,084,571	1,420,605	0.0405	0.9595	87.30
20.5	31,658,908	1,289,508	0.0407	0.9593	83.77
21.5	27,821,605	470,139	0.0169	0.9831	80.36
22.5	24,324,002	696,905	0.0287	0.9713	79.00
23.5	20,922,318	637,036	0.0304	0.9696	76.73
24.5	19,751,571	572,760	0.0290	0.9710	74.40
25.5	17,344,201	675,870	0.0390	0.9610	72.24
26.5	14,764,068	559,622	0.0379	0.9621	69.43
27.5	12,456,016	588,931	0.0473	0.9527	66.79
28.5	10,332,769	234,602	0.0227	0.9773	63.64
29.5	9,065,511	300,358	0.0331	0.9669	62.19
30.5	8,418,988	174,456	0.0207	0.9793	60.13
31.5	7,210,576	113,618	0.0158	0.9842	58.88
32.5	7,053,235	119,520	0.0169	0.9831	57.96
33.5	6,835,429	143,257	0.0210	0.9790	56.97
34.5	6,408,173	139,151	0.0217	0.9783	55.78
35.5	5,922,958	96,904	0.0164	0.9836	54.57
36.5	5,511,401	189,599	0.0344	0.9656	53.68
37.5	4,983,092	161,536	0.0324	0.9676	51.83
38.5	4,506,462	179,671	0.0399	0.9601	50.15

BLACK HILLS NEBRASKA

ACCOUNT 380.00 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,909,510	162,647	0.0416	0.9584	48.15
40.5	3,398,914	241,691	0.0711	0.9289	46.15
41.5	2,952,362	104,691	0.0355	0.9645	42.87
42.5	2,724,757	102,894	0.0378	0.9622	41.35
43.5	2,535,743	110,532	0.0436	0.9564	39.78
44.5	2,249,744	63,877	0.0284	0.9716	38.05
45.5	2,037,500	41,924	0.0206	0.9794	36.97
46.5	1,945,798	92,168	0.0474	0.9526	36.21
47.5	1,773,974	54,463	0.0307	0.9693	34.49
48.5	1,530,094	34,639	0.0226	0.9774	33.44
49.5	1,364,357	52,213	0.0383	0.9617	32.68
50.5	1,201,541	39,923	0.0332	0.9668	31.43
51.5	1,090,275	38,296	0.0351	0.9649	30.38
52.5	1,009,404	25,142	0.0249	0.9751	29.32
53.5	875,193	17,440	0.0199	0.9801	28.59
54.5	803,483	41,225	0.0513	0.9487	28.02
55.5	711,915	66,083	0.0928	0.9072	26.58
56.5	589,555	22,700	0.0385	0.9615	24.11
57.5	556,410	26,080	0.0469	0.9531	23.18
58.5	517,960	53,094	0.1025	0.8975	22.10
59.5	418,159	34,189	0.0818	0.9182	19.83
60.5	338,738	19,074	0.0563	0.9437	18.21
61.5	312,740	39,116	0.1251	0.8749	17.18
62.5	258,986	27,506	0.1062	0.8938	15.04
63.5	204,256	23,862	0.1168	0.8832	13.44
64.5	159,328	29,337	0.1841	0.8159	11.87
65.5	116,146	24,545	0.2113	0.7887	9.68
66.5	65,007	17,428	0.2681	0.7319	7.64
67.5	40,797	8,946	0.2193	0.7807	5.59
68.5	26,638	8,415	0.3159	0.6841	4.36
69.5	17,720	6,792	0.3833	0.6167	2.99
70.5	10,580	4,307	0.4071	0.5929	1.84
71.5	9,631	6,653	0.6907	0.3093	1.09
72.5	33,225	3,784	0.1139	0.8861	0.34
73.5	29,441	4,066	0.1381	0.8619	0.30
74.5	26,086	1,950	0.0748	0.9252	0.26
75.5	24,136	1,898	0.0786	0.9214	0.24
76.5	22,238	3,338	0.1501	0.8499	0.22
77.5	18,900	10,840	0.5735	0.4265	0.19
78.5	8,060	5,279	0.6550	0.3450	0.08

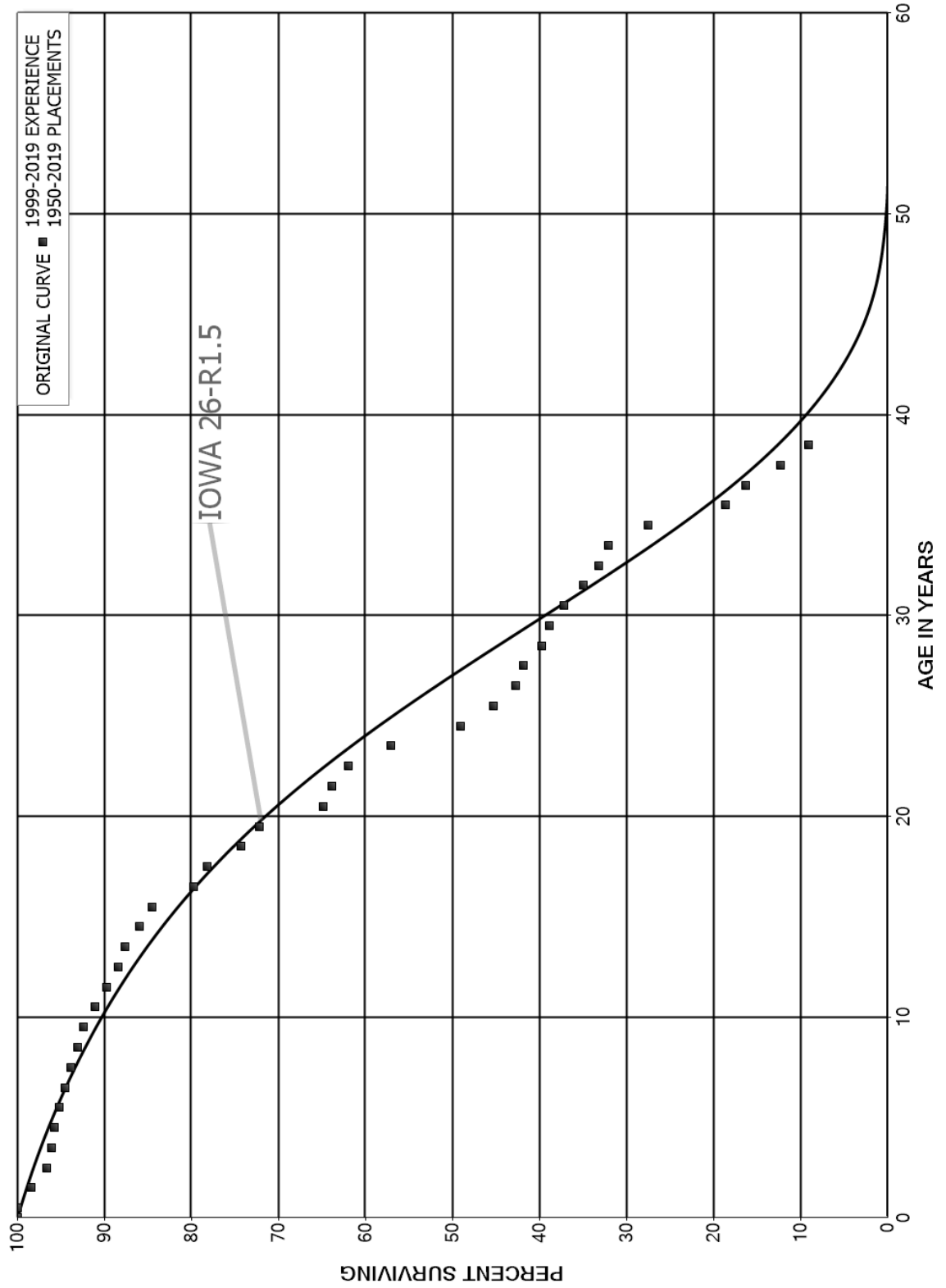
BLACK HILLS NEBRASKA

ACCOUNT 380.00 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
79.5	2,781	2,681	0.9642	0.0358	0.03	
80.5	100	19	0.1932	0.8068	0.00	
81.5	80	80	1.0000		0.00	
82.5	76	76	1.0000			
83.5						

BLACK HILLS NEBRASKA
ACCOUNT 381.00 METERS - SMALL VOLUME AND OTHER
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 381.00 METERS - SMALL VOLUME AND OTHER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1950-2019			EXPERIENCE BAND 1999-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	9,897,399	6,185	0.0006	0.9994	100.00
0.5	13,487,303	210,151	0.0156	0.9844	99.94
1.5	10,783,738	198,497	0.0184	0.9816	98.38
2.5	10,926,120	52,274	0.0048	0.9952	96.57
3.5	10,600,851	41,539	0.0039	0.9961	96.11
4.5	11,343,156	65,365	0.0058	0.9942	95.73
5.5	10,947,642	75,331	0.0069	0.9931	95.18
6.5	10,132,655	76,071	0.0075	0.9925	94.52
7.5	10,169,507	82,348	0.0081	0.9919	93.81
8.5	9,880,821	70,942	0.0072	0.9928	93.05
9.5	9,548,393	136,332	0.0143	0.9857	92.39
10.5	8,806,834	131,887	0.0150	0.9850	91.07
11.5	7,810,521	112,368	0.0144	0.9856	89.70
12.5	6,924,586	64,297	0.0093	0.9907	88.41
13.5	6,025,500	114,838	0.0191	0.9809	87.59
14.5	6,384,404	103,032	0.0161	0.9839	85.92
15.5	6,569,450	372,037	0.0566	0.9434	84.54
16.5	5,656,452	113,631	0.0201	0.9799	79.75
17.5	4,489,475	224,300	0.0500	0.9500	78.15
18.5	3,836,732	107,642	0.0281	0.9719	74.24
19.5	2,971,764	302,105	0.1017	0.8983	72.16
20.5	2,563,592	39,571	0.0154	0.9846	64.82
21.5	1,524,048	44,970	0.0295	0.9705	63.82
22.5	1,175,731	92,218	0.0784	0.9216	61.94
23.5	1,172,484	164,391	0.1402	0.8598	57.08
24.5	1,055,810	82,651	0.0783	0.9217	49.08
25.5	1,225,961	67,993	0.0555	0.9445	45.24
26.5	8,905,254	183,297	0.0206	0.9794	42.73
27.5	8,774,852	454,675	0.0518	0.9482	41.85
28.5	8,440,467	172,176	0.0204	0.9796	39.68
29.5	8,281,640	360,302	0.0435	0.9565	38.87
30.5	7,949,268	471,296	0.0593	0.9407	37.18
31.5	7,239,539	368,475	0.0509	0.9491	34.98
32.5	7,249,838	247,441	0.0341	0.9659	33.19
33.5	788,688	110,986	0.1407	0.8593	32.06
34.5	635,252	206,660	0.3253	0.6747	27.55
35.5	367,341	46,305	0.1261	0.8739	18.59
36.5	299,841	72,185	0.2407	0.7593	16.24
37.5	177,320	47,374	0.2672	0.7328	12.33
38.5					9.04

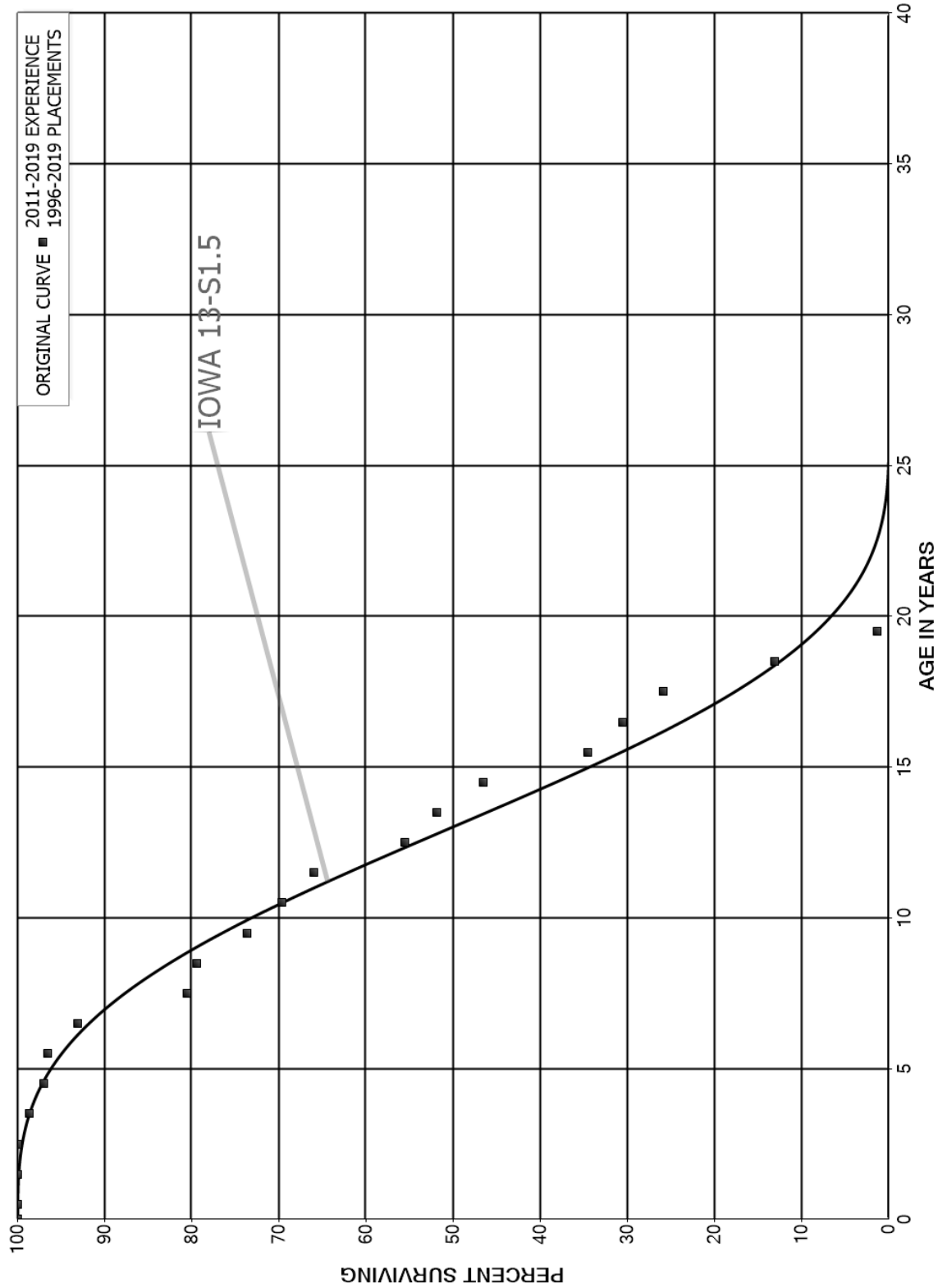
BLACK HILLS NEBRASKA

ACCOUNT 381.00 METERS - SMALL VOLUME AND OTHER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1950-2019			EXPERIENCE BAND 1999-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5					
41.5	2,356	2,356	1.0000		
42.5					
43.5					
44.5	844	656	0.7778		
45.5	188	188	1.0000		
46.5	636	159	0.2500		
47.5	5,808	1,305	0.2246		
48.5	7,941	1,455	0.1832		
49.5	6,486	1,525	0.2352		
50.5	10,221	7,622	0.7457		
51.5	2,599	459	0.1766		
52.5	5,283	2,926	0.5539		
53.5	4,120	3,238	0.7860		
54.5	882	882	1.0000		
55.5					
56.5					
57.5					
58.5					
59.5					
60.5	23	23	1.0000		
61.5					
62.5	66	168	2.5260		
63.5					

BLACK HILLS NEBRASKA
 ACCOUNT 381.00 METERS - ERT, AMR AND AMI
 ORIGINAL AND SMOOTH SURVIVOR CURVES



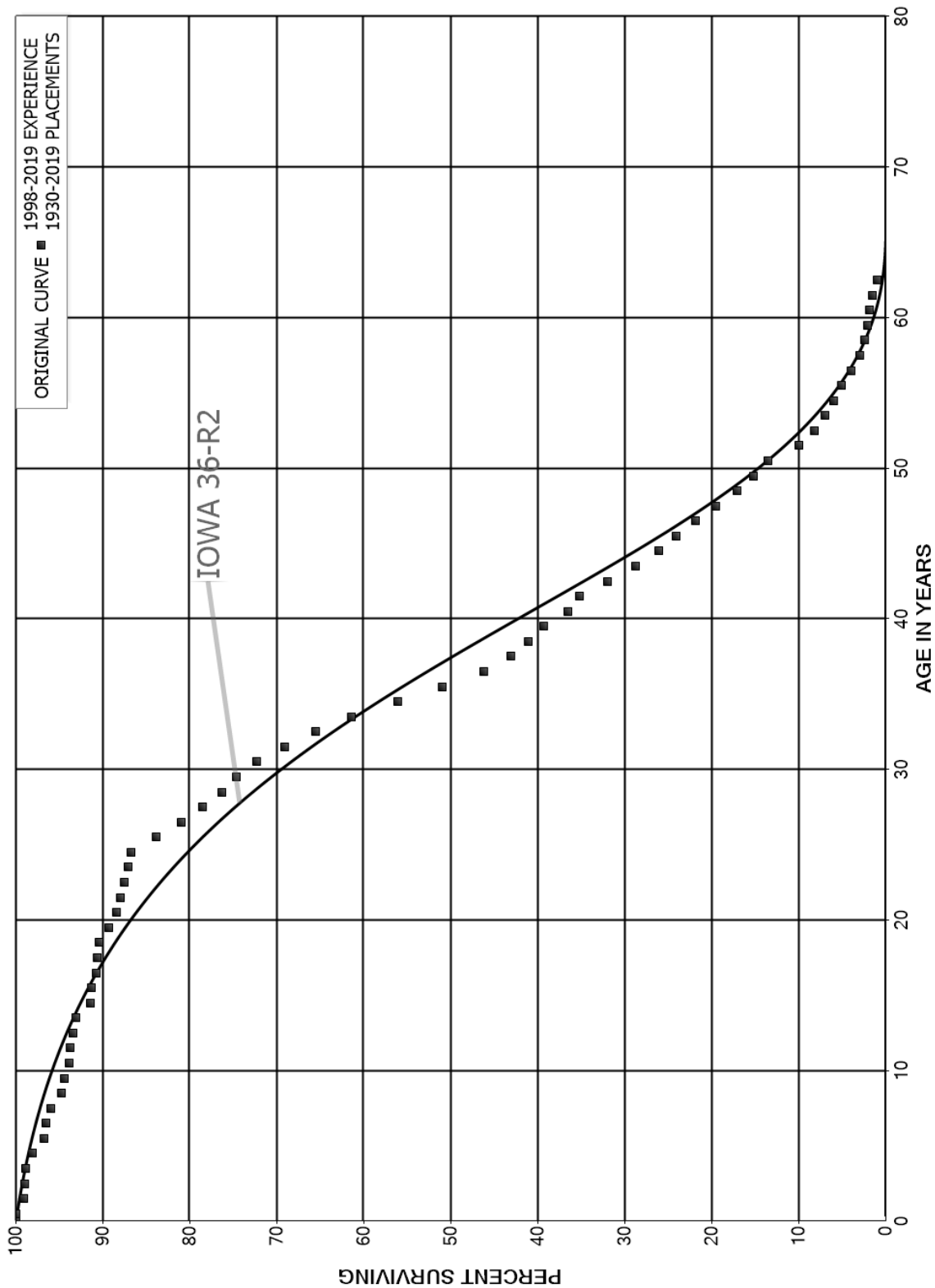
BLACK HILLS NEBRASKA

ACCOUNT 381.00 METERS - ERT, AMR AND AMI

ORIGINAL LIFE TABLE

PLACEMENT BAND 1996-2019			EXPERIENCE BAND 2011-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	9,316,616		0.0000	1.0000	100.00
0.5	10,746,949	575	0.0001	0.9999	100.00
1.5	12,779,155	3,627	0.0003	0.9997	99.99
2.5	12,180,271	166,290	0.0137	0.9863	99.97
3.5	11,729,499	190,922	0.0163	0.9837	98.60
4.5	10,590,158	49,248	0.0047	0.9953	97.00
5.5	10,710,939	387,519	0.0362	0.9638	96.55
6.5	8,983,597	1,212,004	0.1349	0.8651	93.05
7.5	12,147,060	171,273	0.0141	0.9859	80.50
8.5	11,658,748	849,323	0.0728	0.9272	79.36
9.5	10,706,473	570,098	0.0532	0.9468	73.58
10.5	9,686,154	509,078	0.0526	0.9474	69.66
11.5	8,780,135	1,398,706	0.1593	0.8407	66.00
12.5	7,093,327	460,851	0.0650	0.9350	55.49
13.5	7,572,918	781,298	0.1032	0.8968	51.88
14.5	2,147,102	554,097	0.2581	0.7419	46.53
15.5	1,036,355	121,782	0.1175	0.8825	34.52
16.5	1,138,250	174,154	0.1530	0.8470	30.47
17.5	770,258	380,099	0.4935	0.5065	25.80
18.5	390,159	350,274	0.8978	0.1022	13.07
19.5					1.34

BLACK HILLS NEBRASKA
ACCOUNT 382.01 METER INSTALLATIONS
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 382.01 METER INSTALLATIONS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
0.0	4,725,887	34	0.0000	1.0000	100.00	
0.5	4,853,112	47,658	0.0098	0.9902	100.00	
1.5	4,740,473	5,768	0.0012	0.9988	99.02	
2.5	4,445,758	2,478	0.0006	0.9994	98.90	
3.5	3,618,702	28,371	0.0078	0.9922	98.84	
4.5	3,115,947	42,142	0.0135	0.9865	98.07	
5.5	3,167,347	7,094	0.0022	0.9978	96.74	
6.5	3,316,015	18,816	0.0057	0.9943	96.52	
7.5	3,630,592	47,898	0.0132	0.9868	95.98	
8.5	3,840,850	11,417	0.0030	0.9970	94.71	
9.5	3,993,815	23,780	0.0060	0.9940	94.43	
10.5	4,237,592	8,610	0.0020	0.9980	93.87	
11.5	4,568,888	13,917	0.0030	0.9970	93.68	
12.5	4,087,153	13,273	0.0032	0.9968	93.39	
13.5	4,132,421	73,626	0.0178	0.9822	93.09	
14.5	4,308,716	7,684	0.0018	0.9982	91.43	
15.5	4,586,323	27,555	0.0060	0.9940	91.27	
16.5	5,055,351	6,125	0.0012	0.9988	90.72	
17.5	5,392,268	12,911	0.0024	0.9976	90.61	
18.5	5,531,706	65,700	0.0119	0.9881	90.39	
19.5	5,768,927	62,800	0.0109	0.9891	89.32	
20.5	5,950,455	23,452	0.0039	0.9961	88.34	
21.5	6,032,117	37,345	0.0062	0.9938	88.00	
22.5	5,867,713	22,938	0.0039	0.9961	87.45	
23.5	5,637,137	24,848	0.0044	0.9956	87.11	
24.5	6,571,990	221,664	0.0337	0.9663	86.73	
25.5	6,378,216	216,681	0.0340	0.9660	83.80	
26.5	6,141,567	182,741	0.0298	0.9702	80.95	
27.5	5,639,605	159,173	0.0282	0.9718	78.54	
28.5	5,274,432	115,481	0.0219	0.9781	76.33	
29.5	4,922,452	154,405	0.0314	0.9686	74.66	
30.5	3,790,883	167,518	0.0442	0.9558	72.31	
31.5	3,307,006	171,397	0.0518	0.9482	69.12	
32.5	3,126,963	197,778	0.0632	0.9368	65.54	
33.5	2,835,649	245,645	0.0866	0.9134	61.39	
34.5	2,555,906	233,303	0.0913	0.9087	56.07	
35.5	2,271,678	210,989	0.0929	0.9071	50.96	
36.5	2,060,184	140,555	0.0682	0.9318	46.22	
37.5	1,921,378	88,123	0.0459	0.9541	43.07	
38.5	1,881,017	83,505	0.0444	0.9556	41.09	

BLACK HILLS NEBRASKA

ACCOUNT 382.01 METER INSTALLATIONS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,751,868	121,487	0.0693	0.9307	39.27
40.5	1,667,559	63,734	0.0382	0.9618	36.55
41.5	1,425,730	131,334	0.0921	0.9079	35.15
42.5	1,293,065	129,460	0.1001	0.8999	31.91
43.5	1,195,796	111,208	0.0930	0.9070	28.72
44.5	1,111,155	85,238	0.0767	0.9233	26.05
45.5	1,019,865	91,646	0.0899	0.9101	24.05
46.5	956,985	105,254	0.1100	0.8900	21.89
47.5	842,000	106,521	0.1265	0.8735	19.48
48.5	724,496	79,503	0.1097	0.8903	17.02
49.5	637,019	68,813	0.1080	0.8920	15.15
50.5	567,492	150,309	0.2649	0.7351	13.51
51.5	443,917	77,058	0.1736	0.8264	9.93
52.5	416,870	62,499	0.1499	0.8501	8.21
53.5	368,730	52,419	0.1422	0.8578	6.98
54.5	330,628	50,391	0.1524	0.8476	5.99
55.5	294,713	63,958	0.2170	0.7830	5.07
56.5	264,007	69,885	0.2647	0.7353	3.97
57.5	213,648	36,113	0.1690	0.8310	2.92
58.5	196,151	25,809	0.1316	0.8684	2.43
59.5	174,697	23,227	0.1330	0.8670	2.11
60.5	165,066	27,723	0.1680	0.8320	1.83
61.5	147,082	59,648	0.4055	0.5945	1.52
62.5	89,579	20,988	0.2343	0.7657	0.90
63.5	70,564	20,877	0.2959	0.7041	0.69
64.5	51,572	14,310	0.2775	0.7225	0.49
65.5	38,731	15,620	0.4033	0.5967	0.35
66.5	24,433	10,809	0.4424	0.5576	0.21
67.5	13,789	2,702	0.1960	0.8040	0.12
68.5	11,527	2,737	0.2374	0.7626	0.09
69.5	8,891	2,150	0.2418	0.7582	0.07
70.5	6,856	1,745	0.2546	0.7454	0.05
71.5	5,364	1,818	0.3389	0.6611	0.04
72.5	3,546	1,156	0.3260	0.6740	0.03
73.5	2,390	813	0.3400	0.6600	0.02
74.5	1,578	413	0.2621	0.7379	0.01
75.5	1,164	273	0.2345	0.7655	0.01
76.5	891	469	0.5261	0.4739	0.01
77.5	422	79	0.1868	0.8132	0.00
78.5	343	70	0.2036	0.7964	0.00

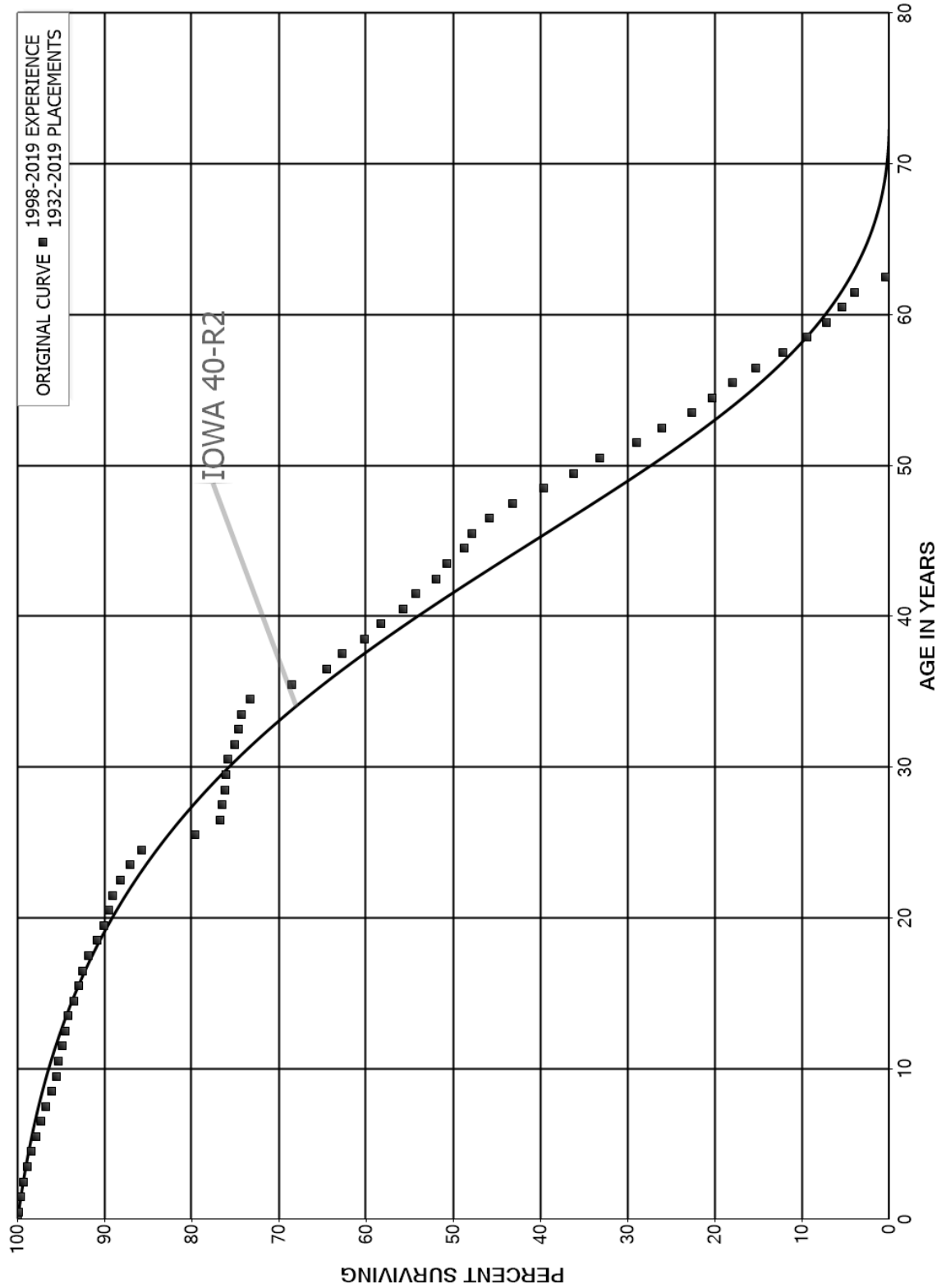
BLACK HILLS NEBRASKA

ACCOUNT 382.01 METER INSTALLATIONS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1930-2019			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
79.5	274	237	0.8680	0.1320	0.00	
80.5	36	19	0.5259	0.4741	0.00	
81.5	17	16	0.9089	0.0911	0.00	
82.5	4,407	2	0.0004	0.9996	0.00	
83.5	4,405		0.0000	1.0000	0.00	
84.5	4,405		0.0000	1.0000	0.00	
85.5	4,405		0.0000	1.0000	0.00	
86.5	4,405		0.0000	1.0000	0.00	
87.5	4,405	4,405	1.0000		0.00	
88.5						

BLACK HILLS NEBRASKA
ACCOUNTS 383.01 AND 383.71 HOUSE REGULATORS
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNTS 383.01 AND 383.71 HOUSE REGULATORS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1932-2019

EXPERIENCE BAND 1998-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	43,533,651	67,526	0.0016	0.9984	100.00
0.5	36,664,791	74,223	0.0020	0.9980	99.84
1.5	29,167,632	106,398	0.0036	0.9964	99.64
2.5	25,802,975	107,818	0.0042	0.9958	99.28
3.5	21,946,304	115,516	0.0053	0.9947	98.86
4.5	19,634,038	109,657	0.0056	0.9944	98.34
5.5	17,299,705	96,561	0.0056	0.9944	97.79
6.5	15,395,878	78,930	0.0051	0.9949	97.25
7.5	13,893,937	104,696	0.0075	0.9925	96.75
8.5	12,968,299	66,019	0.0051	0.9949	96.02
9.5	12,247,394	38,537	0.0031	0.9969	95.53
10.5	11,470,397	51,568	0.0045	0.9955	95.23
11.5	10,403,044	35,089	0.0034	0.9966	94.80
12.5	9,675,610	35,232	0.0036	0.9964	94.48
13.5	8,945,465	55,643	0.0062	0.9938	94.14
14.5	7,761,017	50,478	0.0065	0.9935	93.55
15.5	7,271,467	38,433	0.0053	0.9947	92.95
16.5	6,354,803	40,822	0.0064	0.9936	92.45
17.5	5,500,648	58,346	0.0106	0.9894	91.86
18.5	4,694,583	43,401	0.0092	0.9908	90.89
19.5	3,926,355	24,392	0.0062	0.9938	90.05
20.5	3,423,591	14,346	0.0042	0.9958	89.49
21.5	2,726,457	27,193	0.0100	0.9900	89.11
22.5	1,978,013	26,612	0.0135	0.9865	88.22
23.5	1,847,334	26,880	0.0146	0.9854	87.04
24.5	1,763,121	126,400	0.0717	0.9283	85.77
25.5	1,645,410	60,398	0.0367	0.9633	79.62
26.5	4,815,263	11,239	0.0023	0.9977	76.70
27.5	4,723,212	18,362	0.0039	0.9961	76.52
28.5	4,628,187	10,528	0.0023	0.9977	76.22
29.5	4,568,543	12,351	0.0027	0.9973	76.05
30.5	4,522,062	45,197	0.0100	0.9900	75.84
31.5	4,442,713	27,280	0.0061	0.9939	75.08
32.5	4,396,691	20,251	0.0046	0.9954	74.62
33.5	1,114,750	15,274	0.0137	0.9863	74.28
34.5	1,061,824	68,150	0.0642	0.9358	73.26
35.5	982,571	58,889	0.0599	0.9401	68.56
36.5	934,474	24,546	0.0263	0.9737	64.45
37.5	904,725	37,821	0.0418	0.9582	62.76
38.5	829,952	26,158	0.0315	0.9685	60.13

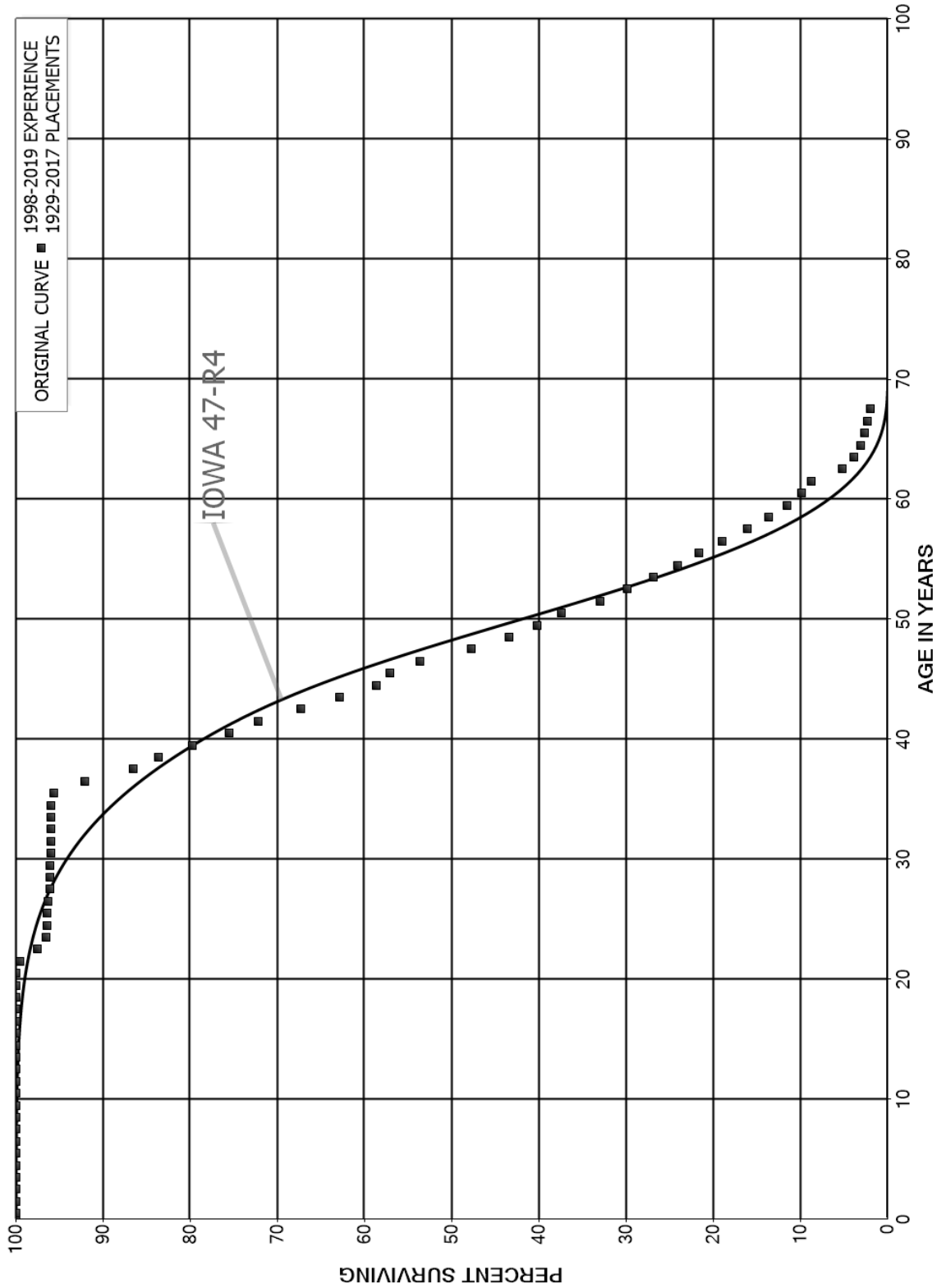
BLACK HILLS NEBRASKA

ACCOUNTS 383.01 AND 383.71 HOUSE REGULATORS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1932-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	764,983	32,599	0.0426	0.9574	58.24
40.5	707,254	18,090	0.0256	0.9744	55.76
41.5	660,551	28,231	0.0427	0.9573	54.33
42.5	634,501	16,223	0.0256	0.9744	52.01
43.5	624,551	23,513	0.0376	0.9624	50.68
44.5	585,299	11,699	0.0200	0.9800	48.77
45.5	564,414	23,277	0.0412	0.9588	47.80
46.5	532,968	31,394	0.0589	0.9411	45.83
47.5	531,589	43,678	0.0822	0.9178	43.13
48.5	463,683	39,643	0.0855	0.9145	39.58
49.5	408,603	34,434	0.0843	0.9157	36.20
50.5	355,205	45,363	0.1277	0.8723	33.15
51.5	296,846	29,642	0.0999	0.9001	28.91
52.5	247,182	31,919	0.1291	0.8709	26.03
53.5	210,792	22,330	0.1059	0.8941	22.67
54.5	187,736	20,970	0.1117	0.8883	20.27
55.5	166,518	25,351	0.1522	0.8478	18.00
56.5	141,524	28,252	0.1996	0.8004	15.26
57.5	113,631	26,252	0.2310	0.7690	12.21
58.5	86,829	20,325	0.2341	0.7659	9.39
59.5	65,693	16,404	0.2497	0.7503	7.19
60.5	48,101	12,959	0.2694	0.7306	5.40
61.5	35,155	31,910	0.9077	0.0923	3.94
62.5	3,245	792	0.2441	0.7559	0.36
63.5	1,894	423	0.2235	0.7765	0.28
64.5	726	398	0.5475	0.4525	0.21
65.5	605	377	0.6239	0.3761	0.10
66.5	228	140	0.6132	0.3868	0.04
67.5	75	75	1.0000		0.01
68.5					

BLACK HILLS NEBRASKA
ACCOUNT 384.01 HOUSE REGULATOR INSTALLATIONS
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 384.01 HOUSE REGULATOR INSTALLATIONS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1929-2017			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	22,776		0.0000	1.0000	100.00
0.5	29,347		0.0000	1.0000	100.00
1.5	34,418		0.0000	1.0000	100.00
2.5	32,697		0.0000	1.0000	100.00
3.5	35,800		0.0000	1.0000	100.00
4.5	51,513		0.0000	1.0000	100.00
5.5	55,923		0.0000	1.0000	100.00
6.5	57,726		0.0000	1.0000	100.00
7.5	56,238		0.0000	1.0000	100.00
8.5	56,783		0.0000	1.0000	100.00
9.5	48,984		0.0000	1.0000	100.00
10.5	59,038		0.0000	1.0000	100.00
11.5	55,116		0.0000	1.0000	100.00
12.5	61,015		0.0000	1.0000	100.00
13.5	88,263		0.0000	1.0000	100.00
14.5	331,840		0.0000	1.0000	100.00
15.5	398,309		0.0000	1.0000	100.00
16.5	472,039		0.0000	1.0000	100.00
17.5	499,025		0.0000	1.0000	100.00
18.5	510,077		0.0000	1.0000	100.00
19.5	478,351		0.0000	1.0000	100.00
20.5	478,615	2,364	0.0049	0.9951	100.00
21.5	249,254	4,963	0.0199	0.9801	99.51
22.5	206,349	2,267	0.0110	0.9890	97.52
23.5	168,531	133	0.0008	0.9992	96.45
24.5	575,885	196	0.0003	0.9997	96.38
25.5	594,283	89	0.0001	0.9999	96.34
26.5	636,502	1,479	0.0023	0.9977	96.33
27.5	678,200	270	0.0004	0.9996	96.11
28.5	735,342	184	0.0003	0.9997	96.07
29.5	786,667	355	0.0005	0.9995	96.04
30.5	828,961	172	0.0002	0.9998	96.00
31.5	449,727	32	0.0001	0.9999	95.98
32.5	467,048		0.0000	1.0000	95.97
33.5	478,721	398	0.0008	0.9992	95.97
34.5	488,011	1,693	0.0035	0.9965	95.89
35.5	483,002	17,589	0.0364	0.9636	95.56
36.5	489,089	29,411	0.0601	0.9399	92.08
37.5	478,137	15,992	0.0334	0.9666	86.54
38.5	481,820	22,612	0.0469	0.9531	83.65

BLACK HILLS NEBRASKA

ACCOUNT 384.01 HOUSE REGULATOR INSTALLATIONS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1929-2017			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	472,199	24,903	0.0527	0.9473	79.72
40.5	467,155	20,574	0.0440	0.9560	75.52
41.5	458,179	31,052	0.0678	0.9322	72.19
42.5	443,173	29,147	0.0658	0.9342	67.30
43.5	425,052	29,048	0.0683	0.9317	62.87
44.5	411,833	10,804	0.0262	0.9738	58.58
45.5	407,215	24,229	0.0595	0.9405	57.04
46.5	387,657	42,485	0.1096	0.8904	53.65
47.5	370,201	33,709	0.0911	0.9089	47.77
48.5	343,819	25,942	0.0755	0.9245	43.42
49.5	320,868	22,334	0.0696	0.9304	40.14
50.5	296,863	34,690	0.1169	0.8831	37.35
51.5	261,084	24,918	0.0954	0.9046	32.98
52.5	239,386	24,020	0.1003	0.8997	29.84
53.5	214,858	21,961	0.1022	0.8978	26.84
54.5	192,236	19,392	0.1009	0.8991	24.10
55.5	173,331	21,866	0.1261	0.8739	21.67
56.5	157,175	23,368	0.1487	0.8513	18.93
57.5	136,367	20,851	0.1529	0.8471	16.12
58.5	116,048	18,602	0.1603	0.8397	13.65
59.5	96,192	13,320	0.1385	0.8615	11.47
60.5	84,376	9,743	0.1155	0.8845	9.88
61.5	75,661	31,180	0.4121	0.5879	8.74
62.5	42,717	11,189	0.2619	0.7381	5.14
63.5	26,584	5,295	0.1992	0.8008	3.79
64.5	19,974	2,824	0.1414	0.8586	3.04
65.5	14,362	1,713	0.1193	0.8807	2.61
66.5	10,488	1,671	0.1593	0.8407	2.30
67.5	6,758	1,768	0.2616	0.7384	1.93
68.5	3,522	444	0.1262	0.8738	1.43
69.5	2,722	270	0.0991	0.9009	1.25
70.5	2,010	303	0.1506	0.8494	1.12
71.5	1,471	369	0.2511	0.7489	0.95
72.5	922	115	0.1246	0.8754	0.71
73.5	585	126	0.2157	0.7843	0.62
74.5	245	68	0.2784	0.7216	0.49
75.5	152	33	0.2171	0.7829	0.35
76.5	119	60	0.5014	0.4986	0.28
77.5	59	59	1.0000		0.14
78.5					

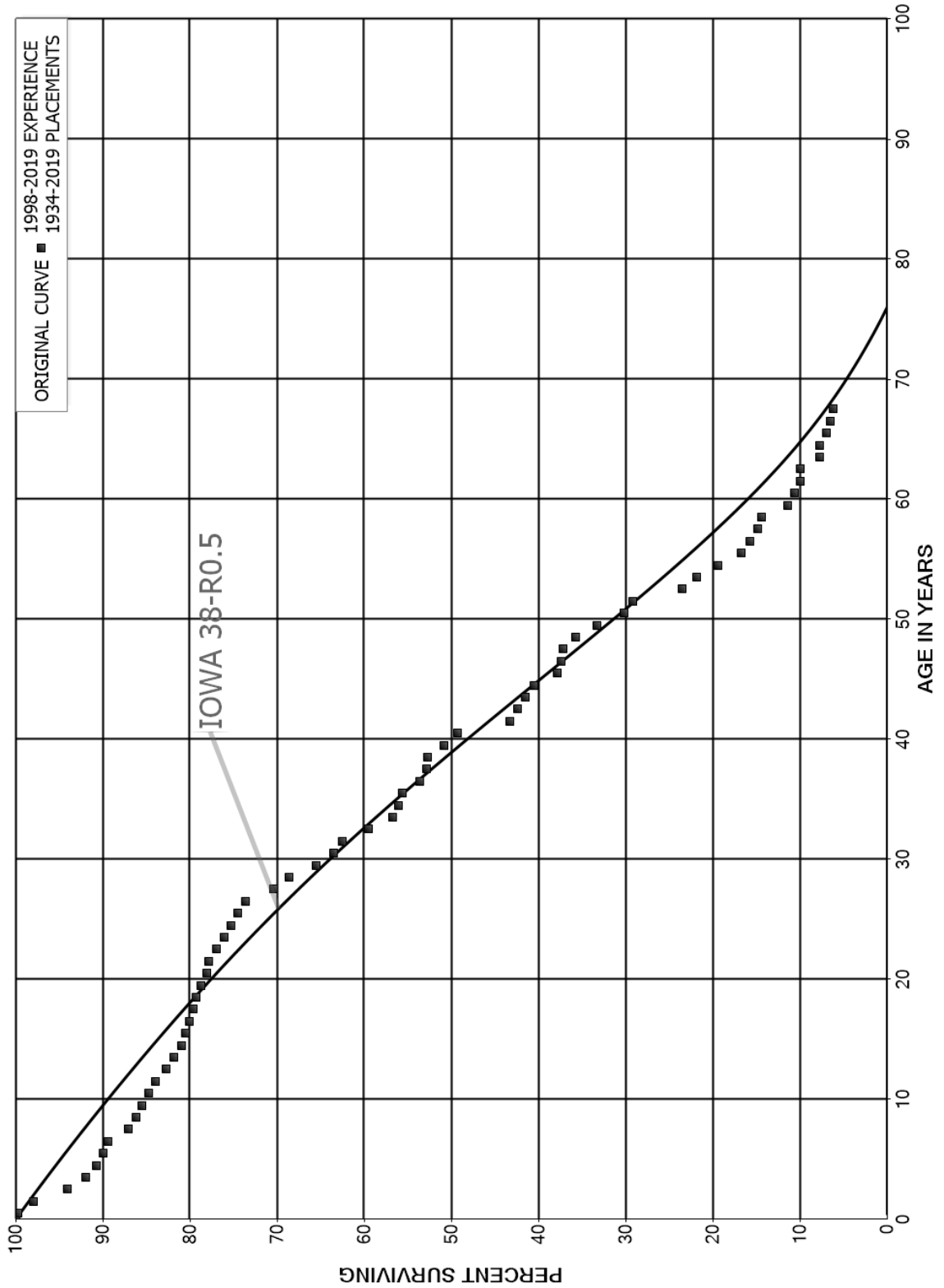
BLACK HILLS NEBRASKA

ACCOUNT 384.01 HOUSE REGULATOR INSTALLATIONS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1929-2017			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5					
80.5					
81.5					
82.5	1,379		0.0000		
83.5	4,071		0.0000		
84.5	4,071		0.0000		
85.5	4,071		0.0000		
86.5	4,071		0.0000		
87.5	4,071	509	0.1251		
88.5	3,562	870	0.2443		
89.5	2,692	2,098	0.7792		
90.5					

BLACK HILLS NEBRASKA
ACCOUNT 385.00 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 385.00 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1934-2019

EXPERIENCE BAND 1998-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	5,838,436	13,665	0.0023	0.9977	100.00
0.5	7,263,522	134,688	0.0185	0.9815	99.77
1.5	7,845,733	307,212	0.0392	0.9608	97.92
2.5	7,943,423	181,412	0.0228	0.9772	94.08
3.5	6,769,755	87,840	0.0130	0.9870	91.93
4.5	5,704,708	50,257	0.0088	0.9912	90.74
5.5	5,604,489	31,481	0.0056	0.9944	89.94
6.5	5,704,528	154,203	0.0270	0.9730	89.44
7.5	5,672,476	54,557	0.0096	0.9904	87.02
8.5	5,547,361	42,896	0.0077	0.9923	86.18
9.5	5,425,230	52,788	0.0097	0.9903	85.51
10.5	5,198,170	47,065	0.0091	0.9909	84.68
11.5	4,484,686	65,547	0.0146	0.9854	83.92
12.5	3,843,568	37,511	0.0098	0.9902	82.69
13.5	3,442,361	41,436	0.0120	0.9880	81.88
14.5	3,211,063	16,865	0.0053	0.9947	80.90
15.5	2,939,793	13,134	0.0045	0.9955	80.47
16.5	2,527,971	14,357	0.0057	0.9943	80.11
17.5	2,429,070	11,649	0.0048	0.9952	79.66
18.5	2,453,056	16,779	0.0068	0.9932	79.28
19.5	2,438,356	19,594	0.0080	0.9920	78.73
20.5	2,307,292	9,457	0.0041	0.9959	78.10
21.5	2,207,827	24,711	0.0112	0.9888	77.78
22.5	1,930,938	22,524	0.0117	0.9883	76.91
23.5	1,629,323	14,940	0.0092	0.9908	76.01
24.5	1,351,439	14,658	0.0108	0.9892	75.32
25.5	1,179,163	13,942	0.0118	0.9882	74.50
26.5	1,016,378	45,220	0.0445	0.9555	73.62
27.5	809,555	19,569	0.0242	0.9758	70.34
28.5	560,647	25,962	0.0463	0.9537	68.64
29.5	502,023	15,322	0.0305	0.9695	65.46
30.5	394,110	6,112	0.0155	0.9845	63.47
31.5	376,339	18,039	0.0479	0.9521	62.48
32.5	300,065	14,025	0.0467	0.9533	59.49
33.5	237,319	2,539	0.0107	0.9893	56.71
34.5	189,655	1,811	0.0095	0.9905	56.10
35.5	137,889	4,829	0.0350	0.9650	55.56
36.5	111,642	1,584	0.0142	0.9858	53.62
37.5	102,424	211	0.0021	0.9979	52.86
38.5	106,305	3,961	0.0373	0.9627	52.75

BLACK HILLS NEBRASKA

ACCOUNT 385.00 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1934-2019			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
39.5	88,620	2,649	0.0299	0.9701	50.78	
40.5	87,950	10,626	0.1208	0.8792	49.27	
41.5	70,814	1,547	0.0218	0.9782	43.31	
42.5	68,628	1,469	0.0214	0.9786	42.37	
43.5	66,883	1,528	0.0228	0.9772	41.46	
44.5	65,275	4,246	0.0650	0.9350	40.51	
45.5	55,797	631	0.0113	0.9887	37.88	
46.5	54,955	468	0.0085	0.9915	37.45	
47.5	54,854	2,147	0.0391	0.9609	37.13	
48.5	56,617	3,832	0.0677	0.9323	35.68	
49.5	51,925	4,884	0.0941	0.9059	33.26	
50.5	39,423	1,305	0.0331	0.9669	30.13	
51.5	29,792	5,771	0.1937	0.8063	29.14	
52.5	22,102	1,511	0.0684	0.9316	23.49	
53.5	18,507	2,133	0.1152	0.8848	21.89	
54.5	16,481	2,264	0.1374	0.8626	19.36	
55.5	14,217	854	0.0601	0.9399	16.70	
56.5	13,007	678	0.0521	0.9479	15.70	
57.5	13,561	483	0.0356	0.9644	14.88	
58.5	11,747	2,380	0.2026	0.7974	14.35	
59.5	9,497	683	0.0719	0.9281	11.45	
60.5	9,493	574	0.0605	0.9395	10.62	
61.5	10,262		0.0000	1.0000	9.98	
62.5	8,492	1,874	0.2206	0.7794	9.98	
63.5	6,634		0.0000	1.0000	7.78	
64.5	3,841	393	0.1022	0.8978	7.78	
65.5	3,467	219	0.0631	0.9369	6.98	
66.5	3,248	197	0.0606	0.9394	6.54	
67.5	2,518		0.0000	1.0000	6.15	
68.5	1,175	2	0.0019	0.9981	6.15	
69.5	841		0.0000	1.0000	6.13	
70.5	2,192		0.0000	1.0000	6.13	
71.5	2,063		0.0000	1.0000	6.13	
72.5	1,639	2	0.0009	0.9991	6.13	
73.5	1,638	141	0.0864	0.9136	6.13	
74.5	1,351		0.0000	1.0000	5.60	
75.5	1,483		0.0000	1.0000	5.60	
76.5	1,483		0.0000	1.0000	5.60	
77.5	132		0.0000	1.0000	5.60	
78.5	132		0.0000	1.0000	5.60	

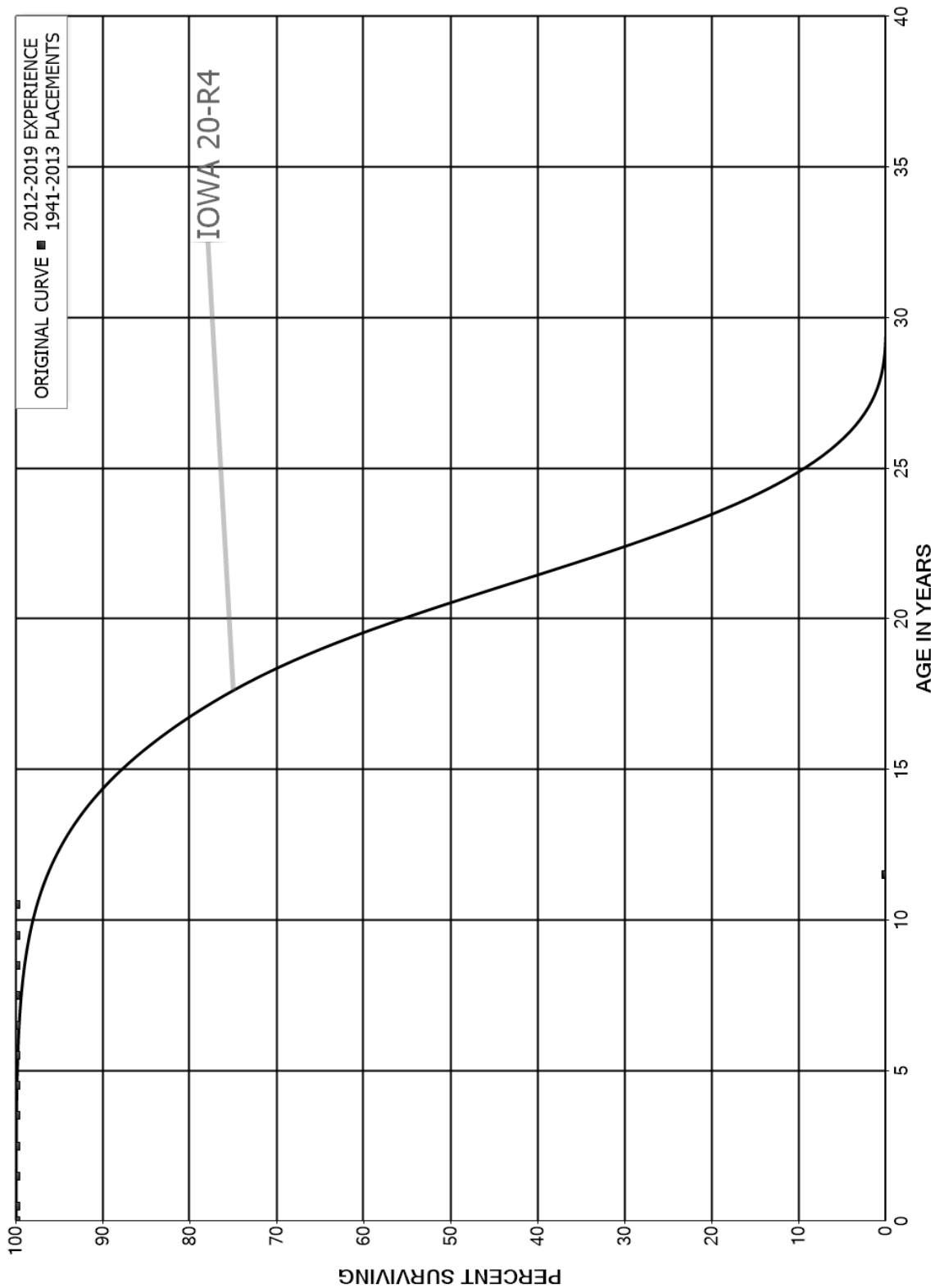
BLACK HILLS NEBRASKA

ACCOUNT 385.00 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1934-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	132		0.0000	1.0000	5.60
80.5	132		0.0000	1.0000	5.60
81.5	132		0.0000	1.0000	5.60
82.5					5.60

BLACK HILLS NEBRASKA
ACCOUNT 386.00 OTHER PROPERTY ON CUSTOMERS' PREMISES
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 386.00 OTHER PROPERTY ON CUSTOMERS' PREMISES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1941-2013			EXPERIENCE BAND 2012-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	613		0.0000	1.0000	100.00
0.5	795		0.0000	1.0000	100.00
1.5	795		0.0000	1.0000	100.00
2.5	825		0.0000	1.0000	100.00
3.5	825		0.0000	1.0000	100.00
4.5	825		0.0000	1.0000	100.00
5.5	19,508		0.0000	1.0000	100.00
6.5	18,895		0.0000	1.0000	100.00
7.5	18,713		0.0000	1.0000	100.00
8.5	18,713		0.0000	1.0000	100.00
9.5	18,682		0.0000	1.0000	100.00
10.5	18,682	18,682	1.0000		100.00
11.5					
12.5					
13.5					
14.5					
15.5	454		0.0000		
16.5	454		0.0000		
17.5	454		0.0000		
18.5	454		0.0000		
19.5	454		0.0000		
20.5	454		0.0000		
21.5	454		0.0000		
22.5					
23.5					
24.5					
25.5					
26.5					
27.5					
28.5					
29.5					
30.5					
31.5					
32.5					
33.5					
34.5					
35.5					
36.5					
37.5					
38.5					

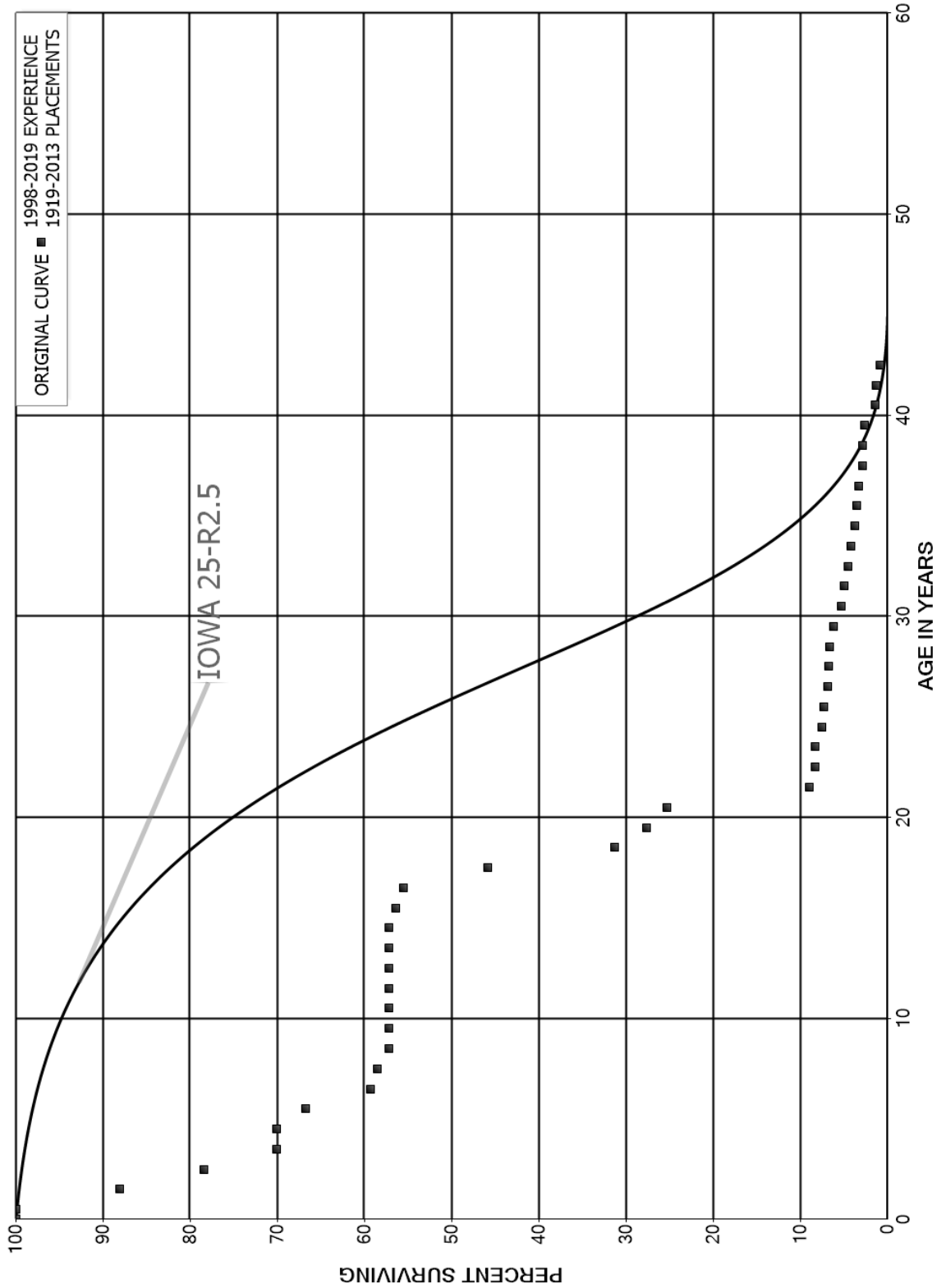
BLACK HILLS NEBRASKA

ACCOUNT 386.00 OTHER PROPERTY ON CUSTOMERS' PREMISES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1941-2013			EXPERIENCE BAND 2012-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5	1,027		0.0000		
41.5	3,650		0.0000		
42.5	7,495		0.0000		
43.5	7,751		0.0000		
44.5	11,793		0.0000		
45.5	12,981		0.0000		
46.5	13,257		0.0000		
47.5	13,204		0.0000		
48.5	12,335		0.0000		
49.5	9,119		0.0000		
50.5	8,863		0.0000		
51.5	4,822		0.0000		
52.5	3,633		0.0000		
53.5	3,358		0.0000		
54.5	2,383		0.0000		
55.5	629		0.0000		
56.5					
57.5					
58.5	6,663		0.0000		
59.5	6,663		0.0000		
60.5	6,839		0.0000		
61.5	9,270		0.0000		
62.5	13,039		0.0000		
63.5	13,593		0.0000		
64.5	15,242		0.0000		
65.5	8,579		0.0000		
66.5	8,684		0.0000		
67.5	9,093		0.0000		
68.5	7,330		0.0000		
69.5	3,561		0.0000		
70.5	3,006		0.0000		
71.5	2,143		0.0000		
72.5	2,143		0.0000		
73.5	2,038		0.0000		
74.5	1,453		0.0000		
75.5	785		0.0000		
76.5	785		0.0000		
77.5	785		0.0000		
78.5					

BLACK HILLS NEBRASKA
ACCOUNT 387.00 OTHER EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 387.00 OTHER EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1919-2013			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	6,645,988		0.0000	1.0000	100.00
0.5	8,005,491	952,176	0.1189	0.8811	100.00
1.5	8,689,344	958,688	0.1103	0.8897	88.11
2.5	10,140,942	1,074,460	0.1060	0.8940	78.39
3.5	8,850,192		0.0000	1.0000	70.08
4.5	9,041,336	434,836	0.0481	0.9519	70.08
5.5	7,331,532	818,175	0.1116	0.8884	66.71
6.5	5,969,004	76,641	0.0128	0.9872	59.27
7.5	7,107,972	167,912	0.0236	0.9764	58.50
8.5	7,606,758		0.0000	1.0000	57.12
9.5	7,569,347		0.0000	1.0000	57.12
10.5	7,718,790		0.0000	1.0000	57.12
11.5	7,069,480		0.0000	1.0000	57.12
12.5	7,072,995		0.0000	1.0000	57.12
13.5	6,144,111		0.0000	1.0000	57.12
14.5	6,234,509	74,943	0.0120	0.9880	57.12
15.5	6,172,541	100,399	0.0163	0.9837	56.44
16.5	5,831,224	1,022,550	0.1754	0.8246	55.52
17.5	4,521,894	1,428,706	0.3160	0.6840	45.78
18.5	3,168,303	378,491	0.1195	0.8805	31.32
19.5	2,976,309	241,726	0.0812	0.9188	27.58
20.5	2,755,969	1,784,607	0.6475	0.3525	25.34
21.5	985,532	66,724	0.0677	0.9323	8.93
22.5	927,592	6,978	0.0075	0.9925	8.33
23.5	834,994	73,515	0.0880	0.9120	8.26
24.5	757,115	21,003	0.0277	0.9723	7.54
25.5	588,587	42,300	0.0719	0.9281	7.33
26.5	544,802	1,675	0.0031	0.9969	6.80
27.5	540,226	16,104	0.0298	0.9702	6.78
28.5	507,957	34,484	0.0679	0.9321	6.58
29.5	469,820	65,424	0.1393	0.8607	6.13
30.5	388,207	27,570	0.0710	0.9290	5.28
31.5	305,846	24,186	0.0791	0.9209	4.90
32.5	281,660	22,685	0.0805	0.9195	4.51
33.5	256,796	27,248	0.1061	0.8939	4.15
34.5	204,412	12,618	0.0617	0.9383	3.71
35.5	154,773	8,580	0.0554	0.9446	3.48
36.5	42,956	6,150	0.1432	0.8568	3.29
37.5	33,291		0.0000	1.0000	2.82
38.5	10,465	819	0.0783	0.9217	2.82

BLACK HILLS NEBRASKA

ACCOUNT 387.00 OTHER EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1919-2013			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
39.5	9,646	4,539	0.4706	0.5294	2.60	
40.5	5,472	309	0.0565	0.9435	1.37	
41.5	5,407	1,813	0.3353	0.6647	1.30	
42.5	4,025	2,209	0.5489	0.4511	0.86	
43.5	1,816		0.0000	1.0000	0.39	
44.5	2,257		0.0000	1.0000	0.39	
45.5	2,949		0.0000	1.0000	0.39	
46.5	2,991		0.0000	1.0000	0.39	
47.5	2,760		0.0000	1.0000	0.39	
48.5	2,760		0.0000	1.0000	0.39	
49.5	2,760		0.0000	1.0000	0.39	
50.5	2,760		0.0000	1.0000	0.39	
51.5	2,534	775	0.3059	0.6941	0.39	
52.5	1,549		0.0000	1.0000	0.27	
53.5	1,506		0.0000	1.0000	0.27	
54.5	1,506	220	0.1457	0.8543	0.27	
55.5	1,287	297	0.2305	0.7695	0.23	
56.5	990	246	0.2485	0.7515	0.18	
57.5	3,938		0.0000	1.0000	0.13	
58.5	4,310		0.0000	1.0000	0.13	
59.5	4,276	255	0.0596	0.9404	0.13	
60.5	4,021		0.0000	1.0000	0.13	
61.5	4,077		0.0000	1.0000	0.13	
62.5	4,478		0.0000	1.0000	0.13	
63.5	4,819		0.0000	1.0000	0.13	
64.5	1,492		0.0000	1.0000	0.13	
65.5	1,121	215	0.1919	0.8081	0.13	
66.5	1,531	107	0.0700	0.9300	0.10	
67.5	1,424		0.0000	1.0000	0.09	
68.5	1,368		0.0000	1.0000	0.09	
69.5	966		0.0000	1.0000	0.09	
70.5	695		0.0000	1.0000	0.09	
71.5	815		0.0000	1.0000	0.09	
72.5	815		0.0000	1.0000	0.09	
73.5	1,121		0.0000	1.0000	0.09	
74.5	1,121		0.0000	1.0000	0.09	
75.5	1,121		0.0000	1.0000	0.09	
76.5	1,121		0.0000	1.0000	0.09	
77.5	1,121	70	0.0622	0.9378	0.09	
78.5	1,495		0.0000	1.0000	0.09	

