

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

**In the Matter of the Application of Black
Hills/Kansas Gas Utility Company, LLC
d/b/a Black Hills Energy, for Approval of
the Commission to Make Certain Changes
in its Rates for Natural Gas Service**

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Docket No. 25-BHCG-298-RTS

**DIRECT TESTIMONY
PREPARED BY
DANIEL BULLER
UTILITIES DIVISION
KANSAS CORPORATION COMMISSION
May 9, 2025**

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I. Introduction

Q. Would you please state your name and business address?

A. My name is Daniel Buller. My business address is 1500 Southwest Arrowhead Road, Topeka, Kansas, 66604.

Q. By whom are you employed and in what capacity?

A. I am employed by the Kansas Corporation Commission (KCC or Commission) as a Regulatory Auditor.

Q. Would you please describe your educational background and business experience?

A. I received a Bachelor of Business Administration with an emphasis in Economics and Finance from Washburn University in May 2023. I began employment with the Commission in my current role in September 2023.

Q. Have you ever testified before the Commission?

A. Yes, I filed testimony in Docket Nos. 24-TTHT-343-KSF, 24-KGSG-610-RTS and 25-MRGT-222-KSF.

Q. What were your responsibilities in the review of the Application filed in Docket No. 25-BHCG-298-RTS?

A. As a regulatory auditor, my responsibilities included analyzing, auditing, and reviewing Black Hills Energy's ("Black Hills" or "Company") rate case application. I carefully examined the Company's filing to ensure accuracy and compliance with regulatory accounting principles. Additionally, I issued discovery requests regarding Staff's adjustments to Black Hills' pro forma rate base and income statement. My work was

1 conducted under the guidance of Managing Auditor Katie Figgs and Chief of Accounting
2 and Financial Analysis Chad Unrein.

3 **II. Executive Summary**

4 **Q. Please provide a summary of your adjustments.**

5 **A.** My testimony recommends the following adjustments:

- 6 • Staff Adjustment RB – 1 decreases rate base by \$20,102,607 to reflect Black Hills’
7 Plant In Service balance as of Staff’s update period;
- 8 • Staff Adjustment RB – 2 decreases rate base by \$2,498,882 to synchronize
9 accumulated depreciation with Staff’s Plant In Service adjustment;
- 10 • Staff Adjustment RB – 3 increases rate base by \$3,471,949 to include Construction
11 Work In Progress on Black Hills’ books at the test year and Staff update period,
12 expected to be placed in service by September 30, 2025;
- 13 • Staff Adjustment RB – 4 decreases rate base by \$421,363 to update the Gas Storage
14 normalization adjustment to Staff’s update period;
- 15 • Staff Adjustment IS – 1 decreases depreciation expense by \$382,830 to synchronize
16 with Staff’s Plant In Service adjustment;
- 17 • Staff Adjustment IS – 2 decreases fleet depreciation expense by \$14,944 to
18 synchronize with Staff’s Plant In Service adjustment;
- 19 • Staff Adjustment IS – 3 decreases the Data Infrastructure Improvement Program
20 expense by \$250,276 to reverse Black Hills’ pro forma adjustment;

- Staff Adjustment IS – 4 decreases vegetation management expense by \$100,000 to reverse Black Hills’ pro forma adjustment;
- Staff Adjustment IS – 5 decreases line locate expense by \$53,983 to reflect known and measurable expenses through Staff’s update period and the most recently verified contract rate increase;

III. Rate Base Adjustment

A. Plant In Service Adjustment

Q. Please discuss Staff Adjustment No. 1 to rate base.

A. Staff Adjustment No. 1 (RB-1) decreases Black Hills’ Plant in Service balance by \$20,102,607.¹ This adjustment reflects plant additions and retirements through Staff’s update period, which concludes on February 28, 2025. The primary factor driving the reduction in the Plant in Service balance is Black Hills’ projection of plant additions through September 30, 2025, versus Staff’s reliance on actual known and measurable plant balances.