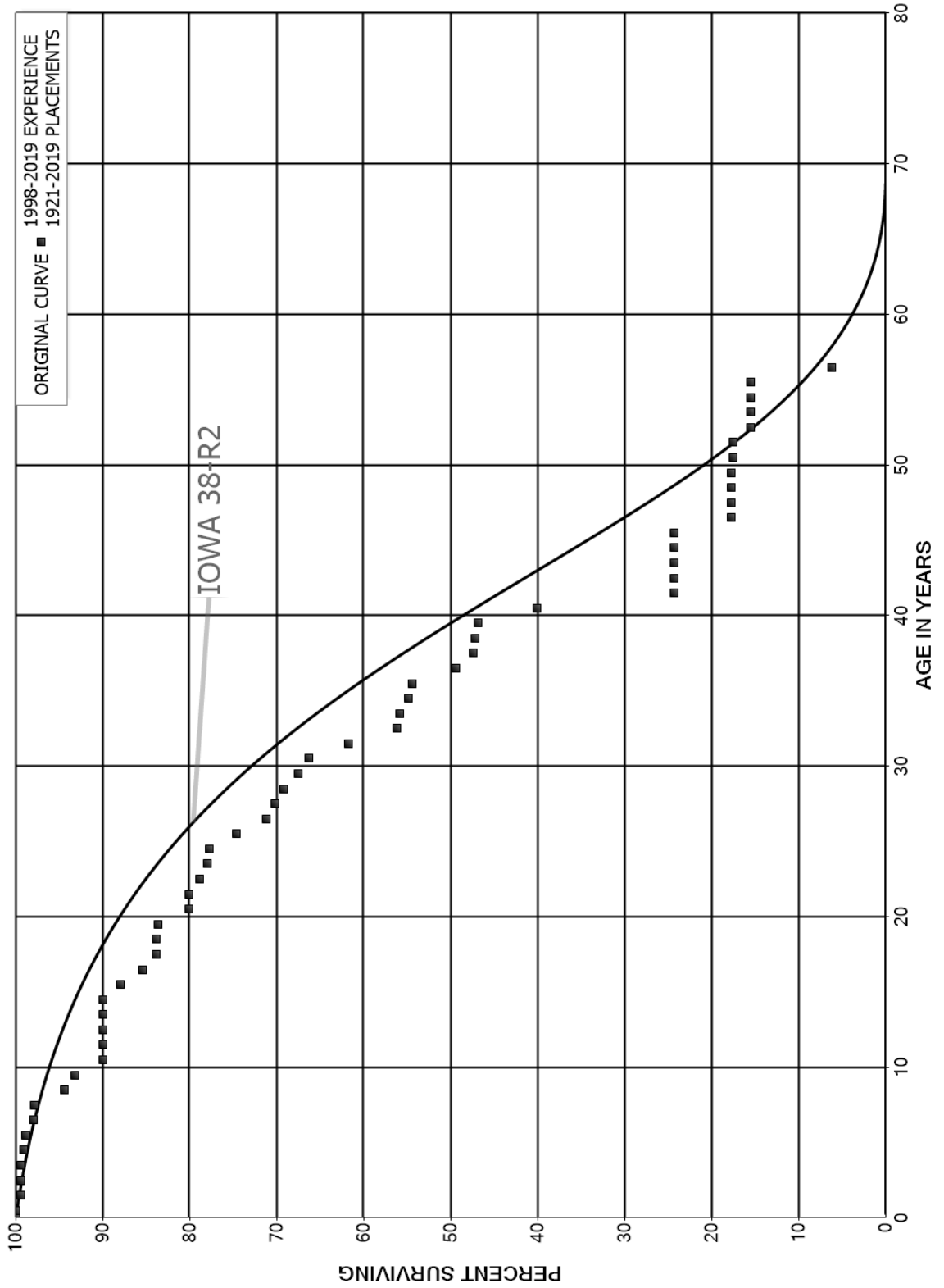
BLACK HILLS NEBRASKA

ACCOUNT 387.00 OTHER EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1919-2013			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
79.5	1,495		0.0000	1.0000	0.09	
80.5	1,495	625	0.4182	0.5818	0.09	
81.5	870		0.0000	1.0000	0.05	
82.5	870		0.0000	1.0000	0.05	
83.5	870		0.0000	1.0000	0.05	
84.5	870		0.0000	1.0000	0.05	
85.5	870	40	0.0466	0.9534	0.05	
86.5	829		0.0000	1.0000	0.05	
87.5	829		0.0000	1.0000	0.05	
88.5	829		0.0000	1.0000	0.05	
89.5	829		0.0000	1.0000	0.05	
90.5	829		0.0000	1.0000	0.05	
91.5	829		0.0000	1.0000	0.05	
92.5	829		0.0000	1.0000	0.05	
93.5	749		0.0000	1.0000	0.05	
94.5	749		0.0000	1.0000	0.05	
95.5	443		0.0000	1.0000	0.05	
96.5	443		0.0000	1.0000	0.05	
97.5	443		0.0000	1.0000	0.05	
98.5	443		0.0000	1.0000	0.05	
99.5	443		0.0000	1.0000	0.05	
100.5					0.05	

BLACK HILLS NEBRASKA
ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1921-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	22,330,415		0.0000	1.0000	100.00
0.5	7,295,123	43,745	0.0060	0.9940	100.00
1.5	3,051,817		0.0000	1.0000	99.40
2.5	3,187,969		0.0000	1.0000	99.40
3.5	3,024,297	11,486	0.0038	0.9962	99.40
4.5	2,115,559	3,667	0.0017	0.9983	99.02
5.5	993,135	9,347	0.0094	0.9906	98.85
6.5	875,757	399	0.0005	0.9995	97.92
7.5	857,989	30,548	0.0356	0.9644	97.88
8.5	842,158	11,281	0.0134	0.9866	94.39
9.5	355,634	11,924	0.0335	0.9665	93.13
10.5	256,642		0.0000	1.0000	90.00
11.5	271,139		0.0000	1.0000	90.00
12.5	290,447		0.0000	1.0000	90.00
13.5	282,432	110	0.0004	0.9996	90.00
14.5	316,221	7,293	0.0231	0.9769	89.97
15.5	432,154	12,355	0.0286	0.9714	87.89
16.5	465,711	8,434	0.0181	0.9819	85.38
17.5	486,238	126	0.0003	0.9997	83.84
18.5	556,615	1,048	0.0019	0.9981	83.81
19.5	541,491	23,049	0.0426	0.9574	83.66
20.5	521,869		0.0000	1.0000	80.09
21.5	488,164	7,464	0.0153	0.9847	80.09
22.5	487,109	5,494	0.0113	0.9887	78.87
23.5	402,130	1,368	0.0034	0.9966	77.98
24.5	400,997	16,185	0.0404	0.9596	77.72
25.5	296,255	13,659	0.0461	0.9539	74.58
26.5	288,710	4,102	0.0142	0.9858	71.14
27.5	299,799	4,129	0.0138	0.9862	70.13
28.5	312,226	7,371	0.0236	0.9764	69.16
29.5	274,029	4,831	0.0176	0.9824	67.53
30.5	278,472	19,513	0.0701	0.9299	66.34
31.5	301,801	26,857	0.0890	0.9110	61.69
32.5	331,433	2,096	0.0063	0.9937	56.20
33.5	332,185	6,010	0.0181	0.9819	55.85
34.5	323,520	2,375	0.0073	0.9927	54.84
35.5	285,460	26,593	0.0932	0.9068	54.43
36.5	204,021	8,197	0.0402	0.9598	49.36
37.5	193,805	942	0.0049	0.9951	47.38
38.5	148,289	1,003	0.0068	0.9932	47.15

BLACK HILLS NEBRASKA

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1921-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	106,858	15,526	0.1453	0.8547	46.83
40.5	81,219	31,858	0.3923	0.6077	40.03
41.5	124,558		0.0000	1.0000	24.33
42.5	170,746		0.0000	1.0000	24.33
43.5	165,019	191	0.0012	0.9988	24.33
44.5	163,623	90	0.0005	0.9995	24.30
45.5	172,916	47,005	0.2718	0.7282	24.28
46.5	126,654		0.0000	1.0000	17.68
47.5	132,364		0.0000	1.0000	17.68
48.5	96,998		0.0000	1.0000	17.68
49.5	100,102	742	0.0074	0.9926	17.68
50.5	99,360	154	0.0016	0.9984	17.55
51.5	98,453	11,604	0.1179	0.8821	17.52
52.5	86,849		0.0000	1.0000	15.46
53.5	81,106		0.0000	1.0000	15.46
54.5	81,106		0.0000	1.0000	15.46
55.5	81,106	48,541	0.5985	0.4015	15.46
56.5	32,718	366	0.0112	0.9888	6.21
57.5	32,388	386	0.0119	0.9881	6.14
58.5	31,233	138	0.0044	0.9956	6.06
59.5	31,096	2,775	0.0892	0.9108	6.04
60.5	28,090		0.0000	1.0000	5.50
61.5	23,236	5,141	0.2212	0.7788	5.50
62.5	18,361		0.0000	1.0000	4.28
63.5	17,943	14,461	0.8060	0.1940	4.28
64.5	3,482	921	0.2646	0.7354	0.83
65.5	2,911		0.0000	1.0000	0.61
66.5	12,097		0.0000	1.0000	0.61
67.5	12,097	160	0.0133	0.9867	0.61
68.5	11,936		0.0000	1.0000	0.60
69.5	11,124		0.0000	1.0000	0.60
70.5	20,564	1,507	0.0733	0.9267	0.60
71.5	19,057	35	0.0019	0.9981	0.56
72.5	19,022	195	0.0102	0.9898	0.56
73.5	18,827		0.0000	1.0000	0.55
74.5	18,827		0.0000	1.0000	0.55
75.5	18,827		0.0000	1.0000	0.55
76.5	47,841	265	0.0055	0.9945	0.55
77.5	47,576	290	0.0061	0.9939	0.55
78.5	47,286		0.0000	1.0000	0.55

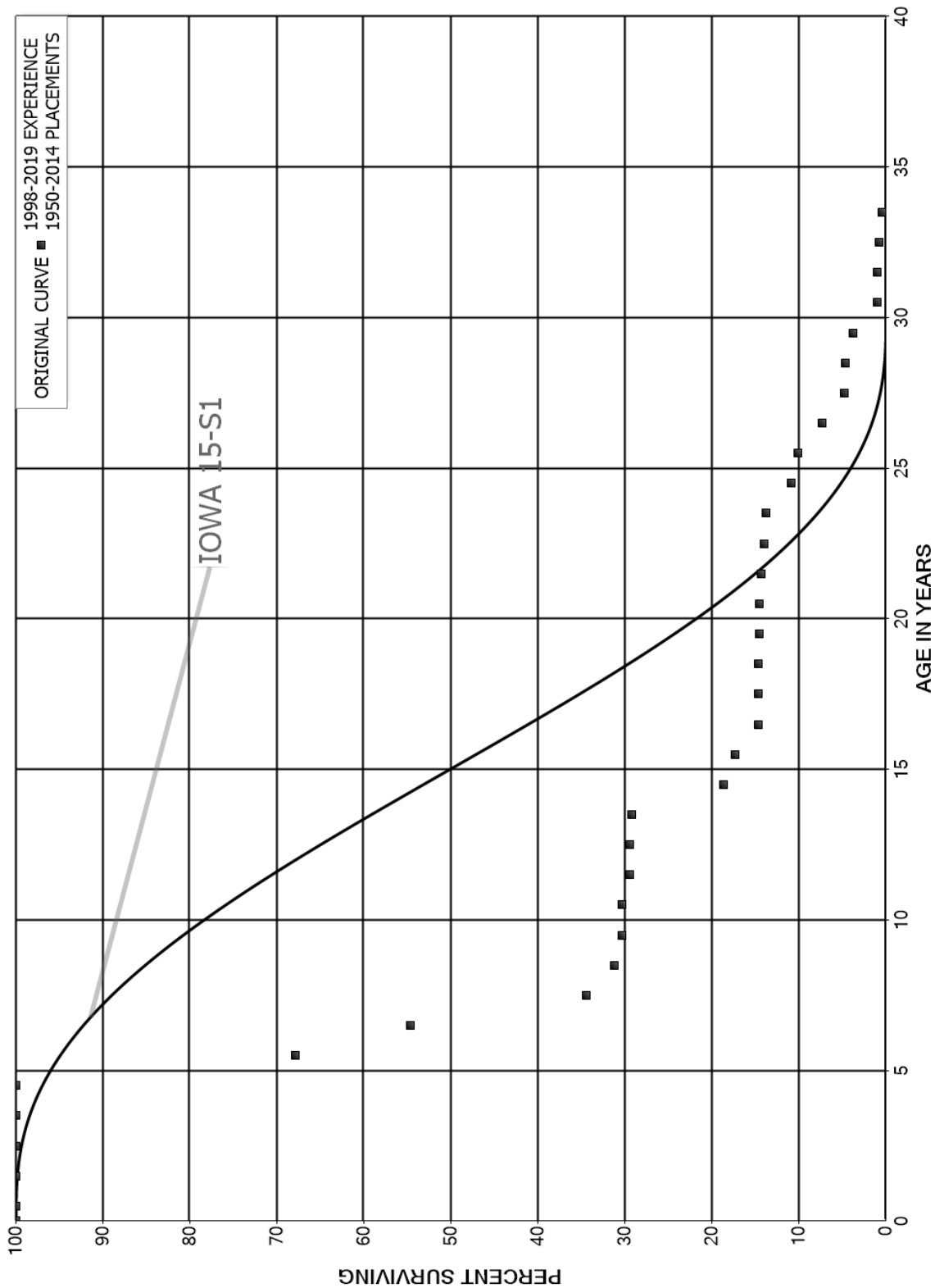
BLACK HILLS NEBRASKA

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1921-2019			EXPERIENCE BAND 1998-2019			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
79.5	47,286	350	0.0074	0.9926	0.55	
80.5	46,935	9,389	0.2000	0.8000	0.54	
81.5	37,546		0.0000	1.0000	0.43	
82.5	37,546		0.0000	1.0000	0.43	
83.5	37,546		0.0000	1.0000	0.43	
84.5	37,546	8,533	0.2273	0.7727	0.43	
85.5	29,013		0.0000	1.0000	0.33	
86.5	29,013		0.0000	1.0000	0.33	
87.5	29,013		0.0000	1.0000	0.33	
88.5	29,013		0.0000	1.0000	0.33	
89.5	29,013		0.0000	1.0000	0.33	
90.5	29,013		0.0000	1.0000	0.33	
91.5	29,013		0.0000	1.0000	0.33	
92.5	29,013		0.0000	1.0000	0.33	
93.5	29,013		0.0000	1.0000	0.33	
94.5	29,013		0.0000	1.0000	0.33	
95.5	29,013		0.0000	1.0000	0.33	
96.5	29,013		0.0000	1.0000	0.33	
97.5	29,013		0.0000	1.0000	0.33	
98.5					0.33	

BLACK HILLS NEBRASKA
 ACCOUNT 390.51 LEASEHOLD IMPROVEMENTS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 390.51 LEASEHOLD IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1950-2014			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	259,242		0.0000	1.0000	100.00
0.5	268,549		0.0000	1.0000	100.00
1.5	285,791		0.0000	1.0000	100.00
2.5	86,471		0.0000	1.0000	100.00
3.5	136,252		0.0000	1.0000	100.00
4.5	211,207	68,016	0.3220	0.6780	100.00
5.5	285,534	55,598	0.1947	0.8053	67.80
6.5	286,562	106,191	0.3706	0.6294	54.60
7.5	313,264	29,113	0.0929	0.9071	34.36
8.5	404,686	11,653	0.0288	0.9712	31.17
9.5	493,191		0.0000	1.0000	30.27
10.5	493,191	13,475	0.0273	0.9727	30.27
11.5	526,090	1,508	0.0029	0.9971	29.45
12.5	549,311	2,686	0.0049	0.9951	29.36
13.5	546,625	197,955	0.3621	0.6379	29.22
14.5	560,124	39,686	0.0709	0.9291	18.64
15.5	520,438	81,494	0.1566	0.8434	17.32
16.5	443,419		0.0000	1.0000	14.60
17.5	446,317	634	0.0014	0.9986	14.60
18.5	447,594	3,591	0.0080	0.9920	14.58
19.5	444,003		0.0000	1.0000	14.47
20.5	444,003	7,107	0.0160	0.9840	14.47
21.5	444,003	9,480	0.0214	0.9786	14.24
22.5	434,523	5,541	0.0128	0.9872	13.93
23.5	423,638	88,686	0.2093	0.7907	13.75
24.5	324,382	23,827	0.0735	0.9265	10.87
25.5	298,274	81,615	0.2736	0.7264	10.08
26.5	215,809	75,670	0.3506	0.6494	7.32
27.5	135,468	2,714	0.0200	0.9800	4.75
28.5	131,513	26,702	0.2030	0.7970	4.66
29.5	104,811	77,437	0.7388	0.2612	3.71
30.5	25,306		0.0000	1.0000	0.97
31.5	25,306	7,502	0.2964	0.7036	0.97
32.5	17,804	6,521	0.3662	0.6338	0.68
33.5	11,284		0.0000	1.0000	0.43
34.5	11,284		0.0000	1.0000	0.43
35.5	11,284		0.0000	1.0000	0.43
36.5	11,284		0.0000	1.0000	0.43
37.5	11,284		0.0000	1.0000	0.43
38.5	6,808		0.0000	1.0000	0.43

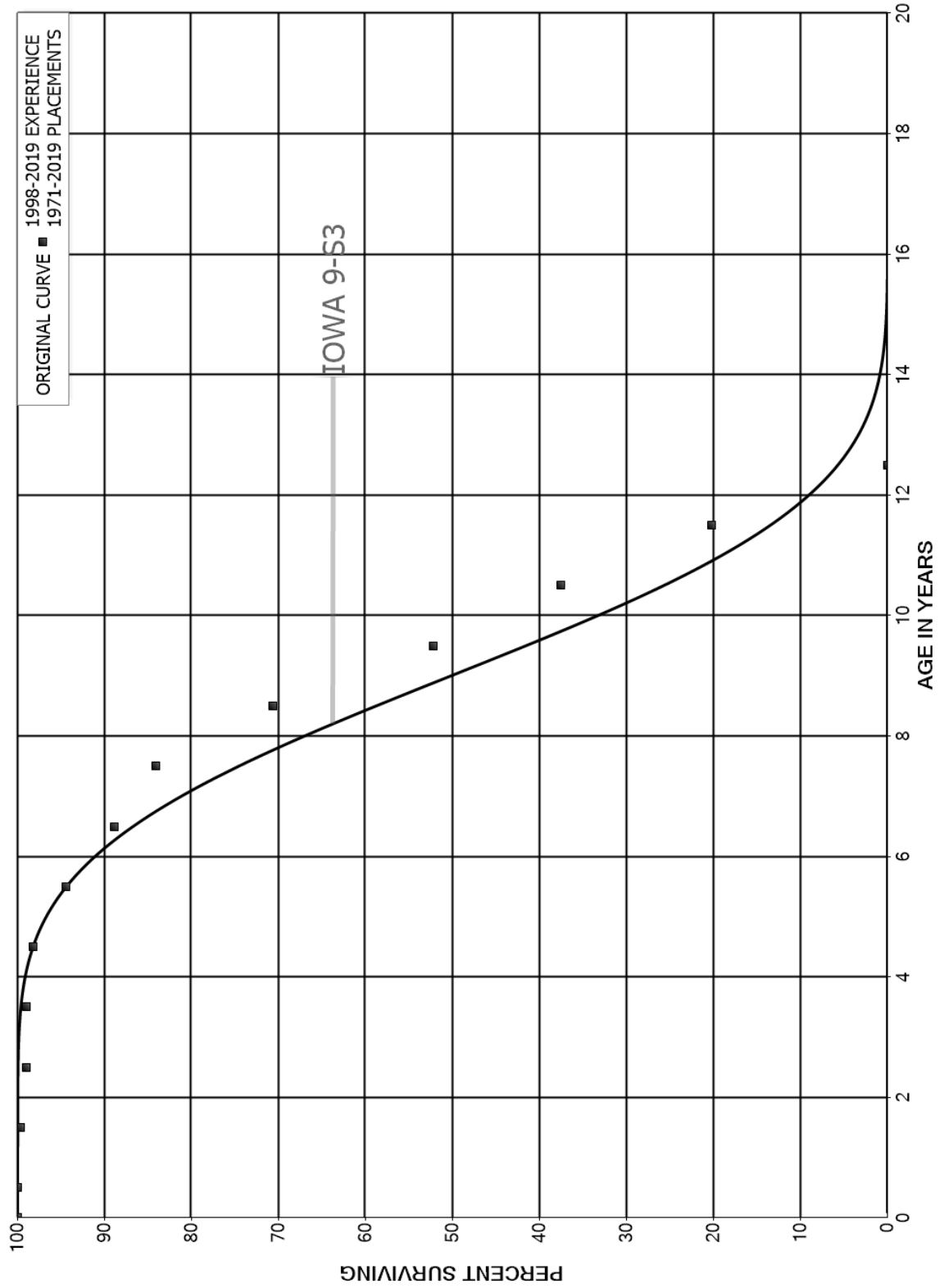
BLACK HILLS NEBRASKA

ACCOUNT 390.51 LEASEHOLD IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1950-2014			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,910		0.0000	1.0000	0.43
40.5	2,000		0.0000	1.0000	0.43
41.5	2,000	2,000	1.0000		0.43
42.5					
43.5					
44.5					
45.5					
46.5					
47.5	1,248		0.0000		
48.5	1,248		0.0000		
49.5	1,248		0.0000		
50.5	1,248		0.0000		
51.5	1,248		0.0000		
52.5	1,248		0.0000		
53.5	1,248		0.0000		
54.5	1,248		0.0000		
55.5	1,248		0.0000		
56.5	1,248		0.0000		
57.5	1,248		0.0000		
58.5	1,248		0.0000		
59.5	1,248		0.0000		
60.5	1,248		0.0000		
61.5	1,248	1,248	1.0000		
62.5					

BLACK HILLS NEBRASKA
 ACCOUNT 392.02 TRANSPORTATION EQUIPMENT - CARS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



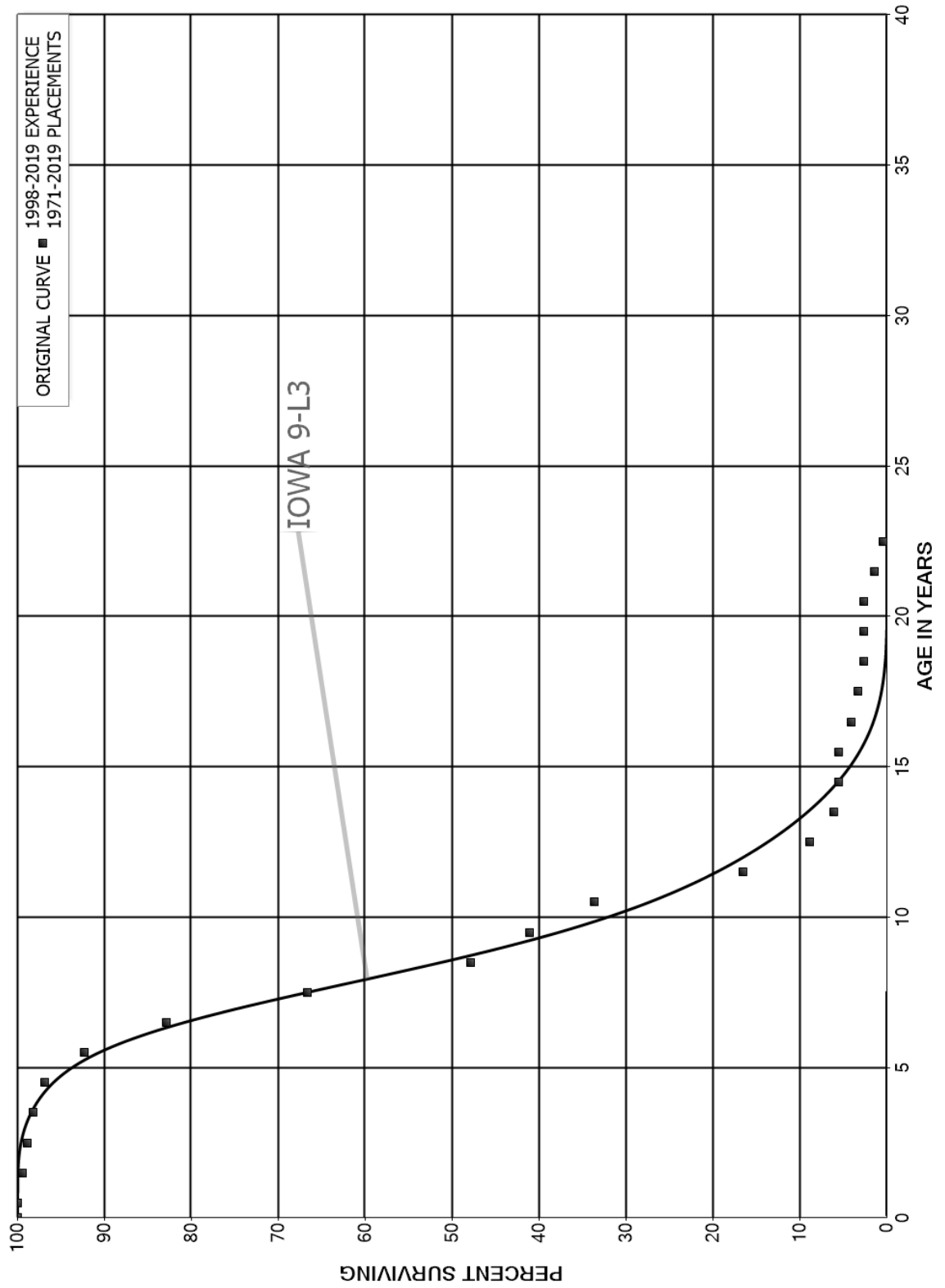
BLACK HILLS NEBRASKA

ACCOUNT 392.02 TRANSPORTATION EQUIPMENT - CARS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1971-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,357,432		0.0000	1.0000	100.00
0.5	2,834,010	11,223	0.0040	0.9960	100.00
1.5	3,847,072	27,282	0.0071	0.9929	99.60
2.5	4,798,120		0.0000	1.0000	98.90
3.5	4,820,211	36,325	0.0075	0.9925	98.90
4.5	6,039,038	233,164	0.0386	0.9614	98.15
5.5	5,706,504	337,574	0.0592	0.9408	94.36
6.5	4,582,223	241,561	0.0527	0.9473	88.78
7.5	3,118,348	499,914	0.1603	0.8397	84.10
8.5	1,724,673	450,509	0.2612	0.7388	70.62
9.5	583,776	164,594	0.2819	0.7181	52.17
10.5	419,182	192,900	0.4602	0.5398	37.46
11.5	19,882	19,882	1.0000		20.22
12.5					
13.5					
14.5					
15.5					
16.5					
17.5					
18.5					
19.5					
20.5					
21.5					
22.5					
23.5					
24.5					
25.5					
26.5	167		0.0000		
27.5	167		0.0000		
28.5	167	167	1.0000		
29.5					

BLACK HILLS NEBRASKA
ACCOUNT 392.03 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS
ORIGINAL AND SMOOTH SURVIVOR CURVES



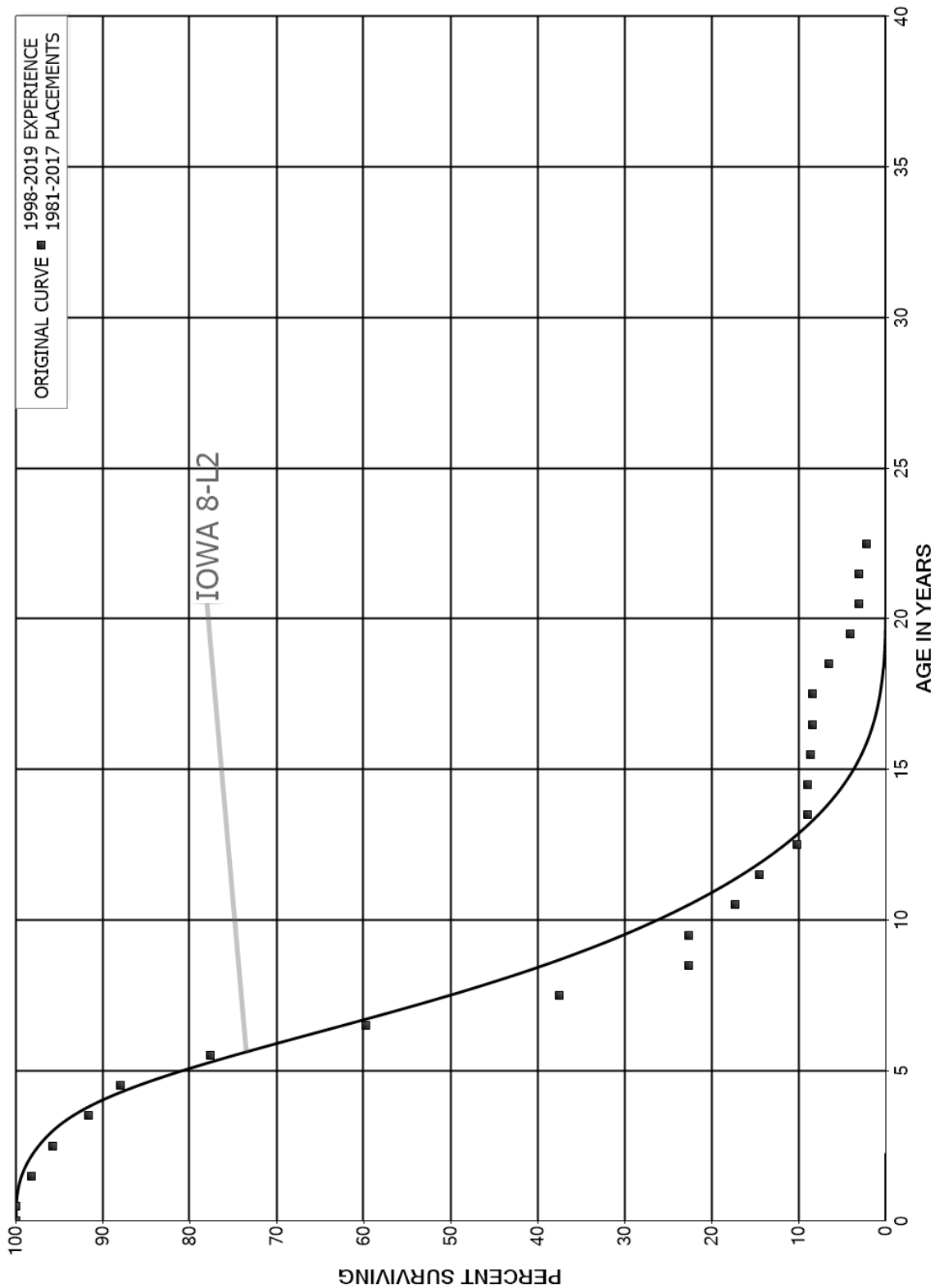
BLACK HILLS NEBRASKA

ACCOUNT 392.03 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1971-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	17,041,324		0.0000	1.0000	100.00
0.5	13,393,172	81,444	0.0061	0.9939	100.00
1.5	11,405,413	69,347	0.0061	0.9939	99.39
2.5	10,564,234	66,506	0.0063	0.9937	98.79
3.5	10,610,943	148,254	0.0140	0.9860	98.17
4.5	7,846,272	365,618	0.0466	0.9534	96.79
5.5	4,621,335	475,353	0.1029	0.8971	92.28
6.5	2,851,977	558,073	0.1957	0.8043	82.79
7.5	2,012,196	565,181	0.2809	0.7191	66.59
8.5	1,671,151	236,729	0.1417	0.8583	47.89
9.5	1,726,889	313,635	0.1816	0.8184	41.10
10.5	916,101	466,446	0.5092	0.4908	33.64
11.5	399,096	184,457	0.4622	0.5378	16.51
12.5	200,350	62,678	0.3128	0.6872	8.88
13.5	111,279	11,091	0.0997	0.9003	6.10
14.5	81,246		0.0000	1.0000	5.49
15.5	81,246	21,430	0.2638	0.7362	5.49
16.5	59,816	11,121	0.1859	0.8141	4.04
17.5	99,109	21,032	0.2122	0.7878	3.29
18.5	103,613		0.0000	1.0000	2.59
19.5	103,613		0.0000	1.0000	2.59
20.5	103,613	46,634	0.4501	0.5499	2.59
21.5	75,782	57,200	0.7548	0.2452	1.43
22.5	22,583		0.0000	1.0000	0.35
23.5	22,583		0.0000	1.0000	0.35
24.5	22,583		0.0000	1.0000	0.35
25.5	22,583		0.0000	1.0000	0.35
26.5	431		0.0000	1.0000	0.35
27.5	431		0.0000	1.0000	0.35
28.5	431	431	1.0000		0.35
29.5					

BLACK HILLS NEBRASKA
 ACCOUNT 392.04 TRANSPORTATION EQUIPMENT - MEDIUM TRUCKS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



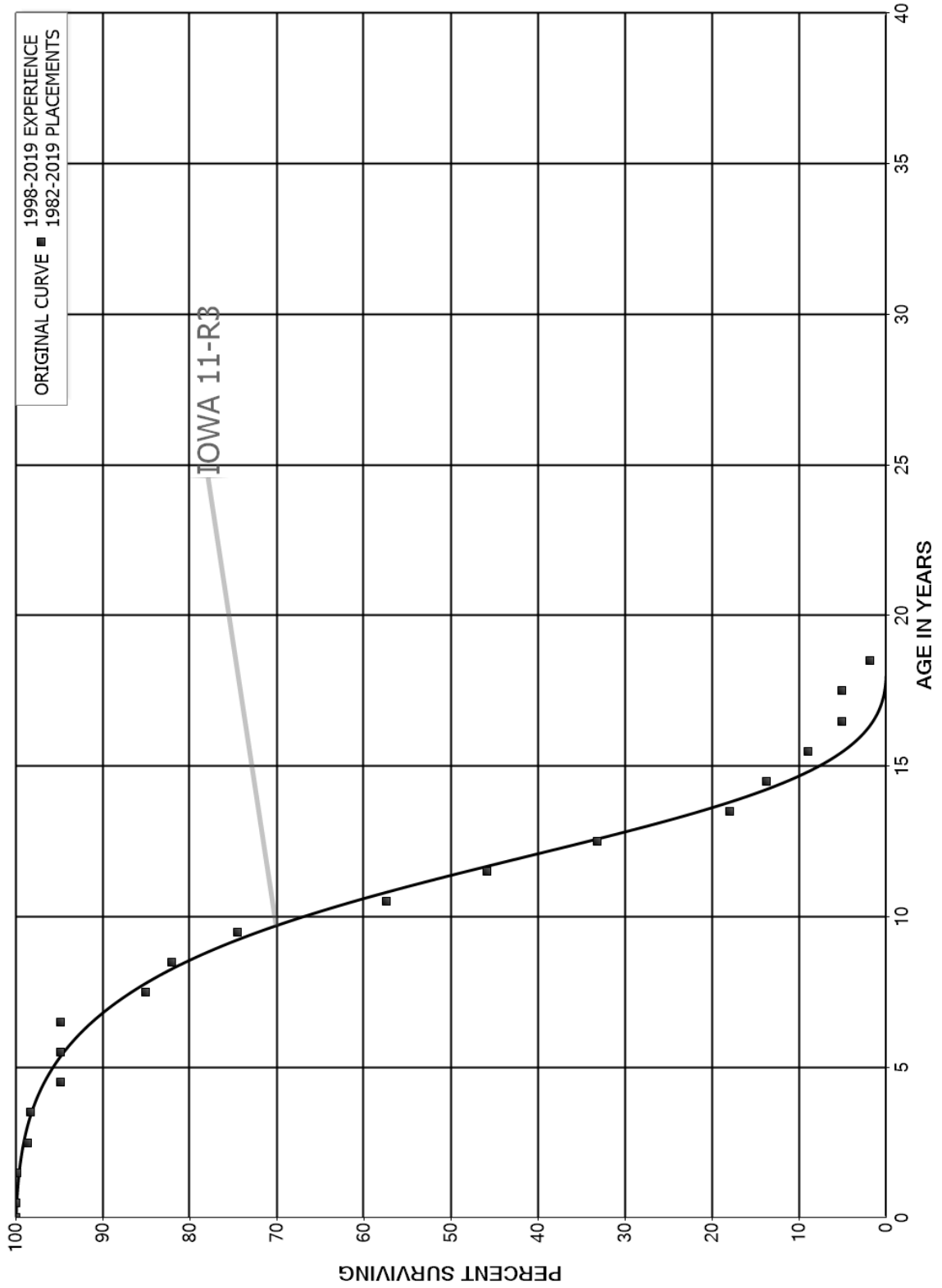
BLACK HILLS NEBRASKA

ACCOUNT 392.04 TRANSPORTATION EQUIPMENT - MEDIUM TRUCKS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1981-2017			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	3,576,358		0.0000	1.0000	100.00
0.5	3,585,528	66,232	0.0185	0.9815	100.00
1.5	3,427,694	86,375	0.0252	0.9748	98.15
2.5	2,876,225	121,749	0.0423	0.9577	95.68
3.5	2,209,987	90,108	0.0408	0.9592	91.63
4.5	1,889,796	221,460	0.1172	0.8828	87.89
5.5	1,478,458	341,263	0.2308	0.7692	77.59
6.5	1,025,954	381,607	0.3720	0.6280	59.68
7.5	734,802	291,362	0.3965	0.6035	37.48
8.5	248,778		0.0000	1.0000	22.62
9.5	258,915	60,826	0.2349	0.7651	22.62
10.5	172,171	27,767	0.1613	0.8387	17.31
11.5	134,262	40,584	0.3023	0.6977	14.52
12.5	93,678	10,893	0.1163	0.8837	10.13
13.5	82,786	59	0.0007	0.9993	8.95
14.5	82,727	2,843	0.0344	0.9656	8.94
15.5	94,350	2,506	0.0266	0.9734	8.64
16.5	107,930		0.0000	1.0000	8.41
17.5	107,930	24,349	0.2256	0.7744	8.41
18.5	102,382	38,833	0.3793	0.6207	6.51
19.5	63,356	16,086	0.2539	0.7461	4.04
20.5	47,270		0.0000	1.0000	3.02
21.5	47,270	13,191	0.2791	0.7209	3.02
22.5	34,080	687	0.0202	0.9798	2.17
23.5	32,193		0.0000	1.0000	2.13
24.5	32,193		0.0000	1.0000	2.13
25.5	32,193	18,507	0.5749	0.4251	2.13
26.5	14,736		0.0000	1.0000	0.91
27.5	14,736	450	0.0305	0.9695	0.91
28.5	14,286	14,286	1.0000		0.88
29.5					
30.5					
31.5	15,851		0.0000		
32.5	15,851		0.0000		
33.5	15,851		0.0000		
34.5					

BLACK HILLS NEBRASKA
 ACCOUNT 392.05 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



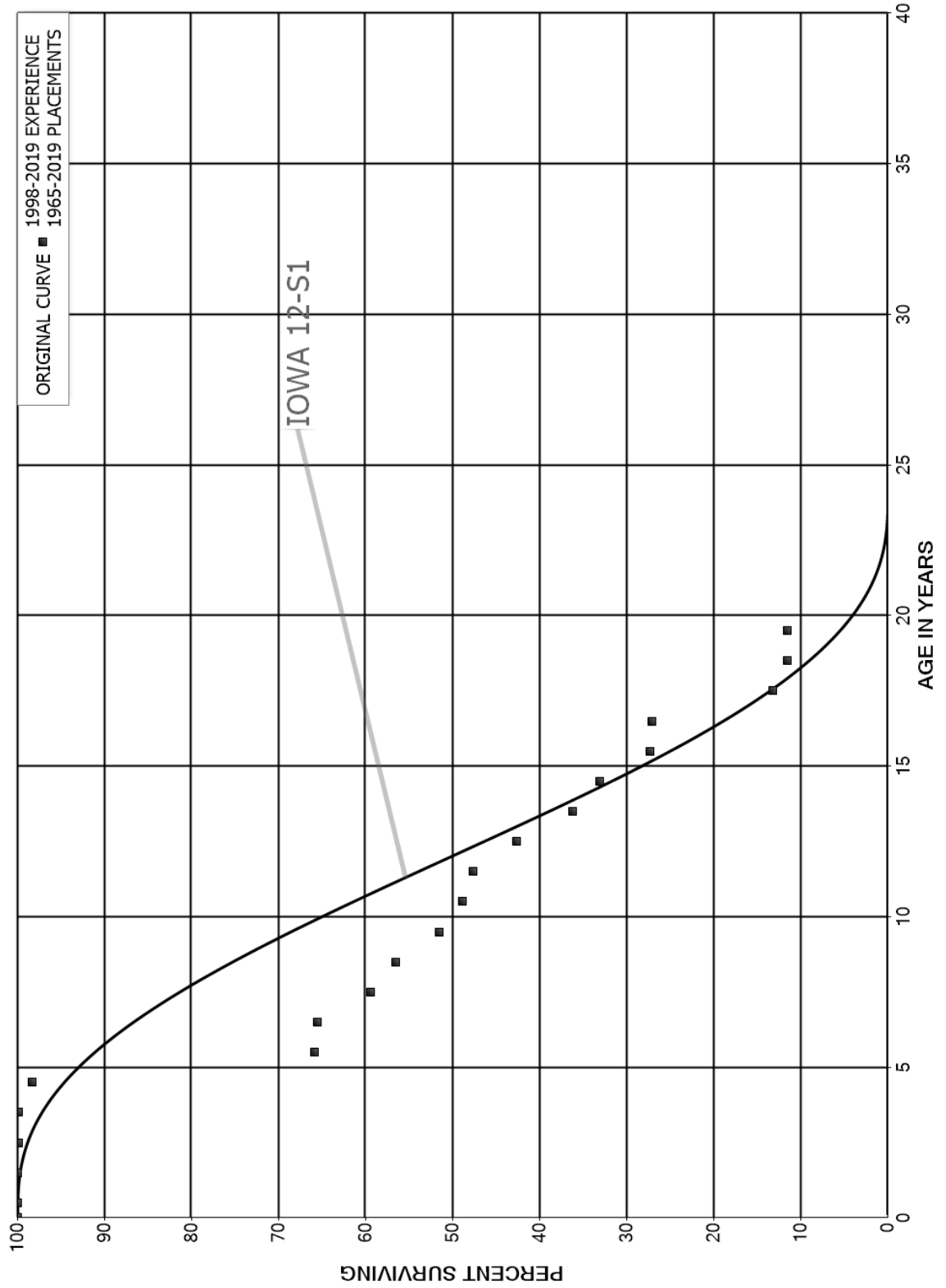
BLACK HILLS NEBRASKA

ACCOUNT 392.05 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1982-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	2,905,727		0.0000	1.0000	100.00
0.5	2,635,208	5,778	0.0022	0.9978	100.00
1.5	2,421,758	28,165	0.0116	0.9884	99.78
2.5	1,683,502	5,866	0.0035	0.9965	98.62
3.5	1,312,999	45,299	0.0345	0.9655	98.28
4.5	1,058,089		0.0000	1.0000	94.89
5.5	1,585,011		0.0000	1.0000	94.89
6.5	2,108,548	217,329	0.1031	0.8969	94.89
7.5	1,900,936	67,103	0.0353	0.9647	85.11
8.5	1,970,849	182,291	0.0925	0.9075	82.10
9.5	2,067,813	473,636	0.2291	0.7709	74.51
10.5	1,651,924	332,667	0.2014	0.7986	57.44
11.5	1,110,604	308,433	0.2777	0.7223	45.87
12.5	746,654	341,699	0.4576	0.5424	33.13
13.5	440,075	103,264	0.2347	0.7653	17.97
14.5	252,958	88,564	0.3501	0.6499	13.75
15.5	75,920	32,744	0.4313	0.5687	8.94
16.5	43,000		0.0000	1.0000	5.08
17.5	43,000	27,150	0.6314	0.3686	5.08
18.5	15,851		0.0000	1.0000	1.87
19.5	15,851		0.0000	1.0000	1.87
20.5	15,851		0.0000	1.0000	1.87
21.5	15,851		0.0000	1.0000	1.87
22.5	15,851		0.0000	1.0000	1.87
23.5	15,353		0.0000	1.0000	1.87
24.5	15,353		0.0000	1.0000	1.87
25.5	15,353		0.0000	1.0000	1.87
26.5	15,353		0.0000	1.0000	1.87
27.5	15,353		0.0000	1.0000	1.87
28.5	15,353		0.0000	1.0000	1.87
29.5	15,353		0.0000	1.0000	1.87
30.5	15,353		0.0000	1.0000	1.87
31.5	2,250		0.0000	1.0000	1.87
32.5	2,250		0.0000	1.0000	1.87
33.5	2,250		0.0000	1.0000	1.87
34.5					1.87

BLACK HILLS NEBRASKA
 ACCOUNT 392.06 TRANSPORTATION EQUIPMENT - TRAILERS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 392.06 TRANSPORTATION EQUIPMENT - TRAILERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1965-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	564,991		0.0000	1.0000	100.00
0.5	427,171	307	0.0007	0.9993	100.00
1.5	459,567	311	0.0007	0.9993	99.93
2.5	468,593	312	0.0007	0.9993	99.86
3.5	490,233	7,282	0.0149	0.9851	99.79
4.5	423,705	139,914	0.3302	0.6698	98.31
5.5	276,770	1,375	0.0050	0.9950	65.85
6.5	285,974	26,755	0.0936	0.9064	65.52
7.5	325,171	16,029	0.0493	0.9507	59.39
8.5	300,166	26,382	0.0879	0.9121	56.46
9.5	276,023	14,291	0.0518	0.9482	51.50
10.5	262,372	6,515	0.0248	0.9752	48.83
11.5	211,952	22,157	0.1045	0.8955	47.62
12.5	188,330	28,463	0.1511	0.8489	42.64
13.5	141,744	12,160	0.0858	0.9142	36.20
14.5	124,862	21,959	0.1759	0.8241	33.09
15.5	89,124	721	0.0081	0.9919	27.27
16.5	77,568	39,842	0.5136	0.4864	27.05
17.5	26,088	3,294	0.1263	0.8737	13.16
18.5	13,412		0.0000	1.0000	11.50
19.5	10,152		0.0000	1.0000	11.50
20.5	10,152		0.0000	1.0000	11.50
21.5	5,073		0.0000	1.0000	11.50
22.5	5,073		0.0000	1.0000	11.50
23.5	2,219		0.0000	1.0000	11.50
24.5	11,370		0.0000	1.0000	11.50
25.5	20,981	28	0.0014	0.9986	11.50
26.5	18,762		0.0000	1.0000	11.48
27.5	9,610		0.0000	1.0000	11.48
28.5					11.48
29.5					
30.5					
31.5					
32.5	149		0.0000		
33.5	149		0.0000		
34.5	149		0.0000		
35.5	149		0.0000		
36.5	149		0.0000		
37.5	149		0.0000		
38.5	149		0.0000		

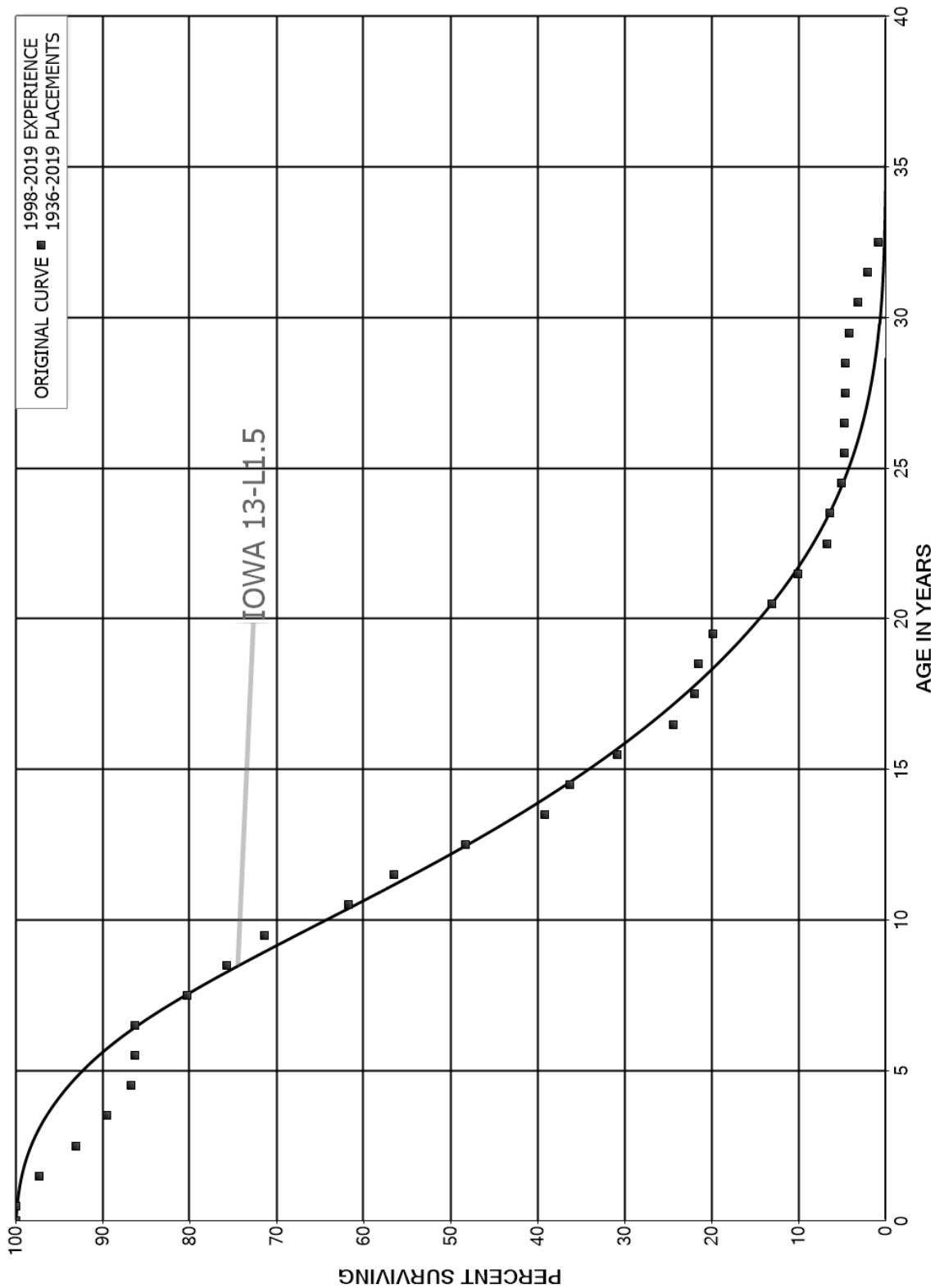
BLACK HILLS NEBRASKA

ACCOUNT 392.06 TRANSPORTATION EQUIPMENT - TRAILERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1965-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	149		0.0000		
40.5	149		0.0000		
41.5	149		0.0000		
42.5	149		0.0000		
43.5	493		0.0000		
44.5	493		0.0000		
45.5	493		0.0000		
46.5	149	149	1.0000		
47.5					

BLACK HILLS NEBRASKA
ACCOUNT 396.00 POWER OPERATED EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS NEBRASKA

ACCOUNT 396.00 POWER OPERATED EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1936-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	4,653,874		0.0000	1.0000	100.00
0.5	3,800,616	104,640	0.0275	0.9725	100.00
1.5	3,609,633	156,313	0.0433	0.9567	97.25
2.5	3,567,490	136,498	0.0383	0.9617	93.04
3.5	3,668,858	111,626	0.0304	0.9696	89.48
4.5	2,692,170	14,129	0.0052	0.9948	86.75
5.5	2,693,162	52	0.0000	1.0000	86.30
6.5	2,789,102	193,132	0.0692	0.9308	86.30
7.5	2,815,489	162,480	0.0577	0.9423	80.32
8.5	2,676,083	152,562	0.0570	0.9430	75.69
9.5	2,429,815	327,115	0.1346	0.8654	71.37
10.5	1,841,958	158,307	0.0859	0.9141	61.76
11.5	1,641,595	236,402	0.1440	0.8560	56.45
12.5	1,481,769	279,410	0.1886	0.8114	48.32
13.5	1,156,981	85,616	0.0740	0.9260	39.21
14.5	965,833	146,505	0.1517	0.8483	36.31
15.5	737,444	154,654	0.2097	0.7903	30.80
16.5	579,122	55,710	0.0962	0.9038	24.34
17.5	535,935	12,696	0.0237	0.9763	22.00
18.5	523,449	39,267	0.0750	0.9250	21.48
19.5	494,806	170,786	0.3452	0.6548	19.87
20.5	342,688	77,204	0.2253	0.7747	13.01
21.5	295,338	98,616	0.3339	0.6661	10.08
22.5	196,722	10,720	0.0545	0.9455	6.71
23.5	190,141	38,336	0.2016	0.7984	6.35
24.5	143,252	10,187	0.0711	0.9289	5.07
25.5	135,723		0.0000	1.0000	4.71
26.5	136,326	3,879	0.0285	0.9715	4.71
27.5	143,063	341	0.0024	0.9976	4.57
28.5	153,179	12,089	0.0789	0.9211	4.56
29.5	141,446	32,827	0.2321	0.7679	4.20
30.5	108,619	39,497	0.3636	0.6364	3.23
31.5	69,889	40,782	0.5835	0.4165	2.05
32.5	29,448	432	0.0147	0.9853	0.86
33.5	34,003	18,965	0.5577	0.4423	0.84
34.5	15,568	365	0.0234	0.9766	0.37
35.5	15,203		0.0000	1.0000	0.36
36.5	15,199	4,742	0.3120	0.6880	0.36
37.5	10,458	530	0.0506	0.9494	0.25
38.5	9,928	927	0.0933	0.9067	0.24

BLACK HILLS NEBRASKA

ACCOUNT 396.00 POWER OPERATED EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2019			EXPERIENCE BAND 1998-2019		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	9,531		0.0000	1.0000	0.22
40.5	9,531		0.0000	1.0000	0.22
41.5	1,288		0.0000	1.0000	0.22
42.5	1,832	530	0.2892	0.7108	0.22
43.5	1,080		0.0000	1.0000	0.15
44.5	1,080		0.0000	1.0000	0.15
45.5	2,397	335	0.1398	0.8602	0.15
46.5	5,376	122	0.0227	0.9773	0.13
47.5	5,254	414	0.0788	0.9212	0.13
48.5	4,840	245	0.0505	0.9495	0.12
49.5	4,402	3,314	0.7527	0.2473	0.11
50.5	1,089		0.0000	1.0000	0.03
51.5	1,089		0.0000	1.0000	0.03
52.5	1,089		0.0000	1.0000	0.03
53.5	1,089		0.0000	1.0000	0.03
54.5	1,089	456	0.4185	0.5815	0.03
55.5	633		0.0000	1.0000	0.02
56.5	633		0.0000	1.0000	0.02
57.5	633		0.0000	1.0000	0.02
58.5	633		0.0000	1.0000	0.02
59.5	633	370	0.5852	0.4148	0.02
60.5	263		0.0000	1.0000	0.01
61.5	273		0.0000	1.0000	0.01
62.5	273		0.0000	1.0000	0.01
63.5	273	263	0.9607	0.0393	0.01
64.5	11		0.0000	1.0000	0.00
65.5	11		0.0000	1.0000	0.00
66.5	11		0.0000	1.0000	0.00
67.5	11		0.0000	1.0000	0.00
68.5	11		0.0000	1.0000	0.00
69.5	11		0.0000	1.0000	0.00
70.5	11		0.0000	1.0000	0.00
71.5	11		0.0000	1.0000	0.00
72.5	11		0.0000	1.0000	0.00
73.5	11		0.0000	1.0000	0.00
74.5	11		0.0000	1.0000	0.00
75.5	11		0.0000	1.0000	0.00
76.5	11		0.0000	1.0000	0.00
77.5	11		0.0000	1.0000	0.00
78.5	11		0.0000	1.0000	0.00
79.5	11	11	1.0000		0.00
80.5					

PART VIII. NET SALVAGE STATISTICS

BLACK HILLS NEBRASKA

ACCOUNT 369.03 MEASURING AND REGULATING STATION EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	19,975		0		0		0
2011							
2012	68		0		0		0
2013	9,006	11,620	129		0	11,620-	129-
2014	10,818		0		0		0
2015							
2016							
2017							
2018							
2019							
TOTAL	39,868	11,620	29		0	11,620-	29-

THREE-YEAR MOVING AVERAGES

10-12	6,681		0		0		0
11-13	3,025	3,873	128		0	3,873-	128-
12-14	6,631	3,873	58		0	3,873-	58-
13-15	6,608	3,873	59		0	3,873-	59-
14-16	3,606		0		0		0
15-17							
16-18							
17-19							

FIVE-YEAR AVERAGE

15-19

BLACK HILLS NEBRASKA

ACCOUNT 375.01 STRUCTURES AND IMPROVEMENTS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	3,921		0		0		0
2011							
2012	36,793	2	0		0	2-	0
2013	4,220		0		0		0
2014	101,449		0		0		0
2015							
2016							
2017	78,774		0		0		0
2018							
2019	21,683		0	5,000	23	5,000	23
TOTAL	246,840	2	0	5,000	2	4,998	2

THREE-YEAR MOVING AVERAGES

10-12	13,571	1	0		0	1-	0
11-13	13,671	1	0		0	1-	0
12-14	47,487	1	0		0	1-	0
13-15	35,223		0		0		0
14-16	33,816		0		0		0
15-17	26,258		0		0		0
16-18	26,258		0		0		0
17-19	33,485		0	1,667	5	1,667	5

FIVE-YEAR AVERAGE

15-19	20,091		0	1,000	5	1,000	5
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BLACK HILLS NEBRASKA

ACCOUNT 376.00 MAINS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	2,519,602	69,912	3	48	0	69,864-	3-
2011	357,205	309,248	87		0	309,248-	87-
2012	660,075	67,133	10	5	0	67,128-	10-
2013	637,051	852	0		0	852-	0
2014	904,226	31,656	4		0	31,656-	4-
2015	947,249	53,040	6		0	53,040-	6-
2016	1,623,440	411,321	25	123	0	411,197-	25-
2017	2,127,789	438,910	21		0	438,910-	21-
2018	245,551	1,076,794	439		0	1,076,794-	439-
2019	478,512	481,011	101		0	481,011-	101-
TOTAL	10,500,701	2,939,877	28	176	0	2,939,700-	28-

THREE-YEAR MOVING AVERAGES

10-12	1,178,961	148,764	13	18	0	148,747-	13-
11-13	551,444	125,744	23	2	0	125,743-	23-
12-14	733,784	33,214	5	2	0	33,212-	5-
13-15	829,509	28,516	3		0	28,516-	3-
14-16	1,158,305	165,339	14	41	0	165,298-	14-
15-17	1,566,159	301,090	19	41	0	301,049-	19-
16-18	1,332,260	642,341	48	41	0	642,300-	48-
17-19	950,618	665,572	70		0	665,572-	70-

FIVE-YEAR AVERAGE

15-19	1,084,508	492,215	45	25	0	492,190-	45-
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BLACK HILLS NEBRASKA

ACCOUNT 378.00 MEASURING AND REGULATING STATION EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	162,403	27,713	17		0	27,713-	17-
2011	39,636	6,765	17	460	1	6,305-	16-
2012	570,467	8,453	1		0	8,453-	1-
2013	8,337	34,662	416		0	34,662-	416-
2014	49,233	29,681	60		0	29,681-	60-
2015	50,059	34,627	69		0	34,627-	69-
2016	173,216	92,439	53		0	92,439-	53-
2017	783,032	1,675	0		0	1,675-	0
2018	788	15,907			0	15,907-	
2019	69,216	36,426	53		0	36,426-	53-
TOTAL	1,906,388	288,349	15	460	0	287,889-	15-

THREE-YEAR MOVING AVERAGES

10-12	257,502	14,310	6	153	0	14,157-	5-
11-13	206,147	16,627	8	153	0	16,473-	8-
12-14	209,346	24,266	12		0	24,266-	12-
13-15	35,876	32,990	92		0	32,990-	92-
14-16	90,836	52,249	58		0	52,249-	58-
15-17	335,436	42,914	13		0	42,914-	13-
16-18	319,012	36,674	11		0	36,674-	11-
17-19	284,346	18,003	6		0	18,003-	6-

FIVE-YEAR AVERAGE

15-19	215,262	36,215	17		0	36,215-	17-
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BLACK HILLS NEBRASKA

ACCOUNT 379.00 MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2014	38,522		0		0		0
2015							
2016	10,711	825	8		0	825-	8-
2017	317,630	46,171	15	521	0	45,650-	14-
2018	6,700	5,853	87		0	5,853-	87-
2019	3,185	62	2		0	62-	2-
TOTAL	376,748	52,911	14	521	0	52,390-	14-

THREE-YEAR MOVING AVERAGES

14-16	16,411	275	2		0	275-	2-
15-17	109,447	15,665	14	174	0	15,492-	14-
16-18	111,680	17,616	16	174	0	17,443-	16-
17-19	109,172	17,362	16	174	0	17,188-	16-

FIVE-YEAR AVERAGE

15-19	67,645	10,582	16	104	0	10,478-	15-
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BLACK HILLS NEBRASKA

ACCOUNT 380.00 SERVICES

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	1,888,026	84,057	4	1	0	84,055-	4-
2011	406,405	5,002	1		0	5,002-	1-
2012	1,069,324	127,568	12		0	127,568-	12-
2013	343,700	170	0		0	170-	0
2014	775,644	22,292	3		0	22,292-	3-
2015	764,541	104,516	14		0	104,516-	14-
2016	1,030,845	246,065	24		0	246,065-	24-
2017	1,170,574	371,710	32		0	371,710-	32-
2018	753,645	1,261,669	167		0	1,261,669-	167-
2019	670,772	96,454	14		0	96,454-	14-
TOTAL	8,873,477	2,319,504	26	1	0	2,319,503-	26-

THREE-YEAR MOVING AVERAGES

10-12	1,121,252	72,209	6		0	72,208-	6-
11-13	606,477	44,247	7		0	44,247-	7-
12-14	729,556	50,010	7		0	50,010-	7-
13-15	627,962	42,326	7		0	42,326-	7-
14-16	857,010	124,291	15		0	124,291-	15-
15-17	988,653	240,764	24		0	240,764-	24-
16-18	985,021	626,482	64		0	626,482-	64-
17-19	864,997	576,611	67		0	576,611-	67-

FIVE-YEAR AVERAGE

15-19	878,075	416,083	47		0	416,083-	47-
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BLACK HILLS NEBRASKA

ACCOUNT 381.00 METERS - SMALL VOLUME AND OTHER

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2013	436,250		0		0		0
2014	413,465		0		0		0
2015	103,082	1,660	2		0	1,660-	2-
2016	301,336	2,541	1	9,041	3	6,500	2
2017	747,091	39	0		0	39-	0
2018	428,681		0		0		0
2019	733,272		0		0		0
TOTAL	3,163,175	4,241	0	9,041	0	4,800	0

THREE-YEAR MOVING AVERAGES

13-15	317,599	553	0		0	553-	0
14-16	272,628	1,400	1	3,014	1	1,613	1
15-17	383,836	1,414	0	3,014	1	1,600	0
16-18	492,369	860	0	3,014	1	2,154	0
17-19	636,348	13	0		0	13-	0

FIVE-YEAR AVERAGE

15-19	462,692	848	0	1,808	0	960	0
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BLACK HILLS NEBRASKA

ACCOUNT 381.00 METERS - ERT, AMR AND AMI

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2013	431,788		0		0		0
2014	2,295,615		0		0		0
2015	1,390,560		0		0		0
2016	549,889		0		0		0
2017	342,345		0		0		0
2018	831,937		0		0		0
2019	2,489,082		0		0		0
TOTAL	8,331,216		0		0		0

THREE-YEAR MOVING AVERAGES

13-15	1,372,654		0		0		0
14-16	1,412,021		0		0		0
15-17	760,931		0		0		0
16-18	574,724		0		0		0
17-19	1,221,121		0		0		0

FIVE-YEAR AVERAGE

15-19	1,120,763		0		0		0
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BLACK HILLS NEBRASKA

ACCOUNT 382.01 METER INSTALLATIONS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	45,263		0		0		0
2011							
2012	2,782,714	354	0		0	354-	0
2013	112,943		0		0		0
2014	90,998		0		0		0
2015	3,699	9,328	252		0	9,328-	252-
2016	56,829	9,575	17		0	9,575-	17-
2017	426,211	43,045	10		0	43,045-	10-
2018	721,612	2,667-	0		0	2,667	0
2019	683,412	661	0		0	661-	0
TOTAL	4,923,682	60,296	1		0	60,296-	1-

THREE-YEAR MOVING AVERAGES

10-12	942,659	118	0		0	118-	0
11-13	965,219	118	0		0	118-	0
12-14	995,552	118	0		0	118-	0
13-15	69,213	3,109	4		0	3,109-	4-
14-16	50,509	6,301	12		0	6,301-	12-
15-17	162,246	20,649	13		0	20,649-	13-
16-18	401,551	16,651	4		0	16,651-	4-
17-19	610,412	13,680	2		0	13,680-	2-

FIVE-YEAR AVERAGE

15-19	378,353	11,988	3		0	11,988-	3-
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BLACK HILLS NEBRASKA

ACCOUNT 383.01 HOUSE REGULATORS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	313,183	25,402	8	79-	0	25,480-	8-
2011	38,965	1,351	3		0	1,351-	3-
2012	907,034	31,494	3		0	31,494-	3-
2013	29,171	37	0		0	37-	0
2014	50,549	7,054	14		0	7,054-	14-
2015	74,464	16,985	23		0	16,985-	23-
2016	164,740	49,960	30		0	49,960-	30-
2017	110,895	108,641	98		0	108,641-	98-
2018	79,503		0		0		0
2019	190,117	12,638	7		0	12,638-	7-
TOTAL	1,958,620	253,561	13	79-	0	253,640-	13-

THREE-YEAR MOVING AVERAGES

10-12	419,727	19,416	5	26-	0	19,442-	5-
11-13	325,056	10,961	3		0	10,961-	3-
12-14	328,918	12,862	4		0	12,862-	4-
13-15	51,394	8,025	16		0	8,025-	16-
14-16	96,584	24,666	26		0	24,666-	26-
15-17	116,699	58,529	50		0	58,529-	50-
16-18	118,379	52,867	45		0	52,867-	45-
17-19	126,838	40,426	32		0	40,426-	32-

FIVE-YEAR AVERAGE

15-19	123,944	37,645	30		0	37,645-	30-
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BLACK HILLS NEBRASKA

ACCOUNT 384.01 HOUSE REGULATOR INSTALLATIONS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2012	439,485		0		0		0
2013	156		0		0		0
2014	77,306		0		0		0
2015							
2016							
2017	242		0		0		0
2018	4,242	93	2		0	93-	2-
2019	165,512	95,428	58		0	95,428-	58-
TOTAL	686,942	95,521	14		0	95,521-	14-

THREE-YEAR MOVING AVERAGES

12-14	172,316		0		0		0
13-15	25,821		0		0		0
14-16	25,769		0		0		0
15-17	81		0		0		0
16-18	1,494	31	2		0	31-	2-
17-19	56,665	31,840	56		0	31,840-	56-

FIVE-YEAR AVERAGE

15-19	33,999	19,104	56		0	19,104-	56-
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BLACK HILLS NEBRASKA

ACCOUNT 385.00 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	38,672	6,752	17		0	6,752-	17-
2011	4,887	3	0	21,000	430	20,997	430
2012	48,854	2,671	5		0	2,671-	5-
2013	96,457	37	0		0	37-	0
2014	140,784	57	0		0	57-	0
2015	185,259	583	0		0	583-	0
2016	161,304		0		0		0
2017	141,502		0		0		0
2018	548,149	1,769-	0		0	1,769	0
2019	263,982		0		0		0
TOTAL	1,629,850	8,334	1	21,000	1	12,666	1

THREE-YEAR MOVING AVERAGES

10-12	30,804	3,142	10	7,000	23	3,858	13
11-13	50,066	904	2	7,000	14	6,096	12
12-14	95,365	922	1		0	922-	1-
13-15	140,833	226	0		0	226-	0
14-16	162,449	213	0		0	213-	0
15-17	162,688	194	0		0	194-	0
16-18	283,652	590-	0		0	590	0
17-19	317,878	590-	0		0	590	0

FIVE-YEAR AVERAGE

15-19	260,039	237-	0		0	237	0
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BLACK HILLS NEBRASKA

ACCOUNT 387.00 OTHER EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2011	1,593,977		0		0		0
2012	1,434,420		0		0		0
2013	328,819		0		0		0
2014							
2015							
2016							
2017							
2018							
2019							
TOTAL	3,357,217		0		0		0

THREE-YEAR MOVING AVERAGES

11-13	1,119,072		0		0		0
12-14	587,747		0		0		0
13-15	109,606		0		0		0
14-16							
15-17							
16-18							
17-19							