Q. Please describe Black Hills’ treatment of Plant in Service.

A. Black Hills adjusted its Plant in Service balance from the test year ending September 30, 2024, to include planned capital additions through the pro forma period ending September 30, 2025. Additionally, Black Hills requested to file an abbreviated rate case following this

¹ See Exhibit DB-1

1 docket to “true-up” plant investments through September 30, 2025, and seek recovery for
2 Plant in Service through December 31, 2025.²

3 **Q. Please describe Staff’s treatment of Plant in Service.**

4 A. Staff is supportive of Black Hills’ plan to file an abbreviated rate case.³ However, Staff’s
5 adjustment to Plant in Service does not rely on projections. Instead, it reflects actual plant
6 additions and retirements through the update period ending February 28, 2025. This
7 approach ensures that the utility is provided with the opportunity to earn a fair return on,
8 and a return of, plant that is both in service and deemed used and useful. As a result, the
9 cost of service more accurately reflects Black Hills’ ongoing cost of providing natural gas
10 distribution services, aligning with Staff’s established practice of adjusting plant in similar
11 rate case dockets.

12 Black Hills’ projected Plant in Service includes capital projects that are expected
13 to be completed and placed into service by September 30, 2025. In contrast, Staff has
14 adhered to its traditional process of updating the Plant in Service calculations through the
15 update period ending February 28, 2025. Staff’s direct filing supports the use of the
16 abbreviated rate case process to update the Plant in Service, Accumulated Depreciation,
17 ADIT, and Depreciation expenses with known and measurable data through December 31,
18 2025, as outlined in the Direct Testimony of Chad Unrein.

² See Direct Testimony of Black Hills witness Rob Daniel, Page 14

³ See Direct Testimony of Staff witness Chad Unrein.

1 Outside of my calculation of Construction Work in Progress, which is governed under
2 K.S.A. 66-128 (b), Staff has maintained its established process for updating rate base with
3 known and measurable changes through the February 28, 2025, update period.

4 **B. Accumulated Depreciation Adjustment**

5 **Q. Please discuss Staff Adjustment No. 2 to rate base.**

6 A. Staff Adjustment No. 2 (RB-2) decreases Black Hills' accumulated depreciation balance
7 by \$2,498,882,⁴ which is an increase to rate base. Staff's adjustment to accumulated
8 depreciation reduces accumulated depreciation related to Black Hills' Kansas plant by
9 \$2,645,323 and increases accumulated depreciation related to Black Hills' corporate plant
10 allocated to Kansas by \$146,441. This adjustment serves as a companion to Staff's update
11 of Plant in Service through February 28, 2025, ensuring synchronization between the Plant
12 in Service balance and accumulated depreciation.

13 Just as Staff's adjustment to Plant in Service allows Black Hills the opportunity to
14 earn a return on, and a return of, its invested capital since the end of the test year, Staff's
15 adjustment to accumulated depreciation ensures that ratepayers receive credit for capital
16 already returned to Black Hills during this period. Consequently, ratepayers are no longer
17 required to pay a return on capital that has been effectively returned to the utility.
18

⁴ See Exhibit DB-2.

C. Construction Work In Progress

Q. Please provide an explanation of Construction Work in Progress.

A. Construction Work in Progress (“CWIP”) refers to the general ledger account (FERC account 107) to which all costs incurred during the construction of a utility’s plant are recorded. The incurred costs of the plant remain in CWIP during the plant construction period and are not transferred to a utility’s depreciable plant until construction is complete and the plant is devoted to utility service. Staff makes adjustments to a utility’s Construction Work in Progress balance in accordance with K.S.A. 66-128, which states:

(b)(1) For the purposes of this act, except as provided by subsection (b)(2), property of any public utility which has not been completed and dedicated to commercial service shall not be deemed to be used and required to be used in the public utility’s service to the public. (2) Any public utility property described in subsection (b)(1) shall be deemed to be completed and dedicated to commercial service if: (A) Construction of the property will be commenced and completed in one year or less; (B) the property is an electric generation facility that converts wind, solar, biomass, landfill gas or any other renewable source of energy; (C) the property is an electric generation facility or addition to an electric generation facility; or (D) the property is an electric transmission line, including all towers, poles and other necessary appurtenances to such lines, which will be connected to an electric generation facility.