FIVE-YEAR AVERAGE

15-19

BLACK HILLS NEBRASKA

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2012	80,199		0		0		0
2013	3,109		0		0		0
2014	321		0		0		0
2015	9,594	5,642	59		0	5,642-	59-
2016	596,753	17,562	3		0	17,562-	3-
2017	3,580	355	10		0	355-	10-
2018	183,143		0		0		0
2019	206,252	3,341	2	26,554	13	23,213	11
TOTAL	1,082,952	26,900	2	26,554	2	346-	0

THREE-YEAR MOVING AVERAGES

12-14	27,876		0		0		0
13-15	4,342	1,881	43		0	1,881-	43-
14-16	202,223	7,735	4		0	7,735-	4-
15-17	203,309	7,853	4		0	7,853-	4-
16-18	261,159	5,972	2		0	5,972-	2-
17-19	130,992	1,232	1	8,851	7	7,619	6

FIVE-YEAR AVERAGE

15-19	199,864	5,380	3	5,311	3	69-	0
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BLACK HILLS NEBRASKA

ACCOUNT 390.51 STRUCTURES AND IMPROVEMENTS - LEASEHOLD

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2012	226,252		0		0		0
2013							
2014							
2015							
2016							
2017							
2018	12,799		0		0		0
2019	779,958		0		0		0
TOTAL	1,019,009		0		0		0

THREE-YEAR MOVING AVERAGES

12-14	75,417		0		0		0
13-15							
14-16							
15-17							
16-18	4,266		0		0		0
17-19	264,252		0		0		0

FIVE-YEAR AVERAGE

15-19	158,551		0		0		0
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BLACK HILLS NEBRASKA

ACCOUNT 392.02 TRANSPORTATION EQUIPMENT - CARS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	27,282		0	52,139-	191-	52,139-	191-
2011							
2012							
2013	160,510		0	17,275	11	17,275	11
2014	85,568		0	5,780	7	5,780	7
2015	121,341		0		0		0
2016	394,582		0	33,816	9	33,816	9
2017	330,054		0	39,590	12	39,590	12
2018	314,056		0	60,185	19	60,185	19
2019	749,665		0	99,434	13	99,434	13
TOTAL	2,183,059		0	203,942	9	203,942	9

THREE-YEAR MOVING AVERAGES

10-12	9,094		0	17,380-	191-	17,380-	191-
11-13	53,503		0	5,758	11	5,758	11
12-14	82,026		0	7,685	9	7,685	9
13-15	122,473		0	7,685	6	7,685	6
14-16	200,497		0	13,199	7	13,199	7
15-17	281,992		0	24,469	9	24,469	9
16-18	346,231		0	44,530	13	44,530	13
17-19	464,592		0	66,403	14	66,403	14

FIVE-YEAR AVERAGE

15-19	381,940		0	46,605	12	46,605	12
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BLACK HILLS NEBRASKA

ACCOUNT 392.03 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	68,021		0	30,062	44	30,062	44
2011	17,436		0	4,755	27	4,755	27
2012	105,816		0	46,842	44	46,842	44
2013	149,644		0	34,478	23	34,478	23
2014	363,961		0	69,425	19	69,425	19
2015	433,205		0	284,818	66	284,818	66
2016	1,002,764		0	161,121	16	161,121	16
2017	438,563		0	85,187	19	85,187	19
2018	253,763		0	41,101	16	41,101	16
2019	636,390		0	93,589	15	93,589	15
TOTAL	3,469,563		0	851,377	25	851,377	25

THREE-YEAR MOVING AVERAGES

10-12	63,758		0	27,220	43	27,220	43
11-13	90,965		0	28,692	32	28,692	32
12-14	206,474		0	50,248	24	50,248	24
13-15	315,603		0	129,574	41	129,574	41
14-16	599,977		0	171,788	29	171,788	29
15-17	624,844		0	177,042	28	177,042	28
16-18	565,030		0	95,803	17	95,803	17
17-19	442,905		0	73,292	17	73,292	17

FIVE-YEAR AVERAGE

15-19	552,937		0	133,163	24	133,163	24
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BLACK HILLS NEBRASKA

ACCOUNT 392.04 TRANSPORTATION EQUIPMENT - MEDIUM TRUCKS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	78,142		0	37,446	48	37,446	48
2011	111,967		0	58,705	52	58,705	52
2012	103,646		0	26,445	26	26,445	26
2013	162,294		0	63,989	39	63,989	39
2014	290,002		0	90,766	31	90,766	31
2015	259,038		0	104,479	40	104,479	40
2016	524,986		0	144,588	28	144,588	28
2017							
2018	450		0		0		0
2019	61,652		0	13,052	21	13,052	21
TOTAL	1,592,176		0	539,470	34	539,470	34

THREE-YEAR MOVING AVERAGES

10-12	97,918		0	40,865	42	40,865	42
11-13	125,969		0	49,713	39	49,713	39
12-14	185,314		0	60,400	33	60,400	33
13-15	237,112		0	86,411	36	86,411	36
14-16	358,009		0	113,278	32	113,278	32
15-17	261,341		0	83,022	32	83,022	32
16-18	175,145		0	48,196	28	48,196	28
17-19	20,701		0	4,351	21	4,351	21

FIVE-YEAR AVERAGE

15-19	169,225		0	52,424	31	52,424	31
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BLACK HILLS NEBRASKA

ACCOUNT 392.05 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	22,649		0	5,938	26	5,938	26
2011							
2012	45,299		0	12,745	28	12,745	28
2013	113,685		0		0		0
2014	301,696		0		0		0
2015	522,311		0		0		0
2016	243,254		0		0		0
2017	281,941		0	25,458	9	25,458	9
2018	222,909		0	17,534	8	17,534	8
2019	358,863		0	18,968	5	18,968	5
TOTAL	2,112,607		0	80,642	4	80,642	4

THREE-YEAR MOVING AVERAGES

10-12	22,649		0	6,228	27	6,228	27
11-13	52,995		0	4,248	8	4,248	8
12-14	153,560		0	4,248	3	4,248	3
13-15	312,564		0		0		0
14-16	355,754		0		0		0
15-17	349,169		0	8,486	2	8,486	2
16-18	249,368		0	14,331	6	14,331	6
17-19	287,904		0	20,653	7	20,653	7

FIVE-YEAR AVERAGE

15-19	325,856		0	12,392	4	12,392	4
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BLACK HILLS NEBRASKA

ACCOUNT 392.06 TRANSPORTATION EQUIPMENT - TRAILERS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	18		0	2,180		2,180	
2011							
2012	166		0		0		0
2013	13,952		0		0		0
2014	50		0	1,300		1,300	
2015	121,670		0		0		0
2016	48,978		0		0		0
2017							
2018	14,314		0	900	6	900	6
2019	1,165		0	1,332	114	1,332	114
TOTAL	200,314		0	5,712	3	5,712	3

THREE-YEAR MOVING AVERAGES

10-12	61		0	727		727	
11-13	4,706		0		0		0
12-14	4,723		0	433	9	433	9
13-15	45,224		0	433	1	433	1
14-16	56,899		0	433	1	433	1
15-17	56,883		0		0		0
16-18	21,097		0	300	1	300	1
17-19	5,160		0	744	14	744	14

FIVE-YEAR AVERAGE

15-19	37,226		0	446	1	446	1
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BLACK HILLS NEBRASKA

ACCOUNT 396.00 POWER OPERATED EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2010	39,936		0	9,654	24	9,654	24
2011							
2012	315,564		0	18,466	6	18,466	6
2013	97,207		0		0		0
2014	41,664		0	465	1	465	1
2015	159,580		0	18,000	11	18,000	11
2016	515,441		0	6,019	1	6,019	1
2017				1		1	
2018	106,567		0	63,400	59	63,400	59
2019	154,363		0	9,500	6	9,500	6
TOTAL	1,430,321		0	125,505	9	125,505	9

THREE-YEAR MOVING AVERAGES

10-12	118,500		0	9,373	8	9,373	8
11-13	137,590		0	6,155	4	6,155	4
12-14	151,478		0	6,310	4	6,310	4
13-15	99,483		0	6,155	6	6,155	6
14-16	238,895		0	8,161	3	8,161	3
15-17	225,007		0	8,007	4	8,007	4
16-18	207,336		0	23,140	11	23,140	11
17-19	86,977		0	24,300	28	24,300	28

FIVE-YEAR AVERAGE

15-19	187,190		0	19,384	10	19,384	10
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**PART IX. DETAILED DEPRECIATION
CALCULATIONS**

BLACK HILLS NEBRASKA

ACCOUNT 302.00 - FRANCHISES AND CONSENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 30-SQUARE						
NET SALVAGE PERCENT.. 0						
1931	951.63	952	952			
1950	100.00	100	100			
1951	4,738.31	4,738	4,738			
1952	574.79	575	575			
1953	605.30	605	605			
1954	5,123.98	5,124	5,124			
1955	6,852.80	6,853	6,853			
1956	1,976.09	1,976	1,976			
1957	317.11	317	317			
1959	95.30	95	95			
1960	1,596.11	1,596	1,596			
1961	224.60	225	225			
1962	315.60	316	316			
1963	54.61	55	55			
1964	177.83	178	178			
1965	1,548.85	1,549	1,549			
1966	2,679.83	2,680	2,680			
1967	405.55	406	406			
1968	1,110.35	1,110	1,110			
1969	82.47	82	82			
1970	164.94	165	165			
1971	125.17	125	125			
1974	5,466.59	5,467	5,467			
1975	1,935.59	1,936	1,936			
1978	311.09	311	311			
1979	132.96	133	133			
1980	1,230.17	1,230	1,230			
1981	330.27	330	330			
1982	284.48	284	284			
1983	119.97	120	120			
1984	1,389.01	1,389	1,389			
1985	13.27	13	13			
1986	149.83	150	150			
1987	485.07	485	485			
1988	1,358.82	1,359	1,359			
1993	185.98	164	186			
1994	6,887.19	5,836	6,788	99	4.58	22
1995	69,993.85	56,975	66,267	3,727	5.58	668
1996	967.13	755	878	89	6.58	14
	121,062.49	106,759	117,148	3,914		704

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.6 0.58

BLACK HILLS NEBRASKA

ACCOUNT 303.00 - MISCELLANEOUS INTANGIBLE PLANT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
1960	3,819.08	3,819	3,819			
1961	1,092.00	1,092	1,092			
1965	21,497.90	21,498	21,498			
1966	2,345.49	2,345	2,345			
1967	3,211.30	3,211	3,211			
1968	2,659.24	2,659	2,659			
1969	11,541.56	11,542	11,542			
1970	17,827.80	17,828	17,828			
1971	10,443.51	10,444	10,444			
1972	11,176.52	11,177	11,177			
1973	103.61	104	104			
1974	11,935.85	11,936	11,936			
1975	9,326.78	9,327	9,327			
1977	619.78	620	620			
1978	915.91	916	916			
1979	572.75	573	573			
1980	4,061.70	4,062	4,062			
1981	27,577.12	27,577	27,577			
1982	3,658.45	3,658	3,658			
1986	286.00	286	286			
1987	693.00	693	693			
1990	9,866.00	9,866	9,866			
1996	93,646.00	93,646	93,646			
1997	30,500.00	30,500	30,500			
2006	96,569.46	86,398	73,947	22,622	1.58	14,318
2008	302,000.00	229,922	196,787	105,213	3.58	29,389
2010	64,934.13	40,779	34,902	30,032	5.58	5,382
	742,880.94	636,478	585,015	157,866		49,089

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 3.2 6.61

BLACK HILLS NEBRASKA

ACCOUNT 303.01 - MISCELLANEOUS INTANGIBLE PLANT - EASEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2008	500,000.00	285,500	283,333	216,667	8.58	25,253
	500,000.00	285,500	283,333	216,667		25,253
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					8.6	5.05

BLACK HILLS NEBRASKA

ACCOUNT 365.03 - LAND AND LAND RIGHTS - RIGHTS OF WAY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1938	28.07	26	28			
1949	260.55	223	261			
1968	543.93	372	544			
1989	127,897.94	54,650	91,216	36,682	40.09	915
1995	41,542.00	14,350	23,952	17,590	45.82	384
	170,272.49	69,621	116,001	54,271		1,299
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					41.8	0.76

BLACK HILLS NEBRASKA

ACCOUNT 366.01 - STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
NET SALVAGE PERCENT.. 0						
1990	6,026.65	2,888	5,265	762	31.25	24
1995	2,147.00	861	1,570	577	35.93	16
	8,173.65	3,749	6,835	1,339		40
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						33.5 0.49

BLACK HILLS NEBRASKA

ACCOUNT 367.00 - MAINS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1930	164,008.85	147,045	164,009			
1931	120,238.09	107,338	120,238			
1954	50,256.97	38,468	50,257			
1989	3,132.62	1,274	2,710	423	41.53	10
1990	3,104,473.49	1,224,497	2,604,891	499,582	42.39	11,785
1991	517,090.75	197,529	420,206	96,885	43.26	2,240
1992	27,480.35	10,152	21,597	5,883	44.14	133
1995	760,400.00	251,913	535,898	224,502	46.81	4,796
1996	24,045.56	7,657	16,289	7,757	47.71	163
2012	556,358.97	57,622	122,580	433,779	62.75	6,913
2017	31,133.25	1,059	2,253	28,880	67.62	427
	5,358,618.90	2,044,554	4,060,928	1,297,691		26,467
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					49.0	0.49

BLACK HILLS NEBRASKA

ACCOUNT 369.03 - MEASURING AND REGULATING STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R2						
NET SALVAGE PERCENT.. -5						
1960	170.26	152	172	7	6.85	1
1962	7.61	7	8			
1963	19.54	17	19	2	7.83	
1964	15.14	13	15	1	8.18	
1965	14.40	12	14	1	8.53	
1968	35.31	29	33	4	9.66	
1982	138.36	92	104	41	16.43	2
1985	5,943.26	3,714	4,203	2,037	18.22	112
1986	7,214.07	4,405	4,984	2,591	18.83	138
1990	299,540.29	164,807	186,487	128,030	21.42	5,977
1992	52,387.75	27,161	30,734	24,273	22.78	1,066
1993	13,103.29	6,580	7,446	6,312	23.48	269
1994	383.37	186	210	193	24.19	8
1995	31,733.07	14,883	16,841	16,479	24.90	662
1997	2,336.93	1,016	1,150	1,304	26.37	49
1998	6,241.02	2,605	2,948	3,605	27.11	133
2006	197,489.55	53,500	60,537	146,827	33.39	4,397
2007	7,358.35	1,853	2,097	5,629	34.21	165
	624,131.57	281,032	318,002	337,336		12,979

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 26.0 2.08

BLACK HILLS NEBRASKA

ACCOUNT 374.03 - LAND AND LAND RIGHTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R4						
NET SALVAGE PERCENT.. 0						
1930	207.38	191	207			
1931	9,738.82	8,934	9,739			
1932	200.09	183	200			
1933	44.43	40	44			
1935	6,526.15	5,883	6,526			
1936	11,630.74	10,435	11,631			
1937	93.21	83	93			
1939	221.96	196	222			
1940	3,076.24	2,703	3,076			
1941	148.09	129	148			
1942	24.84	22	25			
1943	5,966.28	5,144	5,966			
1944	9.37	8	9			
1945	535.79	455	536			
1946	1,024.56	864	1,025			
1947	2,447.67	2,048	2,448			
1948	2,843.44	2,359	2,843			
1949	7,441.31	6,118	7,441			
1950	7,288.26	5,937	7,288			
1951	16,691.28	13,462	16,691			
1952	7,578.01	6,050	7,578			
1953	11,561.80	9,134	11,562			
1954	22,632.31	17,683	22,632			
1955	9,937.89	7,677	9,938			
1956	703.64	537	704			
1957	1,487.41	1,123	1,487			
1958	641.48	478	641			
1959	2,258.35	1,662	2,258			
1960	39,747.31	28,883	39,747			
1961	9,108.15	6,532	9,108			
1962	3,928.32	2,779	3,928			
1963	19,638.59	13,702	19,639			
1964	7,296.77	5,018	7,297			
1965	3,173.74	2,151	3,174			
1966	38,539.93	25,724	38,540			
1967	24,034.46	15,792	24,034			
1968	11,594.51	7,498	11,595			
1969	10,113.36	6,432	10,113			
1970	11,450.24	7,160	11,450			
1971	4,824.94	2,964	4,825			
1972	8,623.90	5,204	8,624			
1973	12,036.08	7,129	12,036			
1974	10,096.35	5,867	10,096			

BLACK HILLS NEBRASKA

ACCOUNT 374.03 - LAND AND LAND RIGHTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R4						
NET SALVAGE PERCENT.. 0						
1975	3,503.45	1,996	3,503			
1976	1,668.93	931	1,669			
1977	3,316.55	1,813	3,317			
1978	2,000.57	1,070	2,001			
1979	4,458.52	2,332	4,459			
1980	7,073.69	3,615	7,074			
1981	10,863.43	5,422	10,863			
1982	16,022.84	7,802	16,023			
1983	17,480.98	8,300	17,481			
1984	900.40	416	900			
1985	30,951.16	13,932	30,951			
1986	15,618.84	6,835	15,619			
1987	1,104.81	470	1,105			
1988	163,598.88	67,489	161,442	2,157	44.06	49
1989	4,010.81	1,604	3,837	174	45.01	4
1990	5,959.43	2,307	5,519	440	45.96	10
1991	54,691.33	20,476	48,981	5,710	46.92	122
1992	24,996.02	9,039	21,622	3,374	47.88	70
1993	49,454.71	17,243	41,247	8,208	48.85	168
1994	41,123.99	13,807	33,028	8,096	49.82	163
1995	37,251.85	12,025	28,765	8,487	50.79	167
1996	316,005.83	97,921	234,239	81,767	51.76	1,580
1997	141,006.31	41,851	100,113	40,893	52.74	775
1998	352,929.90	100,137	239,540	113,390	53.72	2,111
1999	23,776.95	6,436	15,396	8,381	54.70	153
2000	82,422.72	21,221	50,763	31,660	55.69	569
2001	7,176.17	1,754	4,196	2,980	56.67	53
2002	54,604.72	12,625	30,201	24,404	57.66	423
2003	3,452.78	753	1,801	1,652	58.65	28
2004	9,658.16	1,978	4,732	4,926	59.64	83
2005	69,564.21	13,329	31,885	37,679	60.63	621
2006	50,527.01	9,014	21,563	28,964	61.62	470
2007	3,446.69	569	1,361	2,086	62.62	33
2008	1,991.73	302	722	1,270	63.61	20
2009	72,213.41	10,004	23,931	48,282	64.61	747
2010	457,655.90	57,358	137,207	320,449	65.60	4,885
2011	69,308.42	7,763	18,570	50,738	66.60	762
2012	423,364.81	41,773	99,926	323,439	67.60	4,785
2013	196,554.97	16,800	40,187	156,368	68.59	2,280
2014	500,903.31	36,130	86,427	414,476	69.59	5,956
2015	172,407.59	10,138	24,251	148,157	70.59	2,099
2016	289,858.04	13,180	31,528	258,330	71.59	3,608

BLACK HILLS NEBRASKA

ACCOUNT 374.03 - LAND AND LAND RIGHTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R4						
NET SALVAGE PERCENT.. 0						
2017	454,887.53	14,616	34,963	419,925	72.59	5,785
2018	1,272,630.65	24,091	57,629	1,215,002	73.58	16,513
2019	111,492.28	683	1,634	109,858	74.54	1,474
	5,981,058.73	991,723	2,099,335	3,881,724		56,566
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						68.6 0.95

BLACK HILLS NEBRASKA

ACCOUNT 375.01 - STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R1						
NET SALVAGE PERCENT.. 0						
1928	6,214.54	5,254	6,215			
1931	203.93	169	204			
1933	30.82	25	31			
1934	542.50	440	542			
1936	222.12	177	222			
1938	282.87	222	283			
1941	2,015.22	1,545	2,015			
1944	350.00	261	350			
1946	341.75	251	342			
1947	566.85	412	567			
1948	8,289.65	5,963	8,290			
1949	5,617.33	4,000	5,617			
1950	3,479.20	2,453	3,479			
1951	1,988.87	1,388	1,989			
1952	5,037.06	3,477	5,037			
1953	3,797.71	2,593	3,798			
1954	5,362.68	3,622	5,363			
1955	1,769.55	1,181	1,770			
1956	635.62	419	636			
1957	788.91	514	789			
1959	1,685.10	1,072	1,685			
1960	19,003.40	11,934	19,003			
1961	1,941.33	1,203	1,941			
1963	318.67	192	319			
1964	127,858.89	76,034	127,859			
1965	875.48	513	875			
1966	46,261.81	26,708	46,262			
1967	3,977.53	2,261	3,978			
1968	10,275.02	5,751	10,275			
1969	51,219.36	28,205	51,219			
1970	100,004.40	54,169	100,004			
1971	31,273.17	16,653	31,273			
1972	51,231.28	26,803	51,231			
1973	14,107.09	7,249	14,107			
1974	53,529.69	26,997	53,530			
1975	4,394.12	2,174	4,394			
1976	38,493.13	18,676	38,493			
1977	24,640.85	11,717	24,641			
1978	17,425.75	8,115	17,426			
1979	1,581.41	721	1,581			
1980	5,451.12	2,429	5,451			
1981	36,066.30	15,713	36,066			
1982	45,834.94	19,495	45,835			

BLACK HILLS NEBRASKA

ACCOUNT 375.01 - STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R1						
NET SALVAGE PERCENT.. 0						
1983	47,790.14	19,841	47,790			
1984	2,621.21	1,061	2,621			
1985	186,328.30	73,475	186,328			
1986	4,301.12	1,651	4,301			
1987	2,724.10	1,017	2,679	45	37.61	1
1988	72,000.34	26,100	68,758	3,242	38.25	85
1989	30,895.74	10,870	28,636	2,260	38.89	58
1990	124,613.42	42,493	111,944	12,669	39.54	320
1991	14,137.41	4,668	12,297	1,840	40.19	46
1992	13,896.06	4,435	11,684	2,212	40.85	54
1993	18,175.08	5,601	14,755	3,420	41.51	82
1994	23,187.73	6,891	18,154	5,034	42.17	119
1995	16,062.94	4,594	12,103	3,960	42.84	92
1996	1,237,276.73	340,041	895,810	341,467	43.51	7,848
1997	9,849.68	2,597	6,842	3,008	44.18	68
1998	75,429.54	19,046	50,175	25,255	44.85	563
1999	55,686.09	13,430	35,380	20,306	45.53	446
2000	66,620.01	15,311	40,336	26,284	46.21	569
2001	103,188.53	22,529	59,351	43,838	46.90	935
2002	44,348.93	9,180	24,184	20,165	47.58	424
2003	3,618.67	707	1,863	1,756	48.27	36
2004	16,253.68	2,991	7,880	8,374	48.96	171
2005	39,683.95	6,845	18,033	21,651	49.65	436
2006	33,456.40	5,381	14,176	19,280	50.35	383
2007	24,568.99	3,665	9,655	14,914	51.05	292
2008	97,003.29	13,338	35,138	61,865	51.75	1,195
2009	1,142,383.01	143,563	378,203	764,180	52.46	14,567
2010	107,706.29	12,279	32,348	75,358	53.16	1,418
2011	67,174.80	6,863	18,080	49,095	53.87	911
2012	50,536.64	4,557	12,005	38,532	54.59	706
2013	114,921.62	8,983	23,665	91,257	55.31	1,650
2014	94,798.78	6,273	16,525	78,274	56.03	1,397
2017	6,491.98	194	511	5,981	58.21	103
2018	97,111.34	1,699	4,476	92,635	58.95	1,571
	4,779,829.56	1,241,319	2,941,673	1,838,157		36,546

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 50.3 0.76

BLACK HILLS NEBRASKA

ACCOUNT 375.20 - STRUCTURES AND IMPROVEMENTS - OTHER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R3						
NET SALVAGE PERCENT.. 0						
2011	412.80	75	96	317	36.83	9
2014	11,706.64	1,376	1,765	9,942	39.71	250
	12,119.44	1,451	1,861	10,258		259
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						39.6 2.14

BLACK HILLS NEBRASKA

ACCOUNT 376.00 - MAINS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R2.5						
NET SALVAGE PERCENT.. -30						
1927	30.18	34	39			
1930	297,113.22	331,346	386,247			
1931	262,747.38	291,750	341,572			
1932	7,585.05	8,384	9,861			
1933	1,529.21	1,682	1,988			
1934	1,564.70	1,713	2,034			
1935	8,169.35	8,900	10,620			
1936	59,986.31	65,015	77,982			
1937	21,366.38	23,030	27,776			
1938	24,842.27	26,629	32,295			
1939	8,277.09	8,822	10,760			
1940	51,010.68	54,046	66,314			
1941	6,597.93	6,948	8,577			
1942	2,321.47	2,429	3,018			
1943	753.79	783	980			
1944	891.54	920	1,159			
1945	23,641.74	24,228	30,734			
1946	53,823.24	54,747	69,970			
1947	99,337.55	100,267	129,139			
1948	130,962.79	131,118	170,252			
1949	334,395.95	331,996	434,715			
1950	262,739.11	258,609	341,561			
1951	535,976.49	522,877	696,769			
1952	533,813.26	516,006	693,957			
1953	964,678.80	923,544	1,254,082			
1954	1,254,956.08	1,189,550	1,631,443			
1955	678,809.96	636,875	882,453			
1956	541,923.51	503,013	704,501			
1957	498,624.89	457,826	648,212			
1958	427,680.18	388,238	555,984			
1959	438,054.22	393,014	569,470			
1960	1,566,136.83	1,388,252	2,035,978			
1961	946,578.51	828,691	1,230,552			
1962	655,286.82	566,376	851,873			
1963	942,978.31	804,344	1,225,872			
1964	703,129.43	591,667	914,068			
1965	673,435.13	558,801	875,466			
1966	1,272,162.10	1,040,478	1,653,811			
1967	1,535,468.43	1,237,308	1,996,109			
1968	2,400,678.14	1,905,080	3,120,882			
1969	1,334,081.78	1,042,075	1,734,306			
1970	1,381,003.46	1,061,276	1,795,304			
1971	1,425,676.74	1,077,611	1,824,184	29,196	29.30	996

BLACK HILLS NEBRASKA

ACCOUNT 376.00 - MAINS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R2.5						
NET SALVAGE PERCENT.. -30						
1972	1,466,901.25	1,089,968	1,845,102	61,870	29.99	2,063
1973	1,075,262.88	784,790	1,328,495	69,347	30.70	2,259
1974	1,325,696.51	950,096	1,608,326	115,079	31.41	3,664
1975	1,177,921.68	828,647	1,402,737	128,561	32.12	4,003
1976	1,326,124.28	914,924	1,548,787	175,175	32.85	5,333
1977	1,386,987.32	938,126	1,588,063	215,021	33.58	6,403
1978	1,550,282.33	1,027,253	1,738,938	276,429	34.32	8,054
1979	2,032,079.21	1,318,210	2,231,471	410,232	35.07	11,698
1980	2,785,601.63	1,768,236	2,993,276	628,006	35.82	17,532
1981	2,764,716.21	1,715,443	2,903,908	690,223	36.59	18,864
1982	2,894,750.65	1,755,258	2,971,307	791,869	37.35	21,201
1983	2,136,308.54	1,264,432	2,140,435	636,766	38.13	16,700
1984	2,142,109.09	1,236,815	2,093,685	691,057	38.91	17,760
1985	4,027,482.86	2,266,337	3,836,464	1,399,264	39.70	35,246
1986	3,211,656.96	1,760,120	2,979,538	1,195,616	40.49	29,529
1987	1,491,594.19	795,291	1,346,272	592,800	41.29	14,357
1988	5,121,175.62	2,653,491	4,491,839	2,165,689	42.10	51,442
1989	2,885,331.95	1,451,085	2,456,402	1,294,530	42.92	30,161
1990	3,192,501.80	1,557,548	2,636,623	1,513,629	43.73	34,613
1991	4,284,395.92	2,024,201	3,426,575	2,143,140	44.56	48,096
1992	4,206,856.33	1,922,706	3,254,764	2,214,149	45.39	48,781
1993	3,905,337.78	1,723,976	2,918,353	2,158,586	46.23	46,692
1994	4,354,751.21	1,854,432	3,139,189	2,521,988	47.07	53,580
1995	3,743,176.04	1,534,923	2,598,323	2,267,806	47.92	47,325
1996	5,118,826.22	2,018,235	3,416,476	3,237,998	48.77	66,393
1997	9,081,664.81	3,435,594	5,815,786	5,990,378	49.63	120,701
1998	8,487,321.04	3,073,607	5,203,013	5,830,504	50.50	115,456
1999	2,756,205.10	954,135	1,615,163	1,967,904	51.36	38,316
2000	4,242,936.26	1,399,418	2,368,940	3,146,877	52.24	60,239
2001	4,065,756.00	1,274,541	2,157,548	3,127,935	53.12	58,884
2002	4,719,655.25	1,402,403	2,373,993	3,761,559	54.00	69,658
2003	3,643,626.06	1,022,467	1,730,836	3,005,878	54.89	54,762
2004	4,475,130.26	1,181,801	2,000,557	3,817,112	55.78	68,432
2005	6,648,207.75	1,644,614	2,784,009	5,858,661	56.68	103,364
2006	8,598,028.46	1,983,213	3,357,190	7,820,247	57.58	135,815
2007	6,992,672.63	1,496,019	2,532,467	6,558,007	58.48	112,141
2008	8,617,005.66	1,697,903	2,874,217	8,327,890	59.39	140,224
2009	6,809,530.19	1,226,676	2,076,522	6,775,867	60.30	112,369
2010	8,472,577.94	1,381,530	2,338,659	8,675,692	61.22	141,713
2011	10,760,865.86	1,570,839	2,659,122	11,330,004	62.14	182,330
2012	10,975,987.73	1,414,607	2,394,652	11,874,132	63.06	188,299
2013	11,118,180.59	1,240,989	2,100,751	12,352,884	63.99	193,044
2014	21,944,202.44	2,070,238	3,504,506	25,022,957	64.92	385,443

BLACK HILLS NEBRASKA

ACCOUNT 376.00 - MAINS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R2.5						
NET SALVAGE PERCENT.. -30						
2015	30,725,344.15	2,368,217	4,008,926	35,934,021	65.85	545,695
2016	18,548,662.31	1,109,210	1,877,675	22,235,586	66.78	332,968
2017	22,275,313.66	943,159	1,596,583	27,361,325	67.72	404,036
2018	30,692,293.23	763,686	1,292,771	38,607,210	68.66	562,296
2019	31,904,227.35	254,660	431,089	41,044,407	69.57	589,973
	368,534,043.19	91,430,367	151,043,192	328,051,064		5,358,903
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						61.2 1.45

BLACK HILLS NEBRASKA

ACCOUNT 378.00 - MEASURING AND REGULATING STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. -15						
1933	146.67	165	139	30	0.96	31
1934	59.66	67	56	13	1.22	11
1938	61.68	67	56	15	2.31	6
1942	11.12	12	10	3	3.43	1
1943	461.47	487	410	121	3.72	33
1944	4,388.43	4,597	3,873	1,174	4.01	293
1945	474.78	494	416	130	4.30	30
1946	962.20	993	837	270	4.60	59
1947	901.72	924	779	258	4.89	53
1948	1,111.20	1,131	953	325	5.19	63
1949	2,573.94	2,599	2,190	770	5.49	140
1950	1,203.09	1,205	1,015	369	5.80	64
1951	8,156.52	8,106	6,830	2,550	6.11	417
1952	505.02	498	420	161	6.42	25
1953	7,608.38	7,441	6,269	2,481	6.73	369
1954	4,548.09	4,411	3,717	1,513	7.05	215
1955	5,791.88	5,570	4,693	1,968	7.37	267
1956	6,821.00	6,504	5,480	2,364	7.69	307
1957	4,285.10	4,050	3,412	1,516	8.02	189
1958	2,353.72	2,205	1,858	849	8.35	102
1959	3,138.36	2,912	2,454	1,155	8.69	133
1960	2,072.12	1,905	1,605	778	9.03	86
1961	11,922.42	10,856	9,147	4,564	9.37	487
1962	2,296.51	2,071	1,745	896	9.72	92
1963	5,782.46	5,162	4,349	2,301	10.07	229
1964	4,433.43	3,917	3,300	1,798	10.43	172
1965	13,182.72	11,525	9,710	5,450	10.79	505
1966	11,994.31	10,376	8,742	5,051	11.15	453
1967	16,233.70	13,890	11,703	6,966	11.52	605
1968	24,497.00	20,722	17,459	10,713	11.90	900
1969	13,096.52	10,951	9,227	5,834	12.28	475
1970	10,386.42	8,581	7,230	4,714	12.67	372
1971	15,871.49	12,955	10,915	7,337	13.06	562
1972	40,531.74	32,670	27,526	19,086	13.46	1,418
1973	9,282.03	7,387	6,224	4,450	13.86	321
1974	32,777.12	25,741	21,688	16,006	14.27	1,122
1975	24,454.15	18,942	15,960	12,162	14.69	828
1976	31,829.84	24,305	20,478	16,126	15.12	1,067
1977	63,786.41	48,006	40,448	32,906	15.55	2,116
1978	134,841.73	99,968	84,228	70,840	15.99	4,430
1979	99,968.56	72,989	61,497	53,467	16.43	3,254
1980	130,778.64	93,948	79,156	71,239	16.89	4,218
1981	100,622.52	71,100	59,906	55,810	17.35	3,217

BLACK HILLS NEBRASKA

ACCOUNT 378.00 - MEASURING AND REGULATING STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. -15						
1982	81,392.25	56,535	47,634	45,967	17.82	2,580
1983	75,291.35	51,374	43,285	43,300	18.30	2,366
1984	75,145.32	50,333	42,408	44,009	18.79	2,342
1985	82,283.81	54,063	45,551	49,075	19.29	2,544
1986	56,830.85	36,599	30,837	34,518	19.80	1,743
1987	72,871.46	45,960	38,724	45,078	20.32	2,218
1988	151,738.01	93,648	78,903	95,596	20.85	4,585
1989	75,863.54	45,774	38,567	48,676	21.39	2,276
1990	42,674.09	25,148	21,189	27,886	21.94	1,271
1991	175,253.23	100,771	84,905	116,636	22.50	5,184
1992	275,802.76	154,498	130,173	187,000	23.08	8,102
1993	85,526.72	46,621	39,281	59,075	23.67	2,496
1994	164,856.52	87,336	73,585	116,000	24.27	4,780
1995	153,512.37	78,932	66,504	110,035	24.88	4,423
1996	161,282.79	80,331	67,683	117,792	25.51	4,617
1997	305,725.23	147,198	124,022	227,562	26.16	8,699
1998	367,435.41	170,803	143,911	278,640	26.81	10,393
1999	173,256.31	77,528	65,321	133,924	27.49	4,872
2000	107,629.21	46,264	38,980	84,794	28.18	3,009
2001	272,113.32	112,098	94,448	218,482	28.88	7,565
2002	438,542.98	172,479	145,323	359,001	29.61	12,124
2003	85,297.68	31,935	26,907	71,185	30.35	2,345
2004	277,376.25	98,460	82,958	236,025	31.11	7,587
2005	456,754.98	153,147	129,034	396,234	31.88	12,429
2006	641,102.67	201,849	170,068	567,200	32.68	17,356
2007	419,271.75	123,328	103,910	378,253	33.49	11,295
2008	1,314,642.84	358,805	302,312	1,209,527	34.32	35,243
2009	877,944.13	220,545	185,821	823,815	35.17	23,424
2010	1,326,644.96	303,771	255,943	1,269,699	36.04	35,230
2011	949,872.92	195,892	165,050	927,304	36.93	25,110
2012	1,087,462.25	199,255	167,883	1,082,699	37.83	28,620
2013	1,144,190.39	182,754	153,980	1,161,839	38.75	29,983
2014	817,551.02	110,942	93,475	846,709	39.69	21,333
2015	3,100,377.32	344,670	290,402	3,275,032	40.65	80,567
2016	636,772.76	55,002	46,342	685,947	41.62	16,481
2017	1,492,052.96	91,507	77,100	1,638,761	42.60	38,469
2018	917,849.88	33,070	27,863	1,027,664	43.59	23,576
2019	830,626.12	9,762	8,225	946,995	44.54	21,262
	20,627,024.28	5,111,392	4,306,617	19,414,461		558,236

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 34.8 2.71

BLACK HILLS NEBRASKA

ACCOUNT 379.00 - MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R3						
NET SALVAGE PERCENT.. -15						
1936	222.29	237	256			
1937	259.68	275	299			
1938	796.29	840	916			
1947	452.23	456	520			
1948	389.04	390	447			
1949	2,817.68	2,807	3,240			
1950	2,985.94	2,956	3,434			
1951	15,107.40	14,857	17,374			
1952	1,715.90	1,676	1,973			
1953	2,478.59	2,403	2,850			
1954	16,240.93	15,630	18,677			
1955	2,424.65	2,315	2,788			
1956	231.62	219	266			
1957	6,323.49	5,936	7,272			
1958	8,285.84	7,709	9,529			
1959	550.60	508	633			
1960	29,005.90	26,474	33,357			
1961	4,789.69	4,327	5,508			
1962	3,076.67	2,750	3,538			
1963	11,835.51	10,460	13,611			
1964	1,720.54	1,503	1,979			
1965	10,292.66	8,883	11,837			
1966	45,036.68	38,378	51,792			
1967	13,094.82	11,013	15,059			
1968	2,576.63	2,138	2,963			
1969	8,263.94	6,760	9,504			
1970	30,581.01	24,647	35,168			
1971	35,398.17	28,102	40,708			
1972	55,774.50	43,584	64,141			
1973	24,942.63	19,175	28,684			
1974	30,063.76	22,721	34,017	556	20.57	27
1975	50,385.70	37,422	56,026	1,918	21.25	90
1976	14,103.43	10,286	15,400	819	21.95	37
1977	24,127.08	17,267	25,851	1,895	22.66	84
1978	8,685.96	6,096	9,127	862	23.38	37
1979	12,271.15	8,441	12,637	1,475	24.11	61
1980	38,124.15	25,684	38,453	5,390	24.85	217
1981	12,884.77	8,495	12,718	2,099	25.60	82
1982	9,731.22	6,274	9,393	1,798	26.36	68
1983	88,597.15	55,817	83,566	18,321	27.13	675
1984	32,902.86	20,243	30,307	7,531	27.90	270
1985	155,853.58	93,528	140,024	39,208	28.69	1,367
1986	18,774.41	10,979	16,437	5,154	29.49	175

BLACK HILLS NEBRASKA

ACCOUNT 379.00 - MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R3						
NET SALVAGE PERCENT.. -15						
1987	16,183.21	9,215	13,796	4,815	30.29	159
1988	19,994.54	11,071	16,575	6,419	31.11	206
1989	14,225.01	7,653	11,458	4,901	31.93	153
1990	10,244.62	5,349	8,008	3,773	32.76	115
1991	97,342.34	49,255	73,742	38,202	33.60	1,137
1992	86,101.74	42,164	63,125	35,892	34.45	1,042
1993	89,329.55	42,290	63,314	39,415	35.30	1,117
1994	24,944.91	11,398	17,064	11,623	36.16	321
1995	64,937.96	28,589	42,802	31,877	37.03	861
1996	106,854.37	45,242	67,734	55,149	37.91	1,455
1997	19,728.97	8,020	12,007	10,681	38.79	275
1998	160,981.93	62,698	93,868	91,261	39.68	2,300
1999	373,983.14	139,204	208,408	221,673	40.58	5,463
2000	11,141.73	3,953	5,918	6,895	41.49	166
2001	60,526.68	20,417	30,567	39,039	42.40	921
2002	177,824.95	56,885	85,165	119,334	43.31	2,755
2003	20,426.52	6,174	9,243	14,247	44.23	322
2004	2,604.45	741	1,109	1,886	45.16	42
2005	57,374.68	15,286	22,885	43,096	46.10	935
2006	14,380.44	3,575	5,352	11,186	47.03	238
2007	366,641.08	84,467	126,459	295,178	47.98	6,152
2008	25,770.10	5,473	8,194	21,442	48.92	438
2009	41,607.19	8,071	12,083	35,765	49.88	717
2010	144,084.81	25,324	37,914	127,784	50.83	2,514
2011	19,597.85	3,084	4,617	17,921	51.79	346
2012	125,567.16	17,425	26,088	118,314	52.76	2,242
2013	290,799.61	34,947	52,321	282,099	53.73	5,250
2014	67,518.46	6,858	10,267	67,379	54.70	1,232
2015	31,650.98	2,627	3,933	32,466	55.67	583
2016	990,645.42	63,604	95,224	1,044,018	56.65	18,429
2017	40,350.01	1,833	2,744	43,659	57.63	758
2018	97,262.94	2,592	3,881	107,971	58.61	1,842
	4,504,804.09	1,436,145	2,108,144	3,072,381		63,676

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 48.3 1.41

BLACK HILLS NEBRASKA

ACCOUNT 380.00 - SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S0						
NET SALVAGE PERCENT.. -40						
1949	347.54	443	430	57	3.55	16
1950	503.17	635	616	88	3.92	22
1951	5,275.12	6,591	6,391	994	4.30	231
1952	6,805.50	8,413	8,158	1,370	4.68	293
1953	28,546.45	34,909	33,850	6,115	5.06	1,208
1954	20,307.67	24,557	23,812	4,619	5.45	848
1955	26,005.53	31,101	30,157	6,251	5.83	1,072
1956	30,566.79	36,139	35,042	7,752	6.22	1,246
1957	17,314.42	20,234	19,620	4,620	6.61	699
1958	20,607.22	23,801	23,079	5,771	7.00	824
1959	48,717.26	55,603	53,916	14,288	7.39	1,933
1960	66,595.49	75,100	72,821	20,413	7.78	2,624
1961	39,334.73	43,807	42,478	12,591	8.18	1,539
1962	40,325.84	44,360	43,014	13,442	8.57	1,568
1963	94,332.14	102,449	99,340	32,725	8.97	3,648
1964	70,709.31	75,779	73,480	25,513	9.38	2,720
1965	65,018.80	68,770	66,683	24,343	9.78	2,489
1966	124,557.75	129,957	126,014	48,367	10.19	4,747
1967	100,467.96	103,382	100,245	40,410	10.60	3,812
1968	104,447.55	105,978	102,762	43,465	11.01	3,948
1969	156,011.93	156,059	151,324	67,093	11.42	5,875
1970	188,817.78	186,099	180,452	83,893	11.84	7,086
1971	237,798.65	230,879	223,873	109,045	12.26	8,894
1972	128,229.30	122,613	118,892	60,629	12.68	4,781
1973	147,093.73	138,489	134,287	71,644	13.10	5,469
1974	210,432.69	194,955	189,039	105,567	13.53	7,802
1975	281,415.70	256,482	248,699	145,283	13.96	10,407
1976	224,181.37	200,867	194,772	119,082	14.40	8,270
1977	243,268.30	214,307	207,804	132,772	14.83	8,953
1978	309,109.66	267,550	259,431	173,323	15.27	11,351
1979	440,733.52	374,535	363,170	253,857	15.72	16,149
1980	545,788.58	455,215	441,402	322,702	16.17	19,957
1981	486,321.38	397,957	385,881	294,969	16.62	17,748
1982	496,024.89	398,085	386,005	308,430	17.07	18,069
1983	503,515.83	395,990	383,974	320,948	17.53	18,308
1984	616,074.30	474,593	460,192	402,312	17.99	22,363
1985	589,653.12	444,539	431,050	394,464	18.46	21,369
1986	420,350.73	309,988	300,582	287,909	18.93	15,209
1987	391,826.53	282,370	273,802	274,755	19.41	14,155
1988	1,403,552.01	987,890	957,913	1,007,060	19.89	50,631
1989	835,846.32	573,976	556,559	613,626	20.38	30,109
1990	1,432,470.57	959,111	930,008	1,075,451	20.87	51,531
1991	2,125,011.08	1,385,613	1,343,568	1,631,448	21.37	76,343

BLACK HILLS NEBRASKA

ACCOUNT 380.00 - SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S0						
NET SALVAGE PERCENT.. -40						
1992	2,345,685.29	1,488,455	1,443,289	1,840,670	21.87	84,164
1993	2,510,089.35	1,547,972	1,501,000	2,013,125	22.38	89,952
1994	2,307,799.19	1,381,218	1,339,306	1,891,613	22.90	82,603
1995	2,224,895.72	1,291,107	1,251,930	1,862,924	23.42	79,544
1996	3,437,878.96	1,930,025	1,871,460	2,941,571	23.96	122,770
1997	3,772,816.64	2,048,074	1,985,927	3,296,016	24.49	134,586
1998	3,084,118.48	1,614,844	1,565,843	2,751,923	25.04	109,901
1999	2,746,481.89	1,385,188	1,343,156	2,501,919	25.59	97,769
2000	3,425,273.08	1,660,401	1,610,018	3,185,364	26.15	121,811
2001	2,604,107.40	1,209,478	1,172,777	2,472,973	26.73	92,517
2002	2,911,246.59	1,293,030	1,253,794	2,821,951	27.31	103,330
2003	2,811,010.87	1,190,463	1,154,339	2,781,076	27.90	99,680
2004	3,272,413.91	1,317,147	1,277,179	3,304,200	28.50	115,937
2005	3,579,133.13	1,364,187	1,322,792	3,687,994	29.11	126,692
2006	5,608,833.88	2,014,132	1,953,015	5,899,352	29.74	198,364
2007	3,458,038.87	1,164,322	1,128,992	3,712,262	30.38	122,194
2008	2,943,992.79	924,267	896,221	3,225,369	31.03	103,944
2009	2,214,153.93	643,212	623,694	2,476,122	31.70	78,111
2010	3,222,356.22	858,275	832,231	3,679,068	32.39	113,587
2011	3,611,466.15	873,433	846,930	4,209,123	33.09	127,202
2012	4,441,800.94	962,316	933,115	5,285,406	33.81	156,327
2013	5,204,677.14	992,792	962,667	6,323,881	34.55	183,036
2014	6,496,023.94	1,066,322	1,033,965	8,060,469	35.31	228,277
2015	5,493,827.87	749,908	727,153	6,964,206	36.10	192,914
2016	9,520,035.82	1,026,260	995,119	12,332,931	36.92	334,045
2017	5,953,932.96	464,704	450,603	7,884,903	37.77	208,761
2018	4,403,471.20	206,523	200,256	5,964,604	38.66	154,284
2019	15,608,096.86	245,828	238,369	21,612,967	39.55	546,472
	132,537,973.28	43,314,053	41,999,727	143,553,436		4,695,090

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.6 3.54

BLACK HILLS NEBRASKA

ACCOUNT 381.00 - METERS - SMALL VOLUME AND OTHER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 26-R1.5						
NET SALVAGE PERCENT.. 0						
1981	129,946.16	110,654	129,946			
1982	51,568.73	43,337	51,569			
1983	26,402.00	21,893	26,402			
1984	67,723.38	55,351	67,723			
1985	147,559.67	118,786	147,560			
1986	20,936.88	16,588	20,937			
1987	7,158.52	5,578	7,126	33	5.74	6
1988	295,521.99	226,187	288,972	6,550	6.10	1,074
1990	92,337.70	67,939	86,798	5,540	6.87	806
1991	102,237.44	73,611	94,044	8,193	7.28	1,125
1992	263,821.50	185,588	237,104	26,718	7.71	3,465
1993	172,554.50	118,398	151,263	21,292	8.16	2,609
1994	201,749.68	134,706	172,098	29,652	8.64	3,432
1995	19,897.08	12,910	16,494	3,403	9.13	373
1996	76,523.70	48,151	61,517	15,007	9.64	1,557
1997	115,822.80	70,519	90,094	25,729	10.17	2,530
1999	8,894.66	5,032	6,429	2,466	11.29	218
2000	491,246.72	266,786	340,841	150,406	11.88	12,660
2001	517,721.53	269,018	343,692	174,030	12.49	13,934
2002	1,144,248.37	567,284	724,751	419,497	13.11	31,998
2003	673,890.19	317,503	405,636	268,254	13.75	19,509
2004	223,234.04	99,596	127,242	95,992	14.40	6,666
2005	1,023,331.69	429,799	549,103	474,229	15.08	31,448
2006	1,128,706.44	444,541	567,937	560,769	15.76	35,582
2007	1,678,900.31	616,022	787,018	891,882	16.46	54,185
2008	1,524,995.34	517,919	661,684	863,311	17.17	50,280
2009	1,299,804.12	405,435	517,976	781,828	17.89	43,702
2010	316,092.63	89,600	114,471	201,622	18.63	10,822
2011	778,678.10	198,563	253,681	524,997	19.37	27,104
2012	680,978.54	154,003	196,751	484,228	20.12	24,067
2013	1,435,607.97	282,154	360,475	1,075,133	20.89	51,466
2014	653,062.25	109,009	139,268	513,794	21.66	23,721
2015	919,634.09	125,916	160,868	758,766	22.44	33,813
2016	667,012.63	71,064	90,790	576,223	23.23	24,805
2017	974,779.55	73,859	94,361	880,419	24.03	36,638
2018	1,699,478.53	75,831	96,881	1,602,598	24.84	64,517
2019	1,761,887.89	25,759	32,909	1,728,979	25.62	67,486
	21,393,947.32	6,454,889	8,222,411	13,171,536		681,598

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.3 3.19

BLACK HILLS NEBRASKA

ACCOUNT 381.00 - METERS - ERT, AMR AND AMI

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 13-S1.5						
NET SALVAGE PERCENT.. 0						
2000	596,316.39	518,795	569,906	26,410	1.69	15,627
2002	429,501.92	355,164	390,154	39,348	2.25	17,488
2004	556,649.88	434,187	476,962	79,688	2.86	27,863
2005	4,644,517.64	3,501,270	3,846,208	798,310	3.20	249,472
2006	30,297.92	21,978	24,143	6,155	3.57	1,724
2007	288,102.42	200,122	219,838	68,264	3.97	17,195
2008	1,075,841.28	710,884	780,919	294,922	4.41	66,876
2009	385,414.97	240,738	264,455	120,960	4.88	24,787
2010	939,863.65	548,739	602,800	337,064	5.41	62,304
2011	1,229,961.04	664,179	729,613	500,348	5.98	83,670
2012	2,260,132.65	1,110,946	1,220,394	1,039,739	6.61	157,298
2013	4,347,294.45	1,906,115	2,093,901	2,253,393	7.30	308,684
2014	1,286,704.46	490,929	539,294	747,410	8.04	92,961
2015	548,874.49	175,217	192,479	356,395	8.85	40,271
2016	650,074.42	164,020	180,179	469,895	9.72	48,343
2017	1,029,232.83	186,847	205,255	823,978	10.64	77,442
2018	485,490.96	52,283	57,434	428,057	11.60	36,901
2019	273,138.72	9,664	10,616	262,523	12.54	20,935
	21,057,410.09	11,292,077	12,404,550	8,652,860		1,349,841
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						6.4 6.41

BLACK HILLS NEBRASKA

ACCOUNT 382.01 - METER INSTALLATIONS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-R2						
NET SALVAGE PERCENT.. -2						
1952	561.95	573	573			
1956	300.15	299	306			
1958	17.67	17	18			
1960	8,332.03	8,031	8,434	65	1.98	33
1961	0.75	1	1			
1968	325.86	293	308	24	4.30	6
1969	21,982.94	19,557	20,539	1,884	4.60	410
1970	51,684.51	45,543	47,830	4,888	4.90	998
1971	60,662.01	52,938	55,597	6,278	5.20	1,207
1972	68,772.50	59,392	62,375	7,773	5.52	1,408
1973	47,981.64	41,002	43,061	5,880	5.84	1,007
1974	84,558.87	71,468	75,057	11,193	6.17	1,814
1975	75,972.35	63,479	66,667	10,825	6.51	1,663
1976	46,841.86	38,661	40,603	7,176	6.87	1,045
1977	81,171.31	66,144	69,466	13,329	7.24	1,841
1978	266,589.39	214,364	225,130	46,791	7.62	6,141
1979	125,403.08	99,415	104,408	23,503	8.02	2,931
1980	185,921.35	145,232	152,526	37,114	8.43	4,403
1981	150,451.27	115,692	121,502	31,958	8.86	3,607
1982	164,425.25	124,388	130,635	37,079	9.30	3,987
1983	190,704.96	141,783	148,903	45,616	9.76	4,674
1984	226,876.11	165,590	173,906	57,508	10.24	5,616
1985	217,923.16	156,028	163,864	58,418	10.73	5,444
1986	294,976.12	206,936	217,329	83,547	11.24	7,433
1987	234,385.66	160,911	168,992	70,081	11.77	5,954
1988	541,792.99	363,663	381,926	170,703	12.31	13,867
1989	387,436.26	253,906	266,657	128,528	12.87	9,987
1990	462,931.64	295,775	310,629	161,561	13.45	12,012
1991	566,279.72	352,339	370,034	207,571	14.04	14,784
1992	592,959.28	358,857	376,879	227,939	14.64	15,570
1993	243,822.95	143,209	150,401	98,298	15.27	6,437
1994	254,916.33	145,174	152,465	107,550	15.90	6,764
1995	424,397.54	233,879	245,625	187,260	16.55	11,315
1996	564,885.39	300,577	315,672	260,511	17.22	15,128
1997	451,930.58	231,895	243,541	217,428	17.89	12,154
1998	45,286.03	22,339	23,461	22,731	18.59	1,223
1999	41,326.03	19,566	20,549	21,604	19.29	1,120
2000	64,230.56	29,100	30,561	34,954	20.01	1,747
2001	206,444.81	89,260	93,743	116,831	20.74	5,633
2002	189,387.05	77,913	81,826	111,349	21.48	5,184
2003	499,861.68	195,021	204,815	305,044	22.23	13,722
2004	212,931.73	78,490	82,432	134,758	22.99	5,862
2005	282,778.55	97,987	102,908	185,526	23.77	7,805

BLACK HILLS NEBRASKA

ACCOUNT 382.01 - METER INSTALLATIONS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-R2						
NET SALVAGE PERCENT.. -2						
2006	514,097.31	166,784	175,160	349,219	24.55	14,225
2007	1,177,595.24	355,335	373,180	827,967	25.35	32,661
2008	530,851.87	148,000	155,433	386,036	26.16	14,757
2009	146,216.43	37,409	39,288	109,853	26.97	4,073
2010	226,808.05	52,696	55,342	176,002	27.80	6,331
2011	126,355.23	26,349	27,672	101,210	28.64	3,534
2012	175,172.26	32,360	33,985	144,691	29.48	4,908
2013	473,948.96	76,140	79,964	403,464	30.33	13,302
2014	416,549.51	56,768	59,619	365,262	31.19	11,711
2015	692,946.83	77,162	81,037	625,769	32.07	19,513
2016	982,575.91	85,189	89,467	912,760	32.94	27,710
2017	527,681.87	32,445	34,075	504,161	33.83	14,903
2018	296,676.65	10,761	11,301	291,309	34.72	8,390
2019	99,323.03	1,154	1,212	100,097	35.59	2,813
	15,027,221.02	6,445,239	6,768,889	8,558,876		400,767
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						21.4 2.67

BLACK HILLS NEBRASKA

ACCOUNT 383.01 - HOUSE REGULATORS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. -15						
1952	12.78	14	11	4	1.81	2
1954	29.37	32	24	10	2.37	4
1955	828.36	889	672	281	2.66	106
1956	559.49	596	451	192	2.94	65
1958	44.53	47	36	15	3.52	4
1959	1,187.99	1,236	935	431	3.82	113
1960	811.76	838	634	300	4.10	73
1961	549.10	562	425	206	4.40	47
1964	279.60	279	211	111	5.29	21
1965	777.12	769	582	312	5.59	56
1966	4,581.99	4,492	3,397	1,872	5.90	317
1967	20,609.64	20,016	15,138	8,563	6.22	1,377
1968	13,730.12	13,208	9,989	5,801	6.54	887
1969	19,964.45	19,016	14,382	8,577	6.87	1,248
1970	18,638.50	17,571	13,289	8,145	7.21	1,130
1971	26,074.36	24,311	18,386	11,600	7.57	1,532
1972	20,937.62	19,305	14,600	9,478	7.93	1,195
1973	23,751.73	21,640	16,366	10,948	8.31	1,317
1974	26,756.48	24,077	18,209	12,561	8.70	1,444
1975	37,637.27	33,425	25,279	18,004	9.11	1,976
1976	318,316.69	278,849	210,891	155,173	9.53	16,283
1977	404,113.35	349,012	263,955	200,775	9.96	20,158
1978	778,673.82	662,428	500,989	394,486	10.41	37,895
1979	657,005.44	550,234	416,137	339,419	10.87	31,225
1980	884,676.44	728,697	551,107	466,271	11.35	41,081
1981	1,065,052.10	862,266	652,125	572,685	11.84	48,369
1982	476,951.06	379,283	286,849	261,645	12.34	21,203
1983	506,548.02	395,101	298,812	283,718	12.87	22,045
1984	628,809.64	480,882	363,687	359,444	13.40	26,824
1985	1,034,201.96	774,553	585,788	603,544	13.95	43,265
1986	3,300,344.84	2,417,668	1,828,462	1,966,935	14.52	135,464
1987	49,340.61	35,322	26,714	30,028	15.10	1,989
1988	64,670.01	45,199	34,184	40,187	15.69	2,561
1989	68,039.26	46,360	35,062	43,183	16.30	2,649
1990	86,460.59	57,371	43,389	56,041	16.92	3,312
1991	116,420.67	75,142	56,829	77,055	17.55	4,391
1992	126,218.04	79,107	59,828	85,323	18.20	4,688
1993	82,412.11	50,088	37,881	56,893	18.86	3,017
1994	45,072.62	26,526	20,061	31,773	19.53	1,627
1995	116,485.75	66,243	50,099	83,860	20.22	4,147
1996	168,216.72	92,275	69,787	123,662	20.92	5,911
1997	1,206,630.17	637,614	482,222	905,403	21.62	41,878
1998	2,102,419.83	1,067,451	807,304	1,610,479	22.34	72,089

BLACK HILLS NEBRASKA

ACCOUNT 383.01 - HOUSE REGULATORS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. -15						
1999	917,523.01	446,593	337,755	717,396	23.07	31,096
2000	799,817.92	372,285	281,556	638,235	23.81	26,805
2001	809,249.49	358,993	271,503	659,134	24.57	26,827
2002	903,635.01	381,119	288,237	750,943	25.33	29,646
2003	984,851.15	393,571	297,654	834,925	26.10	31,989
2004	1,548,542.30	584,110	441,757	1,339,067	26.88	49,816
2005	1,370,990.40	485,999	367,557	1,209,082	27.67	43,696
2006	866,145.11	287,116	217,143	778,924	28.47	27,359
2007	915,645.17	282,202	213,427	839,565	29.28	28,674
2008	1,521,204.36	432,973	327,454	1,421,931	30.10	47,240
2009	1,089,593.63	284,125	214,881	1,038,152	30.93	33,565
2010	1,317,211.45	312,047	235,999	1,278,794	31.76	40,264
2011	1,544,823.13	328,217	248,228	1,528,319	32.61	46,867
2012	2,430,550.69	457,004	345,628	2,449,505	33.46	73,207
2013	2,951,119.71	481,918	364,471	3,029,317	34.32	88,267
2014	3,161,427.39	438,095	331,328	3,304,313	35.18	93,926
2015	2,358,065.11	267,110	202,013	2,509,762	36.06	69,600
2016	3,911,311.84	344,098	260,238	4,237,771	36.94	114,720
2017	3,613,443.35	225,434	170,494	3,984,966	37.83	105,339
2018	9,512,541.66	350,062	264,749	10,674,674	38.72	275,689
2019	7,372,428.75	86,903	65,724	8,412,569	39.59	212,492
	64,404,962.63	17,959,968	13,582,974	60,482,733		2,102,069

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.8 3.26

BLACK HILLS NEBRASKA

ACCOUNT 383.71 - HOUSE REGULATORS - FARM TAPS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. 0						
2018	305,732.78	9,783	10,681	295,052	38.72	7,620
2019	320,361.68	3,284	3,586	316,776	39.59	8,001
	626,094.46	13,067	14,267	611,827		15,621
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						39.2 2.49

BLACK HILLS NEBRASKA

ACCOUNT 384.01 - HOUSE REGULATOR INSTALLATIONS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 47-R4						
NET SALVAGE PERCENT.. -5						
1929	594.22	624	624			
1944	24.44	26	26			
1945	214.42	225	225			
1946	222.06	233	233			
1947	179.24	188	188			
1948	321.09	336	337			
1949	480.27	501	504			
1950	389.40	405	409			
1951	1,614.75	1,671	1,695			
1952	2,393.09	2,466	2,513			
1953	2,634.28	2,701	2,766			
1954	3,061.05	3,124	3,214			
1955	1,822.44	1,850	1,914			
1956	5,736.53	5,794	6,023			
1957	2,616.15	2,628	2,747			
1958	2,222.64	2,221	2,334			
1959	2,584.64	2,568	2,714			
1960	5,642.73	5,573	5,925			
1961	5,251.79	5,155	5,514			
1962	2,211.59	2,158	2,322			
1963	5,323.99	5,162	5,590			
1964	4,139.64	3,988	4,347			
1965	4,242.54	4,059	4,455			
1966	4,225.99	4,015	4,437			
1967	4,569.50	4,310	4,798			
1968	8,031.20	7,514	8,433			
1969	5,347.62	4,962	5,615			
1970	6,818.48	6,268	7,159			
1971	5,920.53	5,390	6,217			
1972	12,586.64	11,335	13,216			
1973	12,934.97	11,513	13,582			
1974	20,195.13	17,749	21,205			
1975	14,914.00	12,928	15,660			
1976	16,662.20	14,231	17,495			
1977	16,908.11	14,214	17,754			
1978	15,589.61	12,886	16,313	56	10.00	6
1979	13,739.83	11,155	14,121	306	10.66	29
1980	21,330.79	16,998	21,518	879	11.33	78
1981	22,646.60	17,703	22,411	1,368	12.01	114
1982	21,464.16	16,438	20,809	1,728	12.72	136
1983	27,500.30	20,624	26,108	2,767	13.43	206
1984	44,972.18	32,994	41,768	5,453	14.16	385
1985	31,287.72	22,430	28,395	4,457	14.91	299

BLACK HILLS NEBRASKA

ACCOUNT 384.01 - HOUSE REGULATOR INSTALLATIONS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 47-R4						
NET SALVAGE PERCENT.. -5						
1986	35,118.64	24,581	31,118	5,757	15.67	367
1987	26,775.80	18,274	23,134	4,981	16.45	303
1988	427,656.47	284,233	359,818	89,221	17.25	5,172
1989	22,131.04	14,308	18,113	5,125	18.06	284
1990	10,500.84	6,594	8,348	2,678	18.89	142
1991	9,356.25	5,700	7,216	2,608	19.73	132
1992	9,522.29	5,618	7,112	2,886	20.59	140
1993	10,266.75	5,858	7,416	3,364	21.46	157
1994	22,060.94	12,154	15,386	7,778	22.34	348
1995	40,010.16	21,246	26,896	15,115	23.23	651
1996	74,159.46	37,873	47,944	29,923	24.14	1,240
1997	61,285.91	30,039	38,027	26,323	25.06	1,050
1998	241,433.88	113,322	143,457	110,049	25.99	4,234
1999	12,629.57	5,666	7,173	6,088	26.92	226
2000	20,869.27	8,919	11,291	10,622	27.87	381
2001	11,204.86	4,551	5,761	6,004	28.82	208
2002	13,156.95	5,061	6,407	7,408	29.78	249
2003	2,696.45	980	1,241	1,590	30.74	52
2006	6,885.95	2,051	2,596	4,634	33.67	138
2007	14,970.66	4,131	5,229	10,490	34.65	303
2008	15,126.46	3,839	4,860	11,023	35.64	309
2009	3,103.19	719	910	2,348	36.63	64
2010	10,494.95	2,199	2,784	8,236	37.62	219
2011	5,070.95	950	1,202	4,122	38.61	107
2012	1,487.45	246	311	1,251	39.60	32
2013	5,083.71	727	920	4,418	40.60	109
2014	10,559.87	1,276	1,616	9,472	41.59	228
2017	12,216.03	658	833	11,994	44.59	269
	1,517,403.30	941,086	1,170,752	422,521		18,367

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 23.0 1.21

BLACK HILLS NEBRASKA

ACCOUNT 385.00 - INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 38-R0.5						
NET SALVAGE PERCENT.. 0						
1954	32.24	28	32			
1962	49.10	39	45	4	8.06	
1963	47.18	37	42	5	8.46	1
1965	116.06	88	101	15	9.25	2
1966	166.64	124	142	25	9.66	3
1967	208.92	154	176	33	10.06	3
1968	423.65	307	351	73	10.47	7
1969	655.91	468	535	121	10.88	11
1970	308.34	217	248	60	11.30	5
1971	102.83	71	81	22	11.72	2
1972	154.72	105	120	35	12.15	3
1973	44.55	30	34	11	12.58	1
1975	9,952.56	6,430	7,351	2,602	13.45	193
1976	194.76	124	142	53	13.90	4
1978	243.82	149	170	74	14.80	5
1979	685.57	410	469	217	15.27	14
1980	1,476.03	865	989	487	15.73	31
1981	665.58	382	437	229	16.21	14
1982	3,040.53	1,705	1,949	1,092	16.69	65
1983	6,788.09	3,721	4,254	2,534	17.17	148
1984	5,102.31	2,730	3,121	1,981	17.67	112
1985	14,521.90	7,582	8,668	5,854	18.16	322
1986	20,331.20	10,342	11,824	8,507	18.67	456
1987	37,952.26	18,796	21,489	16,463	19.18	858
1988	5,651.43	2,722	3,112	2,539	19.70	129
1989	71,115.69	33,274	38,041	33,075	20.22	1,636
1990	17,962.35	8,154	9,322	8,640	20.75	416
1991	48,450.96	21,318	24,372	24,079	21.28	1,132
1992	59,629.26	25,390	29,027	30,602	21.82	1,402
1993	45,530.70	18,728	21,411	24,120	22.37	1,078
1994	58,938.70	23,389	26,740	32,199	22.92	1,405
1995	95,313.05	36,445	41,666	53,647	23.47	2,286
1996	144,619.43	53,166	60,782	83,837	24.03	3,489
1997	151,026.78	53,257	60,886	90,141	24.60	3,664
1998	2,746.86	927	1,060	1,687	25.17	67
1999	182,856.65	58,995	67,446	115,411	25.74	4,484
2000	85,822.28	26,379	30,158	55,664	26.32	2,115
2001	9,381.39	2,740	3,133	6,248	26.90	232
2002	65,756.76	18,204	20,812	44,945	27.48	1,636
2003	28,710.01	7,502	8,577	20,133	28.07	717
2004	71,729.81	17,630	20,156	51,574	28.66	1,800
2005	139,056.90	32,019	36,606	102,451	29.25	3,503
2006	133,941.34	28,726	32,841	101,100	29.85	3,387

BLACK HILLS NEBRASKA

ACCOUNT 385.00 - INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 38-R0.5						
NET SALVAGE PERCENT.. 0						
2007	196,122.32	39,019	44,609	151,513	30.44	4,977
2008	243,771.79	44,649	51,045	192,727	31.04	6,209
2009	191,987.69	32,133	36,736	155,252	31.64	4,907
2010	159,323.22	24,150	27,610	131,713	32.24	4,085
2011	152,381.37	20,652	23,610	128,771	32.85	3,920
2012	49,006.17	5,868	6,709	42,297	33.45	1,264
2013	153,813.96	15,947	18,231	135,583	34.06	3,981
2014	306,951.35	26,898	30,751	276,200	34.67	7,967
2015	484,818.90	34,703	39,674	445,145	35.28	12,617
2016	110,547.78	6,139	7,018	103,530	35.89	2,885
2017	569,276.12	22,469	25,688	543,588	36.50	14,893
2018	703,823.02	16,301	18,636	685,187	37.12	18,459
2019	3,215,066.22	23,695	27,090	3,187,976	37.72	84,517
	8,058,395.01	836,492	956,325	7,102,070		207,519
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						34.2 2.58

BLACK HILLS NEBRASKA

ACCOUNT 386.00 - OTHER PROPERTY ON CUSTOMERS' PREMISES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-R4						
NET SALVAGE PERCENT.. 0						
1941	785.27	785	785			
1944	667.24	667	667			
1945	585.69	586	586			
1946	104.71	105	105			
1948	1,648.60	1,649	1,649			
1949	554.42	554	554			
1950	3,768.98	3,769	3,769			
1951	2,430.84	2,431	2,431			
1952	175.99	176	176			
1954	6,663.00	6,663	6,663			
1963	629.34	629	629			
1964	1,754.10	1,754	1,754			
1965	974.34	974	974			
1966	275.66	276	276			
1967	1,188.18	1,188	1,188			
1968	4,041.85	4,042	4,042			
1969	255.92	256	256			
1970	3,845.44	3,845	3,845			
1971	2,623.02	2,623	2,623			
1972	1,026.76	1,027	1,027			
1997	454.10	409	140-	594	2.00	297
2010	30.24	14	5-	35	10.78	3
2012	182.07	67	23-	205	12.67	16
2013	613.11	195	67-	680	13.64	50
	35,278.87	34,684	33,764	1,515		366