Q. Please discuss Staff Adjustment No. 3 to rate base.

A. Staff Adjustment No. 3 (RB-3) increases Black Hills’ rate base by \$3,471,949 to reflect the balance of Construction Work In Progress (CWIP) as of February 28, 2025.⁵ Staff’s

⁵ See Exhibit DB-3

1 adjustment for CWIP includes \$3,190,763 of Black Hills' Kansas plant and \$281,186 of
2 Black Hills' corporate plant that is allocated to Kansas.⁶ Staff's analysis of CWIP includes
3 projects that were on Black Hills' books at the end of the test period which are expected to
4 be complete and placed in service by September 30, 2025. Staff's adjusted CWIP balance
5 was updated to reflect the actual amounts of plant outstanding as of February 28, 2025,
6 from these projects. Plant additions that are made following Staff's update period will be
7 accounted for in the abbreviated rate case, and Staff will true-up its CWIP projection with
8 actual CWIP project balances that were placed into service by September 30, 2025. Staff's
9 treatment of CWIP allows the utility an opportunity to earn a return on investment incurred
10 after the end of the test period that otherwise would not be recovered until the next full rate
11 case and is in accordance with K.S.A. 66-128(b)(2).

12 **D. Gas Storage**

13 **Q. Please discuss Staff Adjustment No. 4 to Rate Base.**

14 A. Staff Rate Base Adjustment No. 4 (RB-4) decreases Black Hills' rate base by \$421,363.⁷
15 This adjustment revises Section 6 of Black Hills' application to normalize the balance of
16 Gas Stored Underground recorded to FERC Account 164. Staff utilized a 13-month
17 average for the period ending February 28, 2025, due to the cyclical nature of the gas

⁶ Staff's calculations for Black Hills CWIP are found in Exhibit DB-3a and corporate allocated CWIP in DB-3b.

⁷ See Exhibit DB-4

1 storage balances. Staff's adjustment reflects the up-to-date, and known and measurable
2 data for the 13-month period ending February 28, 2025, and provides better
3 synchronization with Staff's Plant in Service and other rate base adjustments.

4 **VI. Income Statement Adjustments**

5 **A. Depreciation Expense**

6 **Q. Please discuss Staff Adjustment No. 1 to the income statement.**

7 A. Staff Income Statement Adjustment No. 1 (IS-1) decreases Black Hills' annualized
8 depreciation expense by \$382,830.⁸ Staff's adjustment reduces depreciation expense on
9 Black Hills' Kansas plant by \$415,152 and increases depreciation expense on Black Hills'
10 corporate plant allocated to Kansas by \$32,322. This adjustment results in an updated
11 annualized depreciation expense based on Staff's revised plant balances as of February 28,
12 2025. Both Staff and Black Hills used the depreciation rates approved in the 21-BHCG-
13 418-RTS rate case for the depreciation expense calculations. Staff's updated annualized
14 depreciation expense is then compared to the pro forma annualized depreciation expense
15 amount proposed by Black Hills in its application. The difference between the two amounts
16 represents Staff's adjustment.

⁸ See Exhibit DB-5

1 **B. Fleet Depreciation**

2 **Q. Please discuss Staff Adjustment No. 2 to the income statement.**

3 A. Staff Income Statement Adjustment No. 2 (IS-2) decreases operating expenses by
4 \$14,944.⁹ This adjustment updates Fleet Depreciation to reflect Staff's update to Plant in
5 Service as of February 28, 2025. Staff's adjustment is comprised of the above-the-line
6 portion of the difference between Black Hills' depreciation expense related to vehicles and
7 Staff's updated balances and proposed depreciation rates related to vehicles as of February
8 28, 2025.