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.1 1.04

BLACK HILLS NEBRASKA

ACCOUNT 387.00 - OTHER EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-R2.5						
NET SALVAGE PERCENT.. 0						
1919	443.46	443	443			
1924	305.90	306	306			
1926	79.85	80	80			
1949	271.10	271	271			
1950	401.69	402	402			
1951	56.05	56	56			
1954	371.35	371	371			
1955	3,327.12	3,327	3,327			
1960	34.03	34	34			
1966	42.27	42	42			
1967	351.63	352	352			
1968	440.98	441	441			
1972	230.56	231	231			
1981	16,003.34	14,697	16,003			
1988	9,426.50	8,035	9,426			
1991	14,009.14	11,426	14,009			
1996	13,571.17	9,912	13,571			
2008	22,502.95	9,109	15,547	6,956	14.88	467
2009	9,764.28	3,636	6,206	3,558	15.69	227
2010	2,965.67	1,005	1,715	1,251	16.53	76
2011	1,482.54	452	771	712	17.37	41
2012	987.88	267	456	532	18.24	29
2013	109,450.33	25,786	44,013	65,437	19.11	3,424
	206,519.79	90,681	128,073	78,447		4,264

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.4 2.06

BLACK HILLS NEBRASKA

ACCOUNT 390.01 - STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 38-R2						
NET SALVAGE PERCENT.. -5						
1921	29,013.39	30,464	30,464			
1949	446.16	467	44	424	0.13	3,262
1950	812.35	846	79	774	0.30	2,580
1953	493.06	503	47	471	1.08	436
1956	417.83	417	39	400	1.90	211
1958	4,854.07	4,767	444	4,653	2.46	1,891
1959	230.67	225	21	221	2.75	80
1961	963.38	923	86	926	3.33	278
1966	5,742.71	5,270	491	5,539	4.79	1,156
1968	751.88	677	63	726	5.40	134
1970	6,734.80	5,949	554	6,518	6.03	1,081
1971	35,812.59	31,319	2,918	34,685	6.35	5,462
1972	242.08	209	19	235	6.69	35
1973	179.38	153	14	174	7.04	25
1974	7,635.96	6,456	601	7,417	7.40	1,002
1975	1,925.67	1,609	150	1,872	7.77	241
1976	6,112.73	5,040	470	5,948	8.16	729
1977	1,055.00	858	80	1,028	8.56	120
1978	7,081.50	5,678	529	6,907	8.98	769
1979	13,005.63	10,274	957	12,699	9.41	1,350
1980	45,282.10	35,222	3,281	44,265	9.85	4,494
1981	45,064.69	34,467	3,211	44,107	10.32	4,274
1982	4,638.96	3,488	325	4,546	10.79	421
1984	1,844.74	1,336	124	1,813	11.79	154
1985	3,596.93	2,552	238	3,539	12.32	287
1989	25,763.36	16,679	1,554	25,498	14.57	1,750
1990	33,673.26	21,242	1,979	33,378	15.17	2,200
1991	4,657.99	2,860	266	4,625	15.78	293
1992	3,124.66	1,864	174	3,107	16.41	189
1993	860.00	498	46	857	17.05	50
1994	61,802.44	34,649	3,228	61,665	17.71	3,482
1995	573.53	311	29	573	18.37	31
1996	2,503.57	1,310	122	2,507	19.06	132
1998	95,204.47	46,142	4,299	95,666	20.46	4,676
2001	21,121.87	8,959	835	21,343	22.65	942
2003	4,160.11	1,591	148	4,220	24.16	175
2005	53,570.17	18,177	1,693	54,556	25.72	2,121
2006	9,859.20	3,130	292	10,060	26.51	379
2008	14,926.57	4,071	379	15,294	28.13	544
2009	25,940.11	6,487	604	26,633	28.95	920
2010	304,540.68	69,172	6,445	313,323	29.78	10,521
2011	10,403.05	2,121	198	10,725	30.62	350
2012	48,856.46	8,815	821	50,478	31.47	1,604

BLACK HILLS NEBRASKA

ACCOUNT 390.01 - STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 38-R2						
NET SALVAGE PERCENT.. -5						
2013	235,699.42	36,991	3,446	244,038	32.32	7,551
2014	996,366.73	132,426	12,338	1,033,847	33.19	31,149
2015	835,968.02	91,007	8,479	869,287	34.06	25,522
2016	50,616.60	4,280	399	52,748	34.94	1,510
2017	17,000.04	1,019	95	17,755	35.83	496
2018	4,296,103.09	151,927	14,154	4,496,754	36.72	122,461
2019	15,100,980.56	171,087	15,939	15,840,091	37.59	421,391
	22,478,214.22	1,025,984	123,211	23,478,914		670,911
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						35.0 2.98

BLACK HILLS NEBRASKA

ACCOUNT 390.51 - LEASEHOLD IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 15-S1						
NET SALVAGE PERCENT.. 0						
1979	1,910.44	1,910	1,910			
1980	2,897.85	2,898	2,898			
1981	4,475.22	4,475	4,475			
1989	2,068.44	2,068	2,068			
1991	1,240.96	1,206	1,080	161	0.42	383
1992	6,671.55	6,365	5,698	974	0.69	1,412
1993	850.48	795	712	138	0.97	142
1994	2,280.42	2,089	1,870	410	1.26	325
1995	10,569.67	9,478	8,485	2,085	1.55	1,345
1996	5,344.12	4,685	4,194	1,150	1.85	622
2000	12,842.14	10,154	9,090	3,752	3.14	1,195
2002	2,080.14	1,545	1,383	697	3.86	181
2005	27,138.75	17,984	16,100	11,039	5.06	2,182
2008	1,404.86	800	716	689	6.46	107
2011	3,800.45	1,743	1,560	2,240	8.12	276
2012	7,515.83	3,132	2,804	4,712	8.75	539
2013	3,370.14	1,251	1,120	2,250	9.43	239
	96,461.46	72,578	66,163	30,298		8,948

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 3.4 9.28

BLACK HILLS NEBRASKA

ACCOUNT 391.01 - OFFICE FURNITURE AND EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
1994	645.00	645	645			
1995	489.23	489	489			
	1,134.23	1,134	1,134			
AMORTIZED						
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2011	1,638.11	690	691	947	11.58	82
2014	70,472.45	19,098	19,131	51,342	14.58	3,521
2015	98,660.49	21,804	21,841	76,819	15.58	4,931
2016	224,574.05	38,402	38,468	186,106	16.58	11,225
2018	19,848.52	1,409	1,411	18,437	18.58	992
	415,193.62	81,403	81,543	333,651		20,751
	416,327.85	82,537	82,677	333,651		20,751
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						16.1 4.98

BLACK HILLS NEBRASKA

ACCOUNT 391.03 - OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
2014	6,175.74	6,176	6,176			
	6,175.74	6,176	6,176			
AMORTIZED						
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2015	33,400.17	29,526	29,530	3,870	0.58	6,672
2016	66,495.40	45,483	45,490	21,006	1.58	13,295
2018	284,459.92	80,787	80,799	203,661	3.58	56,889
2019	160,429.52	14,760	14,762	145,667	4.54	32,085
	544,785.01	170,556	170,581	374,204		108,941
	550,960.75	176,732	176,757	374,204		108,941
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						3.4 19.77

BLACK HILLS NEBRASKA

ACCOUNT 391.04 - OFFICE FURNITURE AND EQUIPMENT - SOFTWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
2005	60,716.04	60,716	60,716			
2009	107,833.40	107,833	107,833			
	168,549.44	168,549	168,549			
AMORTIZED						
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2019	1,550.56	143	142	1,409	4.54	310
	1,550.56	143	142	1,409		310
	170,100.00	168,692	168,691	1,409		310
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						4.5 0.18

BLACK HILLS NEBRASKA

ACCOUNT 391.07 - OFFICE FURNITURE AND EQUIPMENT - IPAD HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2019	581,994.77	53,544	53,544	528,451	4.54	116,399
	581,994.77	53,544	53,544	528,451		116,399
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						4.5 20.00

BLACK HILLS NEBRASKA

ACCOUNT 392.02 - TRANSPORTATION EQUIPMENT - CARS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-S3						
NET SALVAGE PERCENT.. +10						
2008	206,596.12	164,450	165,116	20,821	1.04	20,020
2010	723,476.06	533,203	535,362	115,766	1.63	71,022
2011	774,063.51	540,299	542,486	154,171	2.02	76,322
2012	1,241,999.94	807,297	810,565	307,235	2.50	122,894
2013	849,059.93	500,949	502,977	261,177	3.10	84,251
2014	95,704.69	49,575	49,776	36,358	3.82	9,518
2019	37,786.79	1,738	1,745	32,263	8.54	3,778
	3,928,687.04	2,597,511	2,608,027	927,791		387,805
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 2.4						9.87

BLACK HILLS NEBRASKA

ACCOUNT 392.03 - TRANSPORTATION EQUIPMENT - LIGHT TRUCKS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-L3						
NET SALVAGE PERCENT.. +25						
2001	27,663.47	19,364	20,748			
2005	18,942.09	11,902	14,176	31	1.46	21
2006	26,393.44	16,034	19,097	698	1.71	408
2007	36,259.95	21,242	25,300	1,895	1.97	962
2008	110,375.03	62,362	74,277	8,504	2.22	3,831
2009	509,714.42	278,220	331,377	50,909	2.45	20,779
2010	63,891.73	33,916	40,396	7,523	2.63	2,860
2011	130,548.01	67,341	80,207	17,704	2.81	6,300
2012	528,257.39	261,927	311,971	84,222	3.05	27,614
2013	1,479,740.12	684,384	815,142	294,663	3.45	85,410
2014	3,494,819.80	1,444,523	1,720,513	900,602	4.04	222,921
2015	2,967,357.58	1,038,583	1,237,014	988,504	4.80	205,938
2016	1,358,597.60	377,011	449,043	569,905	5.67	100,512
2017	1,213,364.04	241,666	287,838	622,185	6.61	94,128
2018	1,862,421.98	220,390	262,498	1,134,318	7.58	149,646
2019	3,694,985.69	141,638	168,699	2,602,540	8.54	304,747
	17,523,332.34	4,920,503	5,858,296	7,284,203		1,226,077
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						5.9 7.00

BLACK HILLS NEBRASKA

ACCOUNT 392.04 - TRANSPORTATION EQUIPMENT - MEDIUM TRUCKS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 8-L2						
NET SALVAGE PERCENT.. +25						
1985	15,850.68	11,888	11,888			
2008	10,758.04	5,779	3,516	4,553	2.27	2,006
2009	47,137.97	24,217	14,736	20,617	2.52	8,181
2017	53,362.32	11,306	6,879	33,143	5.74	5,774
	127,109.01	53,190	37,019	58,313		15,961
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					3.7	12.56

BLACK HILLS NEBRASKA

ACCOUNT 392.05 - TRANSPORTATION EQUIPMENT - HEAVY TRUCKS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 11-R3						
NET SALVAGE PERCENT.. +5						
2004	90,724.01	80,076	86,188			
2005	83,852.82	72,128	79,660			
2006	524.97	439	499			
2007	68,619.01	55,469	65,188			
2008	222,166.34	172,107	211,058			
2010	132,714.23	90,891	126,079			
2011	140,872.30	88,692	133,409	420	3.71	113
2012	457,934.60	260,627	392,030	43,008	4.41	9,752
2014	77,103.20	33,361	50,181	23,067	5.99	3,851
2015	212,170.33	76,227	114,659	86,903	6.84	12,705
2016	364,142.16	102,521	154,210	191,725	7.74	24,771
2017	715,957.06	144,690	217,639	462,520	8.66	53,409
2018	227,566.63	27,121	40,795	175,393	9.62	18,232
2019	276,297.35	10,738	16,152	246,330	10.55	23,349
	3,070,645.01	1,215,087	1,687,747	1,229,366		146,182

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.4 4.76

BLACK HILLS NEBRASKA

ACCOUNT 392.06 - TRANSPORTATION EQUIPMENT - TRAILERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 12-S1						
NET SALVAGE PERCENT.. 0						
1973	344.02	344	344			
1991	9,610.42	9,610	9,610			
1992	9,151.46	9,151	9,151			
1993	2,190.50	2,190	2,190			
1996	2,882.25	2,844	2,882			
1998	7,961.03	7,497	7,961			
2000	3,260.00	2,915	3,260			
2001	9,382.40	8,147	9,366	16	1.58	10
2002	11,638.00	9,805	11,272	366	1.89	194
2003	10,802.82	8,813	10,132	671	2.21	304
2004	13,779.64	10,851	12,475	1,305	2.55	512
2005	52,524.55	39,787	45,741	6,784	2.91	2,331
2006	18,123.00	13,154	15,123	3,000	3.29	912
2007	25,819.20	17,901	20,580	5,239	3.68	1,424
2008	77,372.70	50,937	58,560	18,813	4.10	4,589
2009	41,340.42	25,665	29,506	11,834	4.55	2,601
2010	28,192.16	16,399	18,853	9,339	5.02	1,860
2011	27,944.20	15,043	17,294	10,650	5.54	1,922
2013	7,044.24	3,117	3,583	3,461	6.69	517
2014	42,941.98	16,640	19,130	23,812	7.35	3,240
2015	121,418.57	39,865	45,831	75,588	8.06	9,378
2016	4,788.18	1,261	1,450	3,338	8.84	378
2017	14,417.68	2,775	3,190	11,228	9.69	1,159
2018	130,146.12	15,075	17,331	112,815	10.61	10,633
2019	143,467.34	5,499	6,322	137,145	11.54	11,884
	816,542.88	335,285	381,137	435,406		53,848

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.1 6.59

BLACK HILLS NEBRASKA

ACCOUNT 393.00 - STORES EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2009	4,778.48	1,992	1,987	2,791	14.58	191
2016	23,399.04	3,201	3,193	20,206	21.58	936
	28,177.52	5,193	5,180	22,998		1,127
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						20.4 4.00

BLACK HILLS NEBRASKA

ACCOUNT 394.00 - TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
1976	280.76	281	281			
1977	552.05	552	552			
1979	376.80	377	377			
1981	1,997.74	1,998	1,998			
1982	1,047.71	1,048	1,048			
1988	5,245.04	5,245	5,245			
1989	2,635.45	2,635	2,635			
1990	3,842.01	3,842	3,842			
1992	9,036.41	9,036	9,036			
1993	52,559.38	52,559	52,559			
1994	8,355.87	8,356	8,356			
	85,929.22	85,929	85,929			
AMORTIZED						
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
1995	2,281.18	2,228	2,232	49	0.58	84
1996	3,199.00	2,997	3,002	197	1.58	125
2000	5,505.59	4,277	4,284	1,221	5.58	219
2001	94,339.10	69,509	69,628	24,711	6.58	3,755
2002	31,223.27	21,756	21,793	9,430	7.58	1,244
2003	39,699.28	26,074	26,119	13,581	8.58	1,583
2004	132,760.94	81,887	82,027	50,734	9.58	5,296
2005	462,672.58	266,870	267,327	195,346	10.58	18,464
2006	194,624.09	104,474	104,653	89,971	11.58	7,770
2007	504,455.32	250,613	251,042	253,413	12.58	20,144
2008	525,877.79	240,221	240,632	285,246	13.58	21,005
2009	446,894.63	186,266	186,585	260,310	14.58	17,854
2010	586,917.76	221,151	221,530	365,388	15.58	23,452
2011	600,491.93	202,246	202,592	397,900	16.58	23,999
2012	331,210.73	98,303	98,471	232,739	17.58	13,239
2013	552,650.50	141,921	142,164	410,487	18.58	22,093
2014	794,264.77	172,197	172,492	621,773	19.58	31,756
2015	1,159,321.69	204,968	205,319	954,003	20.58	46,356
2016	301,722.59	41,276	41,347	260,376	21.58	12,066

BLACK HILLS NEBRASKA

ACCOUNT 394.00 - TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
AMORTIZED						
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2017	184,688.15	17,878	17,909	166,780	22.58	7,386
2018	290,788.23	16,517	16,545	274,243	23.58	11,630
2019	944,846.32	17,385	17,415	927,432	24.54	37,793
	8,190,435.44	2,391,014	2,395,107	5,795,328		327,313
	8,276,364.66	2,476,943	2,481,036	5,795,328		327,313
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						17.7 3.95

BLACK HILLS NEBRASKA

ACCOUNT 395.00 - LABORATORY EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
1998	6,915.47	6,915	6,915			
	6,915.47	6,915	6,915			
AMORTIZED						
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2000	12,262.33	11,907	11,905	357	0.58	616
2004	9,631.71	7,426	7,425	2,207	4.58	482
2005	11,459.70	8,262	8,261	3,199	5.58	573
2009	4,179.78	2,178	2,178	2,002	9.58	209
2010	23,590.19	11,111	11,109	12,481	10.58	1,180
2011	20,763.34	8,741	8,740	12,024	11.58	1,038
	81,887.05	49,625	49,617	32,270		4,098
	88,802.52	56,540	56,532	32,270		4,098
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						7.9 4.61

BLACK HILLS NEBRASKA

ACCOUNT 396.00 - POWER OPERATED EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 13-L1.5						
NET SALVAGE PERCENT.. +10						
1978	8,240.00	7,416	7,416			
2003	17,671.25	10,179	15,904			
2004	105,142.01	58,669	94,628			
2005	118,807.10	64,074	106,926			
2006	84,986.79	44,304	76,488			
2007	198,588.78	99,814	178,730			
2008	206,032.71	99,561	184,151	1,278	6.02	212
2009	385,206.99	178,145	329,503	17,183	6.32	2,719
2010	327,021.54	143,990	266,328	27,991	6.64	4,216
2011	352,771.06	146,292	270,586	46,908	7.01	6,692
2012	12,235.71	4,710	8,712	2,300	7.44	309
2013	440,826.84	154,425	285,629	111,115	7.94	13,994
2014	382,556.52	118,388	218,974	125,327	8.53	14,692
2015	1,143,055.89	299,922	554,745	474,005	9.21	51,466
2016	157,947.25	33,242	61,485	80,668	9.96	8,099
2017	119,497.39	18,449	34,124	73,424	10.77	6,817
2018	612,408.10	56,814	105,085	446,082	11.66	38,257
2019	1,093,092.85	33,301	61,595	922,189	12.56	73,423
	5,766,088.78	1,571,695	2,861,009	2,328,471		220,896

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.5 3.83

BLACK HILLS NEBRASKA

ACCOUNT 397.00 - COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
2004	909.41	909	909			
	909.41	909	909			
AMORTIZED						
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2008	61,900.73	47,127	47,129	14,772	3.58	4,126
2009	54,795.81	38,065	38,066	16,730	4.58	3,653
2010	125,192.89	78,621	78,624	46,569	5.58	8,346
2011	241,495.33	135,559	135,564	105,932	6.58	16,099
2012	145,751.76	72,099	72,101	73,650	7.58	9,716
2013	39,590.21	16,945	16,946	22,645	8.58	2,639
2014	51,482.58	18,602	18,603	32,880	9.58	3,432
2015	89,157.02	26,272	26,273	62,884	10.58	5,944
2016	10,947.96	2,496	2,496	8,452	11.58	730
2017	13,225.39	2,134	2,134	11,091	12.58	882
2019	11,631.31	357	357	11,274	14.54	775
	845,170.99	438,277	438,292	406,879		56,342
	846,080.40	439,186	439,201	406,879		56,342
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						7.2 6.66

BLACK HILLS NEBRASKA

ACCOUNT 398.00 - MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF NOVEMBER 30, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2006	42,857.49	28,757	28,809	14,048	6.58	2,135
2007	130,712.38	81,172	81,318	49,394	7.58	6,516
2018	730,746.68	51,883	51,976	678,771	18.58	36,532
	904,316.55	161,812	162,103	742,214		45,183
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						16.4 5.00



2018 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION
ACCRUALS RELATED TO UTILITY PLANT
AS OF OCTOBER 31, 2018

Prepared by:



*Excellence Delivered **As Promised***

BLACK HILLS SERVICE COMPANY
Rapid City, South Dakota

2018 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION
ACCRUALS RELATED TO UTILITY PLANT
AS OF OCTOBER 31, 2018

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC
Harrisburg, Pennsylvania



*Excellence Delivered **As Promised***

February 4, 2019

Black Hills Service Company
7001 Mr. Rushmore Road
Rapid City, SD 57702

Attention Mr. Frederic C. Stoffel
Director, Regulatory

Ladies and Gentlemen:

Pursuant to your request, we have conducted a depreciation study related to the utility plant of Black Hills Service Company as of October 31, 2018. The attached report presents a description of the methods used in the estimation of depreciation, the summary of annual depreciation accrual rates, the statistical support for the life and net salvage estimates and the detailed tabulations of annual depreciation.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC.

A handwritten signature in blue ink that reads "John J. Spanos".

JOHN J. SPANOS
President

JJS:mle

064663.000

Gannett Fleming Valuation and Rate Consultants, LLC

P.O. Box 67100 • Harrisburg, PA 17106-7100 | 207 Senate Avenue • Camp Hill, PA 17011
t: 717.763.7211 • f: 717.763.4590

www.gfvrc.com



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BLACK HILLS SERVICE COMPANY

DEPRECIATION STUDY

EXECUTIVE SUMMARY

Pursuant to Black Hills Service Company (“BHSC” or “Company”) request, Gannett Fleming Valuation and Rate Consultants, LLC (“Gannett Fleming”) conducted a depreciation study related to the utility plant of BHSC as of October 31, 2018. The purpose of this study was to determine the annual depreciation accrual rates and amounts for book and ratemaking purposes of the consolidated companies.

The depreciation rates are based on the straight line method using the average service life (“ASL”) procedure and were applied on a remaining life basis. The calculations were based on attained ages and estimated average service life and forecasted net salvage characteristics for each depreciable group of assets.

BHSC's accounting policy has not changed since the last study and depreciation rates were most recently established. However, there have been changes to the plant in service due to system improvements, as well as the consolidation of the service company and utility holdings assets. The consolidation has produced some changes in the life and salvage estimates which creates new depreciation rates as compared to what currently are utilized for the individual entities.

Gannett Fleming recommends the calculated annual depreciation accrual rates set forth herein apply specifically to utility plant in service as of October 31, 2018 as summarized by Table 1 of the study. Supporting analysis and calculations are provided within the study.

The study results set forth an annual depreciation expense of \$21.7 million when applied to depreciable plant balances as of October 31, 2018. The results are summarized at the functional level as follows:

SUMMARY OF ORIGINAL COST, ACCRUAL RATES AND AMOUNTS

FUNCTION	ORIGINAL COST	PROPOSED RATE	ANNUAL ACCRUAL
ELECTRIC PLANT			
DISTRIBUTION	\$ 2,838,926.62	5.55	\$ 157,682
GENERAL	<u>16,928,411.69</u>	12.06	<u>2,041,599</u>
TOTAL ELECTRIC PLANT	\$19,767,338.31	11.13	\$2,199,281
GAS PLANT			
DISTRIBUTION	\$ 7,705,095.06	5.66	\$ 436,087
GENERAL	<u>7,712,696.29</u>	8.89	<u>685,599</u>
TOTAL GAS PLANT	\$15,417,791.35	7.28	\$1,121,686
COMMON PLANT	\$183,654,382.02	7.94	\$14,574,450
UNRECOVERED RESERVE			
ELECTRIC PLANT	-		\$ 272,138
GAS PLANT	-		423,409
COMMON PLANT	<u>-</u>		<u>3,117,661</u>
TOTAL UNRECOVERED RESERVE			\$3,813,208
TOTAL	<u>\$218,839,511.68</u>	9.92	<u>\$21,708,625</u>

PART I. INTRODUCTION

BLACK HILLS SERVICE COMPANY

DEPRECIATION STUDY

PART I. INTRODUCTION

SCOPE

This report sets forth the results of the depreciation study for Black Hills Service Company (“Company”), to determine the annual depreciation accrual rates and amounts for book purposes applicable to the original cost of utility plant as of October 31, 2018. The rates and amounts are based on the straight line remaining life method of depreciation. This report also describes the concepts, methods and judgments which underlie the recommended annual depreciation accrual rates related to utility plant in service as of October 31, 2018.

The service life and net salvage estimates resulting from the study were based on informed judgment which incorporated analyses of historical plant retirement data as recorded through October 2018, a review of Company practice and outlook as they relate to plant operation and retirement, and consideration of current practice in the gas and electric industries, including knowledge of service lives and net salvage estimates used for other gas and electric companies.

PLAN OF REPORT

Part I, Introduction, contains statements with respect to the plan of the report, and the basis of the study. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and methods used in the service life study. Part III, Service Life Considerations, presents the results of the average service life analysis. Part IV, Net Salvage Considerations, presents the results of the net salvage study. Part V, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of group depreciation. Part VI, Results of Study, presents summaries by depreciable group

of annual depreciation accrual rates and amounts, as well as composite remaining lives. Part VII, Service Life Statistics presents the statistical analysis of service life estimates, Part VIII, Net Salvage Statistics sets forth the statistical indications of net salvage percents, and Part IX, Detailed Depreciation Calculations presents the detailed tabulations of annual depreciation.

BASIS OF THE STUDY

Depreciation

Depreciation, in public utility regulation, is the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among causes to be given consideration are wear and tear, deterioration, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and the requirements of public authorities.

Depreciation, as used in accounting, is a method of distributing fixed capital costs, less net salvage, over a period of time by allocating annual amounts to expense. Each annual amount of such depreciation expense is part of that year's total cost of providing gas and electric utility service. Normally, the period of time over which the fixed capital cost is allocated to the cost of service is equal to the period of time over which an item renders service, that is, the item's service life. The most prevalent method of allocation is to distribute an equal amount of cost to each year of service life. This method is known as the straight-line method of depreciation.

For most accounts, the annual depreciation was calculated by the straight line method using the average service life procedure and the remaining life basis. For certain General Plant accounts, the annual depreciation is based on amortization accounting.

Both types of calculations were based on original cost, attained ages, and estimates of service lives and net salvage.

The straight line method, average service life procedure is a commonly used depreciation calculation procedure that has been widely accepted in jurisdictions throughout North America. Gannett Fleming recommends its continued use. Amortization accounting is used for certain General Plant accounts because of the disproportionate plant accounting effort required when compared to the minimal original cost of the large number of items in these accounts. An explanation of the calculation of annual and accrued amortization is presented beginning on page V-4 of the report.

Service Life and Net Salvage Estimates

The service life and net salvage estimates used in the depreciation and amortization calculations were based on informed judgment which incorporated a review of management's plans, policies and outlook, a general knowledge of the gas and electric utility industries, and comparisons of the service life and net salvage estimates from our studies of other gas and electric utilities. The use of survivor curves to reflect the expected dispersion of retirement provides a consistent method of estimating depreciation for gas and electric plant. Iowa type survivor curves were used to depict the estimated survivor curves for the plant accounts not subject to amortization accounting.

The procedure for estimating service lives consisted of compiling historical data for the plant accounts or depreciable groups, analyzing this history through the use of widely accepted techniques, and forecasting the survivor characteristics for each depreciable group on the basis of interpretations of the historical data analyses and the probable future. The combination of the historical experience and the estimated future yielded estimated survivor curves from which the average service lives were derived.

PART II. ESTIMATION OF SURVIVOR CURVES

PART II. ESTIMATION OF SURVIVOR CURVES

The calculation of annual depreciation based on the straight line method requires the estimation of survivor curves and the selection of group depreciation procedures. The estimation of survivor curves is discussed below and the development of net salvage is discussed in later sections of this report.

SURVIVOR CURVES

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units, or by constructing a survivor curve by plotting the number of units which survive at successive ages.

The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life, and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1, the remaining life at age 30 is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval. It is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

This study has incorporated the use of Iowa curves developed from a retirement rate analysis of historical retirement history. A discussion of the concepts of survivor curves and of the development of survivor curves using the retirement rate method is presented below.

Iowa Type Curves

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numbers represent the relative heights of the modes of the frequency curves within each family.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves, which constitute three of the four families, was published in 1935 in the form of the Experiment Station's Bulletin 125.

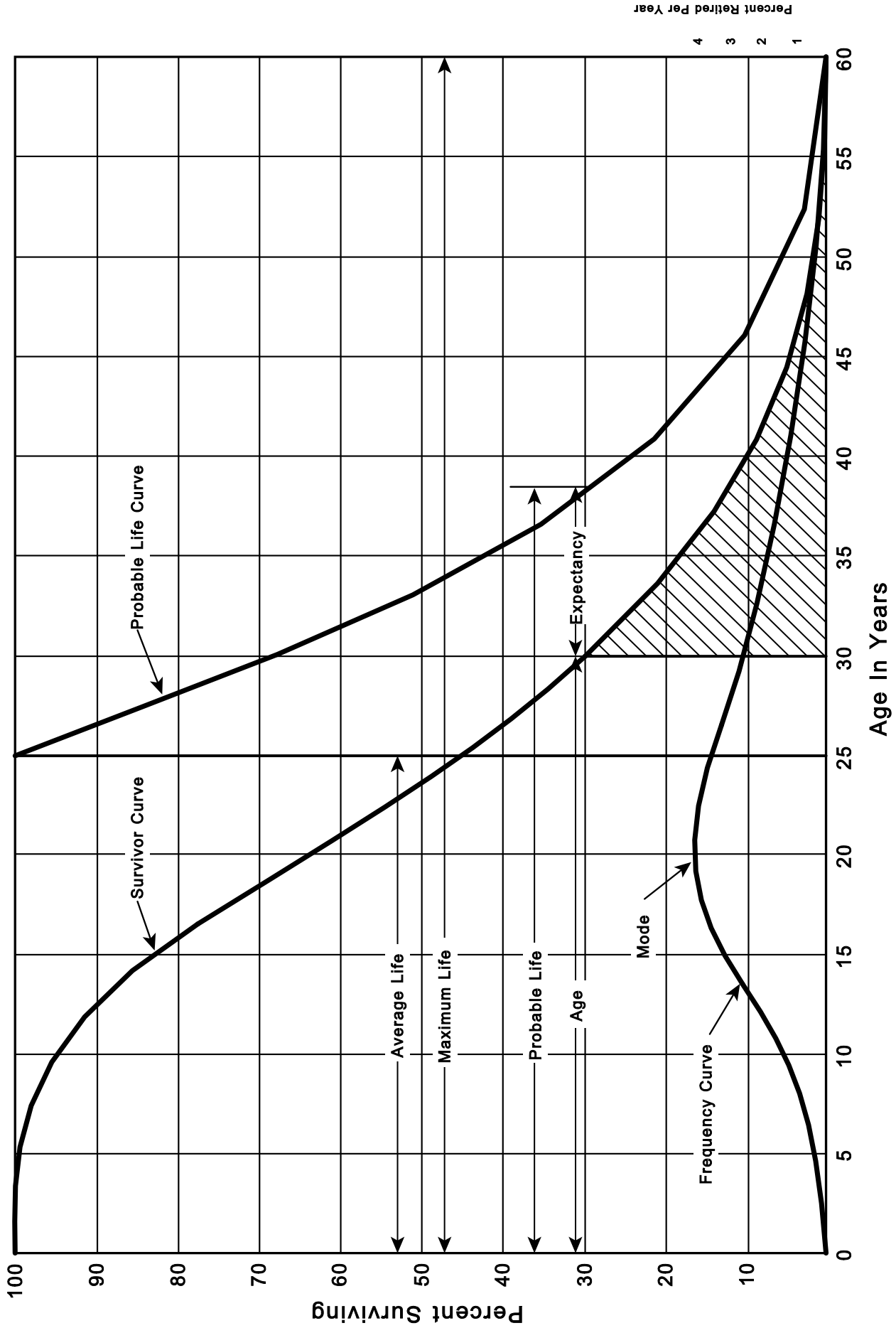


Figure 1. A Typical Survivor Curve and Derived Curves

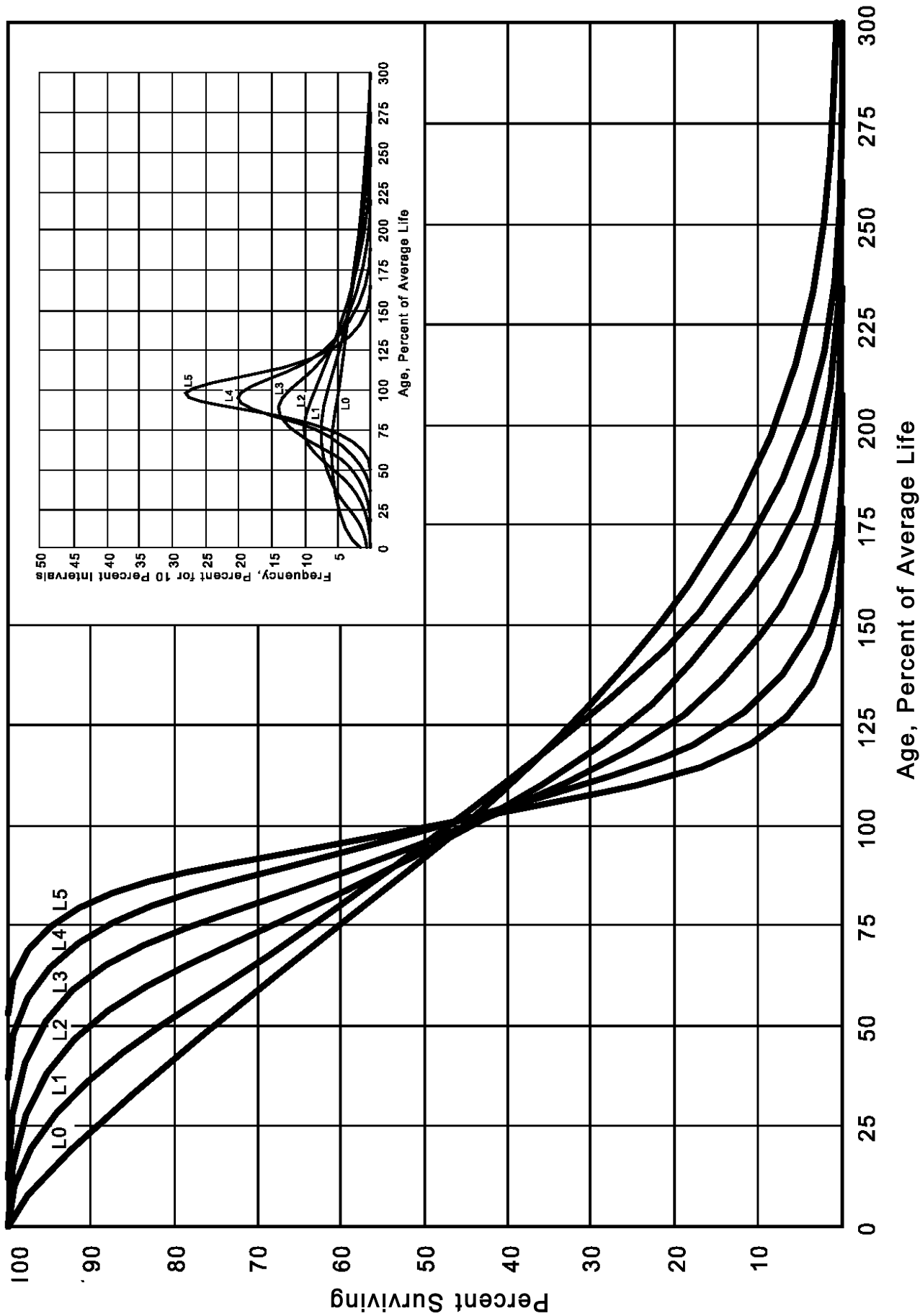


Figure 2. Left Modal or "L" Iowa Type Survivor Curves

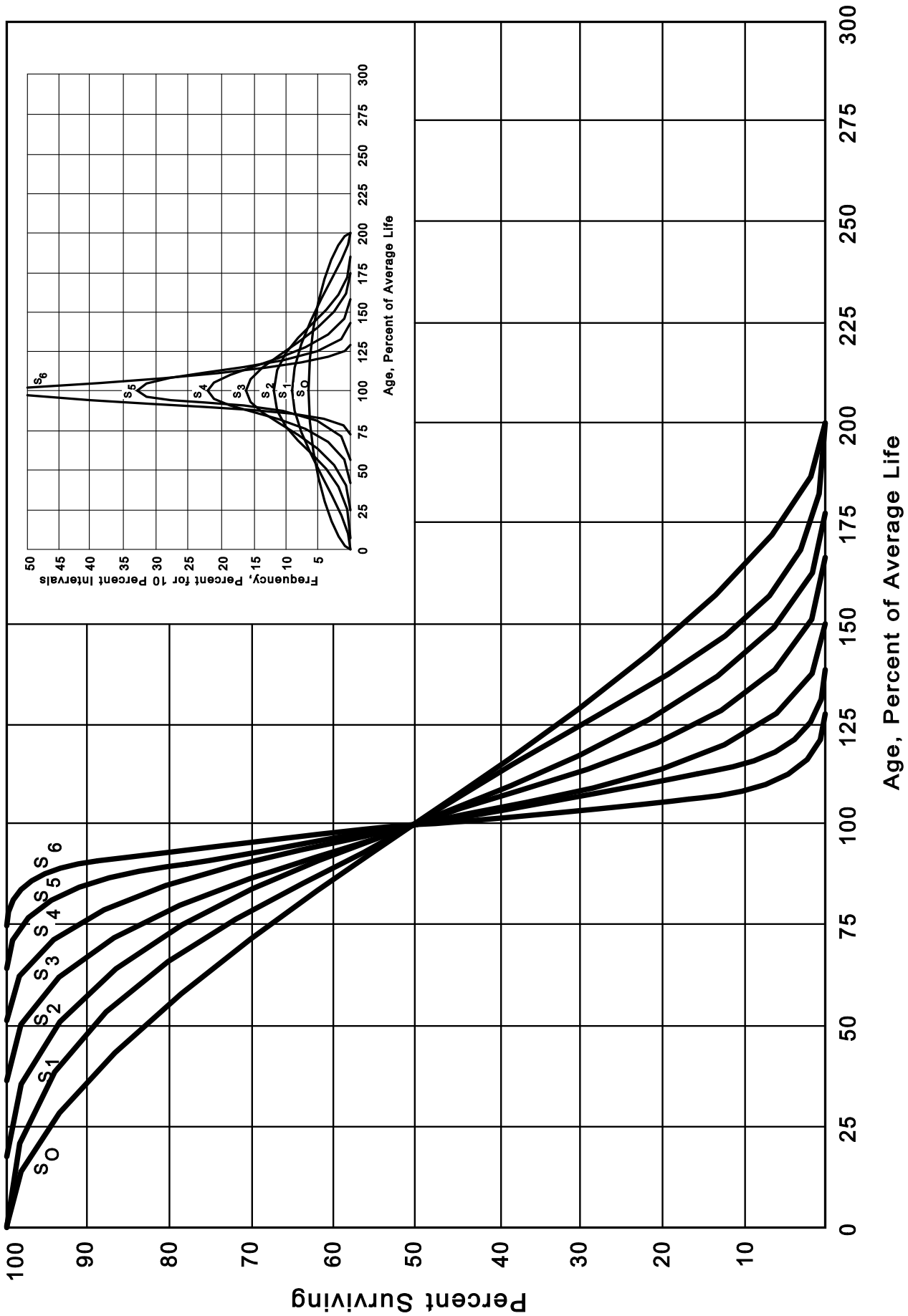


Figure 3. Symmetrical or "S" Iowa Type Survivor Curves

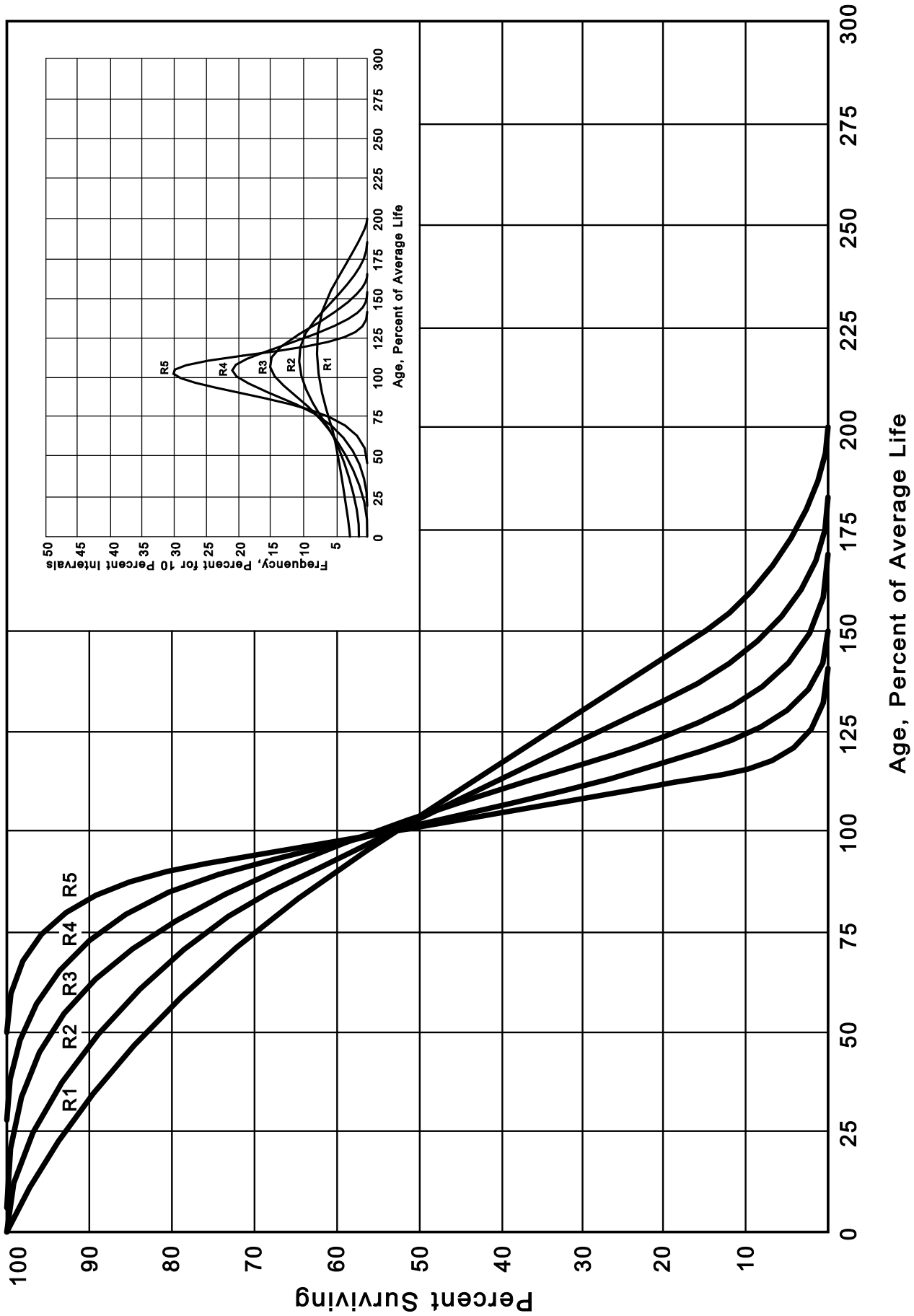


Figure 4. Right Modal or "R" Iowa Type Survivor Curves

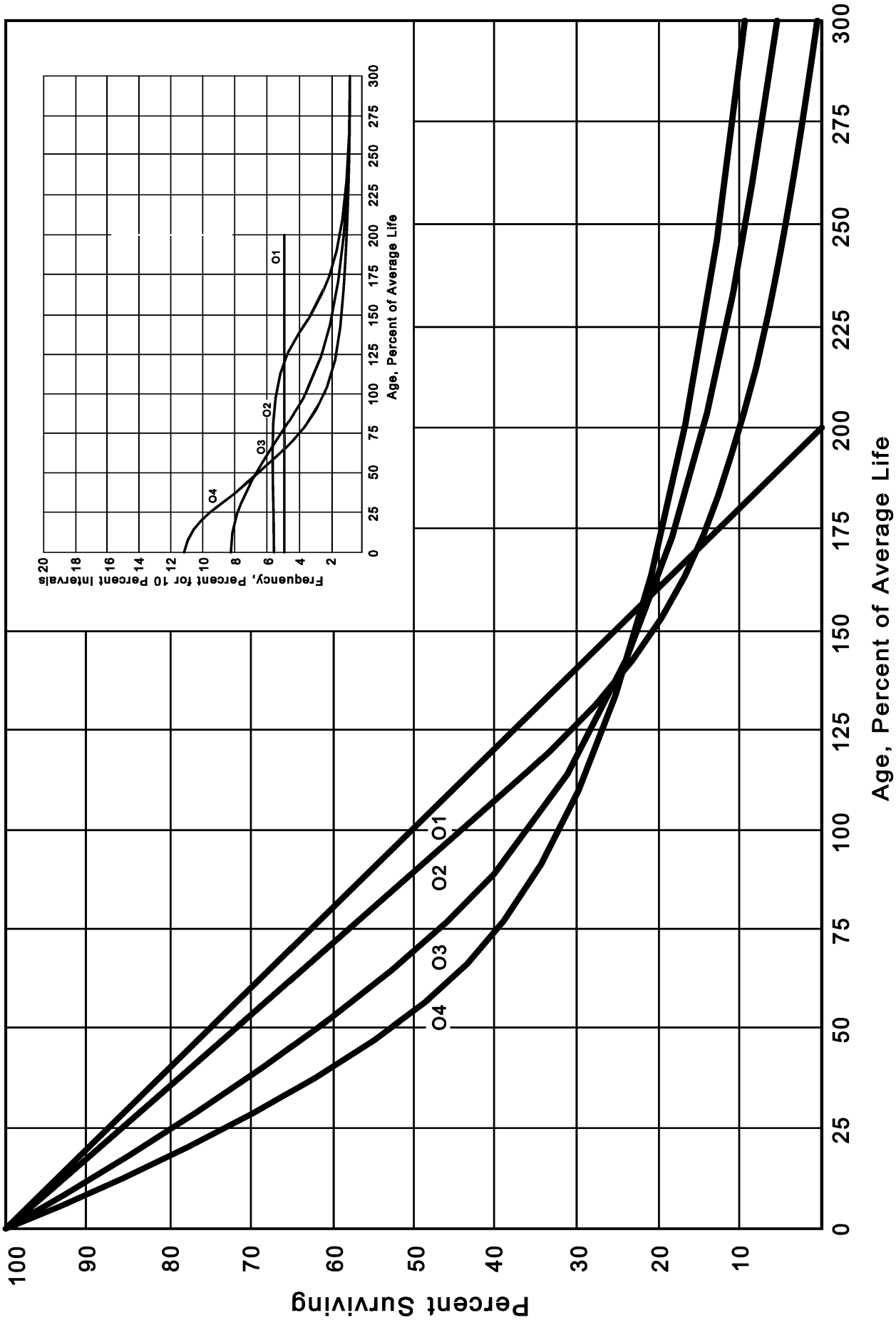


Figure 5. Origin Modal or "O" Iowa Type Survivor Curves

These curve types have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation."¹ In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student submitted a thesis presenting his development of the fourth family consisting of the four O type survivor curves.

Retirement Rate Method of Analysis

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text, and is also explained in several publications, including "Statistical Analyses of Industrial Property Retirements,"² "Engineering Valuation and Depreciation,"³ and "Depreciation Systems."⁴

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginning of the age intervals during the same period. The period of observation is referred to as the experience band, and the band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

¹Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.

²Winfrey, Robley, Statistical Analyses of Industrial Property Retirements. Iowa State College. Engineering Experiment Station, Bulletin 125. 1935.

³Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 1.

⁴Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994.

Schedules of Annual Transactions in Plant Records

The property group used to illustrate the retirement rate method is observed for the experience band 2009-2018 during which there were placements during the years 2004-2018. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Schedules 1 and 2 on pages II-11 and II-12. In Schedule 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, \$10,000 of the dollars invested in 2004 were retired in 2009. The \$10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of \$143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Schedule 1 immediately above the stair step line drawn on the table beginning with the 2009 retirements of 2004 installations and ending with the 2018 retirements of the 2013 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

$$10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.$$

SCHEDULE 1. RETIREMENTS FOR EACH YEAR 2009-2018
 SUMMARIZED BY AGE INTERVAL

Year Placed (1)	Retirements, Thousands of Dollars										Total During Age Interval (12)	Age Interval (13)
	During Year											
	2009 (2)	2010 (3)	2011 (4)	2012 (5)	2013 (6)	2014 (7)	2015 (8)	2016 (9)	2017 (10)	2018 (11)		
2004	10	11	12	13	14	16	23	24	25	26	26	13½-14½
2005	11	12	13	15	16	18	20	21	22	19	44	12½-13½
2006	11	12	13	14	16	17	19	21	22	18	64	11½-12½
2007	8	9	10	11	11	13	14	15	16	17	83	10½-11½
2008	9	10	11	12	13	14	16	17	19	20	93	9½-10½
2009	4	9	10	11	12	13	14	15	16	20	105	8½-9½
2010		5	11	12	13	14	15	16	18	20	113	7½-8½
2011			6	12	13	15	16	17	19	19	124	6½-7½
2012				6	13	15	16	17	19	19	131	5½-6½
2013					13	15	16	17	19	20	143	4½-5½
2014					7	14	16	17	22	23	146	3½-4½
2015						8	9	20	22	25	150	2½-3½
2016							9	11	23	25	151	1½-2½
2017								11	11	24	153	½-1½
2018										13	80	0-½
Total	53	68	86	106	128	157	196	231	273	308	1,606	

Experience Band 2009-2018

Placement Band 2004-2018

SCHEDULE 2. OTHER TRANSACTIONS FOR EACH YEAR 2009-2018
 SUMMARIZED BY AGE INTERVAL

Experience Band 2009-2018 Placement Band 2004-2018

Year Placed (1)	During Year										Total During Age Interval (12)	Age Interval (13)	
	2009 (2)	2010 (3)	2011 (4)	2012 (5)	2013 (6)	2014 (7)	2015 (8)	2016 (9)	2017 (10)	2018 (11)			
2004	-	-	-	-	-	-	60 ^a	-	-	-	-	-	13½-14½
2005	-	-	-	-	-	-	-	-	-	-	-	-	12½-13½
2006	-	-	-	-	-	-	-	-	-	-	-	-	11½-12½
2007	-	-	-	-	-	-	-	(5) ^b	-	-	60	-	10½-11½
2008	-	-	-	-	-	-	-	6 ^a	-	-	-	-	9½-10½
2009	-	-	-	-	-	-	-	-	-	-	(5)	-	8½-9½
2010	-	-	-	-	-	-	-	-	-	-	6	-	7½-8½
2011	-	-	-	-	-	-	-	-	-	-	-	-	6½-7½
2012	-	-	-	-	-	-	-	-	-	-	-	-	5½-6½
2013	-	-	-	-	-	-	-	(12) ^b	-	-	-	-	4½-5½
2014	-	-	-	-	-	-	-	(19) ^b	22 ^a	-	-	10	3½-4½
2015	-	-	-	-	-	-	-	-	-	-	-	-	2½-3½
2016	-	-	-	-	-	-	-	-	-	(102) ^c	(121)	-	1½-2½
2017	-	-	-	-	-	-	-	-	-	-	-	-	½-1½
2018	-	-	-	-	-	-	-	-	-	-	-	-	0-½
Total	-	-	-	-	-	-	60	(30)	22	(102)	(50)	-	

^a Transfer Affecting Exposures at Beginning of Year

^b Transfer Affecting Exposures at End of Year

^c Sale with Continued Use

Parentheses Denote Credit Amount.

In Schedule 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement

The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Schedule 3 on page II-14. The surviving plant at the beginning of each year from 2009 through 2018 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Schedule 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Schedules 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2014 are calculated in the following manner:

Exposures at age 0	= amount of addition	= \$750,000
Exposures at age ½	= \$750,000 - \$ 8,000	= \$742,000
Exposures at age 1½	= \$742,000 - \$18,000	= \$724,000
Exposures at age 2½	= \$724,000 - \$20,000 - \$19,000	= \$685,000
Exposures at age 3½	= \$685,000 - \$22,000	= \$663,000

For the entire experience band 2009-2018, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing

SCHEDULE 3. PLANT EXPOSED TO RETIREMENT
 JANUARY 1 OF EACH YEAR 2009-2018
 SUMMARIZED BY AGE INTERVAL

Year Placed	Exposures, Thousands of Dollars										Total at		Age Interval
	Annual Survivors at the Beginning of the Year										Beginning of		
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Age Interval	Interval	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
2004	255	245	234	222	209	195	239	216	192	167	167	13½-14½	
2005	279	268	256	243	228	212	194	174	153	131	323	12½-13½	
2006	307	296	284	271	257	241	224	205	184	162	531	11½-12½	
2007	338	330	321	311	300	289	276	262	242	226	823	10½-11½	
2008	376	367	357	346	334	321	307	297	280	261	1,097	9½-10½	
2009	420 ^a	416	407	397	386	374	361	347	332	316	1,503	8½-9½	
2010		460 ^a	455	444	432	419	405	390	374	356	1,952	7½-8½	
2011			510 ^a	504	492	479	464	448	431	412	2,463	6½-7½	
2012				580 ^a	574	561	546	530	501	482	3,057	5½-6½	
2013					660 ^a	653	639	623	628	609	3,789	4½-5½	
2014						750 ^a	742	724	685	663	4,332	3½-4½	
2015							850 ^a	841	821	799	4,955	2½-3½	
2016								960 ^a	949	926	5,719	1½-2½	
2017									1,080 ^a	1,069	6,579	½-1½	
2018										1,220 ^a	7,490	0-½	
Total	1,975	2,382	2,824	3,318	3,872	4,494	5,247	6,017	6,852	7,799	44,780		

^aAdditions during the year

of the retirements during an age interval (Schedule 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

$$255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.$$

Original Life Table

The original life table, illustrated in Schedule 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Schedules 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15	
Exposures at age 4½	=	3,789,000	
Retirements from age 4½ to 5½	=	143,000	
Retirement Ratio	=	$143,000 \div 3,789,000$	= 0.0377
Survivor Ratio	=	$1.000 - 0.0377$	= 0.9623
Percent surviving at age 5½	=	$(88.15) \times (0.9623)$	= 84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Schedules 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless. The original survivor curve is plotted from the original life table (column 6, Schedule 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

SCHEDULE 4. ORIGINAL LIFE TABLE
 CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2009-2018

Placement Band 2004-2018

(Exposure and Retirement Amounts are in Thousands of Dollars)

Age at Beginning of Interval	Exposures at Beginning of Age Interval	Retirements During Age Interval	Retirement Ratio	Survivor Ratio	Percent Surviving at Beginning of Age Interval
(1)	(2)	(3)	(4)	(5)	(6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	167	26	0.1557	0.8443	42.24
14.5					35.66
Total	<u>44,780</u>	<u>1,606</u>			

Column 2 from Schedule 3, Column 12, Plant Exposed to Retirement.

Column 3 from Schedule 1, Column 12, Retirements for Each Year.

Column 4 = Column 3 Divided by Column 2.

Column 5 = 1.0000 Minus Column 4.

Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

Smoothing the Original Survivor Curve

The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities, as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Schedule 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0.

In Figure 9, the three fittings, 12-L1, 12-S0 and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group.

FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE ORIGINAL AND SMOOTH SURVIVOR CURVES

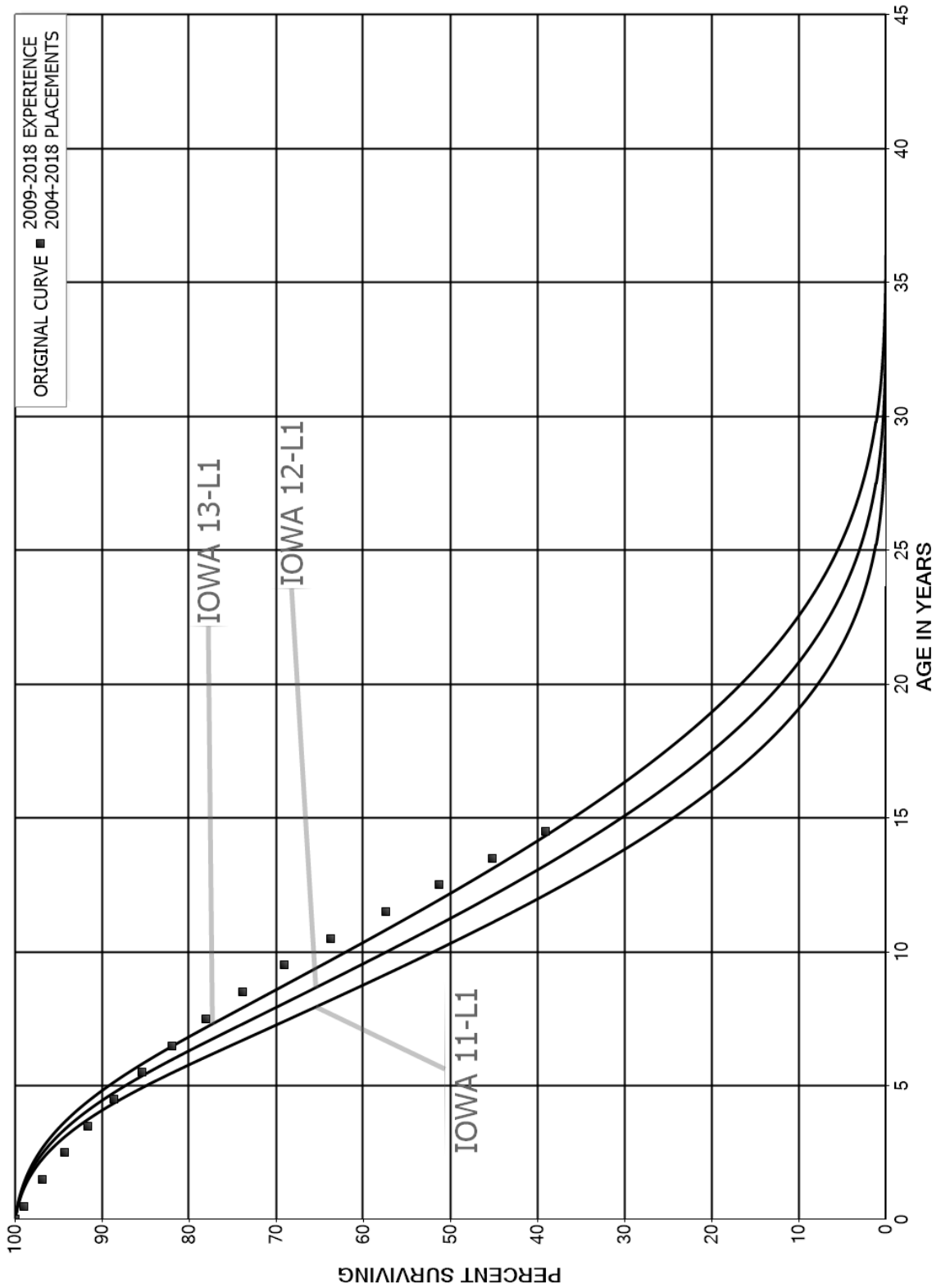


FIGURE 7. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN S0 IOWA TYPE CURVE
 ORIGINAL AND SMOOTH SURVIVOR CURVES

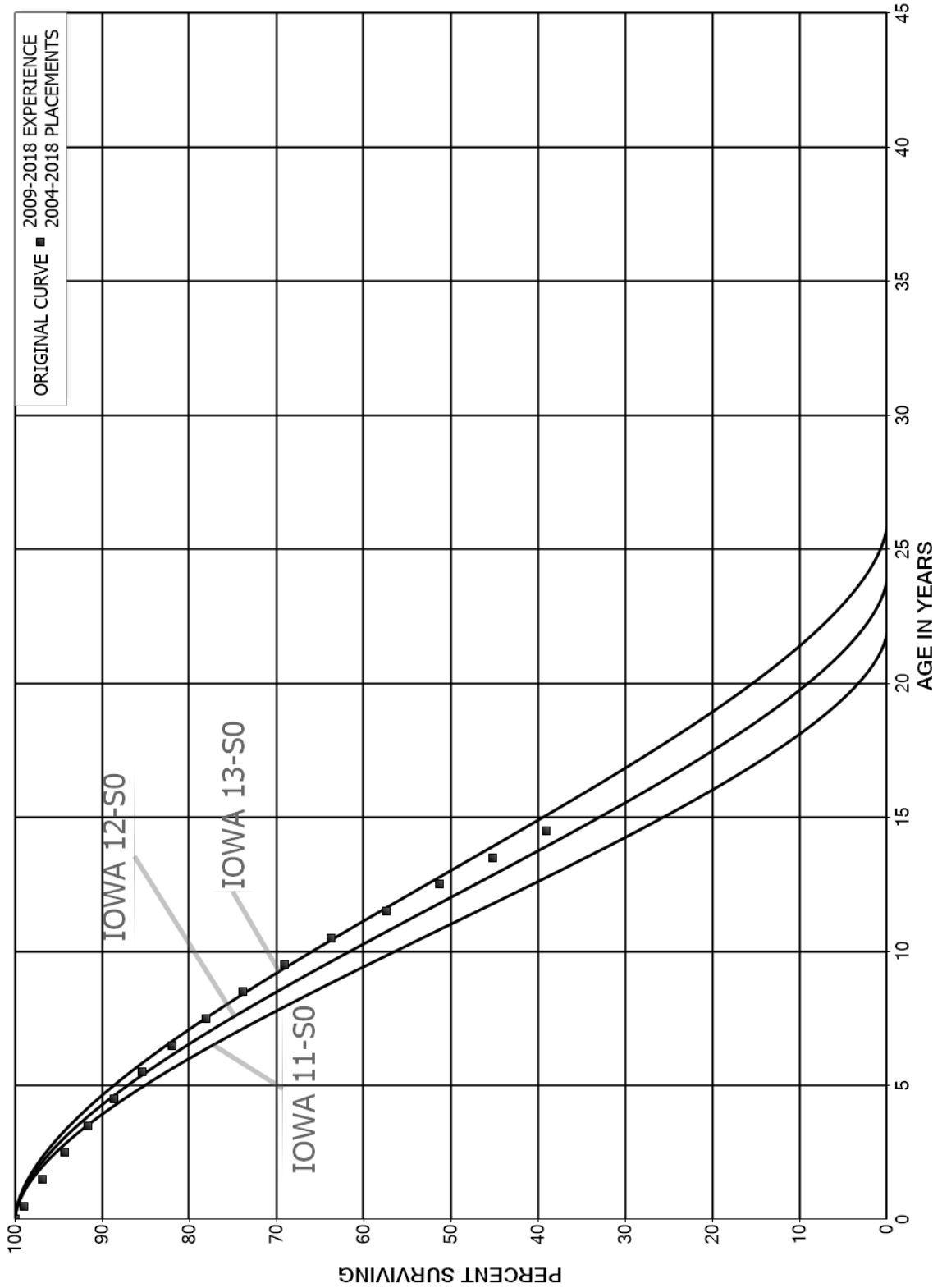


FIGURE 8. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN R1 IOWA TYPE CURVE ORIGINAL AND SMOOTH SURVIVOR CURVES

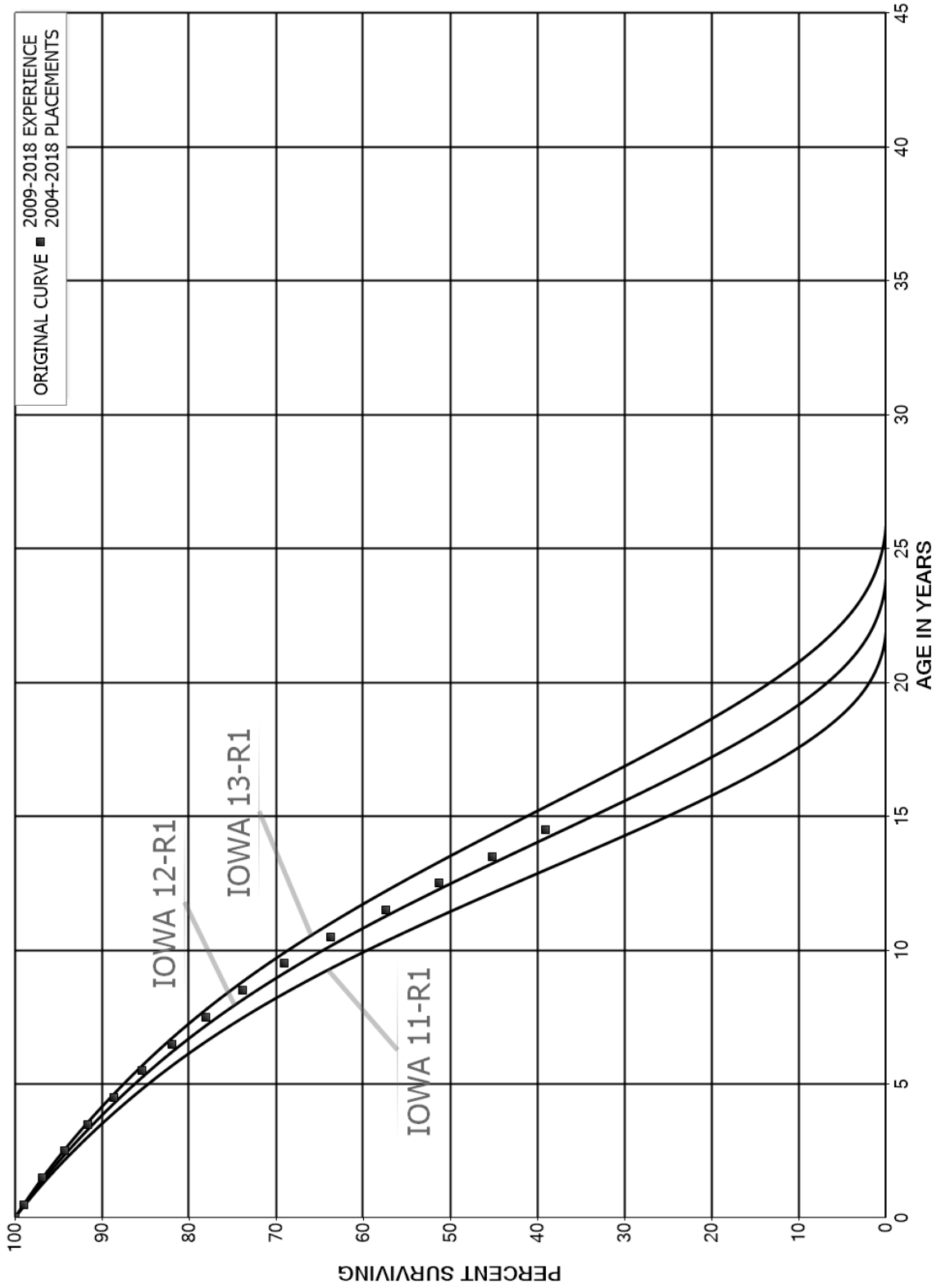
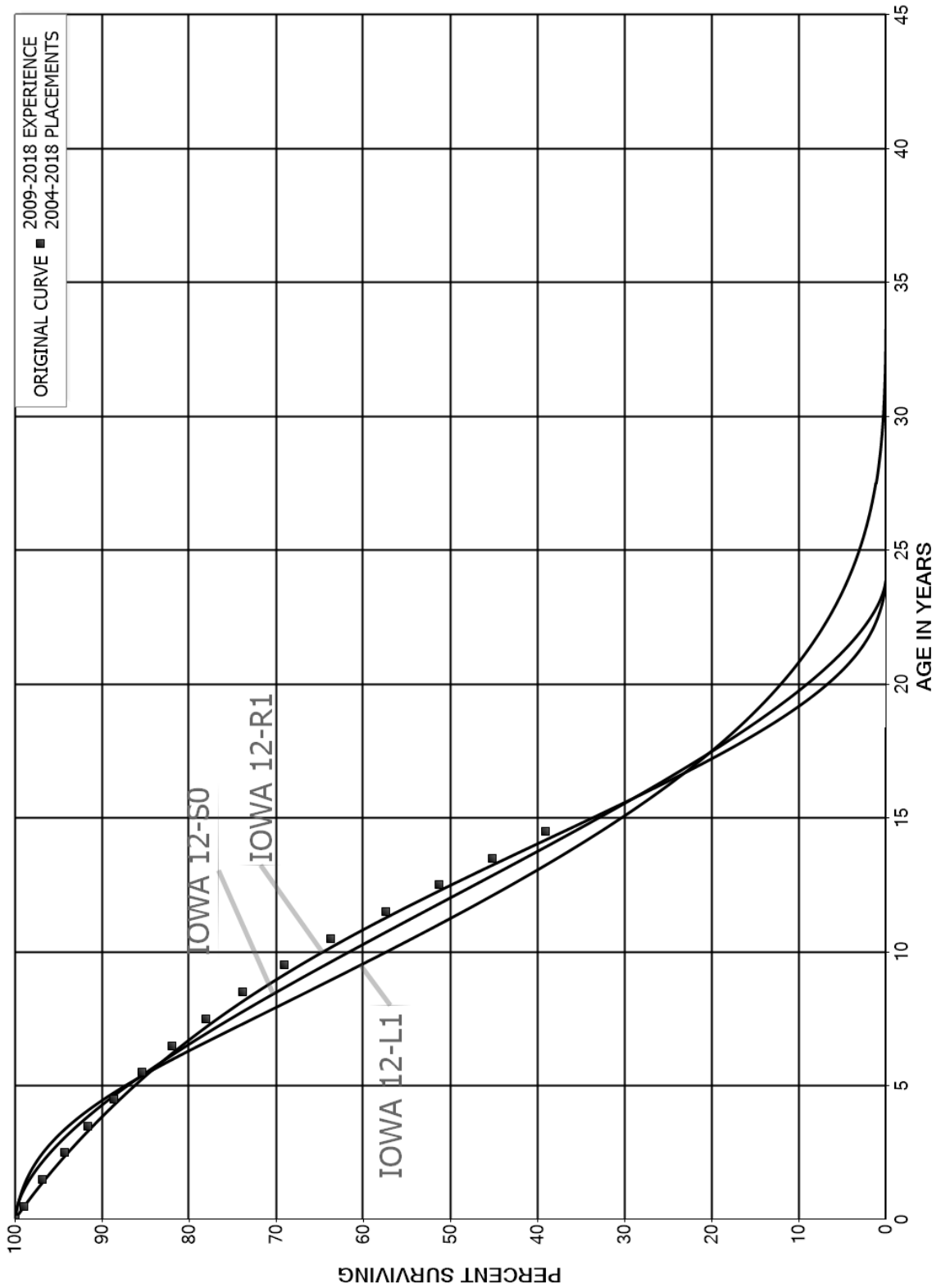


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1, S0 AND R1 IOWA TYPE CURVE ORIGINAL AND SMOOTH SURVIVOR CURVES



PART III. SERVICE LIFE CONSIDERATIONS

PART III. SERVICE LIFE CONSIDERATIONS

SERVICE LIFE ANALYSIS

The service life estimates were based on informed judgment which considered a number of factors. The primary factors were the statistical analyses of data; current Company policies and outlook as determined during conversations with management; and the survivor curve estimates from previous studies of this company and other gas and electric companies.

For many of the plant accounts and subaccounts for which survivor curves were estimated, the statistical analyses using the retirement rate method resulted in good to excellent indications of the survivor patterns experienced. Generally, the information external to the statistics led to no significant departure from the indicated survivor curves for the accounts listed below. The statistical support for the service life estimates is presented in the section beginning on page VII-2.

DISTRIBUTION PLANT

- 378.00 Measuring and Regulating Station Equipment
- 381.00 Meters
 - 381.01 Meters – ERTs
- 385.01 Industrial Measuring and Regulating Station Equipment
- 385.02 Industrial Measuring and Regulating Station Equipment – Industrial Meters
- 387.00 Other Equipment

GENERAL PLANT

- 390.01 Structures and Improvements – Owned
- 392.02 Transportation Equipment – Cars
- 392.03 Transportation Equipment – Light Trucks
- 392.04 Transportation Equipment – Medium Trucks
- 392.06 Transportation Equipment – Trailers

The estimated survivor curves for most of the mass property accounts are based on statistical analyses of plant accounting data and the range of lives and type curves used for other companies in the utility industry. The combined Account 390.01, Structures and Improvements – Owned, is one of the largest asset classification and is used to illustrate the manner in which the study was conducted for the groups using the retirement rate method. Aged retirement and other plant accounting data were compiled for the years 1986 through 2018. These data were coded in the course of the Company's normal recordkeeping according to plant account or subaccount, type of transaction, year in which the transaction took place, and year in which the utility plant was placed in service. The data were analyzed by the retirement rate method of life analysis. The survivor curve chart for the account is presented on page VII-25 and the life table for the experience band plotted on the chart follows it.

Typical service lives for the structures of this type for other utility companies range from 35 to 55 years. The Iowa 50-R2.5 survivor curve is estimated to represent the future, inasmuch as it is a reasonable interpretation of the significant portion of the stub survivor curve, reflects the outlook of management and is within the typical range of lives for this account.

The estimate for the combined Account 392.03, Transportation Equipment – Light Trucks, is based on the 2003-2018 experience band. The 9-L3 survivor curve is supported by the statistical analyses on page VII-30. The 9-year average service life is within the range of 7-12 years for other utility companies.

Another large account is gas Account 381, Meters. The estimate of survivor characteristics is based on the 1986-2018 experience band. As the survivor curve chart illustrates, the experience band represents life characteristics supported by the 31-R2

survivor curve. The 31-year average life is within the typical range of lives used by others in the industry.

Similar studies were performed for the remaining plant accounts. Each of the judgments represented a consideration of statistical analyses of aged plant activity, management's outlook for the future, and the typical range of lives used by other gas and electric companies.

The selected amortization periods for other General Plant accounts are described in the section "Calculated Annual and Accrued Amortization."

PART IV. NET SALVAGE CONSIDERATIONS

PART IV. NET SALVAGE CONSIDERATIONS

SALVAGE ANALYSIS

The estimates of net salvage by account were based in part on historical data compiled for the years 2005 and 2018. Cost of removal and salvage were expressed as percents of the original cost of plant retired, both on annual and three-year moving average bases. The most recent five-year average also was calculated for consideration. The net salvage estimates by account are expressed as a percent of the original cost of plant retired.

Net Salvage Considerations

The estimates of future net salvage are expressed as percentages of surviving plant in service, i.e., all future retirements. In cases in which removal costs are expected to exceed salvage receipts, a negative net salvage percentage is estimated. The net salvage estimates were based on judgment which incorporated analyses of historical cost of removal and salvage data, expectations with respect to future removal requirements and markets for retired equipment and materials.

The analyses of historical cost of removal and salvage data are presented in the section titled "Net Salvage Statistics" for the plant accounts for which the net salvage estimate relied partially on those analyses.

Statistical analyses of historical data for the period 2005 through 2018 was a major factor in determining net salvage estimates along with judgment and estimates of other gas and electric companies as the primary basis for each estimate.

The net salvage results for Account 381.00, Meters, will be used to illustrate the methods for estimating net salvage. The net salvage estimate for Account 381.00, Meters, is positive 2 percent and is based on the historical analysis of salvage percents

as shown in the tabulation on page VIII-4 and the typical range of net salvage estimates used by other gas utilities for meters. The historical indication for the period 2005 through 2018 is positive 2 percent. The range of estimates for other utility companies is positive 5 to negative 20 percent. Based on the statistical analysis and the range of estimates used by others, positive 2 percent net salvage is estimated for meters.

The net salvage estimates for the remaining accounts were estimated using the above-described process of historical indications, judgment and reviewing the typical range of estimates used by other gas and electric companies. The results of the net salvage for each plant account are presented in account sequence beginning in the section titled “Net Salvage Statistics”, page VIII-2.

Generally, the net salvage estimates for remaining general plant accounts were zero percent, consistent with amortization accounting.

**PART V. CALCULATION OF ANNUAL AND
ACCRUED DEPRECIATION**

PART V. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

GROUP DEPRECIATION PROCEDURES

A group procedure for depreciation is appropriate when considering more than a single item of property. Normally the items within a group do not have identical service lives but have lives that are dispersed over a range of time. There are two primary group procedures, namely, average service life and equal life group. In the average service life procedure, the rate of annual depreciation is based on the average life or average remaining life of the group, and this rate is applied to the surviving balances of the group's cost. A characteristic of this procedure is that the cost of plant retired prior to average life is not fully recouped at the time of retirement, whereas the cost of plant retired subsequent to average life is more than fully recouped. Over the entire life cycle, the portion of cost not recouped prior to average life is balanced by the cost recouped subsequent to average life.

Single Unit of Property

The calculation of straight line depreciation for a single unit of property is straightforward. For example, if a \$1,000 unit of property attains an age of four years and has a life expectancy of six years, the annual accrual over the total life is:

$$\frac{\$1,000}{(4 + 6)} = \$100 \text{ per year.}$$

The accrued depreciation is:

$$\$1,000 \left(1 - \frac{6}{10} \right) = \$400.$$

Remaining Life Annual Accruals

For the purpose of calculating remaining life accruals as of October 31, 2018, the depreciation reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account. Explanations of remaining life accruals and calculated accrued depreciation follow. The detailed calculations as of October 31, 2018, are set forth in the Results of Study section of the report.

Average Service Life Procedure

In the average service life procedure, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the average remaining life of the vintage. The average remaining life is a directly weighted average derived from the estimated future survivor curve in accordance with the average service life procedure.

The calculated accrued depreciation for each depreciable property group represents that portion of the depreciable cost of the group which would not be allocated to expense through future depreciation accruals if current forecasts of life characteristics are used as the basis for such accruals. The accrued depreciation calculation consists of applying an appropriate ratio to the surviving original cost of each vintage of each account based upon the attained age and service life. The straight line accrued depreciation ratios are calculated as follows for the average service life procedure:

$$\text{Ratio} = 1 - \frac{\text{Average Remaining Life}}{\text{Average Service Life}}$$

CALCULATION OF ANNUAL AND ACCRUED AMORTIZATION

Amortization is the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. Normally, the distribution of the amount is in equal amounts to each year of the amortization period.

The calculation of annual and accrued amortization requires the selection of an amortization period. The amortization periods used in this report were based on judgment which incorporated a consideration of the period during which the assets will render most of their service, the amortization period and service lives used by other utilities, and the service life estimates previously used for the asset under depreciation accounting.

Amortization accounting is proposed for a number of accounts that represent numerous units of property, but a very small portion of depreciable utility plant in service.

The accounts and their amortization periods are as follows:

	<u>Account</u>	Amortization Period, <u>Years</u>
Electric Plant		
391,	Office Furniture and Equipment	
	Furniture and Equipment	20
	Hardware	5
	Software	7
	IPad Hardware	5
395,	Laboratory Equipment	20
397,	Communication Equipment	15
397.1,	Communication Equipment - Towers	25

	<u>Account</u>	<u>Amortization Period, Years</u>
Gas Plant		
391,	Office Furniture and Equipment	
	Furniture	20
	Hardware	5
	Software	7
394,	Tools, Shop and Garage Equipment	25
395,	Laboratory Equipment	20
397,	Communication Equipment	15
Common Plant		
391,	Office Furniture and Equipment	
	Furniture and Equipment	20
	Hardware	5
	Software	7
	IPad Hardware	5
	Platform Systems	10
	Other Software	10
394,	Tools, Shop and Garage Equipment	25
397,	Communication Equipment	15
398,	Miscellaneous Equipment	20

For the purpose of calculating annual amortization amounts as of October 31, 2018, the book depreciation reserve for each plant account or subaccount is assigned or allocated to vintages. The book reserve assigned to vintages with an age greater than the amortization period is equal to the vintage's original cost. The remaining book reserve is allocated among vintages with an age less than the amortization period in proportion to the calculated accrued amortization. The calculated accrued amortization is equal to the original cost multiplied by the ratio of the vintage's age to its amortization period. The annual amortization amount is determined by dividing the future amortizations (original cost less allocated book reserve) by the remaining period of amortization for the vintage.

PART VI. RESULTS OF STUDY

PART VI. RESULTS OF STUDY

QUALIFICATION OF RESULTS

The calculated annual and accrued depreciation are the principal results of the study. Continued surveillance and periodic revisions are normally required to maintain continued use of appropriate annual depreciation accrual rates. An assumption that accrual rates can remain unchanged over a long period of time implies a disregard for the inherent variability in service lives and salvage and for the change of the composition of property in service. The annual accrual rates were calculated in accordance with the straight line remaining life method of depreciation, using the average service life procedure based on estimates which reflect considerations of current historical evidence and expected future conditions.

The annual depreciation accrual rates are applicable specifically to the gas and electric plant in service as of October 31, 2018. For most plant accounts, the application of such rates to future balances that reflect additions subsequent to October 31, 2018, is reasonable for a period of three to five years.

DESCRIPTION OF STATISTICAL SUPPORT

The service life estimates were based on judgment that incorporated statistical analysis of retirement data, discussions with management and consideration of estimates made for other gas and electric utilities. The results of the statistical analysis of service life are presented in the section beginning on page VII-2, within the supporting documents of this report.

For each depreciable group analyzed by the retirement rate method, a chart depicting the original and estimated survivor curves followed by a tabular presentation of

the original life table(s) plotted on the chart. The survivor curves estimated for the depreciable groups are shown as dark smooth curves on the charts. Each smooth survivor curve is denoted by a numeral followed by the curve type designation. The numeral used is the average life derived from the entire curve from 100 percent to zero percent surviving. The titles of the chart indicate the group, the symbol used to plot the points of the original life table, and the experience and placement bands of the life tables which were plotted. The experience band indicates the range of years for which retirements were used to develop the stub survivor curve. The placements indicate, for the related experience band, the range of years of installations which appear in the experience.

The analyses of salvage data are presented in the section titled, "Net Salvage Statistics". The tabulations present annual cost of removal and salvage data, three-year moving averages and the most recent five-year average. Data are shown in dollars and as percentages of original costs retired.

DESCRIPTION OF DETAILED TABULATIONS

A summary of the results of the study, as applied to the original cost of electric, gas and common plant at October 31, 2018, is presented on pages VI-5 through VI-8 of this report. The schedule sets forth the original cost, the book depreciation reserve, future accruals, the calculated annual depreciation rate and amount, and the composite remaining life related to electric, gas and common plant.

The tables of the calculated annual depreciation applicable to depreciable assets as of October 31, 2018 are presented in account sequence starting on page IX-2 of the supporting documents. The tables indicate the estimated survivor curve and net salvage

percent for the account and set forth, for each installation year, the original cost, the calculated accrued depreciation, the allocated book reserve, future accruals, the remaining life, and the calculated annual accrual amount.

BLACK HILLS SERVICE COMPANY

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION RATES AS OF OCTOBER 31, 2018

	ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL ACCRUAL AMOUNT (7)	ANNUAL ACCRAU RATE (8)=(7)/(4)	COMPOSITE REMAINING LIFE (9)=(6)/(7)
ELECTRIC PLANT									
		DISTRIBUTION PLANT							
370.01	METERS	25-R2.5	0	170,254.51	12,290	157,965	6,995	4.11	22.6
370.04	METERS - AMI	15-S2.5	0	2,668,672.11	664,841	2,003,831	150,687	5.65	13.3
	TOTAL DISTRIBUTION PLANT			2,838,926.62	677,131	2,161,796	157,682	5.55	
		GENERAL PLANT							
390.01	STRUCTURES AND IMPROVEMENTS - OWNED	50-R2.5	0	351,570.87	36,167	315,404	7,007	1.99	45.0
391.01	OFFICE FURNITURE AND EQUIPMENT - FURNITURE AND EQUIPMENT	20-SQ	0	34,267.54	10,725	23,543	1,713	5.00	13.7
391.03	OFFICE FURNITURE AND EQUIPMENT - HARDWARE FULLY ACCRUED AMORTIZED	5-SQ	0	49,687.50 1,799,613.38	49,688 868,540	0 931,073	0 359,932	- 20.00	- 2.6
	TOTAL ACCOUNT 391.03			1,849,300.88	918,228	931,073	359,932	19.46	
391.04	OFFICE FURNITURE AND EQUIPMENT - SOFTWARE FULLY ACCRUED AMORTIZED	7-SQ	0	2,720,064.41 11,413,950.38	2,720,064 6,975,530	0 4,438,420	0 1,631,608	- 14.29	- 2.7
	TOTAL ACCOUNT 391.04			14,134,004.79	9,695,584	4,438,420	1,631,608	11.54	4.6
391.07	OFFICE FURNITURE AND EQUIPMENT - IPAD HARDWARE	5-SQ	0	10,790.04	905	9,885	2,158	20.00	
	TOTAL ACCOUNT 391			16,028,363.25	10,625,442	5,402,921	1,995,411	12.45	
392.03	TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	9-L3	20	320,383.96	85,995	170,312	27,690	8.64	6.2
395.00	LABORATORY EQUIPMENT	20-SQ	0	43,123.50	6,410	36,714	2,157	5.00	17.0
397.00	COMMUNICATION EQUIPMENT	15-SQ	0	72,585.43	16,115	56,470	4,839	6.67	11.7
397.10	COMMUNICATION EQUIPMENT - TOWERS	25-SQ	0	112,384.68	29,015	83,370	4,495	4.00	18.5
	TOTAL GENERAL PLANT			16,928,411.69	10,795,144	6,065,191	2,041,599	12.06	
	TOTAL ELECTRIC PLANT			19,767,338.31	11,476,275	8,226,987	2,199,281	11.13	
	GAS PLANT								
		DISTRIBUTION PLANT							
378.00	MEASURING AND REGULATING STATION EQUIPMENT / METERS	10-L0.5 31-R2	(5) 2	130,774.05 2,905,238.94	7,980 (310,940)	129,333 3,158,074	15,550 136,384	11.89 4.69	8.3 23.2
381.00	METERS - ERTs	12-R1.5	0	2,199,410.90	74,958	2,124,453	187,230	8.51	11.3
385.01	INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	30-R1.5	(5)	2,378,105.48	223,981	2,273,030	93,643	3.94	24.3
385.02	INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT - INDUSTRIAL METERS OTHER EQUIPMENT	20-S0.5 12-R3	0 0	52,440.31 39,125.38	17,151 25,353	35,289 13,772	1,794 1,486	3.42 3.80	19.7 9.3
	TOTAL DISTRIBUTION PLANT			7,705,095.06	36,483	7,733,951	436,087	5.66	

BLACK HILLS SERVICE COMPANY

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION RATES AS OF OCTOBER 31, 2018

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL ACCRUAL AMOUNT (7)	ANNUAL ACCRAU RATE (8)=(7)/(4)	COMPOSITE REMAINING LIFE (9)=(6)/(7)
GENERAL PLANT								
390.01	STRUCTURES AND IMPROVEMENTS - OWNED	50-R2.5	1,755,599.70	1,403,015	352,585	10,251	0.58	34.4
391.01	OFFICE FURNITURE AND EQUIPMENT - FURNITURE AND EQUIPMENT FULLY ACCRUED AMORTIZED	20-SQ	4,674.85 23,639.57	4,675 12,075	0 11,565	0 1,181	- 5.00	- 9.8
	TOTAL ACCOUNT 391.01		28,314.42	16,750	11,565	1,181	4.17	
391.03	OFFICE FURNITURE AND EQUIPMENT - HARDWARE FULLY ACCRUED AMORTIZED	5-SQ	5,751.83 1,096,194.97	5,752 634,425	0 461,770	0 219,186	- 20.00	- 2.1
	TOTAL ACCOUNT 391.03		1,101,946.80	640,177	461,770	219,186	19.89	
391.04	OFFICE FURNITURE AND EQUIPMENT - SOFTWARE FULLY ACCRUED AMORTIZED	7-SQ	566,261.94 2,413,404.55	566,262 1,563,510	0 849,895	0 344,991	- 14.29	- 2.5
	TOTAL ACCOUNT 391.04		2,999,666.49	2,149,772	849,895	344,991	11.50	
392.03	TOTAL ACCOUNT 391		4,129,927.71	2,806,699	1,323,230	565,358	13.69	
392.06	TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	9-L3	620,928.32	108,121	388,622	58,206	9.37	6.7
	TRANSPORTATION EQUIPMENT - TRAILERS	20-S2	47,167.33	22,266	20,185	1,933	4.10	10.4
	TOTAL ACCOUNT 392		668,095.65	130,387	408,807	60,139	9.00	
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	25-SQ	877,701.29	333,520	544,181	35,065	4.00	15.5
395.00	LABORATORY EQUIPMENT	20-SQ	238,234.17	70,085	168,149	11,910	5.00	14.1
397.00	COMMUNICATION EQUIPMENT	15-SQ	43,137.77	19,820	23,318	2,876	6.67	8.1
	TOTAL GENERAL PLANT		7,712,696.29	4,763,526	2,820,270	685,599	8.89	
	TOTAL GAS PLANT		15,417,791.35	4,802,009	10,554,221	1,121,686	7.28	
COMMON PLANT								
390.01	STRUCTURES AND IMPROVEMENTS - OWNED	50-R2.5	5,861,918.72	752,838	5,109,081	118,338	2.02	43.2
390.51	STRUCTURES AND IMPROVEMENTS - LEASED	20-S3	579,623.29	213,812	365,811	26,580	4.59	13.8
	TOTAL ACCOUNT 390		6,441,542.01	966,650	5,474,892	144,918	2.25	
391.01	OFFICE FURNITURE AND EQUIPMENT - FURNITURE AND EQUIPMENT FULLY ACCRUED AMORTIZED	20-SQ	6,583,874.80	3,403,625	3,180,250	329,154	5.00	9.7
391.03	OFFICE FURNITURE AND EQUIPMENT - HARDWARE FULLY ACCRUED AMORTIZED	5-SQ	257,652.75 23,124,733.99	257,653 13,669,630	0 9,455,104	0 4,624,800	- 20.00	- 2.0
	TOTAL ACCOUNT 391.03		23,382,386.74	13,927,283	9,455,104	4,624,800	19.78	

BLACK HILLS SERVICE COMPANY

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION RATES AS OF OCTOBER 31, 2018

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL ACCRUAL AMOUNT (7)	ANNUAL ACCRAU RATE (8)=(7)/(4)	COMPOSITE REMAINING LIFE (9)=(6)/(7)
391.04	OFFICE FURNITURE AND EQUIPMENT - SOFTWARE FULLY ACCRUED AMORTIZED	0	3,712,528.21 143,074.94	3,712,528 106,605	0 36,470	0 20,444	- 14.29	- 1.8
	TOTAL ACCOUNT 391.04		3,855,603.15	3,819,133	36,470	20,444	0.53	
391.07	OFFICE FURNITURE AND EQUIPMENT - IPAD HARDWARE	0	18,447.49	4,905	13,542	3,690	20.00	3.7
391.13	OFFICE FURNITURE AND EQUIPMENT - PLATFORM SYSTEMS FULLY ACCRUED AMORTIZED	0	47,463,579.95 32,506,271.70	47,463,580 8,652,655	0 23,853,617	0 3,250,628	- 10.00	- 7.3
	TOTAL ACCOUNT 391.13		79,969,851.65	56,116,235	23,853,617	3,250,628	4.06	
391.18	OFFICE FURNITURE AND EQUIPMENT - OTHER SOFTWARE FULLY ACCRUED AMORTIZED	0	168,318.74 21,909,609.34	168,319 9,843,010	0 12,066,599	0 2,191,590	- 10.00	- 5.5
	TOTAL ACCOUNT 391.18		22,077,928.08	10,011,329	12,066,599	2,191,590	9.93	
391.23	OFFICE FURNITURE AND EQUIPMENT - PLATFORM SYSTEMS	0	19,422,764.92	11,983,320	7,439,445	1,942,461	10.00	3.8
391.28	OFFICE FURNITURE AND EQUIPMENT - OTHER SOFTWARE FULLY ACCRUED AMORTIZED	0	963,168.70 16,335,530.27	963,169 6,243,575	0 10,091,955	0 1,634,059	- 10.00	- 6.2
	TOTAL ACCOUNT 391.28		17,298,698.97	7,206,744	10,091,955	1,634,059	9.45	
	TOTAL ACCOUNT 391		172,609,555.80	106,472,574	66,136,982	13,996,826	8.11	
392.02	TRANSPORTATION EQUIPMENT - CARS	5	16,016.60	9,909	5,307	3,424	21.38	1.5
392.03	TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	20	2,868,229.34	563,991	1,740,592	266,732	9.30	6.5
392.04	TRANSPORTATION EQUIPMENT - MEDIUM TRUCKS	20	1,165,497.06	555,502	376,896	127,976	10.98	2.9
	TOTAL ACCOUNT 392		4,049,743.00	1,119,402	2,122,795	398,132	9.83	
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	0	67,088.99	15,485	51,604	2,683	4.00	19.2
397.00	COMMUNICATION EQUIPMENT	0	454,128.04	102,590	351,538	30,275	6.67	11.6
398.00	MISCELLANEOUS EQUIPMENT	0	32,324.18	8,070	24,254	1,616	5.00	15.0
	TOTAL COMMON PLANT		183,564,382.02	108,684,771	74,162,065	14,574,450	7.94	
	RESERVE ADJUSTMENT FOR AMORTIZATION							
	ELECTRIC PLANT							
391.01	OFFICE FURNITURE AND EQUIPMENT - FURNITURE AND EQUIPMENT			247		(25)	*	*
391.03	OFFICE FURNITURE AND EQUIPMENT - HARDWARE			(764,749)		76,475	*	*
391.04	OFFICE FURNITURE AND EQUIPMENT - SOFTWARE			(1,813,388)		181,339	*	*
391.07	OFFICE FURNITURE AND EQUIPMENT - IPAD HARDWARE			444		(44)	*	*
395.00	LABORATORY EQUIPMENT			279		(28)	*	*
397.00	COMMUNICATION EQUIPMENT			6,977		(698)	*	*
397.10	COMMUNICATION EQUIPMENT - TOWERS			(151,187)		15,119	*	*
	TOTAL ELECTRIC PLANT			(2,721,377)		272,138		

BLACK HILLS SERVICE COMPANY

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION RATES AS OF OCTOBER 31, 2018

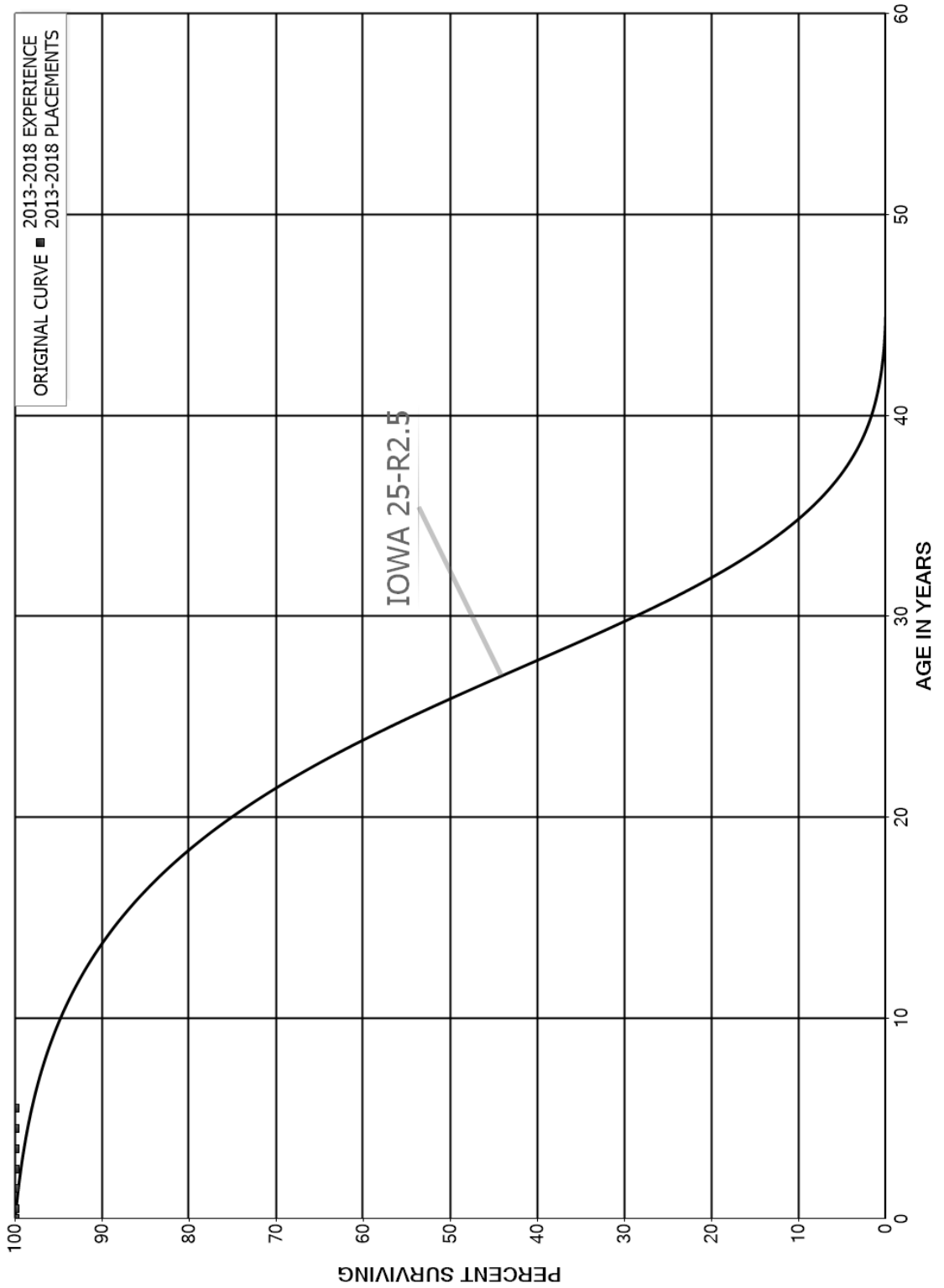
ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL ACCRUAL AMOUNT (7)	ANNUAL ACCRAU RATE (8)=(7)/(4)	COMPOSITE REMAINING LIFE (9)=(6)/(7)
GAS PLANT								
391.01	OFFICE FURNITURE AND EQUIPMENT - FURNITURE AND EQUIPMENT			40,157		(4,016)	*	
391.03	OFFICE FURNITURE AND EQUIPMENT - HARDWARE			(626,791)		62,679	*	
391.04	OFFICE FURNITURE AND EQUIPMENT - SOFTWARE			(2,301,030)		250,103	*	
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT			(976,171)		97,617	*	
395.00	LABORATORY EQUIPMENT			(142,244)		14,224	*	
397.00	COMMUNICATION EQUIPMENT			(28,006)		2,801	*	
	TOTAL GAS PLANT			(4,234,085)		423,409		
COMMON PLANT								
391.01	OFFICE FURNITURE AND EQUIPMENT			(163,525)		16,353	*	
391.03	OFFICE FURNITURE AND EQUIPMENT - HARDWARE			(18,285,991)		1,828,599	*	
391.04	OFFICE FURNITURE AND EQUIPMENT - SOFTWARE			1,141,382		(114,138)	*	
391.05	OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE/COMMUNICATION EQUIPMENT			(1,881,835)		188,184	*	
391.06	OFFICE FURNITURE AND EQUIPMENT - CUSTOMER ACCOUNT SYSTEM			(7,276,577)		727,858	*	
391.07	OFFICE FURNITURE AND EQUIPMENT - IPAD HARDWARE			(971,237)		97,124	*	
391.13	OFFICE FURNITURE AND EQUIPMENT - PLATFORM SYSTEMS			(5,063,954)		506,395	*	
391.18	OFFICE FURNITURE AND EQUIPMENT - OTHER SOFTWARE			(2,084,048)		208,405	*	
391.23	OFFICE FURNITURE AND EQUIPMENT - PLATFORM SYSTEMS			2,486,040		(248,604)	*	
391.28	OFFICE FURNITURE AND EQUIPMENT - OTHER SOFTWARE			951,679		(95,168)	*	
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT			2,145		(215)	*	
397.00	COMMUNICATION EQUIPMENT			(36,520)		3,652	*	
398.00	MISCELLANEOUS EQUIPMENT			7,828		(783)	*	
	TOTAL COMMON PLANT			(31,176,613)		3,117,661		
	TOTAL RESERVE ADJUSTMENT FOR AMORTIZATION			(38,132,075)		3,813,208		
	TOTAL DEPRECIABLE PLANT		218,839,511.68	86,830,980	92,943,273	21,708,625	9.92	
NONDEPRECIABLE PLANT								
GAS PLANT								
374.01	LAND		76,939.63					
	TOTAL GAS PLANT		76,939.63					
COMMON PLANT								
389.01	LAND		646,323.58					
	TOTAL COMMON PLANT		646,323.58					
	TOTAL NONDEPRECIABLE PLANT		646,323.58					
	TOTAL UTILITY PLANT		219,562,774.89	86,830,980	92,943,273	21,708,625		

* 10-year Amortization of Unrecovered Reserve related to Amortization Accounting.

PART VII. SERVICE LIFE STATISTICS

ELECTRIC PLANT

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT
 ACCOUNT 370.01 METERS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



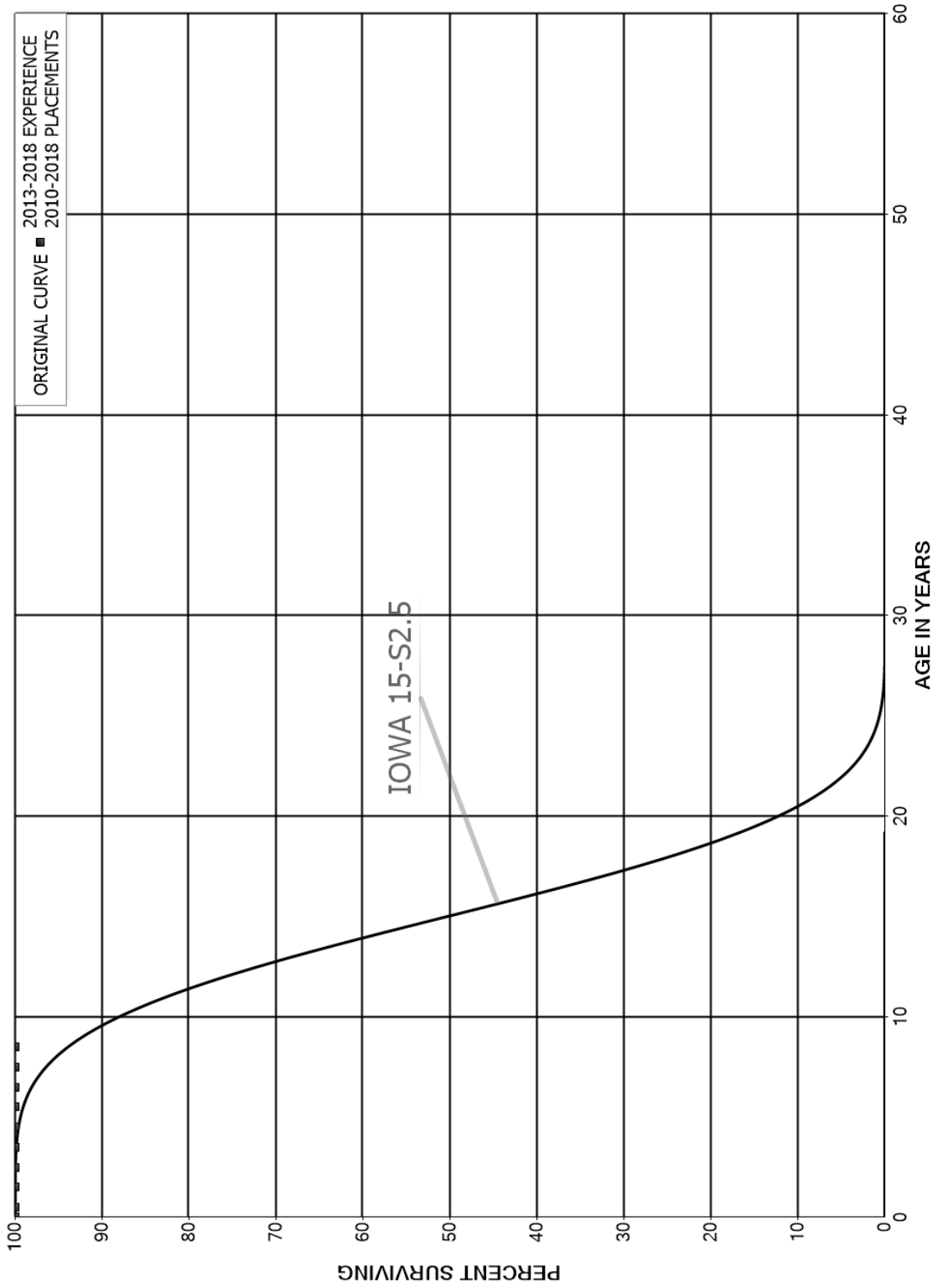
BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 370.01 METERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 2013-2018			EXPERIENCE BAND 2013-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	4,641,209		0.0000	1.0000	100.00
0.5	425,507		0.0000	1.0000	100.00
1.5	266,746		0.0000	1.0000	100.00
2.5	98,314		0.0000	1.0000	100.00
3.5	88,133		0.0000	1.0000	100.00
4.5	43,345		0.0000	1.0000	100.00
5.5					100.00

BLACK HILLS SERVICE COMPANY
ELECTRIC PLANT
ACCOUNT 370.04 METERS - AMI
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

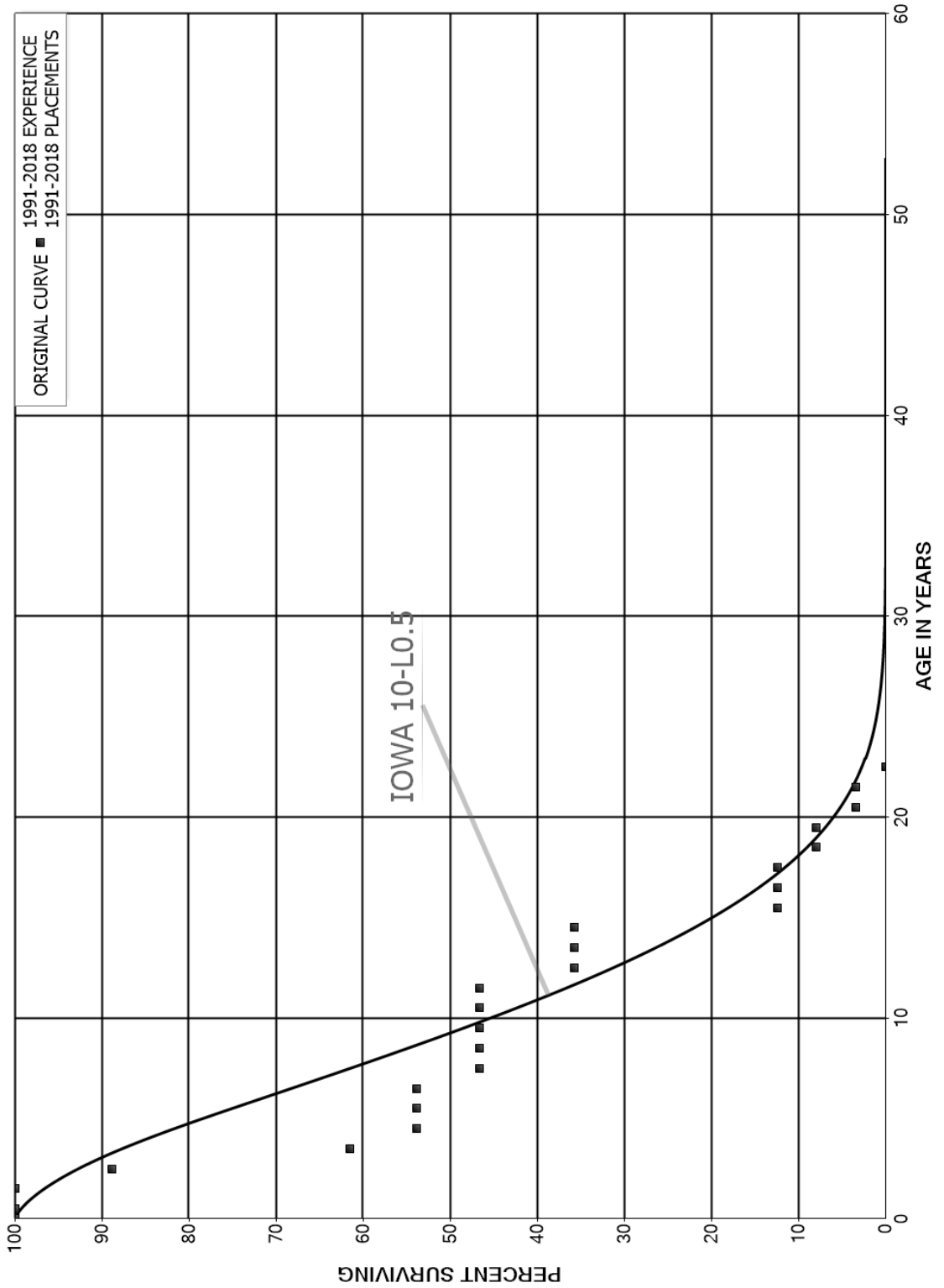
ACCOUNT 370.04 METERS - AMI

ORIGINAL LIFE TABLE

PLACEMENT BAND 2010-2018			EXPERIENCE BAND 2013-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	7,235,965		0.0000	1.0000	100.00
0.5	4,301,081		0.0000	1.0000	100.00
1.5	1,200,066		0.0000	1.0000	100.00
2.5	748,096		0.0000	1.0000	100.00
3.5	546,715		0.0000	1.0000	100.00
4.5	364,944		0.0000	1.0000	100.00
5.5	8,944		0.0000	1.0000	100.00
6.5	25,303		0.0000	1.0000	100.00
7.5	25,303		0.0000	1.0000	100.00
8.5					100.00

GAS PLANT

BLACK HILLS SERVICE COMPANY
 GAS PLANT
 ACCOUNT 378.00 MEASURING AND REGULATING STATION EQUIPMENT
 ORIGINAL AND SMOOTH SURVIVOR CURVES



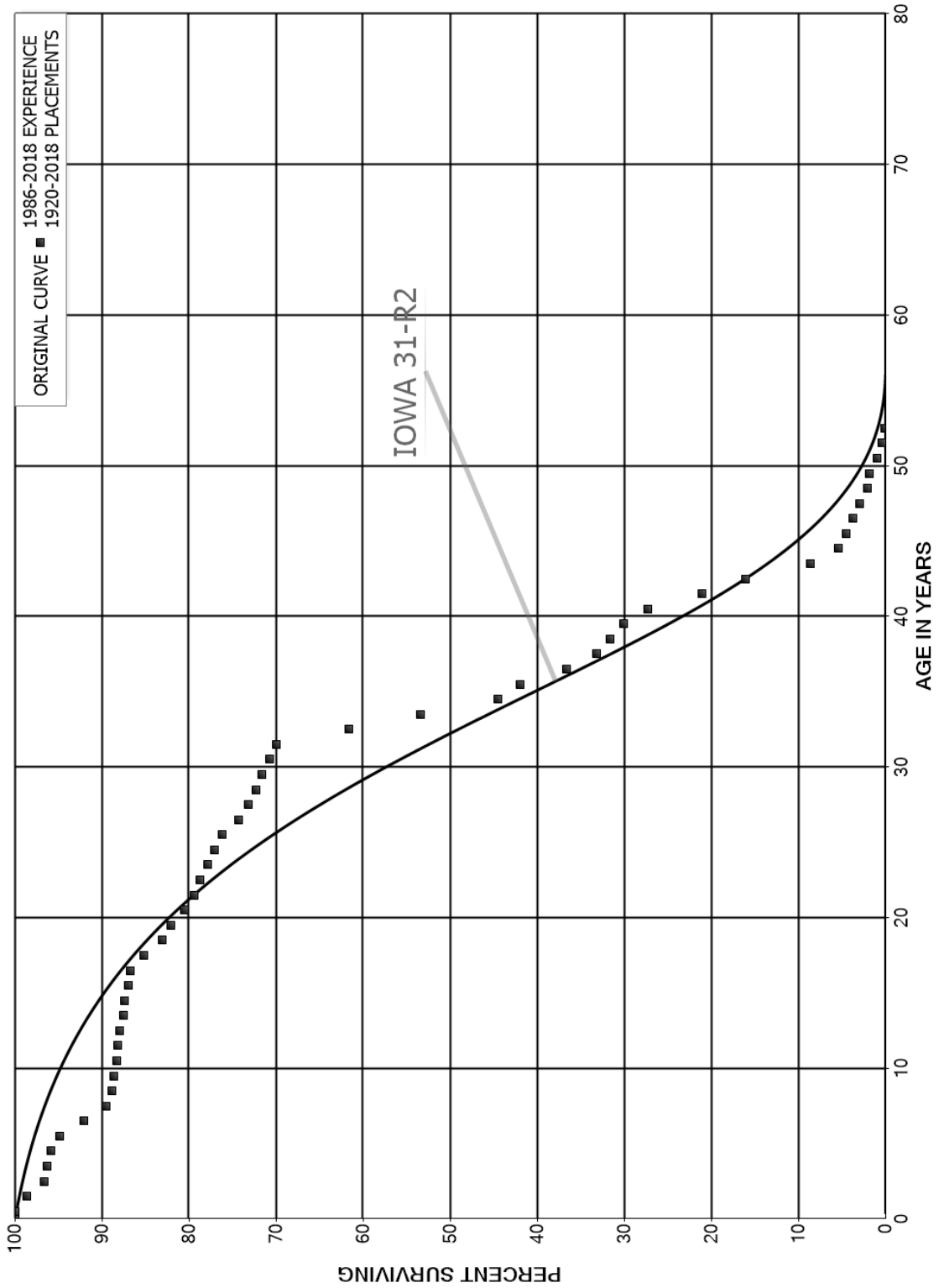
BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 378.00 MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1991-2018			EXPERIENCE BAND 1991-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	241,104		0.0000	1.0000	100.00
0.5	218,264		0.0000	1.0000	100.00
1.5	163,083	18,137	0.1112	0.8888	100.00
2.5	127,132	39,197	0.3083	0.6917	88.88
3.5	87,935	10,974	0.1248	0.8752	61.48
4.5	72,759		0.0000	1.0000	53.80
5.5	60,187		0.0000	1.0000	53.80
6.5	45,754	6,085	0.1330	0.8670	53.80
7.5	39,670		0.0000	1.0000	46.65
8.5	40,763		0.0000	1.0000	46.65
9.5	40,763		0.0000	1.0000	46.65
10.5	43,984		0.0000	1.0000	46.65
11.5	43,984	10,264	0.2333	0.7667	46.65
12.5	33,720		0.0000	1.0000	35.76
13.5	33,720		0.0000	1.0000	35.76
14.5	33,720	21,983	0.6519	0.3481	35.76
15.5	11,737		0.0000	1.0000	12.45
16.5	11,737		0.0000	1.0000	12.45
17.5	11,737	4,202	0.3580	0.6420	12.45
18.5	7,535		0.0000	1.0000	7.99
19.5	7,535	4,314	0.5725	0.4275	7.99
20.5	3,221		0.0000	1.0000	3.42
21.5	3,221	3,221	1.0000		3.42
22.5					

BLACK HILLS SERVICE COMPANY
 GAS PLANT
 ACCOUNT 381.00 METERS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 381.00 METERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1920-2018

EXPERIENCE BAND 1986-2018

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	66,174,624	49,011	0.0007	0.9993	100.00
0.5	57,826,973	771,881	0.0133	0.9867	99.93
1.5	47,630,760	947,702	0.0199	0.9801	98.59
2.5	42,776,500	161,078	0.0038	0.9962	96.63
3.5	40,053,866	170,093	0.0042	0.9958	96.27
4.5	38,812,483	422,569	0.0109	0.9891	95.86
5.5	36,607,458	1,068,216	0.0292	0.9708	94.81
6.5	33,718,913	916,424	0.0272	0.9728	92.05
7.5	32,669,533	276,949	0.0085	0.9915	89.55
8.5	31,803,271	53,440	0.0017	0.9983	88.79
9.5	30,935,627	128,569	0.0042	0.9958	88.64
10.5	30,231,982	36,121	0.0012	0.9988	88.27
11.5	29,386,343	66,817	0.0023	0.9977	88.16
12.5	29,233,648	147,253	0.0050	0.9950	87.96
13.5	28,632,525	32,561	0.0011	0.9989	87.52
14.5	27,967,764	137,479	0.0049	0.9951	87.42
15.5	28,080,179	84,839	0.0030	0.9970	86.99
16.5	27,515,641	482,413	0.0175	0.9825	86.73
17.5	28,062,747	693,145	0.0247	0.9753	85.21
18.5	26,774,038	348,587	0.0130	0.9870	83.10
19.5	25,801,378	476,177	0.0185	0.9815	82.02
20.5	24,868,368	331,737	0.0133	0.9867	80.51
21.5	23,911,610	209,000	0.0087	0.9913	79.43
22.5	23,015,993	264,815	0.0115	0.9885	78.74
23.5	22,473,505	231,720	0.0103	0.9897	77.83
24.5	22,729,712	261,724	0.0115	0.9885	77.03
25.5	21,818,090	534,317	0.0245	0.9755	76.14
26.5	20,586,297	319,108	0.0155	0.9845	74.28
27.5	19,382,903	214,878	0.0111	0.9889	73.13
28.5	18,493,809	169,150	0.0091	0.9909	72.32
29.5	18,095,738	228,718	0.0126	0.9874	71.66
30.5	17,499,867	183,348	0.0105	0.9895	70.75
31.5	17,144,840	2,061,977	0.1203	0.8797	70.01
32.5	13,757,352	1,842,234	0.1339	0.8661	61.59
33.5	10,943,558	1,811,151	0.1655	0.8345	53.34
34.5	7,892,973	462,919	0.0586	0.9414	44.51
35.5	7,356,778	931,187	0.1266	0.8734	41.90
36.5	6,378,091	592,412	0.0929	0.9071	36.60
37.5	5,774,017	276,560	0.0479	0.9521	33.20
38.5	5,223,751	247,167	0.0473	0.9527	31.61

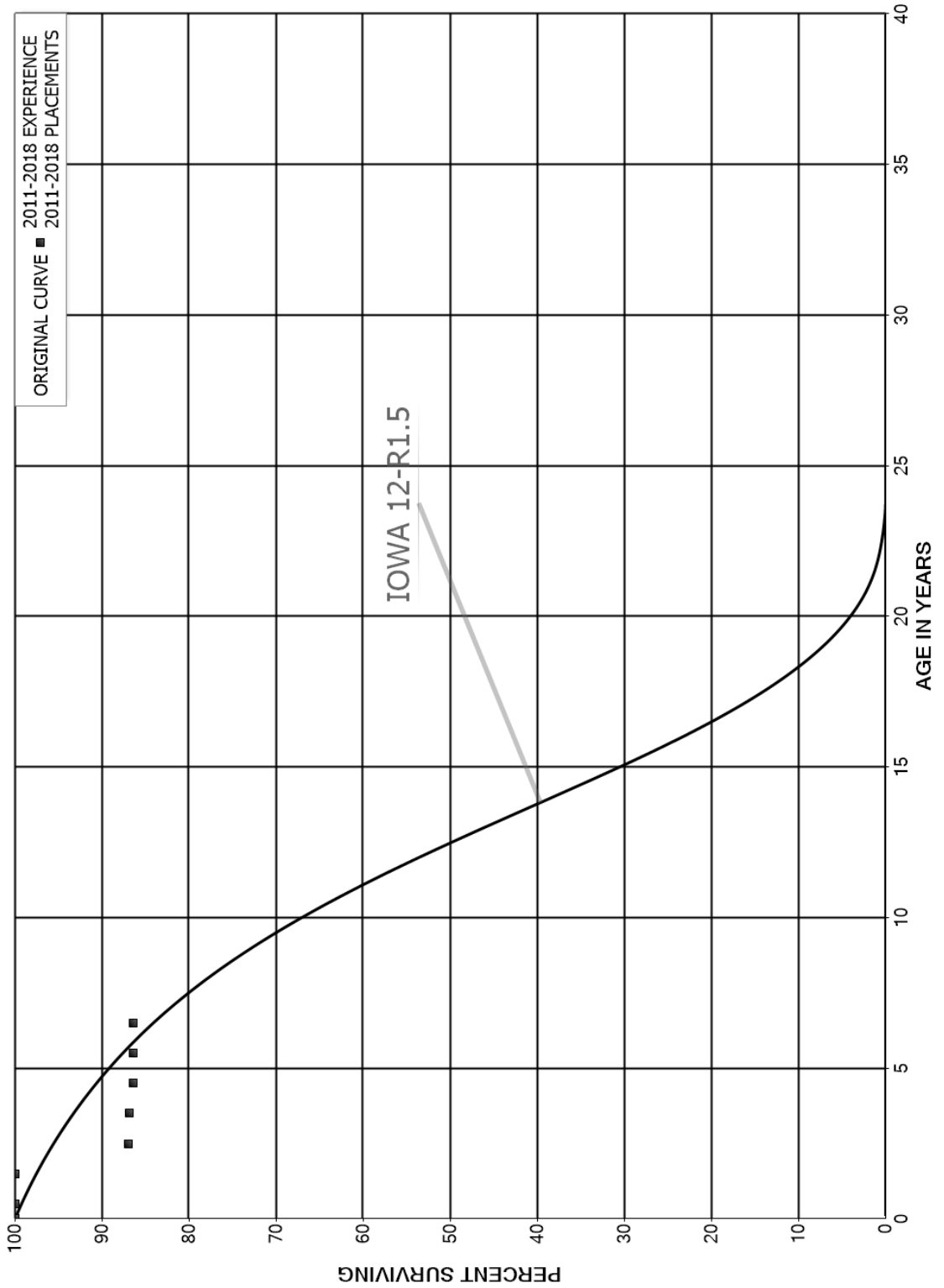
BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 381.00 METERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1920-2018			EXPERIENCE BAND 1986-2018			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
39.5	4,653,204	439,599	0.0945	0.9055	30.11	
40.5	3,979,825	898,873	0.2259	0.7741	27.27	
41.5	3,121,291	738,161	0.2365	0.7635	21.11	
42.5	2,454,105	1,148,811	0.4681	0.5319	16.12	
43.5	1,355,317	496,308	0.3662	0.6338	8.57	
44.5	888,725	152,921	0.1721	0.8279	5.43	
45.5	768,463	137,945	0.1795	0.8205	4.50	
46.5	631,424	121,568	0.1925	0.8075	3.69	
47.5	510,510	161,988	0.3173	0.6827	2.98	
48.5	350,240	36,253	0.1035	0.8965	2.03	
49.5	313,631	156,527	0.4991	0.5009	1.82	
50.5	156,867	90,468	0.5767	0.4233	0.91	
51.5	63,670	60,589	0.9516	0.0484	0.39	
52.5	3,032	90	0.0297	0.9703	0.02	
53.5	2,379	101	0.0426	0.9574	0.02	
54.5	13,908		0.0000	1.0000	0.02	
55.5	13,908		0.0000	1.0000	0.02	
56.5	13,908	51	0.0036	0.9964	0.02	
57.5	13,858		0.0000	1.0000	0.02	
58.5	13,646	13,646	1.0000		0.02	
59.5						
60.5						
61.5						
62.5	140		0.0000			
63.5	140		0.0000			
64.5	140		0.0000			
65.5	140		0.0000			
66.5	140		0.0000			
67.5	140	140	1.0000			
68.5						
69.5						
70.5						
71.5						
72.5						
73.5						
74.5	58,336		0.0000			
75.5	58,336		0.0000			
76.5	58,336		0.0000			
77.5	58,336		0.0000			
78.5	58,336	58,336	1.0000			
79.5						

BLACK HILLS SERVICE COMPANY
 GAS PLANT
 ACCOUNT 381.01 METERS - ERTS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



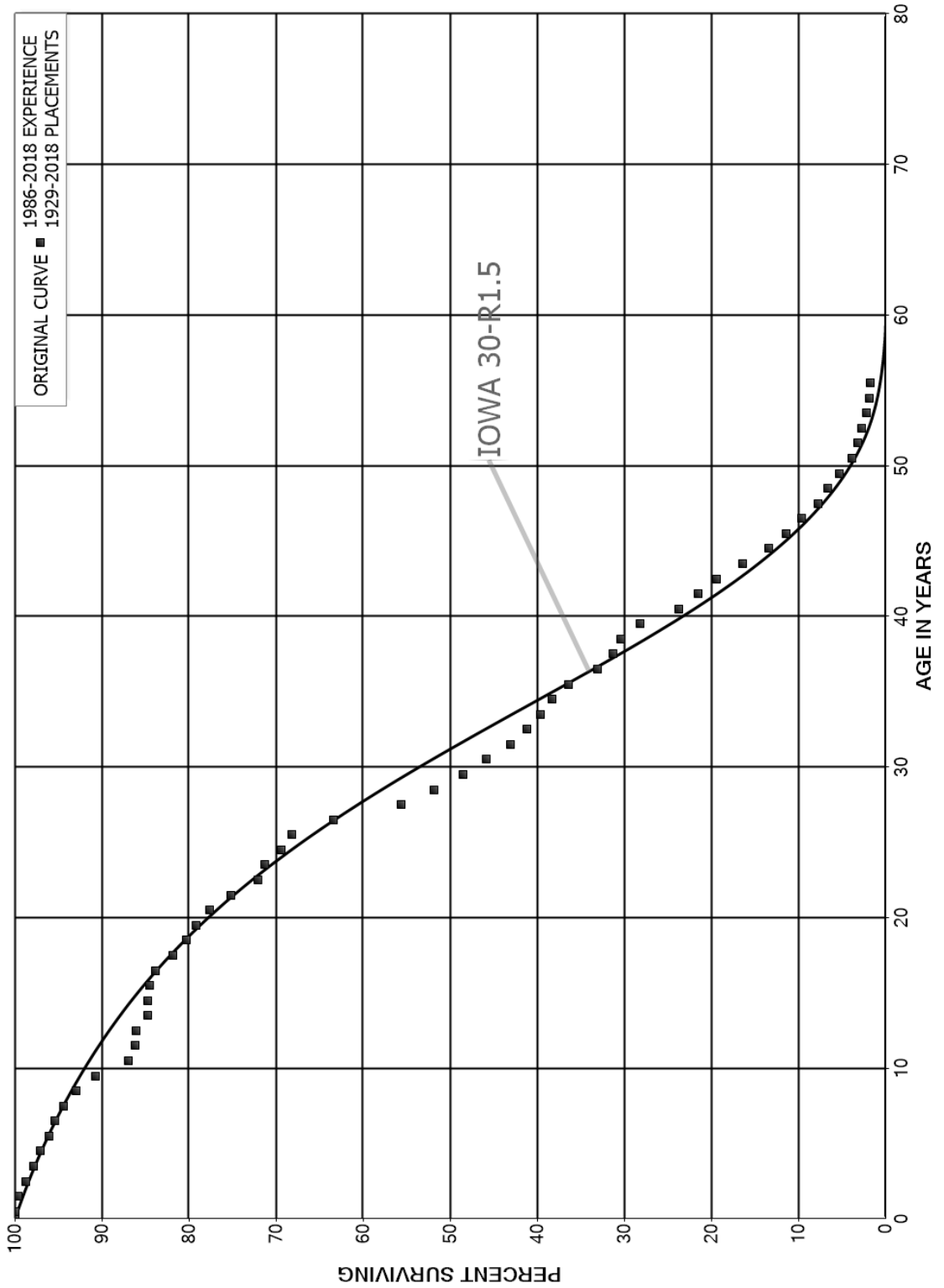
BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 381.01 METERS - ERTs

ORIGINAL LIFE TABLE

PLACEMENT BAND 2011-2018			EXPERIENCE BAND 2011-2018			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
0.0	11,301,357	101	0.0000	1.0000	100.00	
0.5	9,547,738	4,735	0.0005	0.9995	100.00	
1.5	2,807,144	366,681	0.1306	0.8694	99.95	
2.5	1,379,814	1,092	0.0008	0.9992	86.89	
3.5	598,664	2,880	0.0048	0.9952	86.82	
4.5	391,047		0.0000	1.0000	86.41	
5.5	241,180		0.0000	1.0000	86.41	
6.5					86.41	

BLACK HILLS SERVICE COMPANY
GAS PLANT
ACCOUNT 385.01 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 385.01 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1929-2018

EXPERIENCE BAND 1986-2018

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	18,127,265	6,637	0.0004	0.9996	100.00
0.5	15,829,749	61,004	0.0039	0.9961	99.96
1.5	13,238,694	115,308	0.0087	0.9913	99.58
2.5	11,272,639	97,690	0.0087	0.9913	98.71
3.5	11,008,168	89,414	0.0081	0.9919	97.86
4.5	11,103,952	113,497	0.0102	0.9898	97.06
5.5	10,587,097	75,534	0.0071	0.9929	96.07
6.5	10,267,778	109,972	0.0107	0.9893	95.38
7.5	9,899,831	149,876	0.0151	0.9849	94.36
8.5	9,450,069	227,083	0.0240	0.9760	92.93
9.5	8,879,951	363,952	0.0410	0.9590	90.70
10.5	8,707,103	81,731	0.0094	0.9906	86.98
11.5	8,561,142	5,914	0.0007	0.9993	86.17
12.5	8,450,377	130,334	0.0154	0.9846	86.11
13.5	8,227,496	1,516	0.0002	0.9998	84.78
14.5	7,930,042	21,541	0.0027	0.9973	84.76
15.5	7,764,342	62,943	0.0081	0.9919	84.53
16.5	7,558,758	179,922	0.0238	0.9762	83.85
17.5	7,337,386	138,265	0.0188	0.9812	81.85
18.5	7,198,992	97,095	0.0135	0.9865	80.31
19.5	7,127,181	149,571	0.0210	0.9790	79.23
20.5	6,812,829	210,981	0.0310	0.9690	77.56
21.5	6,373,700	262,963	0.0413	0.9587	75.16
22.5	5,876,338	64,433	0.0110	0.9890	72.06
23.5	5,796,204	153,318	0.0265	0.9735	71.27
24.5	5,343,907	97,257	0.0182	0.9818	69.38
25.5	4,955,340	343,262	0.0693	0.9307	68.12
26.5	4,455,323	548,253	0.1231	0.8769	63.40
27.5	3,690,605	251,548	0.0682	0.9318	55.60
28.5	3,401,589	215,448	0.0633	0.9367	51.81
29.5	3,122,440	172,315	0.0552	0.9448	48.53
30.5	2,925,055	174,336	0.0596	0.9404	45.85
31.5	2,644,505	116,908	0.0442	0.9558	43.12
32.5	2,298,810	89,010	0.0387	0.9613	41.21
33.5	2,067,603	70,504	0.0341	0.9659	39.62
34.5	1,910,395	95,057	0.0498	0.9502	38.27
35.5	1,738,867	156,912	0.0902	0.9098	36.36
36.5	1,538,630	81,880	0.0532	0.9468	33.08
37.5	1,439,481	44,016	0.0306	0.9694	31.32
38.5	1,237,483	87,489	0.0707	0.9293	30.36

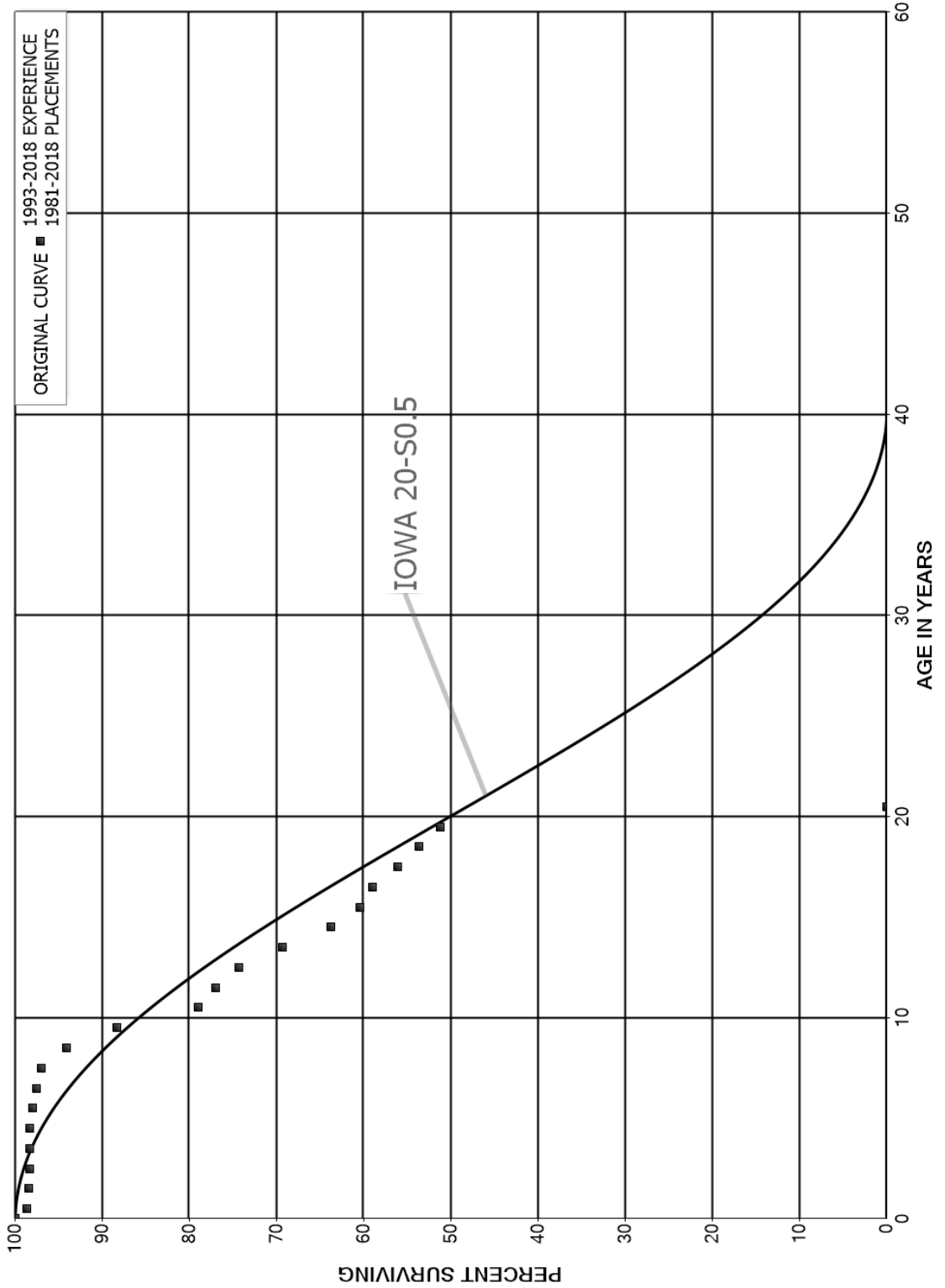
BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 385.01 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1929-2018			EXPERIENCE BAND 1986-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,081,729	171,624	0.1587	0.8413	28.22
40.5	896,189	82,915	0.0925	0.9075	23.74
41.5	808,793	82,514	0.1020	0.8980	21.54
42.5	716,345	110,831	0.1547	0.8453	19.35
43.5	595,326	106,259	0.1785	0.8215	16.35
44.5	487,781	74,049	0.1518	0.8482	13.43
45.5	406,379	61,601	0.1516	0.8484	11.39
46.5	349,047	69,983	0.2005	0.7995	9.67
47.5	258,397	39,005	0.1510	0.8490	7.73
48.5	205,510	41,088	0.1999	0.8001	6.56
49.5	163,554	43,244	0.2644	0.7356	5.25
50.5	116,965	20,345	0.1739	0.8261	3.86
51.5	96,279	13,609	0.1413	0.8587	3.19
52.5	78,159	14,890	0.1905	0.8095	2.74
53.5	59,293	10,539	0.1777	0.8223	2.22
54.5	40,651	3,280	0.0807	0.9193	1.82
55.5	34,522	8,160	0.2364	0.7636	1.68
56.5	25,830	6,213	0.2405	0.7595	1.28
57.5	18,046	2,927	0.1622	0.8378	0.97
58.5	15,332	4,332	0.2826	0.7174	0.81
59.5	9,664	287	0.0297	0.9703	0.58
60.5	9,377	1,086	0.1158	0.8842	0.57
61.5	8,291	739	0.0892	0.9108	0.50
62.5	7,027	137	0.0195	0.9805	0.46
63.5	6,890	1,190	0.1728	0.8272	0.45
64.5	4,879	529	0.1085	0.8915	0.37
65.5	4,350	1,696	0.3898	0.6102	0.33
66.5	2,655	853	0.3214	0.6786	0.20
67.5	1,801	458	0.2540	0.7460	0.14
68.5	1,344	1,272	0.9469	0.0531	0.10
69.5	71	71	1.0000		0.01
70.5					

BLACK HILLS SERVICE COMPANY
GAS PLANT
ACCOUNT 385.02 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT - INDUSTRIAL METERS
ORIGINAL AND SMOOTH SURVIVOR CURVES