9 **Q. Why is Fleet Depreciation separate from Depreciation Expense?**

10 A. Fleet Depreciation reflects the actual usage of vehicles by the company, only some of
11 which is recorded above the line and can be included in rates. This usage is charged via the
12 loading process, in which vehicle depreciation is charged to the relevant Operations and
13 Maintenance accounts, instead of to the Depreciation accounts. The portion recorded below
14 the line needs to be removed according to the capitalization rate.

15
16
17
18

⁹ See Exhibit DB-6

C. Data Infrastructure Improvement Program

Q. Please discuss Staff Income Statement Adjustment No. 3.

A. Staff Income Statement Adjustment No. 3 (IS-3) to the Data Infrastructure Improvement Program (“DIIP”) decreases operating expenses by \$250,276.¹⁰ Staff’s adjustment fully reverses the pro forma Adjustment made to DIIP expense of \$250,276 in the application.

Q. What is the DIIP?

A. Black Hills’ DIIP focuses on the improvement of data within the Company’s Geographic Information System (“GIS”) databases. The DIIP will evaluate, populate, and verify information that is missing with respect to main and service line locations, materials, diameter, cathodic protection, pressure tests, and maximum allowable operating pressure. In the test year, Black Hills’ DIIP efforts focused on mapping gas service lines in their GIS system, a project which is approximately 38% complete.¹¹

Q. Please explain Staff’s adjustment to DIIP expense.

A. DIIP expenses were included in base rates for the first time following the 21-418 rate case, with a Staff adjusted test-period amount of \$347,936.¹² Similar to Black Hills’ position in this case, Black Hills anticipated that it would expend \$400,000 per year in the 21-418 rate case. In the analysis provided below, Staff detailed the level of Black Hills’ actual annual expenses for DIIP from 2021 – 2024 (see Table DB-A).

¹⁰ See Exhibit DB-7

¹¹ See Testimony of Marc T. Eyre, Page 17.

¹² See 21-BHCG-418-RTS, Exhibit IDC-18.

BH: DIIP Expenses Table DB-A		
2021	\$	424,481
2022	\$	155,431
2023	\$	156,523
2024	\$	150,495

1 In 2021, Black Hills recorded annual DIIP expenses of \$424,481, which exceeded its
2 annual DIIP spend included in the cost of service by \$76,545. Following the 2021 period,
3 Black Hills expended on average \$154,150 on its DIIP expenses, falling \$193,786 below
4 the annual cost of service DIIP expenses included by Staff in the 21-418 Docket. Across
5 the four-year period from 2021 - 2024, Black Hills cost of service included approximately
6 nearly \$1.4 million in DIIP expenses, where Black Hills expensed \$887,000 across the
7 four-year period.

8 In KCC Data Request No. 160, Black Hills provided an update to its yearly DIIP
9 expenses through Staff's update period, which totaled \$117,476 for the 12 months ending
10 February 28, 2025. Due to DIIP expenses consistently falling well below the previously
11 approved expense amount, Staff contends that Black Hills' pro-forma adjustment to DIIP
12 expense is not sufficiently supported as reasonable and necessary. As such, Staff reversed
13 Black Hills adjustment of \$250,276, retaining test period DIIP expenses of \$149,724,
14 which is comparable to DIIP expenses Black Hills incurred in 2022, 2023, and 2024.

D. Vegetation Management

Q. Please discuss Staff Income Statement Adjustment No. 4.

A. Staff Income Statement Adjustment No. 4 (IS-4) decreases Black Hills' operating expenses by \$100,000.¹³ Staff's adjustment fully reverses the pro forma adjustment made to vegetation management expense of \$100,000 in the application.

Q. Please explain Staff's adjustment to Vegetation Management expense.

A. When analyzing historical Black Hills' Vegetation Management, Staff found that Black Hills' recent funding of its annual vegetation management program spend varied greatly across its most recent operating years. (see table DB-B).

Vegetation Management Expense Table DB-B		
2020	\$	75,615
2021	\$	26,167
2022	\$	17,164
2023	\$	46,015
2024	\$	76,497

Black Hills vegetation management funding declined significantly from \$75,615 in 2020 to an average of approximately \$30,000 across its next three operating periods. Due to the cyclical nature of vegetation management, Black Hills' reduction in its actual vegetation management expense could result in future increases to the cost of service for the vegetation management expenses to address maintenance concerns.