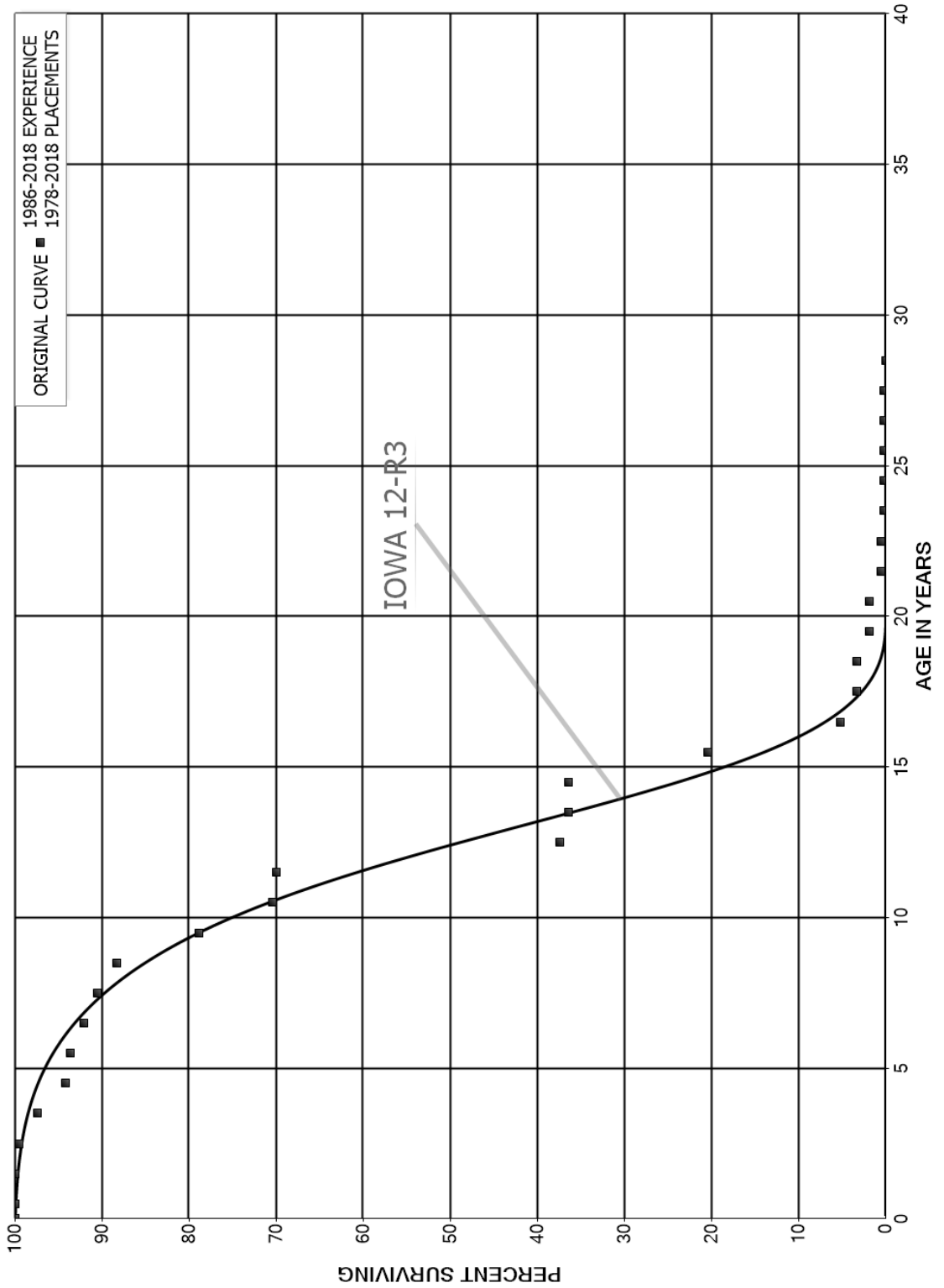
BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 385.02 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT -
 INDUSTRIAL METERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1981-2018			EXPERIENCE BAND 1993-2018			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
0.0	4,531,185	64,824	0.0143	0.9857	100.00	
0.5	4,064,893	8,521	0.0021	0.9979	98.57	
1.5	3,995,903	2,396	0.0006	0.9994	98.36	
2.5	3,870,471	1,888	0.0005	0.9995	98.30	
3.5	3,860,816		0.0000	1.0000	98.26	
4.5	3,707,002	11,994	0.0032	0.9968	98.26	
5.5	3,559,969	16,308	0.0046	0.9954	97.94	
6.5	2,718,751	13,907	0.0051	0.9949	97.49	
7.5	2,704,843	81,794	0.0302	0.9698	96.99	
8.5	2,567,944	158,502	0.0617	0.9383	94.06	
9.5	2,196,225	230,291	0.1049	0.8951	88.25	
10.5	1,732,786	44,937	0.0259	0.9741	79.00	
11.5	1,355,621	47,228	0.0348	0.9652	76.95	
12.5	1,229,511	81,777	0.0665	0.9335	74.27	
13.5	1,000,899	80,356	0.0803	0.9197	69.33	
14.5	920,543	48,056	0.0522	0.9478	63.76	
15.5	871,086	21,051	0.0242	0.9758	60.43	
16.5	493,709	24,803	0.0502	0.9498	58.97	
17.5	229,477	9,736	0.0424	0.9576	56.01	
18.5	25,970	1,175	0.0453	0.9547	53.63	
19.5	5,198	5,198	1.0000		51.21	
20.5						

BLACK HILLS SERVICE COMPANY
GAS PLANT
ACCOUNT 387.00 OTHER EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS SERVICE COMPANY
 GAS PLANT

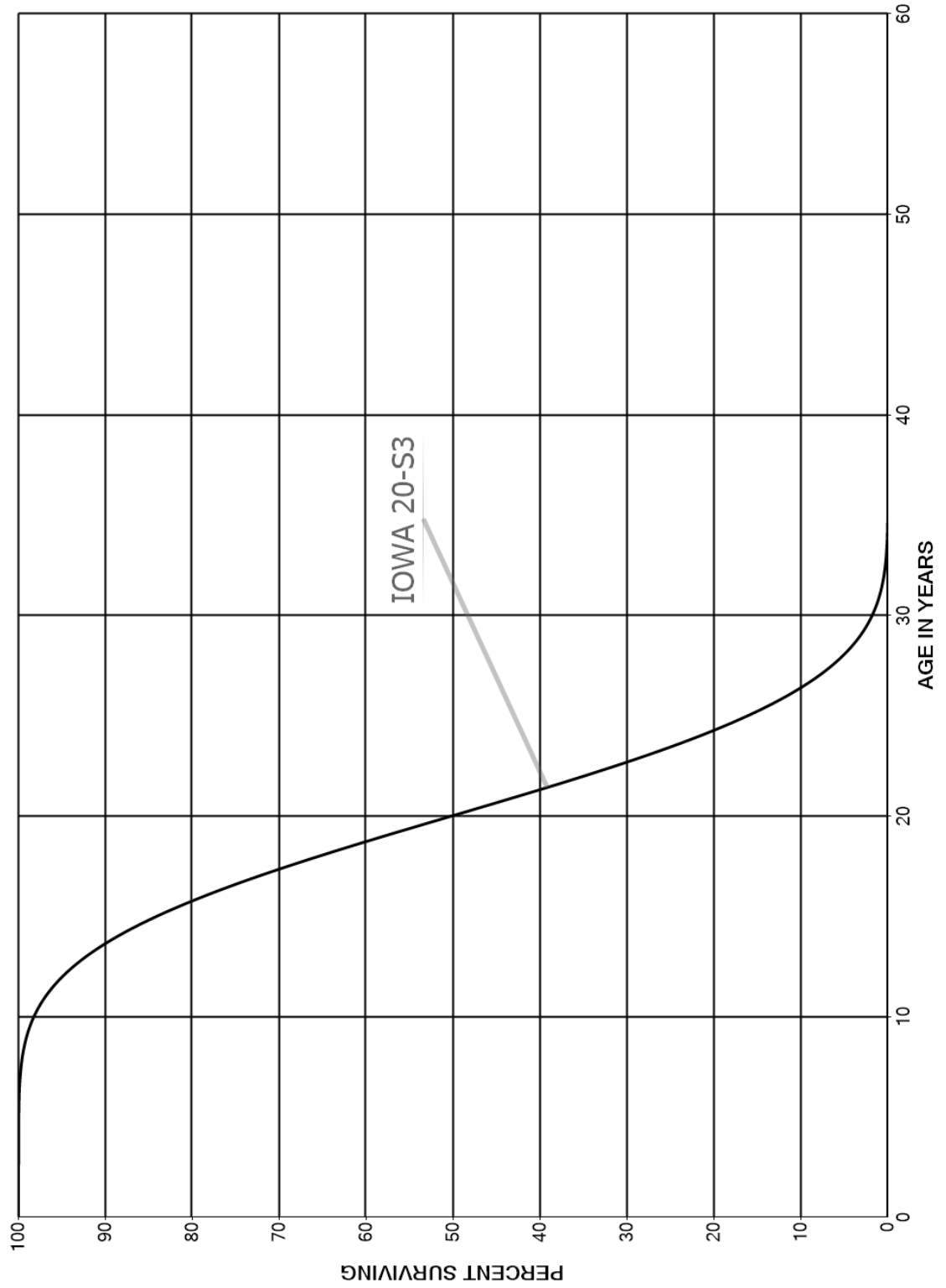
ACCOUNT 387.00 OTHER EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1978-2018			EXPERIENCE BAND 1986-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	244,282		0.0000	1.0000	100.00
0.5	258,209		0.0000	1.0000	100.00
1.5	102,315	519	0.0051	0.9949	100.00
2.5	89,079	1,856	0.0208	0.9792	99.49
3.5	87,093	2,908	0.0334	0.9666	97.42
4.5	73,212	454	0.0062	0.9938	94.17
5.5	75,625	1,237	0.0164	0.9836	93.58
6.5	75,219	1,229	0.0163	0.9837	92.05
7.5	75,149	1,842	0.0245	0.9755	90.55
8.5	66,442	7,162	0.1078	0.8922	88.33
9.5	66,442	7,048	0.1061	0.8939	78.81
10.5	61,336	421	0.0069	0.9931	70.45
11.5	61,336	28,595	0.4662	0.5338	69.96
12.5	38,145	1,001	0.0262	0.9738	37.35
13.5	27,539		0.0000	1.0000	36.37
14.5	24,117	10,606	0.4398	0.5602	36.37
15.5	36,453	27,135	0.7444	0.2556	20.37
16.5	39,876	15,124	0.3793	0.6207	5.21
17.5	27,539		0.0000	1.0000	3.23
18.5	27,539	11,689	0.4245	0.5755	3.23
19.5	13,437		0.0000	1.0000	1.86
20.5	9,220	6,630	0.7192	0.2808	1.86
21.5	9,220		0.0000	1.0000	0.52
22.5	9,220	5,797	0.6288	0.3712	0.52
23.5	3,423		0.0000	1.0000	0.19
24.5	3,423		0.0000	1.0000	0.19
25.5	3,423		0.0000	1.0000	0.19
26.5	3,423		0.0000	1.0000	0.19
27.5	3,423	3,423	1.0000		0.19
28.5					

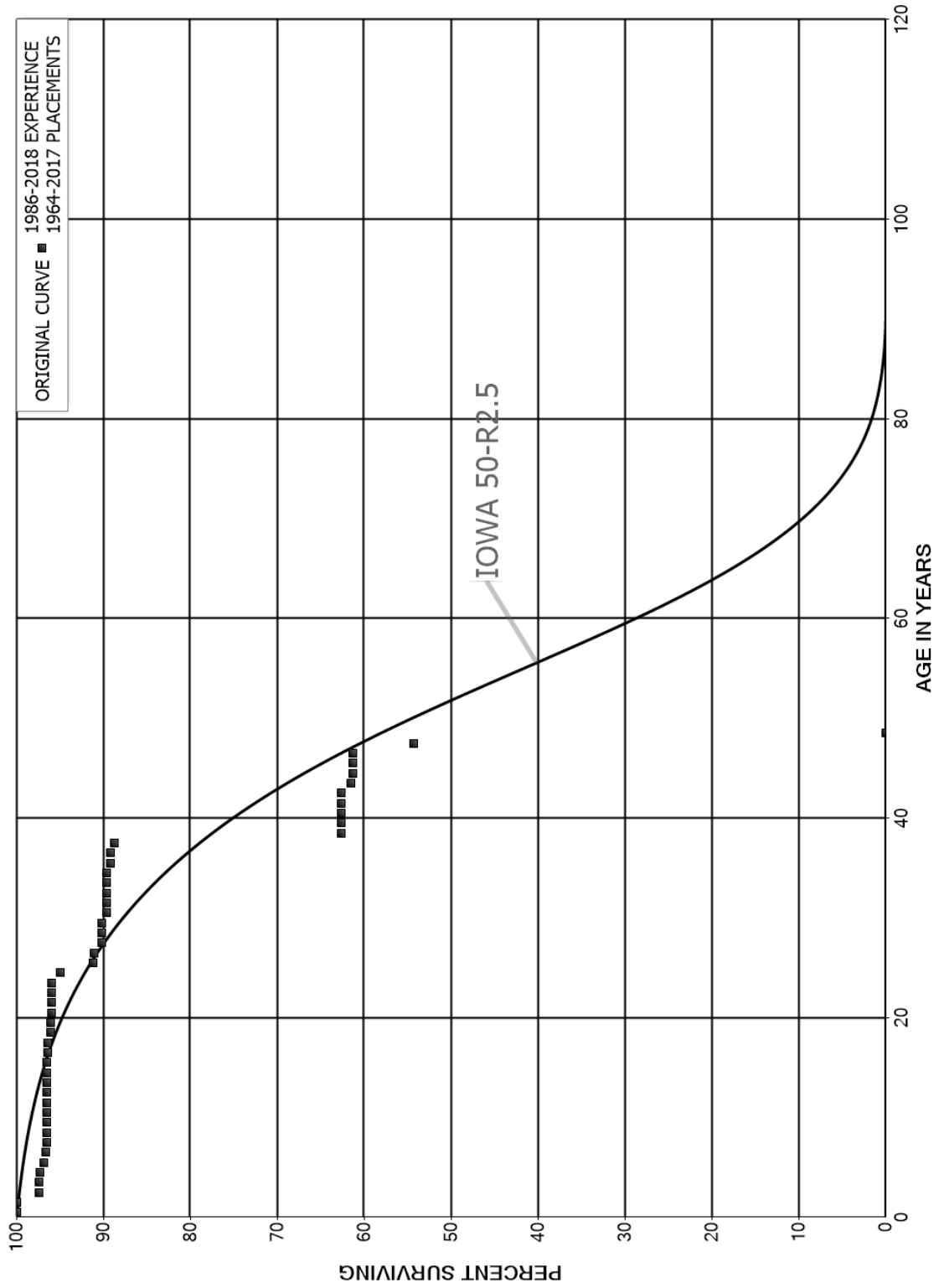
COMMON PLANT

BLACK HILLS SERVICE COMPANY
COMMON PLANT
ACCOUNT 390.51 STRUCTURES AND IMPROVEMENTS - LEASED
SMOOTH SURVIVOR CURVE



ELECTRIC, GAS AND COMMON PLANT

BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT
 ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS - OWNED
 ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS - OWNED

ORIGINAL LIFE TABLE

PLACEMENT BAND 1964-2017			EXPERIENCE BAND 1986-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	11,244,400		0.0000	1.0000	100.00
0.5	11,244,400		0.0000	1.0000	100.00
1.5	11,343,658	301,249	0.0266	0.9734	100.00
2.5	10,430,346		0.0000	1.0000	97.34
3.5	11,477,779	7,736	0.0007	0.9993	97.34
4.5	11,422,883	50,325	0.0044	0.9956	97.28
5.5	10,827,579	21,291	0.0020	0.9980	96.85
6.5	10,739,492	17,634	0.0016	0.9984	96.66
7.5	4,762,631	17	0.0000	1.0000	96.50
8.5	4,291,799		0.0000	1.0000	96.50
9.5	1,622,677		0.0000	1.0000	96.50
10.5	1,620,364		0.0000	1.0000	96.50
11.5	1,446,770		0.0000	1.0000	96.50
12.5	1,456,171		0.0000	1.0000	96.50
13.5	1,310,571		0.0000	1.0000	96.50
14.5	1,312,006		0.0000	1.0000	96.50
15.5	1,542,498	1,175	0.0008	0.9992	96.50
16.5	1,528,371		0.0000	1.0000	96.43
17.5	438,311	1,804	0.0041	0.9959	96.43
18.5	449,606		0.0000	1.0000	96.03
19.5	1,564,206	489	0.0003	0.9997	96.03
20.5	1,599,799	732	0.0005	0.9995	96.00
21.5	1,584,690		0.0000	1.0000	95.96
22.5	1,580,645	470	0.0003	0.9997	95.96
23.5	1,582,282	15,785	0.0100	0.9900	95.93
24.5	1,549,581	62,463	0.0403	0.9597	94.97
25.5	1,478,197	1,435	0.0010	0.9990	91.14
26.5	1,483,466	13,918	0.0094	0.9906	91.05
27.5	1,469,530		0.0000	1.0000	90.20
28.5	1,461,102		0.0000	1.0000	90.20
29.5	1,461,102	10,101	0.0069	0.9931	90.20
30.5	1,416,103		0.0000	1.0000	89.58
31.5	1,416,103		0.0000	1.0000	89.58
32.5	1,184,219		0.0000	1.0000	89.58
33.5	1,179,659		0.0000	1.0000	89.58
34.5	1,129,449	4,874	0.0043	0.9957	89.58
35.5	1,125,809	108	0.0001	0.9999	89.19
36.5	57,597	329	0.0057	0.9943	89.18
37.5	57,597	16,916	0.2937	0.7063	88.67
38.5	40,681		0.0000	1.0000	62.63

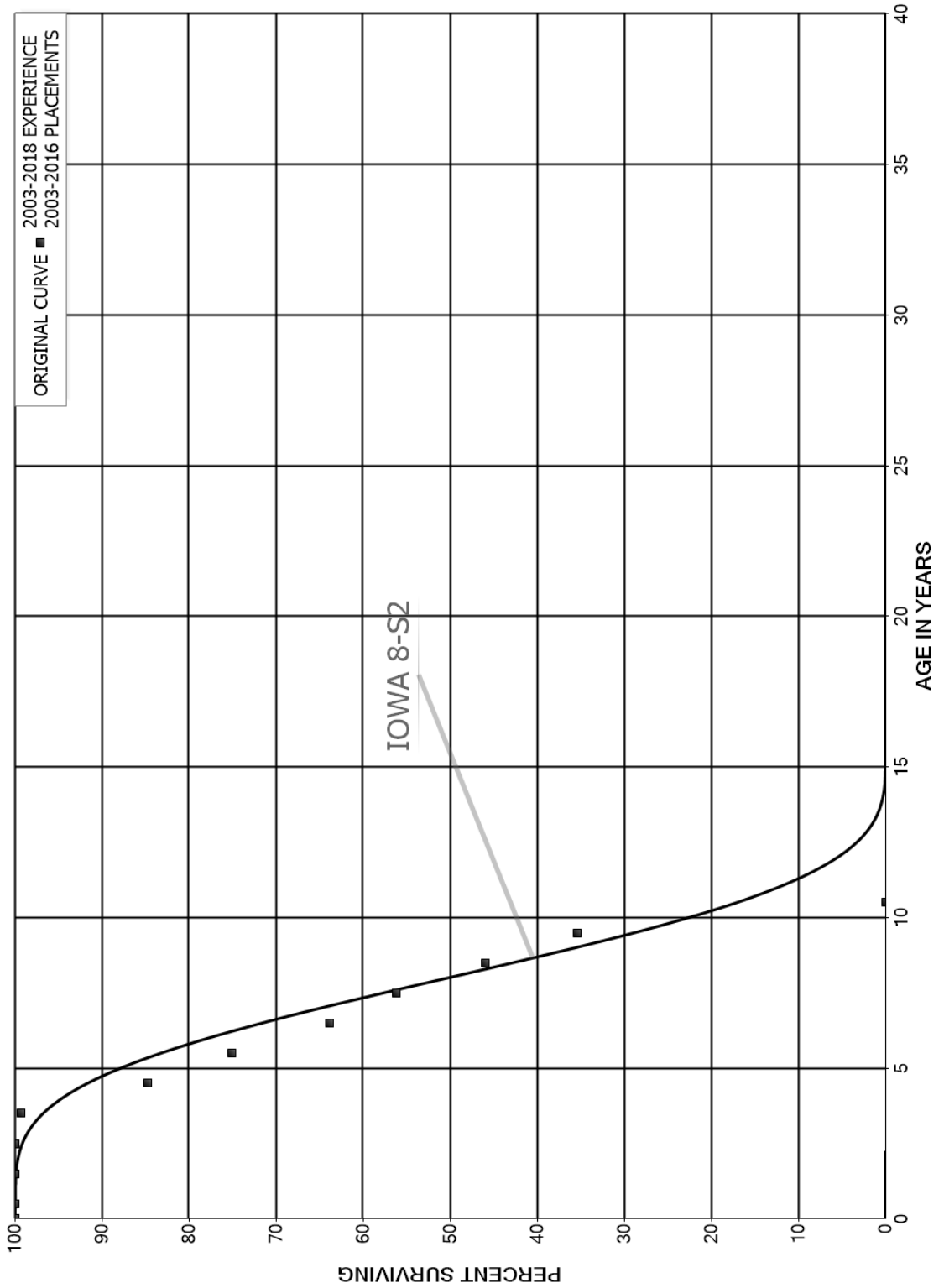
BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS - OWNED

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1964-2017			EXPERIENCE BAND 1986-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	40,681		0.0000	1.0000	62.63
40.5	40,681		0.0000	1.0000	62.63
41.5	40,681		0.0000	1.0000	62.63
42.5	40,681	743	0.0183	0.9817	62.63
43.5	39,939	146	0.0037	0.9963	61.49
44.5	39,792		0.0000	1.0000	61.26
45.5	39,792		0.0000	1.0000	61.26
46.5	39,792	4,560	0.1146	0.8854	61.26
47.5	35,232	35,232	1.0000		54.24
48.5					

BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT
 ACCOUNT 392.02 TRANSPORTATION EQUIPMENT - CARS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



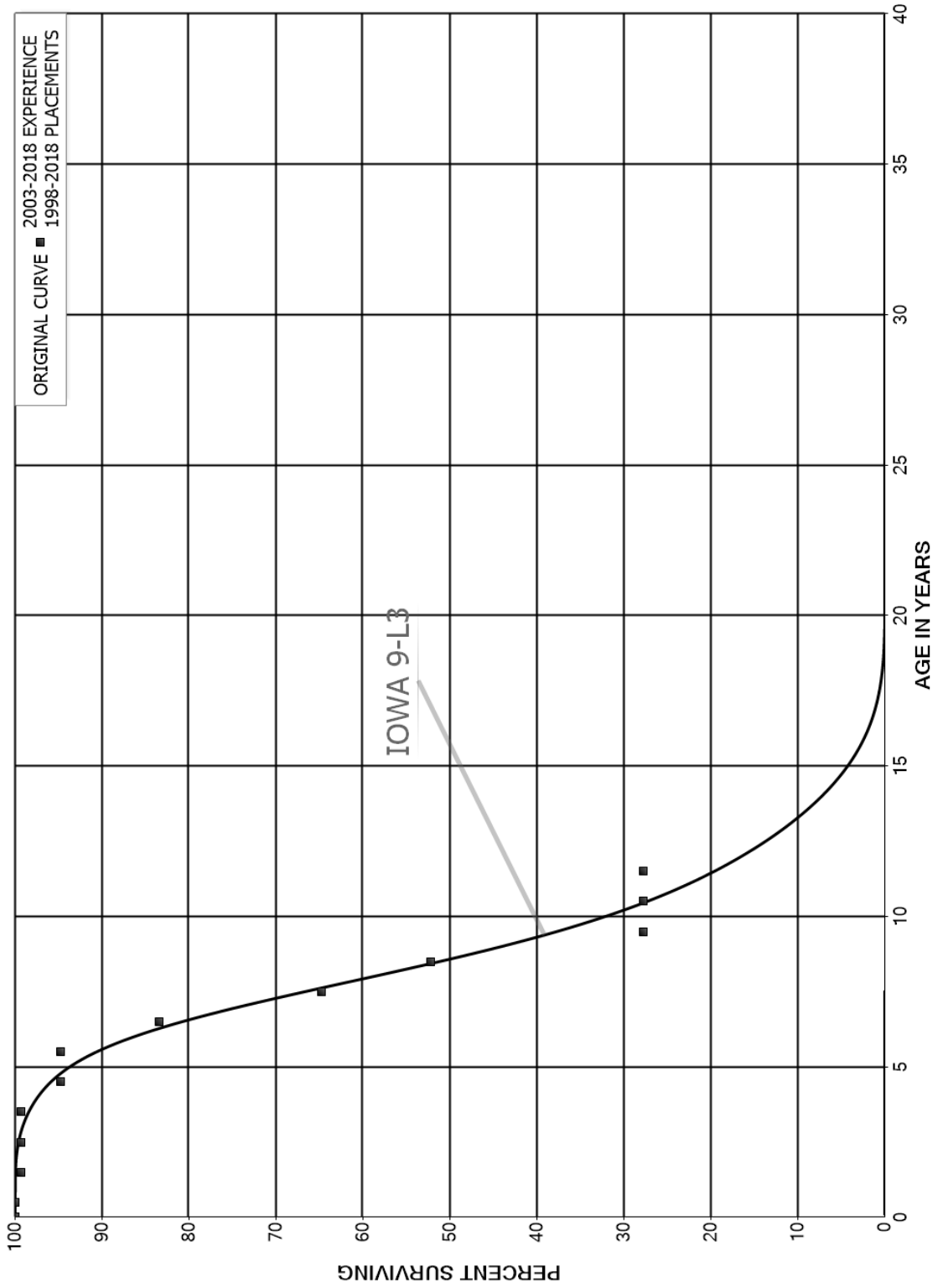
BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT

ACCOUNT 392.02 TRANSPORTATION EQUIPMENT - CARS

ORIGINAL LIFE TABLE

PLACEMENT BAND 2003-2016			EXPERIENCE BAND 2003-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	246,593		0.0000	1.0000	100.00
0.5	329,339		0.0000	1.0000	100.00
1.5	325,490		0.0000	1.0000	100.00
2.5	356,927	2,450	0.0069	0.9931	100.00
3.5	426,813	62,738	0.1470	0.8530	99.31
4.5	409,973	46,504	0.1134	0.8866	84.72
5.5	412,599	61,785	0.1497	0.8503	75.11
6.5	141,911	17,109	0.1206	0.8794	63.86
7.5	105,019	18,995	0.1809	0.8191	56.16
8.5	86,024	19,825	0.2305	0.7695	46.00
9.5	51,013	51,013	1.0000		35.40
10.5					

BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT
 ACCOUNT 392.03 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



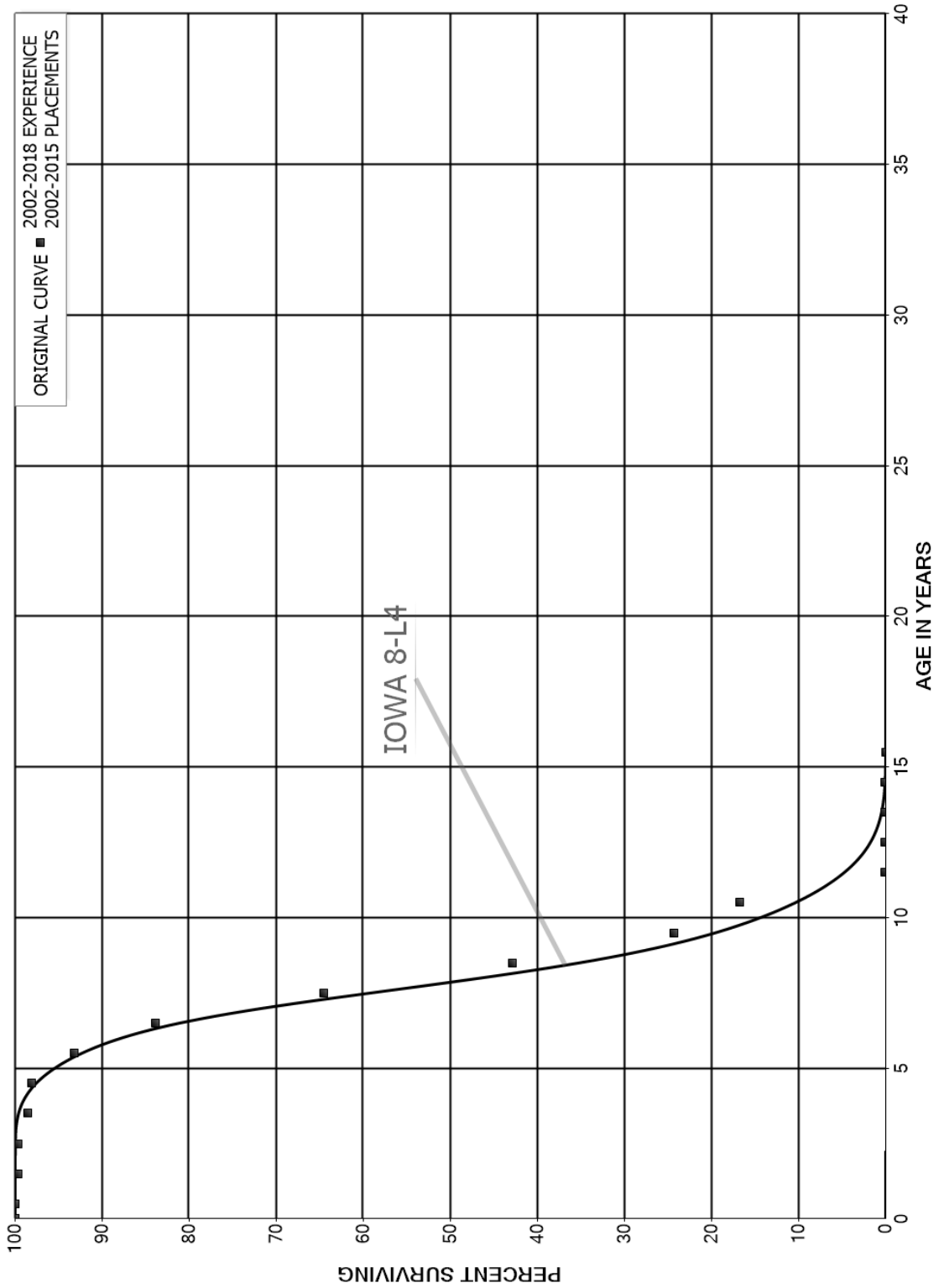
BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT

ACCOUNT 392.03 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1998-2018			EXPERIENCE BAND 2003-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	3,937,369		0.0000	1.0000	100.00
0.5	3,445,357	25,188	0.0073	0.9927	100.00
1.5	2,734,615		0.0000	1.0000	99.27
2.5	1,827,988		0.0000	1.0000	99.27
3.5	976,674	44,884	0.0460	0.9540	99.27
4.5	816,101		0.0000	1.0000	94.71
5.5	589,131	70,507	0.1197	0.8803	94.71
6.5	280,022	62,739	0.2241	0.7759	83.37
7.5	152,146	29,449	0.1936	0.8064	64.69
8.5	196,211	91,970	0.4687	0.5313	52.17
9.5	41,262		0.0000	1.0000	27.72
10.5	41,262		0.0000	1.0000	27.72
11.5					27.72
12.5					
13.5	22,243	22,243	1.0000		
14.5					

BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT
 ACCOUNT 392.04 TRANSPORTATION EQUIPMENT - MEDIUM TRUCKS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



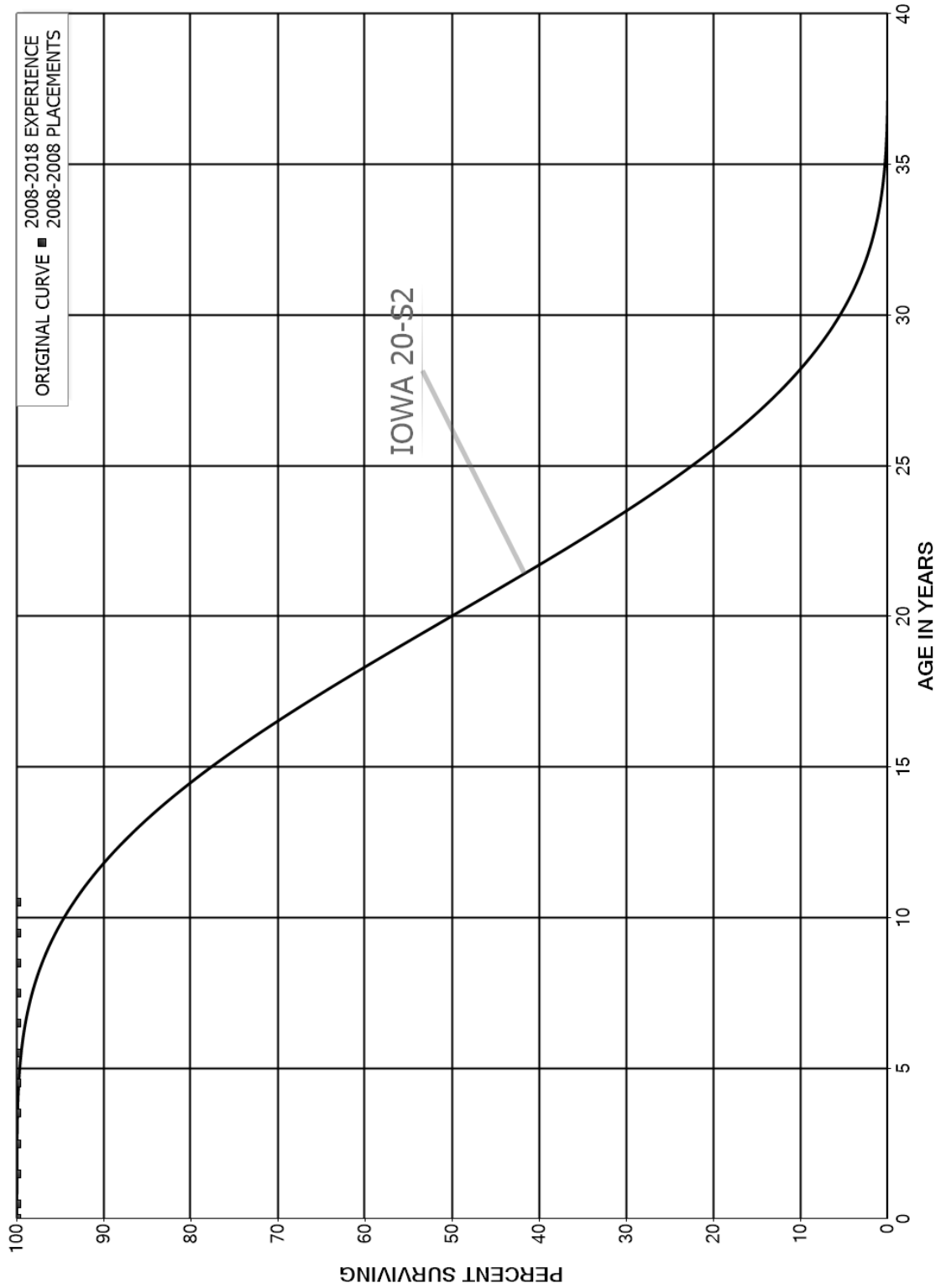
BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT

ACCOUNT 392.04 TRANSPORTATION EQUIPMENT - MEDIUM TRUCKS

ORIGINAL LIFE TABLE

PLACEMENT BAND 2002-2015			EXPERIENCE BAND 2002-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,968,285		0.0000	1.0000	100.00
0.5	1,968,285	8,147	0.0041	0.9959	100.00
1.5	2,007,580		0.0000	1.0000	99.59
2.5	2,007,580	21,319	0.0106	0.9894	99.59
3.5	2,051,542	10,761	0.0052	0.9948	98.53
4.5	1,549,824	76,497	0.0494	0.9506	98.01
5.5	1,169,973	117,298	0.1003	0.8997	93.17
6.5	1,063,743	245,342	0.2306	0.7694	83.83
7.5	605,081	203,228	0.3359	0.6641	64.50
8.5	417,097	181,041	0.4340	0.5660	42.83
9.5	235,226	72,937	0.3101	0.6899	24.24
10.5	88,641	88,097	0.9939	0.0061	16.73
11.5	41,806	15,514	0.3711	0.6289	0.10
12.5	12,777		0.0000	1.0000	0.06
13.5	12,777		0.0000	1.0000	0.06
14.5	12,777	12,777	1.0000		0.06
15.5					

BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT
 ACCOUNT 392.06 TRANSPORTATION EQUIPMENT - TRAILERS
 ORIGINAL AND SMOOTH SURVIVOR CURVES



BLACK HILLS SERVICE COMPANY
 ELECTRIC, GAS AND COMMON PLANT

ACCOUNT 392.06 TRANSPORTATION EQUIPMENT - TRAILERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 2008-2008			EXPERIENCE BAND 2008-2018		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	42,990		0.0000	1.0000	100.00
0.5	42,990		0.0000	1.0000	100.00
1.5	42,990		0.0000	1.0000	100.00
2.5	42,990		0.0000	1.0000	100.00
3.5	47,167		0.0000	1.0000	100.00
4.5	47,167		0.0000	1.0000	100.00
5.5	47,167		0.0000	1.0000	100.00
6.5	47,167		0.0000	1.0000	100.00
7.5	47,167		0.0000	1.0000	100.00
8.5	47,167		0.0000	1.0000	100.00
9.5	47,167		0.0000	1.0000	100.00
10.5					100.00

PART VIII. NET SALVAGE STATISTICS

GAS PLANT

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 378.00 MEASURING AND REGULATING STATION EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2013	118,376		0		0		0
2014							
2015							
2016							
2017							
2018							
TOTAL	118,376		0		0		0
THREE-YEAR MOVING AVERAGES							
13-15	39,459		0		0		0
14-16							
15-17							
16-18							
FIVE-YEAR AVERAGE							
14-18							

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 381.00 METERS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2005	1,162,308	30,568	3		0	30,568-	3-
2006	1,735,263	40,683	2		0	40,683-	2-
2007	1,338,077	25,333	2	21,627	2	3,706-	0
2008	1,577,062	50,262	3	550	0	49,712-	3-
2009	1,404,297	21,967	2		0	21,967-	2-
2010	1,470,046	365	0		0	365-	0
2011	2,003,753	47,373	2	21,446	1	25,927-	1-
2012	2,029,962	2,786	0	66,940	3	64,154	3
2013	1,679,470		0	63,171	4	63,171	4
2014	4,003,458		0	105,238	3	105,238	3
2015	16,922		0	58,731	347	58,731	347
2016	18,795		0	32,301	172	32,301	172
2017							
2018	224,294	366	0	175,943	78	175,577	78
TOTAL	18,663,707	219,703	1	545,948	3	326,244	2

THREE-YEAR MOVING AVERAGES

05-07	1,411,883	32,195	2	7,209	1	24,986-	2-
06-08	1,550,134	38,759	3	7,392	0	31,367-	2-
07-09	1,439,812	32,521	2	7,392	1	25,128-	2-
08-10	1,483,802	24,198	2	183	0	24,014-	2-
09-11	1,626,032	23,235	1	7,149	0	16,086-	1-
10-12	1,834,587	16,841	1	29,462	2	12,621	1
11-13	1,904,395	16,720	1	50,519	3	33,799	2
12-14	2,570,964	929	0	78,450	3	77,521	3
13-15	1,899,950		0	75,713	4	75,713	4
14-16	1,346,392		0	65,424	5	65,424	5
15-17	11,906		0	30,344	255	30,344	255
16-18	81,030	122	0	69,415	86	69,293	86

FIVE-YEAR AVERAGE

14-18	852,694	73	0	74,443	9	74,369	9
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BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 381.01 METERS - ERTS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2013	431,722	466	0		0	466-	0
2014	1,203	20,783		3,277	272	17,506-	
2015	4,580	27,706	605	1,956	43	25,749-	562-
2016	2,829		0	3,544	125	3,544	125
2017							
2018	569	68,080		16,026-		84,106-	
TOTAL	440,904	117,035	27	7,249-	2-	124,284-	28-

THREE-YEAR MOVING AVERAGES

13-15	145,835	16,318	11	1,744	1	14,574-	10-
14-16	2,871	16,163	563	2,926	102	13,237-	461-
15-17	2,470	9,235	374	1,833	74	7,402-	300-
16-18	1,133	22,693		4,161-	367-	26,854-	

FIVE-YEAR AVERAGE

14-18	1,836	23,314		1,450-	79-	24,764-	
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BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 385.01 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2005	370,842		0		0		0
2006	383,009	2,089	1		0	2,089-	1-
2007	295,783	2,834	1	2,138	1	697-	0
2008	1,530,815	604	0		0	604-	0
2009	388,324	42-	0		0	42	0
2010	510,219	467	0		0	467-	0
2011	150,232	479	0	207	0	272-	0
2012	549,895	14	0	2,318	0	2,304	0
2013	583,796		0	23,325	4	23,325	4
2014	242,724		0		0		0
2015	28,048		0	273	1	273	1
2016	2,133		0		0		0
2017							
2018	74		0		0		0
TOTAL	5,035,895	6,445	0	28,260	1	21,816	0

THREE-YEAR MOVING AVERAGES

05-07	349,878	1,641	0	713	0	929-	0
06-08	736,536	1,843	0	713	0	1,130-	0
07-09	738,307	1,132	0	713	0	419-	0
08-10	809,786	343	0		0	343-	0
09-11	349,592	301	0	69	0	232-	0
10-12	403,449	320	0	841	0	522	0
11-13	427,974	164	0	8,616	2	8,452	2
12-14	458,805	5	0	8,548	2	8,543	2
13-15	284,856		0	7,866	3	7,866	3
14-16	90,969		0	91	0	91	0
15-17	10,061		0	91	1	91	1
16-18	736		0		0		0

FIVE-YEAR AVERAGE

14-18	54,596		0	55	0	55	0
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BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 385.02 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT -
 INDUSTRIAL METERS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2008	8,236		0		0		0
2009	379,542	90-	0		0	90	0
2010	296,120		0		0		0
2011	70,464		0		0		0
2012	120,810		0	67	0	67	0
2013	13,431		0	2,212	16	2,212	16
2014							
2015							
2016							
2017							
2018							
TOTAL	888,604	90-	0	2,279	0	2,368	0

THREE-YEAR MOVING AVERAGES

08-10	227,966	30-	0		0	30	0
09-11	248,709	30-	0		0	30	0
10-12	162,465		0	22	0	22	0
11-13	68,235		0	760	1	760	1
12-14	44,747		0	760	2	760	2
13-15	4,477		0	737	16	737	16
14-16							
15-17							
16-18							

FIVE-YEAR AVERAGE

14-18

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 387.00 OTHER EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2013	81,624	1,802	2	4,903	6	3,101	4
2014							
2015							
2016							
2017							
2018							
TOTAL	81,624	1,802	2	4,903	6	3,101	4
THREE-YEAR MOVING AVERAGES							
13-15	27,208	601	2	1,634	6	1,034	4
14-16							
15-17							
16-18							
FIVE-YEAR AVERAGE							
14-18							

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS - OWNED

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2006	1,804		0		0		0
2007	13,246		0		0		0
2008	743		0		0		0
2009							
2010							
2011							
2012							
2013	177,066		0	100	0	100	0
2014	470		0		0		0
2015	19,791		0		0		0
2016							
2017	87,441		0		0		0
2018	3,141		0		0		0
TOTAL	303,702		0	100	0	100	0

THREE-YEAR MOVING AVERAGES

06-08	5,264		0		0		0
07-09	4,663		0		0		0
08-10	248		0		0		0
09-11							
10-12							
11-13	59,022		0	33	0	33	0
12-14	59,179		0	33	0	33	0
13-15	65,776		0	33	0	33	0
14-16	6,754		0		0		0
15-17	35,744		0		0		0
16-18	30,194		0		0		0

FIVE-YEAR AVERAGE

14-18	22,169		0		0		0
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BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 392.03 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2015	36,229		0	2,233	6	2,233	6
2016							
2017							
2018							
TOTAL	36,229		0	2,233	6	2,233	6
THREE-YEAR MOVING AVERAGES							
15-17	12,076		0	744	6	744	6
16-18							

COMMON PLANT

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS - OWNED

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2013		1,000-				1,000	
2014	10,000	5,000	50		0	5,000-	50-
2015	1,500	1,000	67		0	1,000-	67-
2016							
2017	252,630		0		0		0
2018	3,342,591	188,209	6	2,663,478	80	2,475,269	74
TOTAL	3,606,722	193,209	5	2,663,478	74	2,470,269	68

THREE-YEAR MOVING AVERAGES

13-15	3,833	1,667	43		0	1,667-	43-
14-16	3,833	2,000	52		0	2,000-	52-
15-17	84,710	333	0		0	333-	0
16-18	1,198,407	62,736	5	887,826	74	825,090	69

FIVE-YEAR AVERAGE

14-18	721,344	38,842	5	532,696	74	493,854	68
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BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 392.02 TRANSPORTATION EQUIPMENT - CARS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2012	11,575		0	1,845	16	1,845	16
2013	52,561		0	1,833	3	1,833	3
2014	62,738		0	1,855	3	1,855	3
2015	25,911		0	3,060	12	3,060	12
2016	58,624		0	3,595	6	3,595	6
2017	18,995		0	2,960	16	2,960	16
2018							
TOTAL	230,405		0	15,148	7	15,148	7

THREE-YEAR MOVING AVERAGES

12-14	42,292		0	1,844	4	1,844	4
13-15	47,070		0	2,249	5	2,249	5
14-16	49,091		0	2,837	6	2,837	6
15-17	34,510		0	3,205	9	3,205	9
16-18	25,873		0	2,185	8	2,185	8

FIVE-YEAR AVERAGE

14-18	33,254		0	2,294	7	2,294	7
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BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 392.03 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2012	36,243		0	2,973	8	2,973	8
2013	13,600		0	1,795	13	1,795	13
2014							
2015	34,278		0	6,818	20	6,818	20
2016	29,449		0	2,900	10	2,900	10
2017	104,469		0	19,219	18	19,219	18
2018	67,523		0	26,003	39	26,003	39
TOTAL	285,562		0	59,708	21	59,708	21

THREE-YEAR MOVING AVERAGES

12-14	16,614		0	1,589	10	1,589	10
13-15	15,959		0	2,871	18	2,871	18
14-16	21,242		0	3,239	15	3,239	15
15-17	56,065		0	9,646	17	9,646	17
16-18	67,147		0	16,041	24	16,041	24

FIVE-YEAR AVERAGE

14-18	47,144		0	10,988	23	10,988	23
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BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 392.04 TRANSPORTATION EQUIPMENT - MEDIUM TRUCKS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
2011	33,388		0	4,464	13	4,464	13
2012	82,003		0	56,261	69	56,261	69
2013	36,876		0	12,977	35	12,977	35
2014	240,998		0	20,428	8	20,428	8
2015	133,466		0	41,771	31	41,771	31
2016	130,446		0	34,312	26	34,312	26
2017	261,450		0	42,265	16	42,265	16
2018	123,569		0	27,529	22	27,529	22
TOTAL	1,042,197		0	240,007	23	240,007	23

THREE-YEAR MOVING AVERAGES

11-13	50,756		0	24,567	48	24,567	48
12-14	119,959		0	29,889	25	29,889	25
13-15	137,113		0	25,059	18	25,059	18
14-16	168,303		0	32,170	19	32,170	19
15-17	175,121		0	39,449	23	39,449	23
16-18	171,822		0	34,702	20	34,702	20

FIVE-YEAR AVERAGE

14-18	177,986		0	33,261	19	33,261	19
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PART IX. DETAILED DEPRECIATION CALCULATIONS

ELECTRIC PLANT

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 370.01 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-R2.5						
NET SALVAGE PERCENT.. 0						
2013	19,891.29	3,915	2,943	16,948	20.08	844
2014	7,049.75	1,134	852	6,198	20.98	295
2015	9,657.47	1,201	903	8,754	21.89	400
2016	111,318.85	9,752	7,330	103,989	22.81	4,559
2018	22,337.15	348	262	22,075	24.61	897
	170,254.51	16,350	12,290	157,965		6,995
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						22.6 4.11

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 370.04 METERS - AMI

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 15-S2.5						
NET SALVAGE PERCENT.. 0						
2010	25,303.17	13,225	24,432	871	7.16	122
2013	368,356.66	128,925	238,182	130,175	9.75	13,351
2014	84,598.89	24,252	44,804	39,795	10.70	3,719
2015	163,161.54	36,113	66,717	96,445	11.68	8,257
2016	306,041.70	47,537	87,822	218,220	12.67	17,223
2017	1,015,737.01	90,065	166,391	849,346	13.67	62,132
2018	705,473.14	19,753	36,493	668,980	14.58	45,883
	2,668,672.11	359,870	664,841	2,003,831		150,687
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						13.3 5.65

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS - OWNED

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
NET SALVAGE PERCENT.. 0						
2013	351,570.87	35,087	36,167	315,404	45.01	7,007
	351,570.87	35,087	36,167	315,404		7,007
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						45.0 1.99

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 391.01 OFFICE FURNITURE AND EQUIPMENT - FURNITURE AND EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2012	31,800.16	10,065	10,067	21,733	13.67	1,590
2013	2,467.38	658	658	1,809	14.67	123
	34,267.54	10,723	10,725	23,543		1,713
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						13.7 5.00

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 391.03 OFFICE FURNITURE AND EQUIPMENT - HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
NET SALVAGE PERCENT.. 0						
2012	49,687.50	49,688	49,688			
	49,687.50	49,688	49,688			
AMORTIZED						
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2013	277,198.23	277,198	277,198			
2014	578,181.10	500,705	420,137	158,044	0.67	158,044
2015	103,086.98	68,656	57,609	45,478	1.67	27,232
2016	123,536.42	57,568	48,305	75,232	2.67	28,177
2017	96,332.74	25,625	21,502	74,831	3.67	20,390
2018	621,277.91	52,187	43,790	577,488	4.58	126,089
	1,799,613.38	981,939	868,540	931,073		359,932
	1,849,300.88	1,031,627	918,228	931,073		359,932
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						2.6 19.46

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 391.04 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
NET SALVAGE PERCENT.. 0						
2006	126,582.97	126,583	126,583			
2008	84,083.47	84,083	84,083			
2009	5,500.00	5,500	5,500			
2010	2,503,887.97	2,503,888	2,503,888			
	2,720,054.41	2,720,054	2,720,054			
AMORTIZED						
SURVIVOR CURVE.. 7-SQUARE						
NET SALVAGE PERCENT.. 0						
2011	286,164.54	286,165	286,165			
2012	5,731,500.24	5,182,938	4,900,181	831,320	0.67	831,320
2013	235,368.33	179,217	169,440	65,929	1.67	39,478
2014	505,160.79	312,477	295,430	209,731	2.67	78,551
2015	777,131.75	369,689	349,520	427,611	3.67	116,515
2016	2,599,643.12	865,317	818,109	1,781,534	4.67	381,485
2017	684,521.36	130,059	122,964	561,558	5.67	99,040
2018	594,460.25	35,668	33,722	560,738	6.58	85,219
	11,413,950.38	7,361,530	6,975,530	4,438,420		1,631,608
	14,134,004.79	10,081,584	9,695,584	4,438,420		1,631,608
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						2.7 11.54

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 391.07 OFFICE FURNITURE AND EQUIPMENT - IPAD HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2018	10,790.04	906	905	9,885	4.58	2,158
	10,790.04	906	905	9,885		2,158
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						4.6 20.00

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 392.03 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-L3						
NET SALVAGE PERCENT.. +20						
2009	17,985.84	10,152	10,622	3,767	2.65	1,422
2013	46,830.85	20,397	21,341	16,124	4.10	3,933
2015	84,965.27	24,545	25,681	42,291	5.75	7,355
2016	125,526.58	25,775	26,968	73,453	6.69	10,980
2018	45,075.42	1,322	1,383	34,677	8.67	4,000
	320,383.96	82,191	85,995	170,312		27,690
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						6.2 8.64

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 395.00 LABORATORY EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2015	27,774.25	4,624	4,623	23,151	16.67	1,389
2016	15,349.25	1,788	1,787	13,562	17.67	768
	43,123.50	6,412	6,410	36,714		2,157
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						17.0 5.00

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 397.00 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2015	72,585.43	16,114	16,115	56,470	11.67	4,839
	72,585.43	16,114	16,115	56,470		4,839
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						11.7 6.67

BLACK HILLS SERVICE COMPANY
 ELECTRIC PLANT

ACCOUNT 397.10 COMMUNICATION EQUIPMENT - TOWERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2010	45,194.16	15,059	15,058	30,136	16.67	1,808
2012	4,168.62	1,055	1,055	3,114	18.67	167
2013	49,658.62	10,587	10,587	39,072	19.67	1,986
2014	13,363.28	2,315	2,315	11,048	20.67	534
	112,384.68	29,016	29,015	83,370		4,495
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						18.5 4.00

GAS PLANT

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 378.00 MEASURING AND REGULATING STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 10-L0.5						
NET SALVAGE PERCENT.. -5						
2012	18,634.80	6,985	2,584	16,983	6.43	2,641
2013	12,571.60	4,224	1,563	11,637	6.80	1,711
2016	17,814.70	3,217	1,190	17,515	8.28	2,115
2017	55,180.34	6,142	2,272	55,667	8.94	6,227
2018	26,572.61	1,004	371	27,530	9.64	2,856
	130,774.05	21,572	7,980	129,333		15,550
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						8.3 11.89

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 381.00 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 31-R2						
NET SALVAGE PERCENT.. +2						
1979	38,393.92	31,266	62,582-	100,208	5.24	19,124
1980	3,975.56	3,195	6,395-	10,291	5.58	1,844
1981	4,443.79	3,522	7,050-	11,405	5.93	1,923
1982	248.60	194	388-	632	6.30	100
1983	570.92	439	879-	1,439	6.69	215
1984	3,479.00	2,629	5,262-	8,671	7.10	1,221
1985	1,069.52	794	1,589-	2,637	7.52	351
1986	6,071.33	4,422	8,851-	14,801	7.96	1,859
1987	2,038.06	1,455	2,912-	4,909	8.42	583
1988	5,757.17	4,022	8,050-	13,692	8.90	1,538
1989	3,455.32	2,359	4,722-	8,108	9.40	863
1990	4,174.84	2,783	5,570-	9,661	9.91	975
1991	6,948.42	4,514	9,035-	15,844	10.45	1,516
1992	4,946.84	3,128	6,261-	11,109	11.00	1,010
1993	3,646.02	2,238	4,480-	8,053	11.58	695
1994	3,416.98	2,034	4,071-	7,420	12.17	610
1996	2,773.90	1,542	3,086-	5,804	13.41	433
1997	62,092.62	33,271	66,596-	127,447	14.05	9,071
1998	3,002.12	1,546	3,094-	6,036	14.71	410
1999	801.33	395	791-	1,576	15.39	102
2000	51.44	24	48-	98	16.08	6
2001	586.28	263	526-	1,101	16.79	66
2002	1,804.40	769	1,539-	3,307	17.51	189
2003	104.38	42	84-	186	18.24	10
2004	2,074.41	788	1,577-	3,610	18.99	190
2005	2,005.46	713	1,427-	3,392	19.76	172
2006	2,105.90	697	1,395-	3,459	20.53	168
2008	520.20	146	292-	802	22.12	36
2013	29,526.34	4,397	8,801-	37,737	26.29	1,435
2016	29,097.11	1,922	3,847-	32,362	28.91	1,119
2017	507,954.32	19,270	38,572-	536,367	29.80	17,999
2018	2,168,102.44	20,567	41,168-	2,165,908	30.70	70,551
	2,905,238.94	155,346	310,940-	3,158,074		136,384

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 23.2 4.69

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 381.01 METERS - ERTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 12-R1.5						
NET SALVAGE PERCENT.. 0						
2017	1,025,684.05	92,312	58,284	967,400	10.92	88,590
2018	1,173,726.85	26,409	16,674	1,157,053	11.73	98,640
	2,199,410.90	118,721	74,958	2,124,453		187,230
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						11.3 8.51

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 385.01 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R1.5						
NET SALVAGE PERCENT.. -5						
1954	820.16	861	861			
1956	788.44	828	828			
1963	2,043.47	2,028	1,096	1,050	1.65	636
1964	977.20	960	519	507	1.94	261
1973	599.21	542	293	336	4.16	81
1975	985.28	871	471	564	4.74	119
1980	1,729.33	1,434	775	1,041	6.31	165
1982	73.75	59	32	45	7.01	6
1986	2,255.19	1,689	912	1,456	8.60	169
1989	1,347.03	945	510	904	9.96	91
1990	4,739.61	3,243	1,752	3,225	10.45	309
1991	8,279.20	5,517	2,980	5,713	10.96	521
1992	6,244.01	4,047	2,186	4,370	11.48	381
1993	2,999.67	1,888	1,020	2,130	12.02	177
1994	1,808.84	1,103	596	1,303	12.58	104
1995	3,118.14	1,838	993	2,281	13.16	173
1996	4,705.75	2,676	1,446	3,495	13.75	254
1997	1,969.45	1,078	582	1,486	14.36	103
2002	209,753.55	91,032	49,176	171,065	17.60	9,720
2003	3,520.08	1,443	780	2,916	18.29	159
2004	122,403.75	47,168	25,480	103,044	18.99	5,426
2005	43,979.03	15,854	8,564	37,614	19.70	1,909
2006	73,791.12	24,742	13,366	64,115	20.42	3,140
2007	170,113.07	52,693	28,465	150,154	21.15	7,099
2008	70,183.44	19,921	10,761	62,932	21.89	2,875
2009	82,929.73	21,362	11,540	75,536	22.64	3,336
2010	153,183.04	35,438	19,144	141,698	23.39	6,058
2011	115,502.52	23,609	12,753	108,525	24.16	4,492
2012	93,948.55	16,671	9,006	89,640	24.93	3,596
2013	55,707.06	8,364	4,518	53,974	25.71	2,099
2015	7,057.74	669	361	7,050	27.29	258
2016	52,320.14	3,479	1,879	53,057	28.10	1,888
2017	240,211.44	9,163	4,950	247,272	28.91	8,553
2018	838,017.49	9,969	5,386	874,532	29.66	29,485
	2,378,105.48	413,184	223,981	2,273,030		93,643

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.3 3.94

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 385.02 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT -
 INDUSTRIAL METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-S0.5						
NET SALVAGE PERCENT.. 0						
2018	52,440.31	865	17,151	35,289	19.67	1,794
	52,440.31	865	17,151	35,289		1,794
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						19.7 3.42

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 387.00 OTHER EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 12-R3						
NET SALVAGE PERCENT.. 0						
2014	13,881.53	4,754	11,754	2,128	7.89	270
2015	13,377.67	3,567	8,820	4,558	8.80	518
2016	9,989.70	1,881	4,650	5,340	9.74	548
2018	1,876.48	52	129	1,747	11.67	150
	39,125.38	10,254	25,353	13,772		1,486
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.3						3.80

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS - OWNED

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
NET SALVAGE PERCENT.. 0						
1982	1,104,186.68	668,254	1,059,655	44,532	19.74	2,256
1983	2,996.98	1,773	2,811	186	20.42	9
1984	14,127.12	8,165	12,947	1,180	21.10	56
1986	232,030.43	127,570	202,289	29,741	22.51	1,321
1988	34,751.95	18,099	28,700	6,052	23.96	253
1990	8,428.04	4,138	6,562	1,866	25.45	73
1991	17.05	8	13	4	26.21	
1992	11,542.50	5,312	8,423	3,120	26.99	116
1993	8,920.00	3,966	6,289	2,631	27.77	95
1995	2,767.58	1,143	1,812	956	29.35	33
1996	4,045.00	1,605	2,545	1,500	30.16	50
1997	9,832.45	3,740	5,931	3,901	30.98	126
1999	3,979.16	1,382	2,191	1,788	32.63	55
2006	4,950.27	1,122	1,779	3,171	38.67	82
2007	68,366.22	14,275	22,636	45,730	39.56	1,156
2008	3,426.47	654	1,037	2,389	40.45	59
2009	6,384.00	1,104	1,751	4,633	41.35	112
2011	74,337.32	10,154	16,101	58,236	43.17	1,349
2012	40,917.11	4,836	7,669	33,248	44.09	754
2013	42,214.91	4,213	6,681	35,534	45.01	789
2014	11,913.69	967	1,533	10,381	45.94	226
2015	17,582.65	1,101	1,746	15,837	46.87	338
2017	47,882.12	1,207	1,914	45,968	48.74	943
	1,755,599.70	884,788	1,403,015	352,585		10,251

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 34.4 0.58

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 391.01 OFFICE FURNITURE AND EQUIPMENT - FURNITURE AND EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
NET SALVAGE PERCENT.. 0						
1981	4,674.85	4,675	4,675			
	4,674.85	4,675	4,675			
AMORTIZED						
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
1998	746.74	747	747			
2004	2,149.64	1,540	1,500	649	5.67	114
2007	17,716.83	10,037	9,779	7,938	8.67	916
2018	3,026.36	50	49	2,978	19.67	151
	23,639.57	12,374	12,075	11,565		1,181
	28,314.42	17,049	16,750	11,565		1,181
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						9.8 4.17

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 391.03 OFFICE FURNITURE AND EQUIPMENT - HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
NET SALVAGE PERCENT.. 0						
2012	5,751.83	5,752	5,752			
	5,751.83	5,752	5,752			
AMORTIZED						
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2014	70,351.25	60,924	60,165	10,186	0.67	10,186
2015	619,724.41	412,736	407,595	212,129	1.67	127,023
2016	303,696.74	141,523	139,760	163,937	2.67	61,400
2017	102,422.57	27,244	26,905	75,518	3.67	20,577
	1,096,194.97	642,427	634,425	461,770		219,186
	1,101,946.80	648,179	640,177	461,770		219,186
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 2.1						19.89

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 391.04 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
NET SALVAGE PERCENT.. 0						
2002	144,657.97	144,658	144,658			
2004	212,896.28	212,896	212,896			
2005	133,714.95	133,715	133,715			
2006	87,992.74	87,993	87,993			
2008	7,000.00	7,000	7,000			
	586,261.94	586,262	586,262			
AMORTIZED						
SURVIVOR CURVE.. 7-SQUARE						
NET SALVAGE PERCENT.. 0						
2012	106,794.22	96,573	95,868	10,926	0.67	10,926
2013	422,457.96	321,672	319,323	103,135	1.67	61,757
2014	1,823,156.74	1,127,750	1,119,515	703,642	2.67	263,536
2015	60,995.63	29,016	28,804	32,192	3.67	8,772
	2,413,404.55	1,575,011	1,563,510	849,895		344,991
	2,999,666.49	2,161,273	2,149,772	849,895		344,991
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						2.5 11.50

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 392.03 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-L3						
NET SALVAGE PERCENT.. +20						
2011	25,316.91	13,322	11,531	8,723	3.08	2,832
2014	46,517.75	17,077	14,781	22,433	4.87	4,606
2015	149,301.20	43,131	37,334	82,107	5.75	14,279
2016	107,167.19	22,005	19,047	66,687	6.69	9,968
2017	228,109.35	26,968	23,343	159,144	7.67	20,749
2018	64,515.92	2,409	2,085	49,528	8.58	5,772
	620,928.32	124,912	108,121	388,622		58,206

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 6.7 9.37

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 392.06 TRANSPORTATION EQUIPMENT - TRAILERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-S2						
NET SALVAGE PERCENT.. +10						
2008	47,167.33	20,291	22,266	20,185	10.44	1,933
	47,167.33	20,291	22,266	20,185		1,933
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						10.4 4.10

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 394.00 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
1994	21,602.34	21,023	20,945	657	0.67	657
1995	14,996.68	13,995	13,943	1,054	1.67	631
1996	18,381.90	16,419	16,358	2,024	2.67	758
1997	44,610.01	38,061	37,920	6,690	3.67	1,823
1998	12,408.51	10,091	10,054	2,355	4.67	504
2000	13,150.28	9,642	9,606	3,544	6.67	531
2001	30,254.00	20,972	20,894	9,360	7.67	1,220
2006	42,448.19	20,935	20,857	21,591	12.67	1,704
2008	190,126.55	78,560	78,269	111,858	14.67	7,625
2009	34,573.64	12,903	12,855	21,719	15.67	1,386
2010	114,641.84	38,199	38,058	76,584	16.67	4,594
2011	99,995.98	29,319	29,210	70,786	17.67	4,006
2012	25,762.04	6,523	6,499	19,263	18.67	1,032
2014	61,365.17	10,628	10,589	50,776	20.67	2,457
2016	43,786.37	4,081	4,066	39,720	22.67	1,752
2017	43,108.15	2,293	2,284	40,824	23.67	1,725
2018	66,489.64	1,117	1,113	65,377	24.58	2,660
	877,701.29	334,761	333,520	544,181		35,065

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 15.5 4.00

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACCOUNT 395.00 LABORATORY EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2005	21,531.26	14,351	14,351	7,180	6.67	1,076
2006	41,664.10	25,686	25,686	15,978	7.67	2,083
2007	16,347.12	9,261	9,261	7,086	8.67	817
2009	742.18	346	346	396	10.67	37
2010	1,248.14	520	520	728	11.67	62
2012	56,274.36	17,811	17,812	38,462	13.67	2,814
2018	100,427.01	2,109	2,109	98,318	19.58	5,021
	238,234.17	70,084	70,085	168,149		11,910
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						14.1 5.00

BLACK HILLS SERVICE COMPANY
 GAS PLANT

ACOCUNT 397.00 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2007	9,854.34	7,443	7,442	2,412	3.67	657
2010	2,182.47	1,212	1,212	970	6.67	145
2011	14,976.66	7,319	7,318	7,659	7.67	999
2014	13,097.94	3,781	3,781	9,317	10.67	873
2018	3,026.36	67	67	2,959	14.67	202
	43,137.77	19,822	19,820	23,318		2,876
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.1						6.67

COMMON PLANT

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 390.01 STRUCTURES AND IMPROVEMENTS - OWNED

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
NET SALVAGE PERCENT.. 0						
2009	30,769.92	5,323	5,007	25,763	41.35	623
2010	11,076.25	1,715	1,613	9,463	42.26	224
2011	5,754,336.65	786,042	739,427	5,014,910	43.17	116,167
2012	35,775.20	4,229	3,978	31,797	44.09	721
2013	29,960.70	2,990	2,813	27,148	45.01	603
	5,861,918.72	800,299	752,838	5,109,081		118,338
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						43.2 2.02

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 390.51 STRUCTURES AND IMPROVEMENTS - LEASED

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-S3						
NET SALVAGE PERCENT.. 0						
1998	7,106.72	5,746	6,328	779	3.83	203
2005	197,839.96	123,452	135,963	61,877	7.52	8,228
2007	65,212.86	35,671	39,286	25,927	9.06	2,862
2011	29,112.60	10,626	11,703	17,410	12.70	1,371
2017	280,351.15	18,643	20,532	259,819	18.67	13,916
	579,623.29	194,138	213,812	365,811		26,580
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						13.8 4.59

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 391.01 OFFICE FURNITURE AND EQUIPMENT - FURNITURE AND EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
1999	487,028.25	470,713	466,872	20,156	0.67	20,156
2000	45,872.91	42,043	41,700	4,173	1.67	2,499
2001	667,931.26	578,762	574,039	93,892	2.67	35,166
2002	319,167.11	260,600	258,474	60,693	3.67	16,538
2003	28,309.77	21,699	21,522	6,788	4.67	1,454
2004	6,960.35	4,987	4,946	2,014	5.67	355
2005	91,315.73	60,862	60,365	30,951	6.67	4,640
2006	11,333.60	6,987	6,930	4,404	7.67	574
2007	214,872.03	121,725	120,732	94,140	8.67	10,858
2008	845,328.55	436,612	433,049	412,280	9.67	42,635
2009	1,449,600.17	676,238	670,720	778,880	10.67	72,997
2010	829,209.81	345,366	342,548	486,662	11.67	41,702
2011	352,220.99	129,089	128,036	224,185	12.67	17,694
2012	279,501.28	88,462	87,740	191,761	13.67	14,028
2013	237,400.19	63,267	62,751	174,649	14.67	11,905
2014	119,207.55	25,808	25,597	93,611	15.67	5,974
2015	573,365.39	95,465	94,686	478,679	16.67	28,715
2016	25,249.86	2,942	2,918	22,332	17.67	1,264
	6,583,874.80	3,431,627	3,403,625	3,180,250		329,154
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						9.7 5.00

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 391.03 OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
NET SALVAGE PERCENT.. 0						
2006	8,740.51	8,741	8,741			
2009	15,818.86	15,819	15,819			
2010	28,476.82	28,477	28,477			
2012	204,616.56	204,617	204,617			
	257,652.75	257,654	257,653			
AMORTIZED						
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2013	2,397,670.58	2,397,671	2,397,671			
2014	5,033,641.04	4,359,133	3,934,195	1,099,446	0.67	1,099,446
2015	6,629,937.12	4,415,538	3,985,101	2,644,836	1.67	1,583,734
2016	6,525,963.41	3,041,099	2,744,646	3,781,318	2.67	1,416,224
2017	2,531,070.90	673,265	607,634	1,923,437	3.67	524,097
2018	6,450.94	426	384	6,066	4.67	1,299
	23,124,733.99	14,887,132	13,669,630	9,455,104		4,624,800
	23,382,386.74	15,144,786	13,927,283	9,455,104		4,624,800
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 2.0						19.78

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 391.04 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
NET SALVAGE PERCENT.. 0						
2000	3,275,849.35	3,275,849	3,275,849			
2004	93,353.21	93,353	93,353			
2006	5,496.11	5,496	5,496			
2007	11,109.97	11,110	11,110			
2008	292,757.62	292,758	292,758			
2009	3,697.55	3,698	3,698			
2010	30,264.40	30,264	30,264			
	3,712,528.21	3,712,528	3,712,528			
AMORTIZED						
SURVIVOR CURVE.. 7-SQUARE						
NET SALVAGE PERCENT.. 0						
2011	108,233.09	108,233	108,233			
2012	14,573.32	13,179	1,058-	15,631	0.67	15,631
2015	11,400.06	5,423	435-	11,835	3.67	3,225
2017	8,868.47	1,685	135-	9,004	5.67	1,588
	143,074.94	128,520	106,605	36,470		20,444
	3,855,603.15	3,841,048	3,819,133	36,470		20,444
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						1.8 0.53

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 391.07 OFFICE FURNITURE AND EQUIPMENT - IPAD HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2017	18,447.49	4,907	4,905	13,542	3.67	3,690
	18,447.49	4,907	4,905	13,542		3,690
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						3.7 20.00

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 391.13 OFFICE FURNITURE AND EQUIPMENT - PLATFORM SYSTEMS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
NET SALVAGE PERCENT.. 0						
1998	47,463,579.95	47,463,580	47,463,580			
	47,463,579.95	47,463,580	47,463,580			
AMORTIZED						
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2014	3,934,825.34	1,703,779	1,703,779	2,231,046	5.67	393,483
2015	14,298,029.50	4,761,244	4,761,245	9,536,785	6.67	1,429,803
2016	3,165,958.72	737,668	737,668	2,428,291	7.67	316,596
2017	10,807,140.27	1,437,350	1,437,350	9,369,790	8.67	1,080,714
2018	300,317.87	12,613	12,613	287,705	9.58	30,032
	32,506,271.70	8,652,654	8,652,655	23,853,617		3,250,628
	79,969,851.65	56,116,234	56,116,235	23,853,617		3,250,628
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						7.3 4.06

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 391.18 OFFICE FURNITURE AND EQUIPMENT - OTHER SOFTWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
NET SALVAGE PERCENT.. 0						
2006	88,793.20	88,793	88,793			
2007	79,525.54	79,526	79,526			
	168,318.74	168,319	168,319			
AMORTIZED						
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2008	5,010,017.69	5,010,018	5,010,018			
2009	900,778.13	840,426	628,466	272,312	0.67	272,312
2010	868,137.12	723,158	540,774	327,363	1.67	196,026
2011	381,427.33	279,586	209,073	172,354	2.67	64,552
2012	271,078.33	171,593	128,316	142,762	3.67	38,900
2013	971,798.15	517,968	387,334	584,464	4.67	125,153
2014	178,763.49	77,405	57,883	120,880	5.67	21,319
2015	8,694,055.21	2,895,120	2,164,956	6,529,099	6.67	978,875
2016	3,706,235.74	863,553	645,761	3,060,475	7.67	399,019
2017	606,980.72	80,728	60,368	546,613	8.67	63,046
2018	320,337.43	13,454	10,061	310,277	9.58	32,388
	21,909,609.34	11,473,009	9,843,010	12,066,599		2,191,590
	22,077,928.08	11,641,328	10,011,329	12,066,599		2,191,590
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						5.5 9.93

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 391.23 OFFICE FURNITURE AND EQUIPMENT - PLATFORM SYSTEMS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2008	3,422,954.04	3,422,954	3,422,954			
2009	2,027,010.82	1,891,201	1,747,300	279,711	0.67	279,711
2010	6,366,773.49	5,303,522	4,899,977	1,466,796	1.67	878,321
2014	2,164,610.55	937,276	865,959	1,298,652	5.67	229,039
2015	477,931.34	159,151	147,041	330,890	6.67	49,609
2016	3,339,455.73	778,093	718,888	2,620,568	7.67	341,665
2017	1,405,653.88	186,952	172,727	1,232,927	8.67	142,206
2018	218,375.07	9,172	8,474	209,901	9.58	21,910
	19,422,764.92	12,688,321	11,983,320	7,439,445		1,942,461
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						3.8 10.00

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 391.28 OFFICE FURNITURE AND EQUIPMENT - OTHER SOFTWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
NET SALVAGE PERCENT.. 0						
2007	963,168.70	963,169	963,169			
	963,168.70	963,169	963,169			
AMORTIZED						
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2008	841,802.21	841,802	841,802			
2009	153,127.92	142,868	133,640	19,488	0.67	19,488
2010	8,612.50	7,174	6,711	1,902	1.67	1,139
2011	677,984.57	496,963	464,864	213,121	2.67	79,821
2012	3,047,692.78	1,929,190	1,804,581	1,243,111	3.67	338,722
2013	1,994,153.74	1,062,884	994,231	999,923	4.67	214,116
2014	765,074.62	331,277	309,879	455,195	5.67	80,281
2015	2,074,258.69	690,728	646,113	1,428,146	6.67	214,115
2016	3,763,202.44	876,826	820,191	2,943,012	7.67	383,704
2017	1,213,821.36	161,438	151,011	1,062,811	8.67	122,585
2018	1,795,799.44	75,424	70,552	1,725,247	9.58	180,088
	16,335,530.27	6,616,574	6,243,575	10,091,955		1,634,059
	17,298,698.97	7,579,743	7,206,744	10,091,955		1,634,059
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						6.2 9.45

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 392.02 TRANSPORTATION EQUIPMENT - CARS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 8-S2						
NET SALVAGE PERCENT.. +5						
2009	16,016.60	12,268	9,909	5,307	1.55	3,424
	16,016.60	12,268	9,909	5,307		3,424
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 1.5						21.38

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 392.03 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-L3						
NET SALVAGE PERCENT.. +20						
2009	44,993.06	25,396	22,931	13,063	2.65	4,929
2011	90,150.50	47,439	42,834	29,286	3.08	9,508
2012	90,643.72	44,395	40,086	32,429	3.49	9,292
2013	123,351.47	53,726	48,511	50,170	4.10	12,237
2014	140,833.43	51,702	46,684	65,983	4.87	13,549
2015	493,622.19	142,602	128,760	266,138	5.75	46,285
2016	752,525.82	154,521	139,523	462,498	6.69	69,133
2017	681,205.26	80,535	72,718	472,246	7.67	61,571
2018	450,903.89	13,228	11,944	348,779	8.67	40,228
	2,868,229.34	613,544	553,991	1,740,592		266,732
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						6.5 9.30

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 392.04 TRANSPORTATION EQUIPMENT - MEDIUM TRUCKS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 8-L4						
NET SALVAGE PERCENT.. +20						
2008	37,422.05	25,597	24,334	5,604	1.16	4,831
2011	141,471.89	88,703	84,326	28,852	1.73	16,677
2012	196,525.81	114,181	108,547	48,674	2.19	22,226
2013	317,840.84	161,781	153,798	100,475	2.91	34,527
2014	400,969.82	170,412	162,003	158,773	3.75	42,339
2015	71,266.65	23,661	22,494	34,519	4.68	7,376
	1,165,497.06	584,335	555,502	376,896		127,976
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 2.9						10.98

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 394.00 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2012	29,553.46	7,483	7,483	22,070	18.67	1,182
2013	37,535.53	8,003	8,002	29,534	19.67	1,501
	67,088.99	15,486	15,485	51,604		2,683
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						19.2 4.00

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 397.00 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2010	27,122.74	15,062	15,062	12,061	6.67	1,808
2015	317,990.18	70,594	70,595	247,395	11.67	21,199
2016	109,015.12	16,933	16,933	92,082	12.67	7,268
	454,128.04	102,589	102,590	351,538		30,275
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						11.6 6.67

BLACK HILLS SERVICE COMPANY
 COMMON PLANT

ACCOUNT 398.00 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
 RELATED TO ORIGINAL COST AS OF OCTOBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2006	2,675.13	1,649	1,649	1,026	7.67	134
2014	29,649.05	6,419	6,421	23,228	15.67	1,482
	32,324.18	8,068	8,070	24,254		1,616
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						15.0 5.00

Black Hills Service Company

Cost Allocation Manual

Effective Date: July 14, 2008

Amended: January 1, 2010

Amended: August 1, 2010

Amended: December 1, 2013

Amended: December 1, 2014

Amended: December 1, 2015

Amended: December 1, 2016

Amended: December 1, 2017

Amended: November 7, 2018

Amended: December 20, 2018

Black Hills Service Company Cost Allocation Manual

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Introduction

The purpose of this cost allocation manual is to document the allocation processes of Black Hills Service Company, from recording the original transaction through the allocation of costs to Black Hills Corporation subsidiaries. Various topics to be addressed include the organization of the Service Company, the recording of transactions, calculating and assigning allocation factors, and recording allocation transactions.

Black Hills Service Company (Service Company) was formed on December 30, 2004, and was fully implemented and operational as of January 1, 2006. The Service Company was formed as required by the Public Utility Holding Company Act of 1935, which was administered by the Securities and Exchange Commission (SEC). Service companies were required of all registered holding companies under this law. Service companies coordinate corporate support functions and distribute costs to registered holding company subsidiaries using pre-defined allocation methodologies that had to be approved by the SEC.

Black Hills Corporation became a registered holding company at the end of 2004, and through a transition period and various amendments to the registered holding company filings, established the date of January 1, 2006 to fully implement the Service Company. In August of 2005, this law was repealed and replaced by the Public Utility Holding Company Act of 2005, which is administered by the Federal Energy Regulatory Commission (FERC). This new law was effective in February of 2006. Although certain administrative and reporting requirements changed as a result of the repeal, Black Hills Corporation did not change its implementation plan.

In 2018, BHC made a strategic business decision to divest its oil and gas division and transition from a diversified energy company to a utility-centered energy company. The divestiture of the oil and gas division followed BHC's earlier decision in 2014 to divest of its energy trading division, all steps in furtherance of its transition to a utility company. As a result of this strategic shift, BHC no longer needed two service companies, the Service Company and Black Hills Utility Holding (BHUH). On January 1, 2019, BHUH will transfer its departments including employees and assets to the Service Company. The process improvement results in one Service Company instead of two, eliminating unnecessary complexity and improved visibility for our regulators.

The Service Company is a wholly owned subsidiary of Black Hills Corporation (the Holding Company or BHC), and is a separate legal entity. The majority of operations and all employees were transferred out of the Holding Company on the effective date of implementation. The only transactions that remain at the Holding Company are transactions pertaining to long-term debt and related deferred finance costs, short-term financing (corporate credit facility and commercial paper program) and related deferred finance costs, and the administration of money pool transactions for both the utility money pool and the non-utility money pool. In addition, as will be discussed in greater detail later, certain corporate costs are charged directly to the Holding Company. The most notable of these types of costs are corporate development project costs.

Service Company Organization

The Service Company is organized into operating departments based upon the services that those departments provide to Black Hills Corporation subsidiaries. A list of each department, as well as a brief description of the services they provide, is attached as Appendix 2.

Direct Costs versus Indirect Costs

A key issue in distributing Service Company costs is distinguishing between direct and indirect costs. The account coding will change depending on whether the cost is a direct or indirect cost. Costs for shared services are distributed to affiliates within Black Hills through *direct* costs (direct assignable or direct distributed) or *indirect* allocation. Costs are direct charged to the extent possible. Costs that cannot be directly assigned nor distributed reasonably to the applicable business units receive the benefit using indirect allocation. Below is a summary of each of these types of costs and examples of these costs.

Direct costs are those costs that are specifically associated with an identified subsidiary or collection of subsidiaries.

Methods of Direct Charges include:

- Direct Cost Assignable: Costs which can be directly identified to support a subsidiary.
- Direct Cost Distributed: Costs that benefit all subsidiaries within a business line (e.g. gas utilities or electric utilities) and are allocated to business lines based on a designated percentage.

Here are some examples:

- A Facilities employee is supporting the facilities management for Black Hills Power. The labor costs incurred in supporting facilities are specifically associated with an identified subsidiary. Therefore, this would be a Direct Cost Assignable.
- A Regulatory employee whom directly supports one jurisdiction travels to Rapid City to attend a BHC strategic conference. The time and travel associated with attending the conference shall be Direct Cost Assignable to that employees business unit they directly support.
- A Gas Engineer is reviewing the Distribution Integrity Management Program for all the gas utilities. This charge cannot be directly attributable to any specific individual business, but can be identified to support multiple businesses within the gas utilities. Therefore, this charge would be considered a Direct Cost Distributed.

Methods of Direct Cost Distributed:

Regulated Electric - Blended	Direct Cost Distributed
Regulated Electric - Customers	Direct Cost Distributed
Regulated Electric - Transmission/Distribution	Direct Cost Distributed
Regulated Natural Gas - Blended	Direct Cost Distributed
Regulated Natural Gas - Customers	Direct Cost Distributed
Non-Regulated- Blended	Direct Cost Distributed
GDPM	Direct Cost Distributed
Nameplate Generation Capacity	Direct Cost Distributed
Power Generation Capacity	Direct Cost Distributed

Indirect costs are those costs that are not associated with an identified subsidiary. This means that the costs indirectly support all companies or directly support the operation of the Service Company, or all the gas and electric Utilities. In other words, costs that would be directly charged to the Service Company using the definition and examples above would be classified as indirect costs. Here are some examples:

- The Internal Audit department is completing a BHC consolidated financial statement audit. Since all entities indirectly affect the financial statements of BHC consolidated, this charge would be considered an indirect cost.

- A Human Resources representative attends an industry training event. This charge cannot be directly attributable to any specifically identified company; therefore, this charge would be considered an indirect cost.
- The Corporate Accounting department is completing monthly close of the BHC financials. Since the Corporate Accounting department is supporting the enterprise and all of its subsidiaries, it is impractical to direct code, this charge would be considered an indirect cost.
- A Help Desk technician orders a replacement computer monitor for an employee of the Service Company. This hardware cost incurred is specifically associated with the Service Company. Therefore, this would be an indirect cost.

Methods of Indirect Charges:

SC All – Blended	Indirect
SC All – Employee	Indirect
SC All – Asset Cost	Indirect
SC All – Regulated Customers	Indirect
SC All – Customers (Regulated and Non-Regulated)	Indirect
SC Utility - Blended	Indirect

It is important to consider two things when determining if a cost is a direct cost or an indirect cost: (1) Can the costs that are coded to a specific company or group of companies be substantiated; and (2) Can it be substantiated that a utility-based entity is not subsidizing the operations of non-utility based company with the time and expenses that have been charged to them. A certain level of judgment will be involved when deciding whether a particular cost should be directly charged or indirectly allocated.

There are certain costs that will always be considered either direct or indirect costs. Below is a list of significant Service Company expenses that follow these rules:

Always considered direct costs:

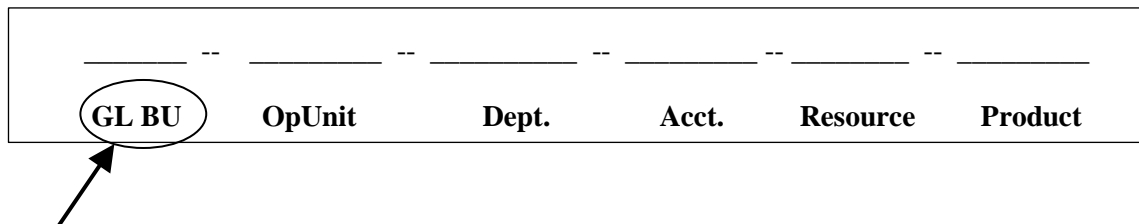
- Capitalized costs for non-Service Company projects (including capitalized labor)
- Corporate development project costs
- Retiree healthcare costs

Always considered indirect costs:

- Board of Directors' fees and expenses
- Horizon Point rent
- Depreciation of Service Company assets
- Directors' and officers' insurance
- Investor relations expenses
- Shareholder expenses
- Intercompany interest expense and income

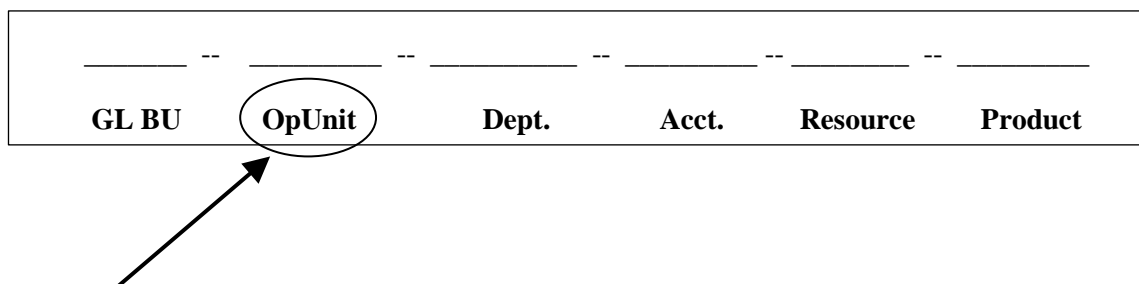
Transaction Coding

The Service Company uses an accounting software system to accumulate and distribute both direct costs and indirect costs. It is important to have costs properly classified as direct or indirect. Direct costs will be directly charged to the subsidiaries, while indirect costs will be allocated to the subsidiaries using pre-defined allocation factors. Below is a description of the coding.



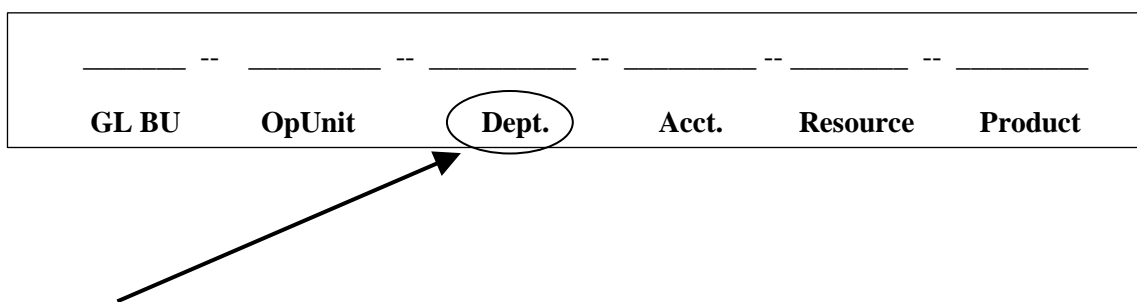
General Ledger Business Unit (GLBU):

- Five (5) character numeric field.
- The GLBU field is used to identify the company that will be receiving the charges, either as a direct cost or an indirect cost.
- The GLBU field is required on all accounting transactions.
- The GLBU field will default based on the operating unit (Op Unit), as described below.



Operating Unit (OpUnit):

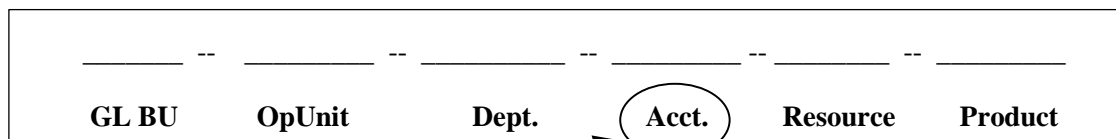
- Six (6) character numeric field.
- The OpUnit field is used to identify the code block as either a direct cost or an indirect cost.
- If the cost is a direct cost, the OpUnit field will be populated using the OpUnit code for the company being directly charged.
- The Op Unit field will be populated using one of the Service Company Op Units for indirect costs. Indirect costs also include costs from other areas of the company that are directly related to the Utility Holding Company.



Department (Dept):

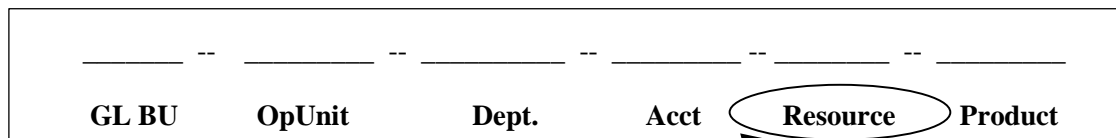
- Four (4) character numeric field.
- The Department field is used to identify where the cost(s) originated.

- The Department field is required on all income statement and capital transactions.
- Every Department is assigned to a GLBU.



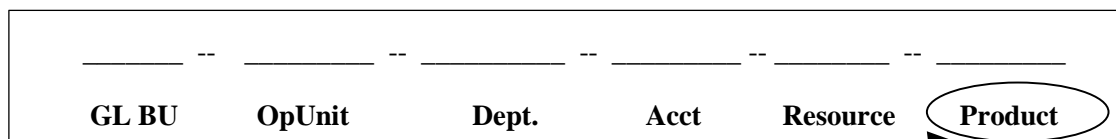
Account (Acct)

- Six (6) character numeric field.
- The Account field is required on all accounting transactions.
- All companies will generally use the same Chart of Accounts although some values will be specific to certain companies.



Resource:

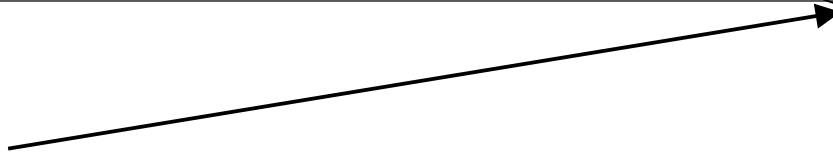
- Four (4) character numeric field.
- A Resource is used to identify types of costs.
- The Resource field is required for operating expenses and capital accounting transactions.



Product:

- Three (3) character numeric field.
- A Product code is used to identify business lines.
- Examples of the product line include electric, gas, and non-regulated

GL BU	OpUnit	Dept.	Acct	Resource	Product	Work Order
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Work Order:

- Alpha or numeric field.
- Represents the collection of costs to allow the monitoring of a job or group of costs.
- The Work Order field is required on all construction work in progress transactions

Timekeeping

All Service Company employees are required to complete a timesheet for each two week pay period. Timesheets of appropriate employees must be approved by a supervisor.

Employees must complete the code block, as previously discussed, for each time record. The timesheet will default the department and resource. However, the employee is responsible for providing the remainder of the code block. Employees are encouraged to enter their time in one half hour increments, although they may use smaller increments if they so choose.

Loadings

Certain benefits that are provided to employees become an inherent cost of labor. To account for these benefits and allow for them to be charged to the appropriate subsidiary, they become part of a loading rate that is added on to each payroll dollar.

The loading rates are calculated at the beginning of the year based on budgeted benefit expenses and budgeted labor. Benefit costs and loading rates are reviewed, and updated as needed. Below is a list of components of the loading rates:

General labor loadings:

- Compensated Absences: including but not limited to paid time off (PTO), Holiday, Jury duty, Funeral pay, United Way day, Short-term Disability and Annual Physical appointment.
- Payroll Taxes: including but not limited to FICA, FUTA SUTA and city taxes
- Employee Benefits: including but not limited to health and medical, 401K match and fees, Pension, Retiree healthcare and associated fees
- Incentives: including but not limited to Non-officer incentive plans, Restricted Stock and Stock Option expense

Supplemental loadings:

- Officer short term incentive plans
- Officer supplemental retirement

- Officer performance plan

Loadings calculated on payroll are based on estimated benefit costs, therefore, differences between actual benefits will be inherent to this process.

Allocation Ratios

As previously stated, the Service Company costs are either directly charged to a subsidiary or businesses line, or indirectly allocated when they support all companies. Indirect and Direct Cost Distributed are allocated using one of several pre-defined allocation ratios. Each department has been assigned one of these allocation ratios. All indirect and Direct Cost Distributed costs of that department are then allocated using that ratio. When determining which allocation ratio should be assigned to each department, a ratio is selected based on the specific cost driver of that department. For instance, the expenses incurred by a Human Resources department are primarily related to their support of all company employees. In this example, the cost driver for the Human Resources department indirect costs is employees. Therefore, their indirect costs will be allocated based upon the Employee Ratio.

For certain departments, a specific cost driver may not be clearly identifiable or the driver may not be cost effective to compute on a continuing basis. In these instances, a three-factor general allocation ratio is used, which is referred to as the Blended Ratio. This ratio equally weights three different general ratios: Gross Margin, Asset Cost, and Payroll Dollars. These factors were chosen to be included in the Blended Ratio because they best allocate costs based on the diverse nature of BHC operations.

One additional item to note is that pooled benefits, primarily health care costs, are allocated differently due to the pooling method for benefits such as self-insured health care. BHC has chosen to pool certain benefit costs and spread the risk amongst all subsidiaries equally. All pooled benefit costs of BHC are paid by the Service Company and allocated to subsidiaries based on employee counts.

A list of all allocation ratios, including a brief description of the ratio, the basis for the calculation of the ratio, and the department to which that ratio has been assigned, is attached hereto as Appendix 1.

Changing Allocation Ratios

Allocation ratios are set at the first of the year, based upon financial information from the trailing twelve months ending September 30th for prior year. Assets, utility assets, employee counts, and power generation capacity are based on values as of previous period ending September 30th. Gross margin, utility gross margin, payroll dollars, and utility payroll dollars are based on values for the trailing twelve months ending September 30th.

The Service Company maintains certain departments (reflected as Centralized Utility Departments) that are used by and benefit only the Utilities. These departments include employees and assets that support the utility functions of: regulatory, engineering, customer service, gas supply, etc. Because these costs only support utility subsidiaries; their respected assets, payroll and employee count are allocated to only the utility subsidiaries before arriving at the allocation ratios.

Certain events may occur during the year that are deemed to be significant to BHC that will require corresponding adjustments be made to the allocation ratios. A significant change is any singular event at any individual entity that changes the value of any of the three-factors denominators from the Blended Ratio by more than 3%. Any

change would take effect the month following the singular event. Examples of these types of events include acquisitions, divestitures, new generation, significant change in asset base, significant staffing changes or new, significant revenue streams. Less significant events that may require a change include complete divestiture of a business unit or acquisition of a new business unit. A certain level of judgment is required to determine whether an event is significant enough to require an adjustment to the allocations.

When these events occur, indirect allocation ratios will be adjusted. When adjusting allocation ratios, it is the policy of the Service Company to not recalculate all allocation ratios. Rather, allocation ratios will be adjusted with pro forma adjustments for the subsidiary with a significant change in a specific allocation ratio base. For example, if an acquisition occurs during the middle of the year, pro forma values will be loaded. Asset values at the time of the acquisition would be used, as well as pro forma gross margin and payroll dollars for a 12 month period. It should be noted that estimations may be required, especially when significant additions or changes are expected as a result of the acquisition.

It should also be noted that asset values, gross margin, and payroll dollars for the other companies will not be changed. However, the ratios will change because the base against which the ratios are calculated will change. Subsidiary companies would see decreased ratio values with acquisitions, and increased ratio values with divestitures. Changes will be effective as of the beginning of the month following the significant event, and will apply to all transactions for the month.

Subsidiary Payment for Direct and Indirect Charges

It is the policy of the Service Company to insure payments are made by the subsidiary companies for direct and indirect charges. All payments for direct and indirect charges must be remitted to the Service Company by the end of the following month. The Service Company will monitor payments received during the month to insure that all subsidiary companies make payment in a timely manner.

Allocating Fixed Assets

The Service Company maintains certain fixed assets that are used by and benefit multiple BHC subsidiaries. These fixed assets primarily consist of computer hardware and software that form the corporate-wide information technology network. Because these fixed assets support multiple BHC subsidiaries, they are allocated to the appropriate subsidiaries monthly as part of the month-end close process, along with the allocation of these assets' accumulated depreciation. Construction Work in Process balances are not allocated.

Allocated assets and accumulated depreciation are maintained in separate general ledger accounts at the subsidiary level so that they are not intermingled with regular subsidiary fixed assets, and for ease of reconciliation.

The allocation ratio used for fixed assets and accumulated depreciation follows the appropriate cost driver.

Allocating Capitalized Inventory

The gas and electric meter shops are Centralized Utility Departments serving the utility operating companies. As meters are purchased, they are recorded as capitalized inventory (charged to plant-in-service) by the Service

Company, as the meters are issued out of inventory to the specific operating company those assets are transferred from the Service Company to the specific utility operating companies. All unassigned gas and electric meter investment and accumulated depreciation reserve is held at the Service Company, and is allocated to the applicable utilities monthly. The Customer Count Ratio is used for this allocation.

Appendix 1 – Allocation Ratios

Asset Cost Ratio – Based on the net cost of assets as of September 30th for the prior year, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries. Assets are limited to the direct property, plant, and equipment, and include construction or work in process less accumulated depreciation, depletion and amortization (compliance with GAAP). In addition to the BHC subsidiaries cost, the Assets shall also include the cost of any third party assets or minority interests in assets the subsidiaries operate. The Asset Cost Ratio measures the level of investment in the businesses.

Gross Margin Ratio – Based on the total gross margin for the trailing twelve months ending September 30th, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries. Gross margin is defined as revenue less cost of sales. Certain intercompany transactions may be excluded from gross margin if they would not have occurred if the revenue relationship was with a third party instead of a related party. The Gross Margin Ratio measures where the businesses makes their money.

Payroll Dollars Ratio – Based on the total payroll dollars for the trailing twelve months ending September 30th, the numerator of which is the direct payroll charges from all BHC subsidiaries charging the applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries. Payroll dollars include all bonuses and compensation paid to employees, but do not include items that are only included on an employee's W-2 for gross-up and income tax purposes, such as life insurance premiums over \$50,000. The Payroll Dollar Ratio measures where the businesses employees spend their time.

Blended Ratio (SC All) – A composite ratio comprised of an average of the Asset Cost Ratio, the Payroll Dollars Ratio, and the Gross Margin Ratio. These ratios are equally weighted. This ratio is sometimes referred to as the three-factor blended ratio.

The Service Company is utilizing the following segment variations and additional variations may be added if additional product lines are added or in the event that additional segmentation is deemed appropriate to most effectively allocate costs from a specific department

SC All-Blended (No BHES)

Blended Ratio (SC Utility) – A composite ratio comprised of an average of the Asset Cost Ratio, Payroll Dollar Ratio and the Gross Margin Ratio. These factors are equally weighted. This factor is sometimes referred to as the three-factor blended ratio.

There are currently several variations of the Utility Blended Ratio that are specific to the segment that are appropriate for which charges are being allocated. For example, charges for electric engineering department labor would utilize an electric blended ratio whereby no allocations would be charged to a gas utility.

The Service Company is utilizing the following segment variations and additional variations may be added if additional product lines are added or in the event that additional segmentation is deemed appropriate to most effectively allocate costs from a specific department

Regulated Utilities
Regulated Electric
Regulated Natural Gas
Regulated Natural Gas (No BHEA)

Employee Ratio – Based on the number of employees as of September 30th for the prior year, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries.

Power Generation Capacity Ratio – Based on the total power generation capacity as of September 30th for the prior year, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries. Power generation includes capacity in service and capacity under construction.

Nameplate Generation Capacity Ratio – Based on the total facility's power generation capacity at the end of September 30th for the prior year, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries. Nameplate generation includes capacity in service and capacity under construction at the facility.

Square Footage Ratio – The total square footage of a given facility, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries.

Regulated Electric Transmission/Distribution Ratio – Based on a simple average of a multiple of cross-sectional drivers for the transmission function as of September 30th for the prior year that includes customer counts, peak load, number of substations, number of feeders, number of distribution and transmission miles, and number of remote terminal units. The numerator of which is for an applicable operating company and the denominator of which is for all applicable operating companies.

Customer Count Ratio – Based on the number of customers as of September 30th for the prior year, the numerator of which is for an applicable operating company and the denominator of which is for all applicable operating companies.

There are currently several variations of the Customer Count ratio that are specific to the type of customers that are appropriate to the department for which charges are being allocated. For example a department that supports gas engineering would be allocated based on gas customers only whereas a general customer service department would be allocated based on total customers.

The Service Company is utilizing the following customer counts to calculate customer count ratios additional variations may be added if additional product lines are added or in the event that additional segmentation of customers are deemed appropriate to most effectively allocate costs from a specific department

- All Customers
- Regulated Electric Customers
- Regulated Natural Gas Customers
- Regulated Natural Gas Customers (No NEGD)
- Products and Services Customers (Non-Regulated)

GDPM—Allocates Generation Dispatch & Power Marketing based on Generating Capacity Managed per the GDEMA (Generation Dispatch and Energy Management Agreement).

Appendix 2- Service Company Departments

Department #	Name	Primary Allocation Ratio	Description / Functions	Centralized Utility Departments	Electric Utilities (EU)	Natural Gas Utilities (NGU)	RMNG	BHES	WRDC (Coal Mine)	BHWY and BHEG (Elec Gen-IPP)
4700	SC-ACCOUNTING SYSTEMS	SC All-Blended	Maintains the corporate- wide accounting systems of Black Hills Corporation, most notably the general ledger and financial statement preparation systems.		Yes	Yes	Yes	Yes	Yes	Yes
4702	SC-CORP DEVELOPMENT	SC All-Blended	Facilitates the development of the corporate strategy, prepares strategic plans, and evaluates potential business opportunities. Department also assists various subsidiaries with financial analysis and special projects.		Yes	Yes	Yes	Yes	Yes	Yes
4704	SC-TAX	SC All-Blended	Prepares quarterly and annual tax provisions of all Black Hills Corporation subsidiaries. Maintains and reconciles all current and deferred income tax general ledger accounts. Prepares tax filings and ensures compliance with applicable laws and regulations. Oversees various tax planning projects.		Yes	Yes	Yes	Yes	Yes	Yes
4705	SC-CREDIT AND RISK	SC All-Blended	Provides risk management, risk evaluation, and risk analysis services. Provides support to the Executive Risk Committee. Evaluates contract risks		Yes	Yes	Yes	Yes	Yes	Yes
4706	SC-LEGAL - CORPORATE	SC All-Blended	Provides legal counsel and services related to general business operations, including labor and employment law, finance, litigation, contracts, utility rates and regulation, financial reporting, Securities and Exchange Commission, Federal Energy Regulatory Commission and other state and federal compliance, environmental matters, real estate and other legal matters. Oversees the hiring and administration of external counsel. Provides legal support to various corporate development projects. Facilitates physical risk management strategies through the purchase and evaluation of various types of insurance coverage. Provides claims management services. Develops and enforces corporate governance policies and procedures in accordance with applicable laws and regulations. Provides oversight of compliance with Securities and Exchange Commission rules and regulations. Provides various recordkeeping and administrative services related to shareholder services. Assists in the administration of equity-based compensation plans.		Yes	Yes	Yes	Yes	Yes	Yes
4709	SC-ENVIRONMENTAL SERVICES	Asset Cost	Establishes policies and procedures for compliance with environmental laws and regulations. Researches emerging environmental issues and monitors compliance with environmental requirements. Oversees environmental clean-up projects. Obtains permits to support the business operations of Black Hills Corporation and its subsidiaries.		Yes	Yes	Yes	Yes	Yes	Yes
4710	SC-EXECUTIVE MGMT	SC All-Blended	Provides overall oversight of Black Hills Corporation and its subsidiaries. Provides the Board of Directors information for decision making purposes.		Yes	Yes	Yes	Yes	Yes	Yes
4711	SC-SAFETY	Employee Ratio	Develops and implements safety planning activities and provides employee safety education. Administers the corporate safety program. Assists with compliance with DOT, OSHA, and MSHA regulations.		Yes	Yes	Yes	Yes	Yes	Yes
4712	SC-TREASURY	SC All-Blended	Coordinates activities related to securities issuance, including maintaining relationships with financial institutions, debt holders, rating agencies, equity analysts and equity investors. Performs accounting, cash management, debt compliance, and investing activities. Monitors capital markets to support financial planning for all subsidiaries. Oversees the administration of corporate pension and 401(k) plans.		Yes	Yes	Yes	Yes	Yes	Yes
4715	SC-F&A LEADERSHIP	SC All-Blended	Provides management and administrative support for accounting and finance functions of the Company's regulated and non-regulated businesses including external audit coordination. Responsible for closing the general ledger for the Company's regulated and non-regulated businesses. Oversees the corporate consolidation of subsidiary financial statements. Prepares monthly internal financial reports for management. Prepares quarterly and annual financial reports to the Securities and Exchange Commission, financial statements to banks and quarterly and annual financial statements filed with FERC. Researches emerging accounting issues and assists with the compliance of new accounting rules and regulations.		Yes	Yes	Yes	Yes	Yes	Yes
4720	SC-HUMAN RESOURCES	Employee Ratio	Provides general Human Resources support services to the subsidiaries through the administration of policies and labor contracts for all facets of Human Resources, including employee relations, labor relations, talent management, recruiting and employment staffing, compensation and benefits administration. Processes payroll including but not limited to time reporting, calculation of salaries and wages, payroll tax reporting and compliance reports for Black Hills Corporation and its subsidiaries.		Yes	Yes	Yes	Yes	Yes	Yes
4721	SC-HR TOTAL REWARDS	Employee Ratio	Administers policies related to compensation and benefits. Oversees the self-insured medical benefits plans and other pooled benefits and provides support to the third party administrators of the plans		Yes	Yes	Yes	Yes	Yes	Yes
4722	SC-HR TALENT MANAGEMENT	Employee Ratio	Provides for employee and leadership development, succession planning, performance management, goal alignment, employee engagement, strategic workforce planning, talent assessment and general HR support for Black Hills Corporation and its subsidiaries.		Yes	Yes	Yes	Yes	Yes	Yes
4725	SC-INTERNAL AUDIT	SC All-Blended	Reviews internal controls and procedures to ensure assets are safeguarded and transactions are properly authorized and recorded. Oversees the Sarbanes Oxley compliance efforts.		Yes	Yes	Yes	Yes	Yes	Yes

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Department #	Name	Primary Allocation Ratio	Description / Functions	Centralized Utility Departments	Electric Utilities (EU)	Natural Gas Utilities (NGU)	RMNG	BHES	WRDC (Coal Mine)	BHWY and BHEG (Elec Gen-IPP)
4726	SC-IN-HOUSE CORPORATE SOLUTIONS (Communications)	SC All-Blended	Develops strategies and implements programs for effective communication with internal and external stakeholders. Develops and manages measured, and coordinated advertising. Designs and develops communication strategies and materials for the company.		Yes	Yes	Yes	Yes	Yes	Yes
4728	SC-POWER DELIVERY MGMT	Power Generation Capacity	Performs resource planning, power delivery management, strategic planning, and construction management for the corporation's power generation assets.		Yes					Yes
4729	SC-PROPERTY ACCOUNTING	Asset Cost	Maintains the accounting records for property, plant and equipment for the majority of subsidiaries of the corporation. Assists in compliance with regulatory accounting requirements as it relates to property. Prepares various operating and financial reports for management. .		Yes	Yes	Yes	Yes	Yes	Yes
4730	SC-RECORDS MGMT	SC All-Blended	Administers and maintains the records retention policies and procedures of the corporation. Manages and maintains the content management software.		Yes	Yes	Yes	Yes	Yes	Yes
4731	SC-SUPPLY CHAIN MGMT	SC All-Blended (No BHES)	Manages contracts, including drafting, negotiating, reviewing and interpreting contracts. Executes the procurement process including, purchasing activities, managing vendor relationships, and issue resolution and tracking and expediting orders. Manages inventory, obsolescence and scrap. Ensure availability of proper materials.		Yes	Yes	Yes		Yes	Yes
4732	SC-SUPPLY CHAIN	SC All-Blended (No BHES)	Manages contracts, including drafting, negotiating, reviewing and interpreting contracts. Executes the procurement process including, purchasing activities, managing vendor relationships, and issue resolution and tracking and expediting orders. Manages inventory, obsolescence and scrap. Ensure availability of proper materials. Pull, restock and stage materials. Executes the procurement process including, purchasing activities, managing vendor relationships, and issue resolution and tracking and expediting orders.		Yes	Yes	Yes		Yes	Yes
4734	SC-FLEET SERV	SC All-Blended	Manages fleet expense cards, fleet contracts, vehicle purchasing, replacement, disposal, licensing/registration and titling. Advises on vehicle maintenance and repairs, alternative fuel selections and implementations.		Yes	Yes	Yes	Yes	Yes	Yes
4736	SC-REAL ESTATE & FACILITIES	SC All-Blended	Provides facility, construction, and real estate management services for corporate-wide facilities. Supports disaster recovery and business continuation planning.		Yes	Yes	Yes	Yes	Yes	Yes
4741	SC-GOVERNMENTAL AFFAIRS	SC All-Blended	Advances corporate objectives by initiating, influencing, monitoring, and researching government legislation and policies. Acts as a liaison with legislators and other governmental officials. Maintains relationships with federal, state and other governmental bodies.		Yes	Yes	Yes	Yes	Yes	Yes
4742	SC-IT ADMINISTRATION	SC All-Blended	Provides guidance, governance, and strategic planning to the overall information technology operations.		Yes	Yes	Yes	Yes	Yes	Yes
4743	SC-IT BUSINESS APPLICATIONS FIN & HR SYSTEMS	SC All-Blended	Manages, maintains, and enhances the finance, human resource, web-based service and enterprise wide business applications.		Yes	Yes	Yes	Yes	Yes	Yes
4744	SC-IT BUS APPLICATIONS REG CUSTOMER SYSTEMS	All Customers	Manages, maintains, and enhances the customer service enterprise wide business applications.		Yes	Yes				
4745	SC-IT BUS APPS-WEB & ECM	SC All-Blended	Manages, maintains, and enhances the internal (intranet) and external web applications.		Yes	Yes	Yes	Yes	Yes	Yes
4746	SC-IT BUS APPS-WHLSLE&ENTPRISE.Dpt	Regulated Utilities-Blended	Manages, maintains, and enhances the electric and natural gas utility enterprise wide business applications.		Yes	Yes	Yes			
4747	SC-IT INFRASTRUCTURE	SC All-Blended	Manages, maintains, and enhances data center operations, infrastructure servers, storage, system software, enterprise architecture and corporate databases. Supports the data and voice communication needs for the company and provides telecommunication expense management services as well as technology support services and field service support for the company.		Yes	Yes	Yes	Yes	Yes	Yes
4749	SC-IT USER SERVICES.Dpt	SC All-Blended	Manages, maintains, and enhances the analytics and integration enterprise wide business applications.		Yes	Yes	Yes	Yes	Yes	Yes
4751	SC-IT COMPLIANCE/SECURITY	SC All-Blended	Responsible for internal and external audit compliance, disaster recovery, change management and legal compliance related to technology		Yes	Yes	Yes	Yes	Yes	Yes
4754	SC-GENERATION PLANT OPERATIONS	Nameplate Generation Capacity	Operates and manages the generation for BHCOE and BHCIPP		Yes					Yes
4755	SC-IT PMO / HELPPDESK	SC All-Blended	Manages, maintains, and enhances the governance, project management, IT asset/service management, and enterprise content management business applications.		Yes	Yes	Yes	Yes	Yes	Yes
4756	SC-CPGS PLANT OPERATIONS	Nameplate Generation Capacity	Operates and manages the new generation for the Cheyenne Prairie Generation Station.		Yes					Yes

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Department #	Name	Primary Allocation Ratio	Description / Functions	Centralized Utility Departments	Electric Utilities (EU)	Natural Gas Utilities (NGU)	RMNG	BHES	WRDC (Coal Mine)	BHWY and BHEG (Elec Gen-IPP)
4770- 4781, 4796	SC-BENEFIT LOADINGS	By Function	Records overhead benefit costs loaded to labor costs dependent on assigned allocation ratio		Yes	Yes	Yes	Yes	Yes	Yes
4791	SC-ASSET TRANSMISSION	Regulated Electric Transmission/ Distribution	Allocates property assets (transmission)	Yes	Yes					
4792	SC- ASSET CUSTOMER	All Customers	Allocates property assets (customer)	Yes	Yes	Yes				
4793	SC – ASSET BLENDED	Blended Regulated Natural Gas (No BHEA)	Allocates property assets (service company)		Yes	Yes	Yes	Yes	Yes	Yes
4794	SC-BENEFIT POOLED	Employee Ratio	Records pooled benefit costs, primarily related to health and welfare for Black Hills Corporation and its subsidiaries.		Yes	Yes	Yes	Yes	Yes	Yes
4795	SC-ACCOUNTING ACCRUAL ENTRIES	SC All-Blended	Records accrual of certain charges not related to specific departments or not significant enough to allocate to each department		Yes	Yes	Yes	Yes	Yes	Yes
4803	SC- PIPELINE AND SYSTEM INTEGRITY	Regulated Natural Gas Blended	Provides management support to gas engineering and metering activities with emphasis on reliability, customer service, compliance and safety.	Yes		Yes	Yes			
4804	SC-COMPLIANCE GAS	Regulated Natural Gas Blended	Provides engineering support of gas transmission and distribution facilities including planning, monitoring, and analyses.	Yes		Yes	Yes			
4805	SC-ASSET PLANNING & DATA MANA	Regulated Natural Gas Blended	Provides engineering support of gas transmission and distribution facilities including planning, monitoring, and analyses.	Yes		Yes	Yes			
4806	SC-PIPELINE SAFETY AND COMPLIANCE GAS	Regulated Natural Gas Blended	Responsible for implementing and reporting DOT regulatory requirements, maintaining standards, and supporting GIS Smallworld mapping.	Yes		Yes	Yes			
4810	SC- RELIABILITY CENTER	Regulated Electric Transmission/ Distribution	Operates the Company's transmission and distribution systems on a 24/7 basis; and plans and directs switching and outage restoration efforts for both emergency and planned outages.	Yes	Yes					
4811	SC-OPERATIONAL SERVICES	Regulated Electric Transmission/ Distribution	Develops, coordinates and oversees the technical support piece of the Electric Utilities Group's compliance with mandatory North American Electric Reliability Corporation (NERC) Reliability Standards, which standards are enforceable through financial sanctions and are intended to ensure a reliable Bulk Electric System.	Yes	Yes					
4812	SC-TRANSMISSION SERVICES MGMT	Regulated Electric Transmission/ Distribution	For all three electric utilities, transmission Services directs the 24/7 Reliability Centers in Rapid City and Pueblo, Transmission Planning, NERC Compliance, FERC Compliance, Vegetation Management, and Transmission Tariff Administration.	Yes	Yes					
4813	SC-T&D ENGINEERING	Regulated Electric Transmission/ Distribution	For all three electric utilities, T&D Engineering provides engineering support of electric transmission and distribution facilities including planning, monitoring, and analyses.	Yes	Yes					
4814	SC-SUBSTATION/PROTECTION ENGINEERING	Regulated Electric Transmission/ Distribution	For all three electric utilities, designs, coordinates, and oversees the electric substation infrastructure for all Black Hills Energy electric utilities. This includes substation designs, standards, protective relaying, and NERC compliance associated with the same. Will include work with Transmission and Distribution assets.	Yes	Yes					
4815	SC-ENGINEERING RESOURCES	Regulated Electric Transmission/ Distribution	For all three electric utilities, Working with other departments coordinates talent development of engineers responsible for all Black Hills Energy electric utilities. Includes identifying project assignments in other groups, training opportunities, and rotational positions.	Yes	Yes					
4816	SC-GENERATION DISPATCH POWER MARKETING	GDPM	Manages the three electric utilities and others generation units dispatch and energy management services to generating resources on a system wide, least-cost basis.		Yes					Yes
4817	SC-ELEC OPS COMMUNICATIONS	Regulated Electric Blended	Manages and supports the Electric Utilities radio, fiber and microwave based communication needs for the electric operating companies. Provides telecommunication expense management for the electric operating companies.	Yes	Yes					
4818	SC-MAINTENANCE	Regulated Electric Transmission/ Distribution	For all three electric utilities, Maintenance Services supports the maintenance of the substation and lines within the Electric Utilities.	Yes	Yes					

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Department #	Name	Primary Allocation Ratio	Description / Functions	Centralized Utility Departments	Electric Utilities (EU)	Natural Gas Utilities (NGU)	RMNG	BHES	WRDC (Coal Mine)	BHWY and BHEG (Elec Gen-IPP)
4819	SC-VEGETATION MANAGEMENT	Regulated Electric Transmission/ Distribution	For all three electric utilities, Vegetation Management supports the vegetation management programs across all Electric Utilities.	Yes	Yes					
4820	SC- ELECTRIC ASSET MANAGEMENT	Regulated Electric Blended	Engineering Services supports transmission and distribution activities within the Electric Utilities group including engineering, distribution planning, T and D asset management, metering, substation maintenance, , GIS/drafting and outage management systems.	Yes	Yes					
4821	SC-PWR SUPPLY AND RENEWABLES	Regulated Electric Blended	Provides for the planning, development, and management of power supply and renewable strategies for electric operating companies.	Yes	Yes					
4822	SC-REGULATORY AND FINANCIAL MANAGEMENT	SC All-Blended	Provides regulatory financial support for all electric and gas utility regulatory filings including: rates cases, class cost of service, rate design, reporting, adjustment clauses, riders, trackers and other regulatory issues. Additionally, provides financial management to the Company's regulated and non-regulated businesses. Oversees the accumulation of subsidiary financial budgets and forecasts. Provides the consolidation of the corporate wide- budget and forecast. Guides the preparation of strategic plans.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4823	SC-RELIABILITY AND CONTROL	Regulated Electric Transmission/ Distribution	For all three electric utilities, supports the maintenance of control and protective relaying equipment within the Electric Utilities.	Yes	Yes					
4824	SC-GAS METERING SERV	Regulated Natural Gas Customers	Manages and provides gas measurement support to field operations located in gas service states.	Yes		Yes	Yes			
4825	SC-ASSET PROGRAMS	All Customers	Researches, builds and implements utility software solutions for the benefit of electric and gas operations. This department supports Smallworld GIS, Click, STORMS work management, PowerOn outage management, Korterra line locates, and GTViewer mobile maps.	Yes	Yes	Yes				
4826	SC-ELECTRIC METER SERVICES	Regulated Electric Customers	Manages and provides electric measurement support to field operations located in electric service states. Also manages AMI system for all electric entities.	Yes	Yes					
4827	SC-TRANSMISSION PLANNING	Regulated Electric Transmission/ Distribution	Performs near and long-term (1-20 year) transmission planning to determine cost-effective transmission additions needed to reliably serve projected customer load. Performs studies in support of large customer requests and the FERC Tariff; and supports operational studies for planned outages. Provides support in meeting compliance with NERC Standards; and represents the corporation in regional and sub-regional planning groups.	Yes	Yes					
4828	SC-NERC COMPLIANCE	Regulated Electric Transmission/ Distribution	Develops, coordinates and oversees the Electric Utilities Group's compliance with mandatory North American Electric Reliability Corporation (NERC) Reliability Standards, which standards are enforceable through financial sanctions and are intended to ensure a reliable Bulk Electric System..	Yes	Yes					
4829	SC-FERC TARRIFF AND COMPLIANCE	Regulated Electric Transmission/ Distribution	Develops, coordinates, and oversees the Electric Utilities Group's compliance with the Federal Energy Regulatory Commission (FERC) requirements pertaining to electric transmission; and administers the Company's Open Access Transmission Tariff (OATT) and Open Access Same-time Information System (OASIS).Administration of the Tariff, which outlines the "rules of the road" for transmission providers, the rates we charge, and the procedures and timelines in addressing customer requests (new load, new generators, or other requests to wheel power across the system).	Yes	Yes					
4831	SC-CUSTOMER SERV CALL CENTERS	All Customers	Answers and resolves customer inquiries, requests for services, for both regulated and non-regulated customers	Yes	Yes	Yes		Yes		
4833	SC-CUSTOMER SERVICE SUPPORT	All Customers	Provides support to customer services areas through customer information system project management and process control for customer information system changes, revenue assurance analysis, quality analysis, training, and customer and community communication.	Yes	Yes	Yes		Yes		
4835	SC-FIELD RESOURCE CENTER	All Customers	Plans work, and schedules and dispatches premise service activities to both regulated and non-regulated customers.	Yes	Yes	Yes				
4840	SC-COMMUNITY AFFAIRS	All Customers	Aligns business objectives with the integrated communications provided to our stakeholders. Including: media relations, coordination of community involvement programs, developing and managing a consistent communications program, and leading economic development for community growth	Yes	Yes	Yes				
4845	SC-SERVICE GUARD MARKETING	Products and Services Customers (Non-Regulated)	Provides and manages product development for consumer marketing with the primary focus on Service Guard (appliance options) a non-regulated business for utility/regulated customers.	Yes						

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4871	SC GAS ASSET OPTIMIZATION	Regulated Natural Gas Customers (No NEGD)	Provides for the development and execution of the gas supply portfolio plans for all gas distribution operating companies and regulated power plants fueled by natural gas. This plan includes purchasing strategies for the commodity and optimization and procurement of pipeline capacity and services.	Yes	Yes	Yes	Yes	Yes		
4872	SC-EXEC MGMT-UTILITIES	Regulated Utilities-Blended	Provides guidance, direction and management to overall utility operations and support services.	Yes	Yes	Yes	Yes	Yes		
4873	SC-ENERGY EFFICIENCY/DSM	All Customers	Supports the energy efficiency programs across the utilities supported by BHUH	Yes	Yes	Yes				
4874	SC-TECHNICAL TRAINING	All Customers	Provides technical training support for gas and electric utilities.	Yes	Yes	Yes	Yes			
4875	SC-HR ROTATION PROGRAM	Regulated Utilities-Blended	Provides a rotation program to develop staff for critical need areas within the utility operating companies of Black Hills Corporation	Yes	Yes	Yes	Yes			
4876	SC-PROCESS AND SYSTEM TRAINING	Regulated Utilities-Blended	Provide training and support for utility employees on current and future business process standardization efforts.	Yes	Yes	Yes	Yes			
4877	SC-FIELD SUPPORT SERVICES	Regulated Utilities-Blended	Responsible for managing the design, development, configuration, access, integration, testing and security of the ClickSoftware suite in order to provide a high quality, value-added solution to business managers and end users.	Yes	Yes	Yes	Yes			
4879	SC- LAND RIGHTS	Regulated Utilities-Blended	Manages the company's right of way activities.	Yes	Yes	Yes	Yes			
4880	SC-BUSINESS DEVELOPMENT	Regulated Utilities-Blended	Provides business and planning services, including marketing. Searches for competitive business opportunities and energy solutions	Yes	Yes	Yes				
All Other	All Other	SC All-Blended	Departments at Black Hills Corporation and subsidiaries that are not specifically listed in the Cost Allocation Manual or included in the master allocation design that charge BHSC will be allocated using the Blended Allocation Ratio.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Centralized Utility Departments are primarily for the service of the Utility business units										

Appendix 2- Service Company Departments

Department #	Name	Primary Allocation Ratio	Description / Functions	Centralized Utility Departments	Electric Utilities (EU)	Natural Gas Utilities (NGU)	RMNG	BHES	WRDC (Coal Mine)	BHWY and BHEG (Elec Gen-IPP)
4700	SC-ACCOUNTING SYSTEMS	SC All-Blended	Maintains the corporate- wide accounting systems of Black Hills Corporation, most notably the general ledger and financial statement preparation systems.		Yes	Yes	Yes	Yes	Yes	Yes
4702	SC-CORP DEVELOPMENT	SC All-Blended	Facilitates the development of the corporate strategy, prepares strategic plans, and evaluates potential business opportunities. Department also assists various subsidiaries with financial analysis and special projects.		Yes	Yes	Yes	Yes	Yes	Yes
4704	SC-TAX	SC All-Blended	Prepares quarterly and annual tax provisions of all Black Hills Corporation subsidiaries. Maintains and reconciles all current and deferred income tax general ledger accounts. Prepares tax filings and ensures compliance with applicable laws and regulations. Oversees various tax planning projects.		Yes	Yes	Yes	Yes	Yes	Yes
4705	SC-CREDIT AND RISK	SC All-Blended	Provides risk management, risk evaluation, and risk analysis services. Provides support to the Executive Risk Committee. Evaluates contract risks		Yes	Yes	Yes	Yes	Yes	Yes
4706	SC-LEGAL - CORPORATE	SC All-Blended	Provides legal counsel and services related to general business operations, including labor and employment law, finance, litigation, contracts, utility rates and regulation, financial reporting, Securities and Exchange Commission, Federal Energy Regulatory Commission and other state and federal compliance, environmental matters, real estate and other legal matters. Oversees the hiring and administration of external counsel. Provides legal support to various corporate development projects. Facilitates physical risk management strategies through the purchase and evaluation of various types of insurance coverage. Provides claims management services. Develops and enforces corporate governance policies and procedures in accordance with applicable laws and regulations. Provides oversight of compliance with Securities and Exchange Commission rules and regulations. Provides various recordkeeping and administrative services related to shareholder services. Assists in the administration of equity-based compensation plans.		Yes	Yes	Yes	Yes	Yes	Yes
4709	SC-ENVIRONMENTAL SERVICES	Asset Cost	Establishes policies and procedures for compliance with environmental laws and regulations. Researches emerging environmental issues and monitors compliance with environmental requirements. Oversees environmental clean-up projects. Obtains permits to support the business operations of Black Hills Corporation and its subsidiaries.		Yes	Yes	Yes	Yes	Yes	Yes
4710	SC-EXECUTIVE MGMT	SC All-Blended	Provides overall oversight of Black Hills Corporation and its subsidiaries. Provides the Board of Directors information for decision making purposes.		Yes	Yes	Yes	Yes	Yes	Yes
4711	SC-SAFETY	Employee Ratio	Develops and implements safety planning activities and provides employee safety education. Administers the corporate safety program. Assists with compliance with DOT, OSHA, and MSHA regulations.		Yes	Yes	Yes	Yes	Yes	Yes
4712	SC-TREASURY	SC All-Blended	Coordinates activities related to securities issuance, including maintaining relationships with financial institutions, debt holders, rating agencies, equity analysts and equity investors. Performs accounting, cash management, debt compliance, and investing activities. Monitors capital markets to support financial planning for all subsidiaries. Oversees the administration of corporate pension and 401(k) plans.		Yes	Yes	Yes	Yes	Yes	Yes
4715	SC-F&A LEADERSHIP	SC All-Blended	Provides management and administrative support for accounting and finance functions of the Company's regulated and non-regulated businesses including external audit coordination. Responsible for closing the general ledger for the Company's regulated and non-regulated businesses. Oversees the corporate consolidation of subsidiary financial statements. Prepares monthly internal financial reports for management. Prepares quarterly and annual financial reports to the Securities and Exchange Commission, financial statements to banks and quarterly and annual financial statements filed with FERC. Researches emerging accounting issues and assists with the compliance of new accounting rules and regulations.		Yes	Yes	Yes	Yes	Yes	Yes
4720	SC-HUMAN RESOURCES	Employee Ratio	Provides general Human Resources support services to the subsidiaries through the administration of policies and labor contracts for all facets of Human Resources, including employee relations, labor relations, talent management, recruiting and employment staffing, compensation and benefits administration. Processes payroll including but not limited to time reporting, calculation of salaries and wages, payroll tax reporting and compliance reports for Black Hills Corporation and its subsidiaries.		Yes	Yes	Yes	Yes	Yes	Yes
4721	SC-HR TOTAL REWARDS	Employee Ratio	Administers policies related to compensation and benefits. Oversees the self-insured medical benefits plans and other pooled benefits and provides support to the third party administrators of the plans		Yes	Yes	Yes	Yes	Yes	Yes
4722	SC-HR TALENT MANAGEMENT	Employee Ratio	Provides for employee and leadership development, succession planning, performance management, goal alignment, employee engagement, strategic workforce planning, talent assessment and general HR support for Black Hills Corporation and its subsidiaries.		Yes	Yes	Yes	Yes	Yes	Yes
4725	SC-INTERNAL AUDIT	SC All-Blended	Reviews internal controls and procedures to ensure assets are safeguarded and transactions are properly authorized and recorded. Oversees the Sarbanes Oxley compliance efforts.		Yes	Yes	Yes	Yes	Yes	Yes

Appendix 2- Service Company Departments

Department #	Name	Primary Allocation Ratio	Description / Functions	Centralized Utility Departments	Electric Utilities (EU)	Natural Gas Utilities (NGU)	RMNG	BHES	WRDC (Coal Mine)	BHWY and BHEG (Elec Gen-IPP)
4726	SC-IN-HOUSE CORPORATE SOLUTIONS (Communications)	SC All-Blended	Develops strategies and implements programs for effective communication with internal and external stakeholders. Develops and manages measured, and coordinated advertising. Designs and develops communication strategies and materials for the company.		Yes	Yes	Yes	Yes	Yes	Yes
4728	SC-POWER DELIVERY MGMT	Power Generation Capacity	Performs resource planning, power delivery management, strategic planning, and construction management for the corporation's power generation assets.		Yes					Yes
4729	SC-PROPERTY ACCOUNTING	Asset Cost	Maintains the accounting records for property, plant and equipment for the majority of subsidiaries of the corporation. Assists in compliance with regulatory accounting requirements as it relates to property. Prepares various operating and financial reports for management. .		Yes	Yes	Yes	Yes	Yes	Yes
4730	SC-RECORDS MGMT	SC All-Blended	Administers and maintains the records retention policies and procedures of the corporation. Manages and maintains the content management software.		Yes	Yes	Yes	Yes	Yes	Yes
4731	SC-SUPPLY CHAIN MGMT	SC All-Blended (No BHES)	Manages contracts, including drafting, negotiating, reviewing and interpreting contracts. Executes the procurement process including, purchasing activities, managing vendor relationships, and issue resolution and tracking and expediting orders. Manages inventory, obsolescence and scrap. Ensure availability of proper materials.		Yes	Yes	Yes		Yes	Yes
4732	SC-SUPPLY CHAIN	SC All-Blended (No BHES)	Manages contracts, including drafting, negotiating, reviewing and interpreting contracts. Executes the procurement process including, purchasing activities, managing vendor relationships, and issue resolution and tracking and expediting orders. Manages inventory, obsolescence and scrap. Ensure availability of proper materials. Pull, restock and stage materials. Executes the procurement process including, purchasing activities, managing vendor relationships, and issue resolution and tracking and expediting orders.		Yes	Yes	Yes		Yes	Yes
4734	SC-FLEET SERV	SC All-Blended	Manages fleet expense cards, fleet contracts, vehicle purchasing, replacement, disposal, licensing/registration and titling. Advises on vehicle maintenance and repairs, alternative fuel selections and implementations.		Yes	Yes	Yes	Yes	Yes	Yes
4736	SC-REAL ESTATE & FACILITIES	SC All-Blended	Provides facility, construction, and real estate management services for corporate-wide facilities. Supports disaster recovery and business continuation planning.		Yes	Yes	Yes	Yes	Yes	Yes
4741	SC-GOVERNMENTAL AFFAIRS	SC All-Blended	Advances corporate objectives by initiating, influencing, monitoring, and researching government legislation and policies. Acts as a liaison with legislators and other governmental officials. Maintains relationships with federal, state and other governmental bodies.		Yes	Yes	Yes	Yes	Yes	Yes
4742	SC-IT ADMINISTRATION	SC All-Blended	Provides guidance, governance, and strategic planning to the overall information technology operations.		Yes	Yes	Yes	Yes	Yes	Yes
4743	SC-IT BUSINESS APPLICATIONS FIN & HR SYSTEMS	SC All-Blended	Manages, maintains, and enhances the finance, human resource, web-based service and enterprise wide business applications.		Yes	Yes	Yes	Yes	Yes	Yes
4744	SC-IT BUS APPLICATIONS REG CUSTOMER SYSTEMS	All Customers	Manages, maintains, and enhances the customer service enterprise wide business applications.		Yes	Yes				
4745	SC-IT BUS APPS-WEB & ECM	SC All-Blended	Manages, maintains, and enhances the internal (intranet) and external web applications.		Yes	Yes	Yes	Yes	Yes	Yes
4746	SC-IT BUS APPS-WHLSLE&ENTPRISE.Dpt	Regulated Utilities-Blended	Manages, maintains, and enhances the electric and natural gas utility enterprise wide business applications.		Yes	Yes	Yes			
4747	SC-IT INFRASTRUCTURE	SC All-Blended	Manages, maintains, and enhances data center operations, infrastructure servers, storage, system software, enterprise architecture and corporate databases. Supports the data and voice communication needs for the company and provides telecommunication expense management services as well as technology support services and field service support for the company.		Yes	Yes	Yes	Yes	Yes	Yes
4749	SC-IT USER SERVICES.Dpt	SC All-Blended	Manages, maintains, and enhances the analytics and integration enterprise wide business applications.		Yes	Yes	Yes	Yes	Yes	Yes
4751	SC-IT COMPLIANCE/SECURITY	SC All-Blended	Responsible for internal and external audit compliance, disaster recovery, change management and legal compliance related to technology		Yes	Yes	Yes	Yes	Yes	Yes
4754	SC-GENERATION PLANT OPERATIONS	Nameplate Generation Capacity	Operates and manages the generation for BHCOE and BHCIPP		Yes					Yes
4755	SC-IT PMO / HELPDESK	SC All-Blended	Manages, maintains, and enhances the governance, project management, IT asset/service management, and enterprise content management business applications.		Yes	Yes	Yes	Yes	Yes	Yes
4756	SC-CPGS PLANT OPERATIONS	Nameplate Generation Capacity	Operates and manages the new generation for the Cheyenne Prairie Generation Station.		Yes					Yes

Appendix 2- Service Company Departments

Department #	Name	Primary Allocation Ratio	Description / Functions	Centralized Utility Departments	Electric Utilities (EU)	Natural Gas Utilities (NGU)	RMNG	BHES	WRDC (Coal Mine)	BHWY and BHEG (Elec Gen-IPP)
4770- 4781, 4796	SC-BENEFIT LOADINGS	By Function	Records overhead benefit costs loaded to labor costs dependent on assigned allocation ratio		Yes	Yes	Yes	Yes	Yes	Yes
4791	SC-ASSET TRANSMISSION	Regulated Electric Transmission/ Distribution	Allocates property assets (transmission)	Yes	Yes					
4792	SC- ASSET CUSTOMER	All Customers	Allocates property assets (customer)	Yes	Yes	Yes				
4793	SC – ASSET BLENDED	Blended Regulated Natural Gas (No BHEA)	Allocates property assets (service company)		Yes	Yes	Yes	Yes	Yes	Yes
4794	SC-BENEFIT POOLED	Employee Ratio	Records pooled benefit costs, primarily related to health and welfare for Black Hills Corporation and its subsidiaries.		Yes	Yes	Yes	Yes	Yes	Yes
4795	SC-ACCOUNTING ACCRUAL ENTRIES	SC All-Blended	Records accrual of certain charges not related to specific departments or not significant enough to allocate to each department		Yes	Yes	Yes	Yes	Yes	Yes
4803	SC- PIPELINE AND SYSTEM INTEGRITY	Regulated Natural Gas Blended	Provides management support to gas engineering and metering activities with emphasis on reliability, customer service, compliance and safety.	Yes		Yes	Yes			
4804	SC-COMPLIANCE GAS	Regulated Natural Gas Blended	Provides engineering support of gas transmission and distribution facilities including planning, monitoring, and analyses.	Yes		Yes	Yes			
4805	SC-ASSET PLANNING & DATA MANA	Regulated Natural Gas Blended	Provides engineering support of gas transmission and distribution facilities including planning, monitoring, and analyses.	Yes		Yes	Yes			
4806	SC-PIPELINE SAFETY AND COMPLIANCE GAS	Regulated Natural Gas Blended	Responsible for implementing and reporting DOT regulatory requirements, maintaining standards, and supporting GIS Smallworld mapping.	Yes		Yes	Yes			
4810	SC- RELIABILITY CENTER	Regulated Electric Transmission/ Distribution	Operates the Company's transmission and distribution systems on a 24/7 basis; and plans and directs switching and outage restoration efforts for both emergency and planned outages.	Yes	Yes					
4811	SC-OPERATIONAL SERVICES	Regulated Electric Transmission/ Distribution	Develops, coordinates and oversees the technical support piece of the Electric Utilities Group's compliance with mandatory North American Electric Reliability Corporation (NERC) Reliability Standards, which standards are enforceable through financial sanctions and are intended to ensure a reliable Bulk Electric System.	Yes	Yes					
4812	SC-TRANSMISSION SERVICES MGMT	Regulated Electric Transmission/ Distribution	For all three electric utilities, transmission Services directs the 24/7 Reliability Centers in Rapid City and Pueblo, Transmission Planning, NERC Compliance, FERC Compliance, Vegetation Management, and Transmission Tariff Administration.	Yes	Yes					
4813	SC-T&D ENGINEERING	Regulated Electric Transmission/ Distribution	For all three electric utilities, T&D Engineering provides engineering support of electric transmission and distribution facilities including planning, monitoring, and analyses.	Yes	Yes					
4814	SC-SUBSTATION/PROTECTION ENGINEERING	Regulated Electric Transmission/ Distribution	For all three electric utilities, designs, coordinates, and oversees the electric substation infrastructure for all Black Hills Energy electric utilities. This includes substation designs, standards, protective relaying, and NERC compliance associated with the same. Will include work with Transmission and Distribution assets.	Yes	Yes					
4815	SC-ENGINEERING RESOURCES	Regulated Electric Transmission/ Distribution	For all three electric utilities, Working with other departments coordinates talent development of engineers responsible for all Black Hills Energy electric utilities. Includes identifying project assignments in other groups, training opportunities, and rotational positions.	Yes	Yes					
4816	SC-GENERATION DISPATCH POWER MARKETING	GDPM	Manages the three electric utilities and others generation units dispatch and energy management services to generating resources on a system wide, least-cost basis.		Yes					Yes
4817	SC-ELEC OPS COMMUNICATIONS	Regulated Electric Blended	Manages and supports the Electric Utilities radio, fiber and microwave based communication needs for the electric operating companies. Provides telecommunication expense management for the electric operating companies.	Yes	Yes					
4818	SC-MAINTENANCE	Regulated Electric Transmission/ Distribution	For all three electric utilities, Maintenance Services supports the maintenance of the substation and lines within the Electric Utilities.	Yes	Yes					

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Department #	Name	Primary Allocation Ratio	Description / Functions	Centralized Utility Departments	Electric Utilities (EU)	Natural Gas Utilities (NGU)	RMNG	BHES	WRDC (Coal Mine)	BHWY and BHEG (Elec Gen-IPP)
4819	SC-VEGETATION MANAGEMENT	Regulated Electric Transmission/ Distribution	For all three electric utilities, Vegetation Management supports the vegetation management programs across all Electric Utilities.	Yes	Yes					
4820	SC- ELECTRIC ASSET MANAGEMENT	Regulated Electric Blended	Engineering Services supports transmission and distribution activities within the Electric Utilities group including engineering, distribution planning, T and D asset management, metering, substation maintenance, , GIS/drafting and outage management systems.	Yes	Yes					
4821	SC-PWR SUPPLY AND RENEWABLES	Regulated Electric Blended	Provides for the planning, development, and management of power supply and renewable strategies for electric operating companies.	Yes	Yes					
4822	SC-REGULATORY AND FINANCIAL MANAGEMENT	SC All-Blended	Provides regulatory financial support for all electric and gas utility regulatory filings including: rates cases, class cost of service, rate design, reporting, adjustment clauses, riders, trackers and other regulatory issues. Additionally, provides financial management to the Company's regulated and non-regulated businesses. Oversees the accumulation of subsidiary financial budgets and forecasts. Provides the consolidation of the corporate wide- budget and forecast. Guides the preparation of strategic plans.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4823	SC-RELIABILITY AND CONTROL	Regulated Electric Transmission/ Distribution	For all three electric utilities, supports the maintenance of control and protective relaying equipment within the Electric Utilities.	Yes	Yes					
4824	SC-GAS METERING SERV	Regulated Natural Gas Customers	Manages and provides gas measurement support to field operations located in gas service states.	Yes		Yes	Yes			
4825	SC-ASSET PROGRAMS	All Customers	Researches, builds and implements utility software solutions for the benefit of electric and gas operations. This department supports Smallworld GIS, Click, STORMS work management, PowerOn outage management, Korterra line locates, and GTViewer mobile maps.	Yes	Yes	Yes				
4826	SC-ELECTRIC METER SERVICES	Regulated Electric Customers	Manages and provides electric measurement support to field operations located in electric service states. Also manages AMI system for all electric entities.	Yes	Yes					
4827	SC-TRANSMISSION PLANNING	Regulated Electric Transmission/ Distribution	Performs near and long-term (1-20 year) transmission planning to determine cost-effective transmission additions needed to reliably serve projected customer load. Performs studies in support of large customer requests and the FERC Tariff; and supports operational studies for planned outages. Provides support in meeting compliance with NERC Standards; and represents the corporation in regional and sub-regional planning groups.	Yes	Yes					
4828	SC-NERC COMPLIANCE	Regulated Electric Transmission/ Distribution	Develops, coordinates and oversees the Electric Utilities Group's compliance with mandatory North American Electric Reliability Corporation (NERC) Reliability Standards, which standards are enforceable through financial sanctions and are intended to ensure a reliable Bulk Electric System..	Yes	Yes					
4829	SC-FERC TARRIFF AND COMPLIANCE	Regulated Electric Transmission/ Distribution	Develops, coordinates, and oversees the Electric Utilities Group's compliance with the Federal Energy Regulatory Commission (FERC) requirements pertaining to electric transmission; and administers the Company's Open Access Transmission Tariff (OATT) and Open Access Same-time Information System (OASIS).Administration of the Tariff, which outlines the "rules of the road" for transmission providers, the rates we charge, and the procedures and timelines in addressing customer requests (new load, new generators, or other requests to wheel power across the system).	Yes	Yes					
4831	SC-CUSTOMER SERV CALL CENTERS	All Customers	Answers and resolves customer inquiries, requests for services, for both regulated and non-regulated customers	Yes	Yes	Yes		Yes		
4833	SC-CUSTOMER SERVICE SUPPORT	All Customers	Provides support to customer services areas through customer information system project management and process control for customer information system changes, revenue assurance analysis, quality analysis, training, and customer and community communication.	Yes	Yes	Yes		Yes		
4835	SC-FIELD RESOURCE CENTER	All Customers	Plans work, and schedules and dispatches premise service activities to both regulated and non-regulated customers.	Yes	Yes	Yes				
4840	SC-COMMUNITY AFFAIRS	All Customers	Aligns business objectives with the integrated communications provided to our stakeholders. Including: media relations, coordination of community involvement programs, developing and managing a consistent communications program, and leading economic development for community growth	Yes	Yes	Yes				
4845	SC-SERVICE GUARD MARKETING	Products and Services Customers (Non-Regulated)	Provides and manages product development for consumer marketing with the primary focus on Service Guard (appliance options) a non-regulated business for utility/regulated customers.	Yes						

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Department #	Name	Primary Allocation Ratio	Description / Functions	Centralized Utility Departments	Electric Utilities (EU)	Natural Gas Utilities (NGU)	RMNG	BHES	WRDC (Coal Mine)	BHWY and BHEG (Elec Gen-IPP)
4871	SC GAS ASSET OPTIMIZATION	Regulated Natural Gas Customers (No NEGD)	Provides for the development and execution of the gas supply portfolio plans for all gas distribution operating companies and regulated power plants fueled by natural gas. This plan includes purchasing strategies for the commodity and optimization and procurement of pipeline capacity and services.	Yes	Yes	Yes	Yes	Yes		
4872	SC-EXEC MGMT-UTILITIES	Regulated Utilities-Blended	Provides guidance, direction and management to overall utility operations and support services.	Yes	Yes	Yes	Yes	Yes		
4873	SC-ENERGY EFFICIENCY/DSM	All Customers	Supports the energy efficiency programs across the utilities supported by BHUH	Yes	Yes	Yes				
4874	SC-TECHNICAL TRAINING	All Customers	Provides technical training support for gas and electric utilities.	Yes	Yes	Yes	Yes			
4875	SC-HR ROTATION PROGRAM	Regulated Utilities-Blended	Provides a rotation program to develop staff for critical need areas within the utility operating companies of Black Hills Corporation	Yes	Yes	Yes	Yes			
4876	SC-PROCESS AND SYSTEM TRAINING	Regulated Utilities-Blended	Provide training and support for utility employees on current and future business process standardization efforts.	Yes	Yes	Yes	Yes			
4877	SC-FIELD SUPPORT SERVICES	Regulated Utilities-Blended	Responsible for managing the design, development, configuration, access, integration, testing and security of the ClickSoftware suite in order to provide a high quality, value-added solution to business managers and end users.	Yes	Yes	Yes	Yes			
4879	SC- LAND RIGHTS	Regulated Utilities-Blended	Manages the company's right of way activities.	Yes	Yes	Yes	Yes			
4880	SC-BUSINESS DEVELOPMENT	Regulated Utilities-Blended	Provides business and planning services, including marketing. Searches for competitive business opportunities and energy solutions	Yes	Yes	Yes				
All Other	All Other	SC All-Blended	Departments at Black Hills Corporation and subsidiaries that are not specifically listed in the Cost Allocation Manual or included in the master allocation design that charge BHSC will be allocated using the Blended Allocation Ratio.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Centralized Utility Departments are primarily for the service of the Utility business units										

Black Hills Utility Holdings, Inc.

Cost Allocation Manual

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Amended: January 1, 2011

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Amended: December 1, 2013

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Amended: December 1, 2015

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Amended: December 1, 2017

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Introduction

The purpose of this cost allocation manual is to document the allocation processes of Black Hills Utility Holdings, Inc. (BHUH), from recording the original transaction through the allocation of costs to entities receiving services from BHUH. Various topics to be addressed include the organization of BHUH, the recording of transactions, calculating and assigning allocation ratios, and recording allocation transactions.

BHUH began formal operations in July 2008. The company was formed in anticipation of the purchase of certain gas and electric utility operating companies from Aquila, Inc. BHUH is a wholly owned subsidiary of Black Hills Corporation (BHC). BHUH is the parent company of each of the acquired Aquila and SourceGas operating companies. In addition, BHUH also supports the operations of BHC's utility and utility like operating companies, together the "operating companies". These costs are allocated to the operating companies requesting service using formal cost allocation methodologies. Departments that provide other support services to the operating companies as well as other BHC subsidiaries are held at Black Hills Service Company, LLC (BHSC). BHSC cost allocation methodologies are discussed in a separate cost allocation manual.

BHUH Organization

BHUH is organized into operating departments based upon the services that those departments provide to the operating companies. A list of each department, as well as a brief description of the services they provide, is attached hereto as Appendix 1.

Direct Costs versus Indirect Costs

A key issue in distributing BHUH costs is distinguishing between direct costs and indirect costs. The account coding will change depending on whether the cost is a direct or indirect cost. Below is a summary of each of these types of costs and examples of these costs.

Direct costs are those costs that are specifically associated with an identified operating company. This means that it is known exactly to which operating company these costs relate. Here are some examples:

- Advertising is prepared for a new customer information and instructional advertising campaign in the state of Nebraska. The advertising costs incurred are specifically associated with an identified operating company. Therefore, this would be a direct cost.
- The Vice President of Utilities attends a meeting on the proposed budget for the state of Iowa. The labor costs incurred in attending this meeting are specifically associated with an identified operating company. Therefore, this would be a direct cost.
- A trainer from Gas Engineering travels to various Black Hills Kansas Gas field offices to conduct training. These travel costs are specifically associated with an identified operating company. Therefore, this would be a direct cost.

Indirect costs are those costs that are not associated with an identified operating company. This means that the costs indirectly support all companies or directly support the operation of BHUH. In other words, costs that would be directly charged to BHUH using the definition and examples above would be classified as indirect costs. Here are some examples:

- Advertising is prepared for all customers to inform them of changes to electronic payment processes. These advertising costs incurred apply to all operating companies. Therefore, this would be an indirect cost.
- The Vice President of Utilities attends a meeting to present the consolidated budget for all gas utilities to the Board of Directors. The labor costs incurred in attending this meeting are not specifically associated with an identified operating company. Therefore, this would be an indirect cost.
- A trainer from Gas Engineering travels to Rapid City to present a training program to operating company executives. These travel costs are specifically associated with BHUH. Therefore, this would be an indirect cost.

It is important to consider two things when determining if a cost is a direct cost or an indirect cost: (1) Can the costs coded to a specific operating company or group of operating companies be substantiated, and (2) Can it be substantiated that a utility-based subsidiary is not subsidizing the operations of a non-utility based subsidiary with the time and expenses that have been charged to them. A certain level of judgment will be involved when deciding whether a particular cost should be directly charged or indirectly allocated.

There are certain costs that will always be considered either direct or indirect costs. Below is a list of significant BHUH expenses that follow these rules:

Always considered direct costs:

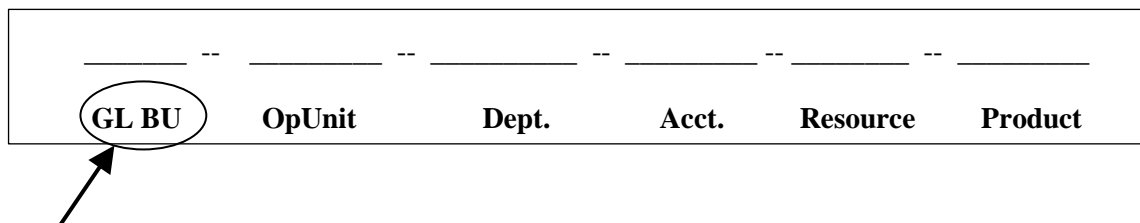
- Capitalized costs for non-BHUH projects (including capitalized labor)
- Retiree healthcare costs

Always considered indirect costs:

- Depreciation of BHUH and BHSC assets
- Intercompany interest expense and income related to the BHUH balance payable or receivable from the Utility Money Pool

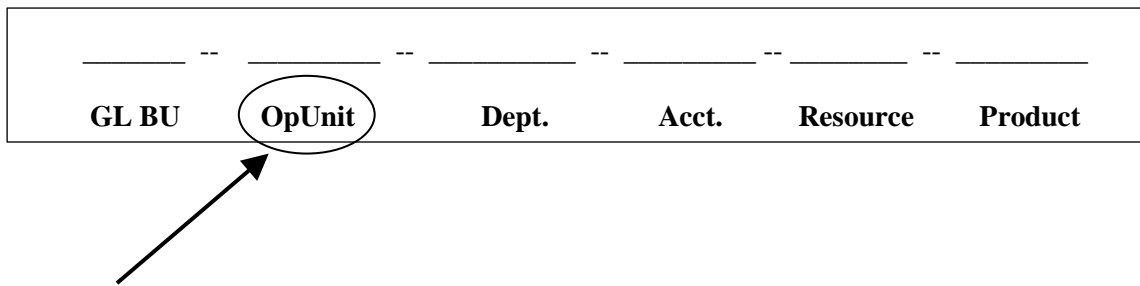
Transaction Coding

The Holding Company uses an accounting software system to accumulate and distribute both direct costs and indirect costs. It is important to have costs properly classified as direct or indirect. Direct costs will be directly charged to the subsidiaries, while indirect costs will be allocated to the subsidiaries using pre-defined allocation factors. Below is a description of the coding.



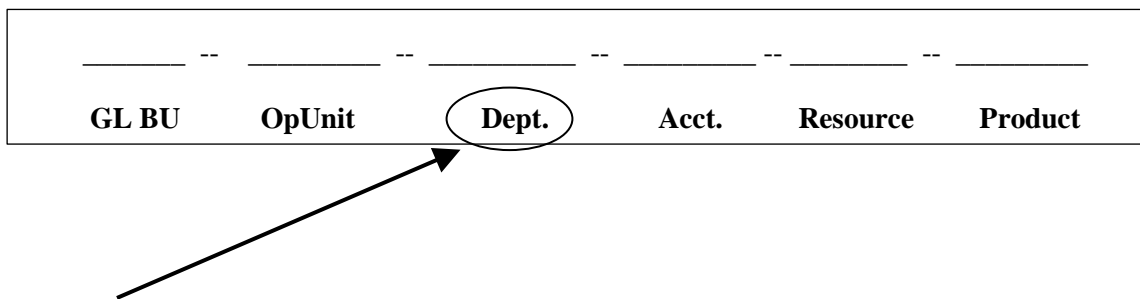
General Ledger Business Unit (**GLBU**):

- Five (5) character numeric field.
- The GLBU field is used to identify the company that will be receiving the charges, either as a direct cost or an indirect cost.
- The GLBU field is required on all accounting transactions
- The GLBU field will default based on the operating unit (Op Unit), as described below.



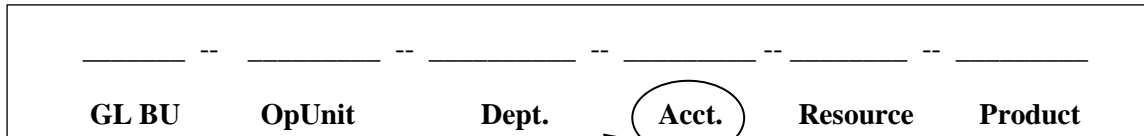
Operating Unit (OpUnit):

- Six (6) character numeric field.
- The Op Unit field is used to identify the code block as either a direct cost or an indirect cost.
- If the cost is a direct cost, the Op Unit field will be populated using an Op Unit at the specific company being charged.
- The Op Unit field will be populated using one of the BHUH Op Units for indirect costs. Indirect costs also include costs from other areas of the company that are directly related to the Utility Holding Company.



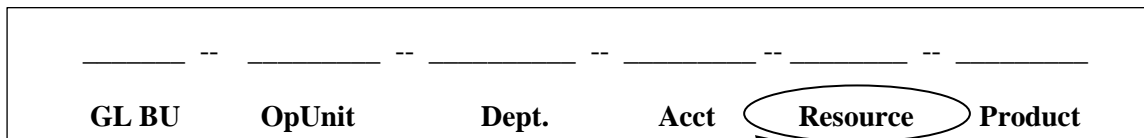
Department (Dept.):

- Four (4) character numeric field
- The Department field is used to identify where the cost(s) originated
- The Department field is required on all income statement and capital transactions
- Every Department is assigned to a GLBU



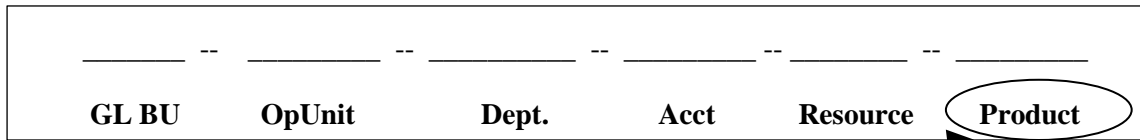
Account (Acct.):

- Six (6) character numeric field
- The account field is required on all accounting transactions
- All companies will generally use the same Chart of Accounts although some values will be specific to certain companies.



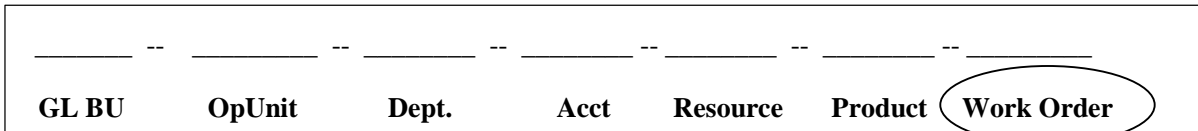
Resource:

- Four (4) character numeric field
- A Resource is used to identify types of costs
- The Resource field is required for all income statement and capital accounting transactions



Product:

- Three (3) character numeric field
- A Product is used to identify business lines
- Examples of the product line include electric, gas, and non-regulated



Work Order:

- Alpha or numeric field
- Represents the collection of costs to allow the monitoring of a job or group of costs
- The work order field is required on all construction work in progress transactions

Timekeeping

All BHUH employees are required to complete a timesheet for each two week pay period. Timesheets of appropriate employees must be approved by a supervisor.

Employees must complete the coding string, as previously discussed, for each time record. The timesheet will default the department and resource. However, the employee is responsible for providing the remainder

of the code block. Employees are encouraged to enter their time in one half hour increments, although they may use smaller increments if they so choose.

Loadings

Certain benefits that are provided to employees become an inherent cost of labor. To account for these benefits and allow for them to be charged to the appropriate subsidiary, they become part of a loading rate that is added on to each payroll dollar.

The loading rates are calculated at the beginning of the year based on budgeted benefit expenses and budgeted labor. Benefit costs and loading rates are reviewed, and updated as needed. Below is a list of components of the loading rates:

General labor loadings:

- **Compensated Absences:** including but not limited to paid time off (PTO), Holiday, Jury duty, Funeral pay, United Way day, Short-term Disability and Annual Physical appointment.
- **Payroll Taxes:** including but not limited to FICA, FUTA SUTA and city taxes.
- **Employee Benefits:** including but not limited to health and medical, 401K match and fees, Pension, Retiree healthcare and associated fees.
- **Incentives:** including but not limited to Non-officer incentive plans, Restricted Stock and Stock Option expense.

Loadings calculated on payroll are based on estimated benefit costs, therefore, differences between actual benefits will be inherent to this process. After the difference is calculated and reviewed for reasonableness, it is recorded to a separate department, and indirectly allocated to Black Hills Corporation subsidiaries.

Allocation Ratios

As previously stated, BHUH costs are either directly charged to an operating company, or indirectly allocated when the cost is not associated with a specific operating company. Indirect costs are allocated

using one of several pre-defined allocation ratios. Each department has been assigned one of these allocation ratios. All indirect costs of that department are then allocated using that ratio. When determining which allocation ratio should be assigned to each department, a ratio was selected based on the specific cost driver of that department. For instance, the expenses incurred by the Customer Service - Rapid City department are primarily related to the support of all utility customers. In this example, the cost driver for the Customer Service - Rapid City department indirect costs is the number of customers. Therefore, the indirect costs will be allocated based upon the Customer Count Ratio.

When determining how the assigned ratio should be applied, consideration is given to the operating companies or segments that are supported by the department. For instance, the Appliance Technical Training department was determined to have a cost driver of number of Service Guard customers. Therefore, the indirect costs will be allocated based on the Customer Count Ratio using Service Guard customers whereas the Customer Service – Rapid City department used in the previous example would be allocated based on the Customer Count Ratio using Regulated Utility customers.

For certain departments, a specific cost driver may not be clearly identifiable or the driver may not be cost effective to compute on a continuing basis. In these instances, a three-pronged general allocation ratio is used. This ratio equally weights three different general ratios: Gross Margin, Asset Cost (net plant), and Payroll Dollars (direct payroll). These factors were chosen to be included in the Blended Allocator Ratio because they best allocate costs based on the diverse nature of BHUH operations.

A list of all allocation ratios, including a brief description of the ratio, the basis for the calculation of the ratio, and the department to which that ratio has been assigned, is attached hereto as Appendix 2.

Changing Allocation Ratios

Allocation ratios are set at the first of the year, based upon financial information from the trailing twelve months ending September 30th for the prior year. The ratios for Asset Cost and Customer Count are based on values as of the previous period ending September 30th for the prior year. The ratios for Gross Margin and Payroll Dollars, are based on values for the trailing twelve months ended September 30th for the prior year.

Certain events may occur during the year that are deemed to be significant to BHUH that will require corresponding adjustments be made to the allocation ratios. Examples of these types of events include acquisitions, divestitures, new generation, significant change in asset base, significant staffing changes or new, significant revenue streams.

When these events occur, indirect allocation ratios will be adjusted. When adjusting allocation ratios, it is the policy of BHUH to not recalculate all allocation ratios. Rather, allocation ratios will be adjusted with pro forma adjustments for the subsidiary with a significant change in a specific allocation ratio base. For example, if an acquisition occurs during the middle of the year, pro forma values will be loaded. Asset values at the time of the acquisition would be used, as well as pro forma gross margin and payroll dollars for a 12 month period. It should be noted that estimations may be required, especially when significant additions or changes are expected as a result of the acquisition.

It should also be noted that asset values, gross margin, and payroll dollars for the other companies will not be changed. However, the ratios will change because the base against which the ratios are calculated will change. Operating companies would normally see decreased ratio values with acquisitions, and increased ratio values with divestitures. Changes will be effective as of the beginning of the month following the significant event, and will apply to all transactions for the month.

Subsidiary Payment for Direct and Indirect Charges

It is the policy of BHUH to insure payments are made by the subsidiary companies for direct and indirect charges. All payments for direct and indirect charges must be remitted to BHUH by the end of the following month. BHUH will monitor payments received during the month to insure that all subsidiary companies make payment in a timely manner.

Allocating Fixed Assets

BHUH maintains certain fixed assets that are used by and benefit all operating companies. These fixed assets primarily consist of computer hardware and software and shared office facilities. Because these fixed assets support all operating companies, they are allocated monthly as part of the month-end close process, along with the allocation of these assets' accumulated depreciation. Construction Work in Process balances are not allocated.

Allocated assets and accumulated depreciation are maintained in separate general ledger accounts at the subsidiary level so they are not intermingled with regular subsidiary fixed assets, and for ease of reconciliation.

The allocation ratio used to allocate assets and accumulated depreciation will vary depending on the type of asset being allocated, and will be based on the function the asset is serving. For instance, customer service software is allocated based on the Customer Count Ratio, while general office space is allocated using the Blended Allocator Ratio.

Allocating Capitalized Inventory

The gas and electric meter shops are BHUH departments serving the utility operating companies. As meters are purchased, they are recorded as capitalized inventory (charged to plant-in-service) by BHUH, as the meters are issued out of inventory to the specific operating company those assets are transferred from BHUH to the specific utility operating companies. All unassigned gas and electric meter investment and accumulated depreciation reserve is held at BHUH, and is allocated to the applicable utilities monthly. The Customer Count Ratio is used for this allocation.

Appendix 1- BHUH Departments

The following departments are included in BHUH as of 01/01/2017 and are subject to changes as required to support evolving business requirements.

UHC-GAS ASSET OPTIMIZATION (2301)

Description: Provides for the development and execution of the gas supply portfolio plans for all gas distribution operating companies and regulated power plants fueled by natural gas. This plan includes purchasing strategies for the commodity and optimization and procurement of pipeline capacity and services. (Customer Count Ratio)

UHC-ASSETS-LINCOLN CCTR/CAD (4247)

Description: The assets invested for the Computer Aided Dispatch system for Black Hills Energy. This includes capitalized and centrally located hardware and software costs to service multiple utilities. Depreciation expense and maintenance expense on this group of assets is also charged from here. (Customer Count Ratio)

UHC-BENEFITS LOADINGS (4470)

Description: Utilized for charging out benefits, including medical costs, to the operating departments. Provided that all labor is loaded with overhead loadings, only the residual charges are to the operating companies. (Blended)

UHC-REVENUE AND COGS (4471)

Description: Utilized for revenue and cost of goods sold within the customer billing system, CIS+, relating to charges within customer accounts that do not relate to a specific operating unit. (Blended)

UHC-ACCOUNTING ACCRUAL ENTRIES (4474)

Description: Created to facilitate the accrual of certain charges not related to specific departments. (Blended)

UHC-ASSETS-BLENDED-ALL (4478)

Description: The assets invested and centrally located for gas and electric operating companies where the Blended Ratio is determined to be the best form of allocation. Depreciation expense on this group of assets is also charged from here. (Blended)

UHC-ASSETS-BLENDED-ELECTRIC (4479)

Description: The assets invested and centrally located for electric operating companies where the Blended Ratio is determined to be the best form of allocation. Depreciation expense on this group of assets is also charged from here. (Blended)

UHC-ASSETS-BLENDED-GAS (4480)

Description: The assets invested and centrally located for gas operating companies where the Blended Ratio is determined to be the best form of allocation. Depreciation expense on this group of assets is also charged from here. (Blended)

UHC-ASSETS-BLENDED-CUSTOMERS (4481)

Description: The assets invested and centrally located for gas and electric companies where the Customer Ratio is determined to be the best form of allocation. Depreciation expense on this group of assets is also charged from here. (Customer Count Ratio)

UHC- ASSET PLANNING & DATA MANAGEMENT (5104)

Description: Provide expertise in collecting, managing and utilizing operations data to make decisions regarding investment strategy. Department consists of the Utility Systems (responsible for work asset management “WAM” system), GIS, Land Rights and Asset Planning (system project management) functions. (Blended)

UHC-DESIGN ENGINEERING GAS (5105)

Description: Provides engineering support of gas transmission, distribution facilities, storage, gas processing, and compression facilities including planning, monitoring, and analyses. Provides project management support to operations, business development, gas control and tech services activities. (Blended)

UHC- PIPELINE SAFETY AND COMPLIANCE SUPPORT (5106)

Description: Responsible for enhancing pipeline safety by monitoring and evaluating federal, state, and local regulations, implementing new processes related to regulations, maintaining company standards documentation, ensuring compliance data integrity, facilitating regulatory audits and general regulatory communication, preparing required state and federal reports, overseeing required gas utility programs, and working on pipeline safety initiatives. (Blended)

UHC-TRANSMISSION PLANNING (5107)

Description: Performs near and long-term (1-20 year) transmission planning to determine cost-effective transmission additions needed to reliably serve projected customer load. Performs studies in support of large customer requests and the FERC Tariff; and supports operational studies for planned outages. Provides support in meeting compliance with NERC Standards; and represents the corporation in regional and sub-regional planning groups. (Transmission)

UHC-NERC COMPLIANCE (5108)

Description: Develops, coordinates and oversees the Electric Utilities Group's compliance with mandatory North American Electric Reliability Corporation (NERC) Reliability Standards, which standards are enforceable through financial sanctions and are intended to ensure a reliable Bulk Electric System. (Transmission)

UHC-FERC TARIFF AND COMPLIANCE (5109)

Description: Develops, coordinates, and oversees the Electric Utilities Group's compliance with the Federal Energy Regulatory Commission (FERC) requirements pertaining to electric transmission; and administers the Company's Open Access Transmission Tariff (OATT) and Open Access Same-time Information System (OASIS). Administration of the Tariff, which outlines the "rules of the road" for transmission providers, the rates we charge, and the procedures and timelines in addressing customer requests (new load, new generators, or other requests to wheel power across the system). (Transmission)

UHC-T AND D RELIABILITY CTR (5110)

Description: Operates the Company's transmission and distribution systems on a 24/7 basis; and plans and directs switching and outage restoration efforts for both emergency and planned outages. (Transmission)

UHC-NERC TRANSMISSION AND TECH SUPPORT (5111)

Description: Develops, coordinates and oversees the technical support piece of the Electric Utilities Group's compliance with mandatory North American Electric Reliability Corporation (NERC) Reliability Standards, which standards are enforceable through financial sanctions and are intended to ensure a reliable Bulk Electric System. (Transmission)

UHC-TRANSMISSION SERVICES MGMT (5112)

Description: For all three electric utilities (BHP, CLFP and Colorado Electric), Transmission Services directs the 24/7 Reliability Centers in Rapid City and Pueblo, Transmission Planning, NERC Compliance, FERC Compliance, Vegetation Management, and Transmission Tariff Administration. (Transmission)

UHC-T&D ENGINEERING (5113)

Description: For all three electric utilities (BHP, CLFP and Colorado Electric), T&D Engineering provides engineering support of electric transmission and distribution facilities including planning, monitoring, and analyses. (Transmission)

UHC-SUBSTATION/PROTECTION ENG (5114)

Description: Designs, coordinates, and oversees the electric substation infrastructure for all Black Hills Energy electric utilities. This includes substation designs, standards, protective relaying, and NERC compliance associated with the same. Will include work with Transmission and Distribution assets. (Transmission)

UHC-ENGINEERING RESOURCES (5115)

Description: Working with other departments coordinates talent development of engineers responsible for all Black Hills Energy electric utilities. Includes identifying project assignments in other groups, training opportunities, and rotational positions. (Transmission)

UHC-ELEC OPS COMMUNICATIONS (5117)

Description: Manages and supports the Electric Utilities radio, fiber and microwave based communication needs for the electric operating companies. Provides telecommunication expense management for the electric operating companies. (Blended)

UHC-ELEC MAINT SERVICES (5118)

Description: Maintenance Services supports the maintenance of the substation, line, control, and protective relaying equipment within the Electric Utilities. (Transmission)

UHC-VEGETATION MANAGEMENT (5119)

Description: Vegetation Management supports the vegetation management programs across all Electric Utilities. (Transmission)

UHC-ELEC ENGINEERING SERV (5120)

Description: Engineering Services supports transmission and distribution activities within the Electric Utilities group including engineering, distribution planning, T&D asset management, metering, substation maintenance, GIS/drafting and outage management systems. (Blended)

UHC-PWR SUPPLY AND RENEWABLES (5121)

Description: Provides for the planning, development, and management of power supply and renewable strategies for electric operating companies. (Blended)

UHC-REGULATORY (5122)

Description: provides regulatory financial support for all electric and gas utility regulatory filings including: rates reviews, class cost of service, rate design, reporting, adjustment clauses, riders, trackers and other regulatory issues. (Blended)

UHC-HR ROTATION PROGRAM (5125)

Description: Provides a rotation program to develop staff for critical need areas within the utility operating companies of Black Hills Corporation. (Blended)

UHC-TECHNICAL TRAINING (5254)

Description: Provides technical training support for gas and electric utilities. (Customer-Regulated)

UHC-GIS SUPPORT (5305)

Description: Researches, builds and implements utility software solutions for the benefit of electric operations. This department supports, STORMS/WAM work management, PowerOn outage management, GIS mapping & modeling, and Korterra line locates. (Customer Count Ratio)

UHC-GAS MEASURING (5490)

Description: Manages and provides gas measurement support to field operations located in gas service states. (Customer-Regulated)

UHC-EXEC MGMT-UTILITIES (5682)

Description: Provides guidance, direction and management to overall utility operations and support services. (Blended)

UHC-BUSINESS DEVELOPMENT (5688)

Description: Provides program management for the development and marketing of customer energy solutions. (Blended)

UHC-COMMUNITY AFFAIRS (5690)

Description: Aligns business objectives with the integrated communications provided to our stakeholders. Including: media relations, coordination of community involvement programs, developing and managing a consistent communications program, and leading economic development for community growth (Customer Count Ratio)

UHC-ELECTRIC METER SERVICES (5691)

Description: Manages and provides electric measurement support to field operations located in electric service states. Also manages AMI system for all electric entities. (Customer-Regulated)

UHC-CUSTOMER SERV CALL CENTERS (5701)

Description: Provides direct support to the operations of the all Black Hills customer service centers. Answers and resolves customer inquiries, requests for services, for both regulated and non-regulated customers. Provides analysis on employee staffing, monitoring service metrics, projects, and planning. (Customer Count Ratio)

UHC-CUSTOMER SERV SUPP (5703)

Description: Provides support to customer services areas through customer information system project management and process control for customer information system changes, revenue assurance analysis, quality analysis, training, and customer and community communication. Manages and maintains regulated and non-regulated billing for electric and gas utility customers as well as the sales and billing of gas to large volume customers. Prepares prints, inserts and mails regulated and non-regulated letters and bills for BHC utility customers. Processes payments for regulated and non-regulated services for BHC utility customers. Assists customers with payment and collection issues. (Customer Count Ratio)

UHC-FIELD RESOURCE CENTER (5715)

Description: Plans work, and schedules and dispatches premise service activities to both regulated and non-regulated customers. (Customer Count Ratio)

UHC-REPAIR BUSINESS MARKETING (6005)

Description: Provides and manages the non-regulated repair business program which includes: consumer marketing, new service development and employee repair training. (Customers-Service Guard, CAPP, HomeServe)

UHC- PIPELINE AND SYSTEM INTEGRITY (6183)

Description: Provides engineering and land rights support of storage, mid-stream gas processing, gas transmission, compression and distribution facilities including design, planning, monitoring, and design analyses. Provides capital project management support to operations, business development, gas control and tech services activities with emphasis on land rights, reliability, customer service, compliance and safety. (Blended)

UHC-ENERGY EFFICIENCY/DSM (6373)

Description: Supports the energy efficiency programs across the utilities supported by BHUH (Customer Count Ratio)

CATCH-ALL

Description: Departments of Black Hills Corporation that are not specifically listed in the Cost Allocation Manual or included in the master allocation design that charge BHUH will be allocated using the Blended Allocator Ratio or Customer Count Ratio.

Appendix 2- Allocation Ratios

Any asset ratios and employee and customer count ratios are calculated as of period-end dates, while revenue and expense ratios are calculated for twelve months ended as of period-end dates.

Asset Cost Ratio – Based on the net cost of assets as of September 30th for the prior year, the numerator of which is for an applicable operating company and the denominator of which is all applicable operating companies. Assets are limited to property, plant, and equipment, and include construction or work in process less accumulated depreciation, depletion and amortization (compliance with GAAP).

No departments utilize this ratio, but it is a component in the Blended Ratio.

Gross Margin Ratio – Based on the total gross margin for the trailing twelve months ending September 30th, the numerator of which is for an applicable operating company and the denominator of which is for all applicable operating companies. Gross margin is defined as revenue less cost of sales. Certain intercompany transactions may be excluded from gross margin if they would not have occurred if the revenue relationship was with a third party instead of a related party.

No departments utilize this ratio, but it is a component in the Blended Ratio.

Payroll Dollar Ratio –Based on the total payroll dollars for the trailing twelve months ending September 30th, the numerator of which is the direct payroll charges from all BHC subsidiaries charging an applicable operating company and the denominator of which is for all applicable operating companies. Payroll dollars include all bonuses and compensation paid to employees, but do not include items that are only included on an employee's W-2 for gross-up and income tax purposes, such as life insurance premiums of \$50,000.

No departments utilize this ratio, but it is a component in the Blended Ratio.

Blended Ratio – A composite ratio comprised of an average of the Asset Cost Ratio, Payroll Dollar Ratio and the Gross Margin Ratio. These factors are equally weighted. This factor is sometimes referred to as the general allocation factor.

There are currently several variations of the Blended ratio that are specific to the segment that are appropriate for which charges are being allocated. For example, charges for electric engineering department labor would utilize an electric blended ratio whereby no allocations would be charged to a gas utility.

BHUH is utilizing the following segment variations and additional variations may be added if additional product lines are added or in the event that additional segmentation is deemed appropriate to most effectively allocate costs from a specific department

All Blended

Electric Blended

Gas Blended

BHE Blended

BHGD Blended

Departments that utilize this ratio include BHUH Benefits Loading, Revenue and COGS, BHUH Accounting Accruals, All Blended Assets, Electric Blended Assets, Gas Blended Assets, Asset Planning and Data Management, Design Engineering Gas, Pipeline Safety and Compliance Support, Electric Engineering Services, Regulatory, HR Rotation Program, Executive Management Utilities, Business Development, Power Supply and Renewables, Electric Ops Communications, and Pipeline and System Integrity.

Any department at Black Hills Corp that appropriately charges a BHUH operating unit but is not part of the predefined allocation design will also utilize the Blended Allocator Ratio. For example if a BHSC IT department provides maintenance on the SCADA system supporting the regulated electric companies they would charge BHUH operating unit 201900 and these costs would be allocated using the Blended Ratio across the regulated electric companies.

Customer Count Ratio – Based on the number of customers as of September 30th for the prior year, the numerator of which is for an applicable operating company and the denominator of which is for all applicable operating companies.

There are currently several variations of the Customer Count ratio that are specific to the type of customers that are appropriate to the department for which charges are being allocated. For example a department that supports gas engineering would be allocated based on gas customers only whereas a general customer service department would be allocated based on total customers.

BHUH is utilizing the following customer counts to calculate customer count ratios additional variations may be added if additional product lines are added or in the event that additional segmentation of customers are deemed appropriate to most effectively allocate costs from a specific department

Customers

Electric Customers

Gas Customers

BHE Customers

BHGD Customers

Non-Regulated Customers

Departments that utilize these ratios include Gas Asset Optimization, Computer Aided Dispatch, Regulated Generation Assets, Customer Blended Assets, Technical Training, GIS Support, Gas Measuring, Community Affairs, Electric Meter Services, Customer Serv Call Centers, Customer Serv Supp., Field Resource Center, Repair Business Marketing, and Energy Efficiency/DSM.

Transmission Ratio – Based on a simple average of a multiple of cross-sectional drivers for the transmission function as of September 30th for the prior year that includes customer counts, peak load, number of substations, number of feeders, number of distribution and transmission miles, and

number of remote terminal units. The numerator of which is for an applicable operating company and the denominator of which is for all applicable operating companies.

The departments that utilize this ratio include Transmission Planning, T&D Engineering, NERC Compliance, FERC Tariff and Compliance, Transmission and Distribution Reliability, NERC Transmission and Tech Support, Transmission Service Management, Substation/Protection Eng, Engineering Resources, Elec Maint Services, and Vegetation Management.

Black Hills Service Company

Cost Allocation Manual

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Amended: August 1, 2010

Amended: December 1, 2013

Amended: December 1, 2014

Amended: December 1, 2015

Amended: December 1, 2016

Amended: December 1, 2017

Black Hills Service Company Cost Allocation Manual

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Introduction

The purpose of this cost allocation manual is to document the allocation processes of Black Hills Service Company (the Service Company or BHSC), from recording the original transaction through the allocation of costs to Black Hills Corporation subsidiaries. Various topics to be addressed include the organization of the Service Company, the recording of transactions, calculating and assigning allocation factors, and recording allocation transactions.

The Service Company was formed on December 30, 2004, and was fully implemented and operational as of January 1, 2006. The Service Company was formed as required by the Public Utility Holding Company Act of 1935, which was administered by the Securities and Exchange Commission (SEC). Service companies were required of all registered holding companies under this law. Service companies coordinate corporate support functions and distribute costs to registered holding company subsidiaries using pre-defined allocation methodologies that had to be approved by the SEC.

Black Hills Corporation became a registered holding company at the end of 2004, and through a transition period and various amendments to the registered holding company filings, established the date of January 1, 2006 to fully implement the Service Company. In August of 2005, this law was repealed and replaced by the Public Utility Holding Company Act of 2005, which is administered by the Federal Energy Regulatory Commission (FERC). This new law was effective in February of 2006. Although certain administrative and reporting requirements changed as a result of the repeal, Black Hills Corporation did not change its implementation plan.

The Service Company is a wholly owned subsidiary of Black Hills Corporation (the Holding Company or BHC), and is a separate legal entity. The majority of operations and all employees were transferred out of the Holding Company on the effective date of implementation. The only transactions that remain at the Holding Company are transactions pertaining to long-term debt and related deferred finance costs, short-term financing (corporate credit facility and commercial paper program) and related deferred finance costs. In addition, as will be discussed in greater detail later, certain corporate costs are charged directly to the Holding Company. The most notable of these types of costs are corporate development project costs.

Service Company Organization

The Service Company is organized into operating departments based upon the services that those departments provide to Black Hills Corporation subsidiaries. A list of each department, as well as a brief description of the services they provide, is attached as Appendix 1.

Direct Costs versus Indirect Costs

A key issue in distributing Service Company costs is distinguishing between direct and indirect costs. The account coding will change depending on whether the cost is a direct or indirect cost. Below is a summary of each of these types of costs and examples of these costs.

Direct costs are those costs that are specifically associated with an identified subsidiary. This means that it is known exactly to which subsidiary these costs relate. Here are some examples:

- A Payroll Processor is processing the payroll for Black Hills Power. The labor costs incurred in processing payroll are specifically associated with an identified subsidiary. Therefore, this would be a direct cost.
- An Internal Auditor travels to Denver to complete audits for Colorado Independent Power Production and Colorado Electric. The time associated with completing the audits would be charged to each company based on the time worked for each specific company project. The travel expenses should be split equally or on a pro rata share based on days worked.
- The Human Resources department incurs costs to bring an employment candidate on-site to Gillette for an interview with Wyodak Resources. These travel costs incurred in bringing the employee in for the interview are specifically associated with an identified subsidiary. Therefore, this would be a direct cost.
- A Help Desk technician orders a replacement computer monitor for an employee at Black Hills Power. This hardware cost incurred is specifically associated with an identified subsidiary. Therefore, this would be a direct cost.

Indirect costs are those costs that are not associated with an identified subsidiary. This means that the costs indirectly support all companies or directly support the operation of the Service Company. In other words, costs that would be directly charged to the Service Company using the definition and examples above would be classified as indirect costs. Here are some examples:

- The Internal Audit department is completing a BHC consolidated financial statement audit. Since all entities indirectly affect the financial statements of BHC consolidated, this charge would be considered an indirect cost.
- An Environmental representative attends an industry training event. This charge cannot be directly attributable to any specifically identified company; therefore, this charge would be considered an indirect cost.
- A Help Desk technician orders a replacement computer monitor for an employee of the Service Company. This hardware cost incurred is specifically associated with the Service Company. Therefore, this would be an indirect cost.

It is important to consider two things when determining if a cost is a direct cost or an indirect cost: (1) Whether the costs that are coded to a specific company or group of companies be substantiated; and (2) Whether it be substantiated that a utility-based entity is not subsidizing the operations of non-utility based company with the time and expenses that have been charged to them. A certain level of judgment will be involved when deciding whether a particular cost should be directly charged or indirectly allocated.

There are certain costs that will always be considered either direct or indirect costs. Below is a list of significant Service Company expenses that follow these rules:

Always considered direct costs:

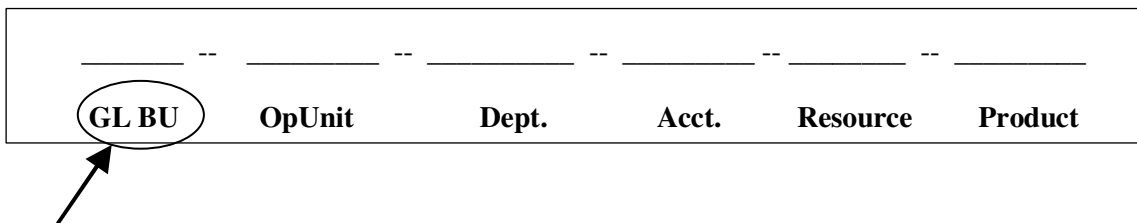
- Capitalized costs for non-BHSC projects (including capitalized labor)
- Corporate development project costs
- Retiree healthcare costs

Always considered indirect costs:

- Board of Directors' fees and expenses
- Rapid City office facility rent
- Depreciation of BHSC assets
- Directors' and officers' insurance
- Investor relations expenses
- Shareholder expenses
- Intercompany interest expense and income

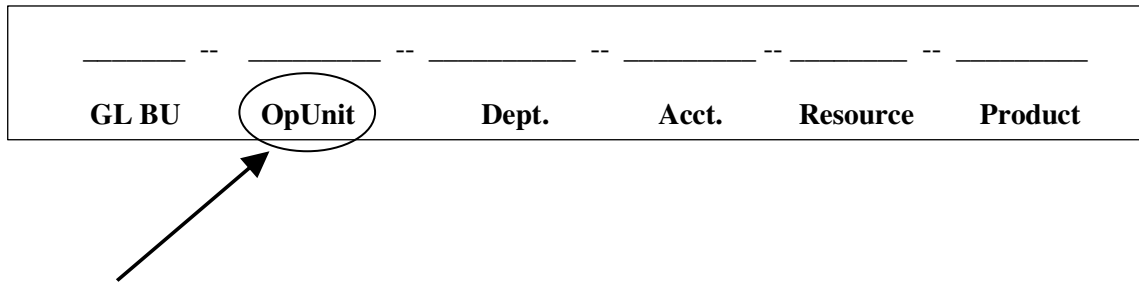
Transaction Coding

The Service Company uses an accounting software system to accumulate and distribute both direct costs and indirect costs. It is important to have costs properly classified as direct or indirect. Direct costs will be directly charged to the subsidiaries, while indirect costs will be allocated to the subsidiaries using pre-defined allocation factors. Below is a description of the coding.



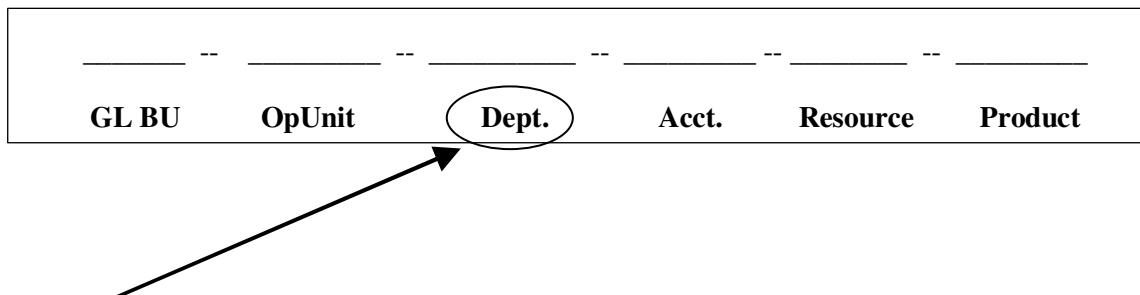
General Ledger Business Unit (GLBU):

- Five (5) character numeric field.
- The GLBU field is used to identify the company that will be receiving the charges, either as a direct cost or an indirect cost.
- The GLBU field is required on all accounting transactions.
- The GLBU field will default based on the operating unit (Op Unit), as described below.



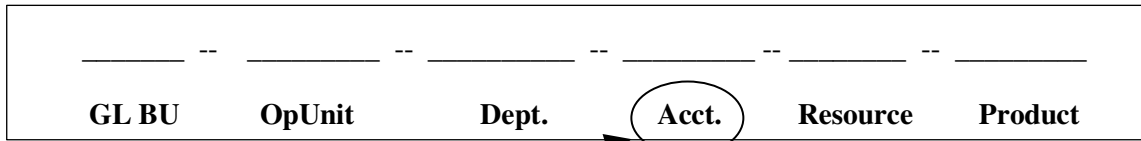
Operating Unit (OpUnit):

- Six (6) character numeric field.
- The OpUnit field is used to identify the code block as either a direct cost or an indirect cost.
- If the cost is a direct cost, the OpUnit field will be populated using the OpUnit code for the company being directly charged.
- The Op Unit field will be populated using one of the Service Company Op Units for indirect costs. Indirect costs also include costs from other areas of the company that are directly related to the Service Company.



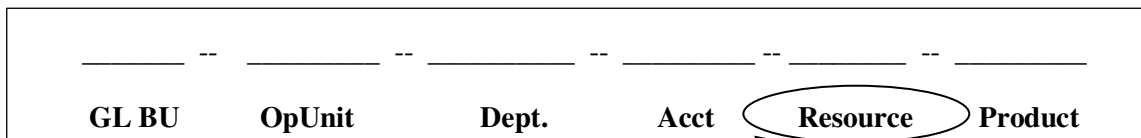
Department (Dept):

- Four (4) character numeric field.
- The Department field is used to identify where the cost(s) originated.
- The Department field is required on all income statement and capital transactions.
- Every Department is assigned to a GLBU.



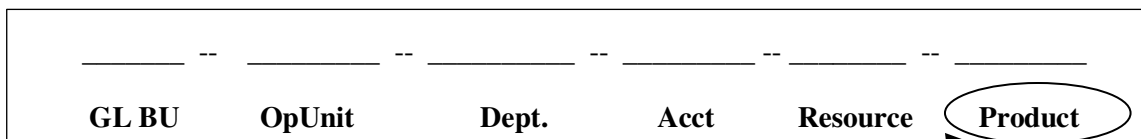
Account (Acct)

- Six (6) character numeric field.
- The Account field is required on all accounting transactions.
- All companies will generally use the same Chart of Accounts although some values will be specific to certain companies.



Resource:

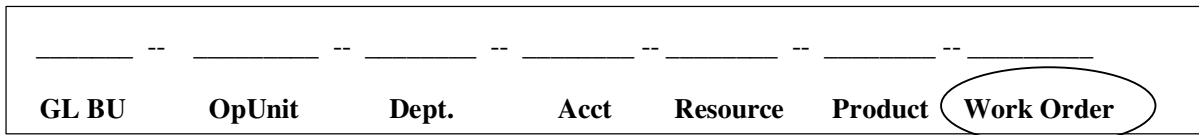
- Four (4) character numeric field.
- A Resource is used to identify types of costs.
- The Resource field is required for all income statement and capital accounting transactions.



Product:

- Three (3) character numeric field.

- A Product code is used to identify business lines.
- Examples of the product line include electric, gas, coal and non-regulated



Work Order:

- Alpha or numeric field.
- Represents the collection of costs to allow the monitoring of a job or group of costs.
- The Work Order field is required on all construction work in progress transactions

Timekeeping

All Service Company employees are required to complete a timesheet for each two week pay period. Timesheets of appropriate employees must be approved by a supervisor.

Employees must complete the code block, as previously discussed, for each time record. The timesheet will default the department and resource. However, the employee is responsible for providing the remainder of the code block. Employees are encouraged to enter their time in one half hour increments, although they may use smaller increments if they so choose.

Loadings

Certain benefits that are provided to employees become an inherent cost of labor. To account for these benefits and allow for them to be charged to the appropriate subsidiary, they become part of a loading rate that is added on to each payroll dollar.

The loading rates are calculated at the beginning of the year based on budgeted benefit expenses and budgeted labor. Benefit costs and loading rates are reviewed, and updated as needed. Below is a list of components of the loading rates:

General labor loadings:

- Compensated Absences: including but not limited to paid time off (PTO), Holiday, Jury duty, Funeral pay, United Way day, Short-term Disability and Annual Physical appointment.
- Payroll Taxes: including but not limited to FICA, FUTA SUTA and city taxes

- Employee Benefits: including but not limited to health and medical, 401K match and fees, Pension, Retiree healthcare and associated fees
- Incentives: including but not limited to Non-officer incentive plans, Restricted Stock and Stock Option expense

Supplemental loadings:

- Officer short term incentive plans
- Officer supplemental retirement
- Officer performance plan

Loadings calculated on payroll are based on estimated benefit costs, therefore, differences between actual benefits will be inherent to this process. After the difference is calculated and reviewed for reasonableness, it is recorded to a separate department, and indirectly allocated to Black Hills Corporation subsidiaries.

Allocation Ratios

As previously stated, Service Company costs are either directly charged to a subsidiary, or indirectly allocated when the cost is not associated with a specific subsidiary. Indirect costs are allocated using one of several pre-defined allocation ratios. Each department has been assigned one of these allocation ratios. All indirect costs of that department are then allocated using that ratio. When determining which allocation ratio should be assigned to each department, a ratio is selected based on the specific cost driver of that department. For instance, the expenses incurred by a Human Resources department are primarily related to their support of all company employees. In this example, the cost driver for the Human Resources department indirect costs is employees. Therefore, their indirect costs will be allocated based upon the Employee Ratio.

For certain departments, a specific cost driver may not be clearly identifiable or the driver may not be cost effective to compute on a continuing basis. In these instances, a three-pronged general allocation ratio is used, which is referred to as the Blended Ratio. This ratio equally weights three different general ratios: Gross Margin, Asset Cost, and Payroll Dollars. These factors were chosen to be included in the Blended Ratio because they best allocate costs based on the diverse nature of BHC operations.

In addition, some departments utilize a Holding Company Blended Ratio. The difference between the Blended Ratio and the Holding Company Blended Ratio is that the Holding Company Blended Ratio allocates a percentage of costs to BHC Holding Company. For example, the Corporate Governance department will allocate indirect costs using the Holding Company Blended Ratio because certain costs incurred, such as New York Stock Exchange fees and Board of Directors costs, relate to both the Holding Company and the subsidiary companies.

One additional item to note is that pooled benefits, primarily health care costs, are allocated differently due to the pooling method for benefits such as self-insured health care. BHC has chosen to pool certain benefit costs and spread the risk amongst all subsidiaries equally. All pooled benefit

costs of BHC are paid by the Service Company and allocated to subsidiaries based on employee counts.

A list of all allocation ratios, including a brief description of the ratio, the basis for the calculation of the ratio, and the department to which that ratio has been assigned, is attached hereto as Appendix 2.

Changing Allocation Ratios

Allocation ratios are set at the first of the year, based upon financial information from the trailing twelve months ending September 30th for prior year. Assets, utility assets, employee counts, and power generation capacity are based on values as of previous period ending September 30th. Gross margin, utility gross margin, payroll dollars, and utility payroll dollars are based on values for the trailing twelve months ending September 30th.

Certain events may occur during the year that are deemed to be significant to BHC that will require corresponding adjustments be made to the allocation ratios. Examples of these types of events include acquisitions, divestitures, new generation, significant change in asset base, significant staffing changes or new, significant revenue streams.

When these events occur, indirect allocation ratios will be adjusted. When adjusting allocation ratios, it is the policy of the Service Company to not recalculate all allocation ratios. Rather, allocation ratios will be adjusted with pro forma adjustments for the subsidiary with a significant change in a specific allocation ratio base. For example, if an acquisition occurs during the middle of the year, pro forma values will be loaded. Asset values at the time of the acquisition would be used, as well as pro forma gross margin and payroll dollars for a 12 month period. It should be noted that estimations may be required, especially when significant additions or changes are expected as a result of the acquisition.

It should also be noted that asset values, gross margin, and payroll dollars for the other companies will not be changed. However, the ratios will change because the base against which the ratios are calculated will change. Subsidiary companies would see decreased ratio values with acquisitions, and increased ratio values with divestitures. Changes will be effective as of the beginning of the month following the significant event, and will apply to all transactions for the month.

Subsidiary Payment for Direct and Indirect Charges

It is the policy of the Service Company to insure payments are made by the subsidiary companies for direct and indirect charges. All payments for direct and indirect charges must be remitted to the Service Company by the end of the following month. The Service Company will monitor

payments received during the month to insure that all subsidiary companies make payment in a timely manner.

Allocating Fixed Assets

The Service Company maintains certain fixed assets that are used by and benefit multiple BHC subsidiaries. These fixed assets primarily consist of computer hardware and software that form the corporate-wide information technology network. Because these fixed assets support multiple BHC subsidiaries, they are allocated to the appropriate subsidiaries monthly as part of the month-end close process, along with the allocation of these assets' accumulated depreciation. Construction Work in Process balances are not allocated.

Allocated assets and accumulated depreciation are maintained in separate general ledger accounts at the subsidiary level so that they are not intermingled with regular subsidiary fixed assets, and for ease of reconciliation.

The allocation ratio used for fixed assets and accumulated depreciation is the Blended Ratio, except as otherwise noted. Depreciation expense is also allocated using the Blended Ratio.

Appendix 1 – BHSC Departments

The following departments are included in BHSC as of 01/01/2017 and are subject to changes as required to support evolving business requirements.

SC-ACCOUNTING SYSTEMS (4700)

Description: Maintains the corporate- wide accounting systems of Black Hills Corporation, most notably the general ledger and financial statement preparation systems. (Blended)

SC-CORP DEVELOPMENT (4702)

Description: Facilitates the development of the corporate strategy, prepares strategic plans, and evaluates potential business opportunities. Department also assists various subsidiaries with financial analysis and special projects. (HoldCo Blended)

SC-CORP GOV AND SHAREHOLDER SERV (4703)

Description: Develops and enforces corporate governance policies and procedures in accordance with applicable laws and regulations. Provides oversight of compliance with Securities and Exchange Commission rules and regulations. Oversees the administrative duties to the Board of Directors. Provides various recordkeeping and administrative services related to shareholder services. Assists in the administration of equity-based compensation plans. (HoldCo Blended)

SC-TAX (4704)

Description: Prepares quarterly and annual tax provisions of all Black Hills Corporation subsidiaries. Maintains and reconciles all current and deferred income tax general ledger accounts. Prepares tax filings and ensures compliance with applicable laws and regulations. Oversees various tax planning projects. (Blended)

SC-CREDIT AND RISK (4705)

Description: Provides risk management, risk evaluation, and risk analysis services. Provides support to the Executive Risk Committee. Evaluates contract risks. (Blended)

SC-LEGAL - CORPORATE (4706)

Description: Provides legal counsel and services related to general business operations, including labor and employment law, finance, litigation, contracts, utility rates and regulation, financial reporting, Securities and Exchange Commission, Federal Energy Regulatory Commission and other state and federal compliance, environmental matters, real estate and other legal matters. Oversees the hiring and administration of external counsel. Provides legal support to various corporate development projects. Facilitates physical risk management strategies through the

purchase and evaluation of various types of insurance coverage. Provides claims management services. (Blended)

SC-ENVIRONMENTAL SERVICES (4709)

Description: Establishes policies and procedures for compliance with environmental laws and regulations. Researches emerging environmental issues and monitors compliance with environmental requirements. Oversees environmental clean-up projects. Obtains permits to support the business operations of Black Hills Corporation and its subsidiaries. (Asset Cost)

SC-EXECUTIVE MGMT (4710)

Description: Provides overall oversight of Black Hills Corporation and its subsidiaries. Provides the Board of Directors information for decision making purposes. (HoldCo Blended)

SC-SAFETY (4711)

Description: Develops and implements safety planning activities and provides employee safety education. Administers the corporate safety program. Assists with compliance with DOT, OSHA, and MSHA regulations. (Employee)

SC-FINANCE AND TREASURY (4712)

Description: Coordinates activities related to securities issuance, including maintaining relationships with financial institutions, debt holders, rating agencies, equity analysts and equity investors. Performs accounting, cash management, debt compliance, and investing activities. Monitors capital markets to support financial planning for all subsidiaries. Performs the accounting for the corporate pension plan..(HoldCo Blended)

SC-F&A LEADERSHIP (4715)

Description: Provides management and administrative support for accounting and finance functions of the Company's regulated and non-regulated businesses including external audit coordination. Oversees the corporate consolidation of subsidiary financial statements. Prepares monthly internal financial reports for management. Prepares quarterly and annual financial reports to the Securities and Exchange Commission, financial statements to banks and quarterly and annual financial statements filed with FERC. Researches emerging accounting issues and assists with the compliance of new accounting rules and regulations. (Blended)

SC-CORPORATE ACCOUNTING (4716)

Description: Responsible for closing the general ledger for the Company's regulated and non-regulated businesses (excluding WRDC) on a monthly basis and assists in the compliance of all accounting rules and regulations. Analyzes balance sheet accounts and assists the financial management team with monthly analysis. Maintains the accounting records for Black Hills

Service Company and Black Hills Corporation. Provides oversight of the Accounts Payable and Property Accounting departments. Processes payments to vendors and prepares 1099s and applicable documentation for the majority of Black Hills Corporation subsidiaries. (Blended)

SC-FINANCIAL MANAGEMENT (4717)

Description: Provides financial management to the Company's regulated and non-regulated businesses. Oversees the accumulation of subsidiary financial budgets and forecasts. Provides the consolidation of the corporate wide-budget and forecast. Guides the preparation of strategic plans. (Blended)

SC-HUMAN RESOURCES (4720)

Description: Provides general Human Resources support services to the subsidiaries through the administration of policies and labor contracts for all facets of Human Resources, including employee relations, labor relations, talent management, recruiting and employment staffing, compensation and benefits administration. Processes payroll including but not limited to time reporting, calculation of salaries and wages, payroll tax reporting and compliance reports for Black Hills Corporation and its subsidiaries. Oversees the administration of the corporate pensions and 401(k) plans. (Employee)

SC-COMPENSATION AND BENEFITS (4721)

Description: Administers policies related to compensation and benefits. Oversees the self-insured medical benefits plans and other pooled benefits and provides support to the third party administrators of the plans. (Employee)

SC-ORGANIZATIONAL DEVELOPMENT AND TRAINING (4722)

Description: Provides for employee and leadership development, succession planning, performance management, goal alignment, employee engagement, strategic workforce planning, talent assessment and general HR support for Black Hills Corporation and its subsidiaries. (Employee)

SC-INTERNAL AUDIT (4725)

Description: Reviews internal controls and procedures to ensure assets are safeguarded and transactions are properly authorized and recorded. Oversees the Sarbanes Oxley compliance efforts. (Blended)

SC-IN-HOUSE CORPORATE SOLUTIONS (4726)

Description: Develops strategies and implements programs for effective communication with internal and external stakeholders. Develops and manages measured, and coordinated

advertising. Designs and develops communication strategies and materials for the company.
(Blended)

SC-POWER DELIVERY MGMT (4728)

Description: Performs resource planning, power delivery management, strategic planning, and construction management for the corporation's power generation assets. (Generation Capacity)

SC-PROPERTY ACCOUNTING (4729)

Description: Maintains the accounting records for property, plant and equipment for the majority of subsidiaries of the corporation. Assists in compliance with regulatory accounting requirements as it relates to property. Prepares various operating and financial reports for management. (Asset Cost)

SC-RECORDS MGMT (4730)

Description: Administers and maintains the records retention policies and procedures of the corporation. Manages and maintains the content management software. (Blended)

SC-SUPPLY CHAIN MGMT (4731)

Description: Manages contracts, including drafting, negotiating, reviewing and interpreting contracts. Executes the procurement process including, purchasing activities, managing vendor relationships, and issue resolution and tracking and expediting orders. Manages inventory, obsolescence and scrap. Ensure availability of proper materials. (Blended)

SC-SUPPLY CHAIN (4732)

Description: Manages contracts, including drafting, negotiating, reviewing and interpreting contracts. Executes the procurement process including, purchasing activities, managing vendor relationships, and issue resolution and tracking and expediting orders. Manages inventory, obsolescence and scrap. Ensure availability of proper materials. Pull, restock and stage materials. Executes the procurement process including, purchasing activities, managing vendor relationships, and issue resolution and tracking and expediting orders. (Blended)

SC-FLEET SERV (4734)

Description: Manages fleet expense cards, fleet contracts, vehicle purchasing, replacement, disposal, licensing/registration and titling. Advises on vehicle maintenance and repairs, alternative fuel selections and implementations. (Blended)

SC-FACILITIES (4736)

Description: Provides facility, construction, and real estate management services for corporate-wide facilities. Supports disaster recovery and business continuation planning. (Blended)

SC-GOVERNMENTAL AFFAIRS (4741)

Description: Advances corporate objectives by initiating, influencing, monitoring, and researching government legislation and policies. Acts as a liaison with legislators and other governmental officials. Maintains relationships with federal, state and other governmental bodies. (Blended)

SC-IT ADMINISTRATION (4742)

Description: Provides guidance, governance, and strategic planning to the overall information technology operations. (Blended)

SC-IT BUSINESS APPLICATIONS-FIN&HR SYSTEMS (4743)

Description: Manages, maintains, and enhances the finance, human resource, web-based service and enterprise wide business applications. (Blended)

SC-IT BUSINESS APPLICATIONS-CUSTOMER SYSTEMS (4744)

Description: Manages, maintains, and enhances business applications within the utility companies. (Blended)

SC-IT BUSINESS APPLICATIONS-WEB & ECM (4745)

Description: Manages, maintains, and enhances the web-based and ECM service business applications of the company. (Blended)

SC-IT BUSINESS APPLICATIONS-UTILITY SYSTEMS (4746)

Description: Manages, maintains, and enhances the wholesale and utility business applications of the company. (Blended)

SC-IT INFRASTRUCTURE (4747)

Description: Manages, maintains, and enhances data center operations, infrastructure servers, storage, system software, enterprise architecture and corporate databases. Supports the data and voice communication needs for the company and provides telecommunication expense management services as well as technology support services and field service support for the company. Provides IT telephone support, technology training and technology integration services. (Blended)

SC-IT COMPLIANCE (4751)

Description: Responsible for internal and external audit compliance, disaster recovery, change management and legal compliance related to technology. (Blended)

SC-GENERATION PLANT OPERATIONS (4754)

Description: Operates and manages the generation for BHCOE and BHCIPP. (NamePlate Generation Capacity)

SC-IT BUSINESS APPLICATIONS - PMO (4755)

Description: The Project Management Office (“PMO”) provides IT project management services. (Blended)

SC-CPGS PLANT OPERATIONS (4756)

Description: Operates and manages the new generation for the Cheyenne Prairie Generation Station. (NamePlate Generation Capacity)

SC – ASSET BLENDED (4793)

Description: Records depreciation for the Service Company assets. (Blended)

SC-BENEFIT POOLED (4794)

Description: Records pooled benefit costs, primarily related to health and welfare for Black Hills Corporation and its subsidiaries. (Employee)

SC-ACCOUNTING ACCRUAL ENTRIES (4795)

Description: Records accrual of certain charges not related to specific departments or not significant enough to allocate to each department. (Blended)

SC-BENEFITS LOADING (4796)

Description: Records overhead benefit costs loaded to labor costs (Blended)

CATCH-ALL

Description: Departments at Black Hills Corporation and subsidiaries that are not specifically listed in the Cost Allocation Manual or included in the master allocation design that charge BHSC will be allocated using the Blended Allocation Ratio.

Appendix 2 – Allocation Ratios

Asset Cost Ratio – Based on the net cost of assets as of September 30th for the prior year, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries. Assets are limited to property, plant, and equipment, and include construction or work in process less accumulated depreciation, depletion and amortization (compliance with GAAP).

The Environmental Services and Property Accounting departments utilize this ratio, and it is a component in the Blended Ratio and the Holding Company Blended Ratio.

Gross Margin Ratio – Based on the total gross margin for the trailing twelve months ending September 30th, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries. Gross margin is defined as revenue less cost of sales. Certain intercompany transactions may be excluded from gross margin if they would not have occurred if the revenue relationship was with a third party instead of a related party.

No departments utilize this ratio, but it is a component in the Blended Ratio and the Holding Company Blended Ratio.

Payroll Dollars Ratio – Based on the total payroll dollars for the trailing twelve months ending September 30th, the numerator of which is the direct payroll charges from all BHC subsidiaries charging the applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries. Payroll dollars include all bonuses and compensation paid to employees, but do not include items that are only included on an employee's W-2 for gross-up and income tax purposes, such as life insurance premiums over \$50,000.

No departments utilize this ratio, but it is a component in the Blended Ratio and the Holding Company Blended Ratio.

Blended Ratio – A composite ratio comprised of an average of the Asset Cost Ratio, the Payroll Dollars Ratio, and the Gross Margin Ratio. These ratios are equally weighted. This ratio is sometimes referred to as the general allocation ratio.

Departments that utilize this ratio include Accounting Systems, Tax, Credit and Risk, F&A Leadership, Internal Audit, Legal, Corporate Accounting, In-House Corporate Solutions, Records Management, Supply Chain Management, Supply Chain, Fleet Services, Facilities, Governmental Affairs, Information Technology Administration, Information Technology Business Applications Information Technology Infrastructure, Information Technology Compliance, Information Technology Helpdesk / Technology Integration, Assets Blended, Accounting Accruals, Benefits and BHSC portion of the Rapid City Plant Street Facility, Midlands Data Facility and Cheyenne Data Center Facility.

Holding Company Blended Ratio – 5% of costs allocated to the Holding Company, with the remaining 95% of costs allocated using a composite ratio comprised of an average of the Asset Cost Ratio, the Payroll Dollars Ratio, and the Gross Margin Ratio. These ratios are equally weighted.

Departments that utilize this ratio include Corporate Development, Corporate Governance and Shareholder Services, Executive Management, Finance and Treasury and .

Employee Ratio – Based on the number of employees as of September 30th for the prior year, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries.

Departments that utilize this ratio include Safety, Human Resources, Compensation and Benefits, and Organizational Development and Training. Health and welfare costs for BHC will be in a pool and allocated to subsidiaries based on the Employee Ratio.

Power Generation Capacity Ratio – Based on the total power generation capacity as of September 30th for the prior year, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries. Power generation includes capacity in service and capacity under construction.

Departments that use this ratio include Power Delivery Management.

Nameplate Generation Capacity Ratio – Based on the total facility's power generation capacity at the end of September 30th for the prior year, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries. Nameplate generation includes capacity in service and capacity under construction at the facility.

The Generation Plant Operations and CPGS Plant Operations departments utilize this ratio.

Square Footage Ratio – The total square footage of a given facility, the numerator of which is for an applicable BHC subsidiary and the denominator of which is for all applicable BHC subsidiaries.

The Rapid City office facility, Fayetteville and Denver Office Facilities utilize this ratio.