¹³ See Exhibit DB-8

Q. Did Staff request Black Hills provide any updates to its Vegetation management costs to determine whether Black Hills incurred increased vegetation management costs in future periods?

A. Yes, in conducting its review of exiting vegetation management expenses, Staff requested Black Hills provide updated monthly vegetation management expenses. In response to KCC Data Request No. 178, Black Hills provided its updated vegetation through March of 2025, which Staff summarized in the following table (see table DB-C).

Vegetation Management Totals		
Table DB-C		
Year	Month	Total
2024	Jan	5,919
	Feb	4,821
	Mar	1,331
	Apr	8,990
	May	6,880
	Jun	1,548
	Jul	9,771
	Aug	1,029
	Sep	11,926
	Oct	558
	Nov	979
	Dec	49,766
2024 Total		\$ 103,522
2025	Jan	8,393
	Feb	4,124
	Mar	425
2025 Total		\$ 12,943

1 In reviewing the monthly data contained in the table, Staff would note that Black Hills’
2 vegetation management expenses in December 2024 alone exceeded the combined amount
3 spent in the years 2021 and 2022 (see Table DB-C). In addition, Black Hills’ actual
4 vegetation management expenses through Staff’s update period totaled \$103,874, with
5 \$61,378 of that expense recorded to the mains expense account.

6 **Q. Please summarize Black Hills’ requested Vegetation Management Program**
7 **contained in the Testimony of Marc T. Eyre.**

8 Black Hills is proposing to spend an additional \$100,000 annually related to vegetation
9 management for the maintenance of its mains and right of way clearing. The Company is
10 requesting funds to initiate this program to address tree root mains in addition to its
11 existing spending on its current vegetation management expenses. Black Hills argues that
12 roots can entangle gas service and mains which over time can lead to leaks including the
13 uncontrolled release of natural gas.

14 **Q. Based on Staff’s evaluation should Black Hills’ requests for its proposed vegetation**
15 **management be approved?**

16 A. As discussed, Black Hills has experienced significant variances in its funding its vegetation
17 management program during Staff’s evaluation period from 2020 through 2025. Based on
18 the historical analysis in funding levels for its vegetation management program, it is
19 difficult to determine and an appropriate baseline for Black Hill’s existing vegetation
20 program. Furthermore, Black Hills’ recent vegetation management costs increases may

1 have resulted from underfunding its vegetation management expenses incurred by Black
2 Hills from 2021 - 2023.

3 The Direct Testimony of Ashlyn Hefley addresses Black Hills' requested increase
4 in vegetation management expenses and provides an operational analysis of natural gas
5 leaks due to vegetation in recent operating periods.¹⁴ Based on her review, Ms. Hefley did
6 not find any supporting evidence that adequately demonstrates that Black Hills' system is
7 at risk for leaks caused by vegetation. Therefore, Staff recommends the Commission deny
8 Black Hills' request for an additional \$100,000 of proposed vegetation management
9 expenses for mains maintenance and right-of-way clearing.

10 **E. Line Locate**

11 **Q. Please discuss Staff Income Statement Adjustment No. 5.**

12 A. Staff Income Statement Adjustment No. 5 (IS-5) decreases Black Hills' operating expenses
13 by \$53,983.¹⁵ Staff's adjustment updates line locate expense to reflect known and
14 measurable expenses through Staff's update period and the most recently verified contract
15 rate increase.

16 **Q. Please describe Black Hills' adjustment to line locate expense.**

17 A. In IS-29 of the application, Black Hills included a pro forma adjusted line locate expense
18 total of \$1,450,426. This adjustment projected Black Hills' line locate expenses through

¹⁴ See Direct Testimony of Ashlyn Hefley, pp. 2 – 4.

¹⁵ See Exhibit DB-9

1 September 2025, incorporating anticipated rate increases from its contract with US
2 Infrastructure Company (USIC). Black Hills contracts with USIC for the line locating of
3 underground facilities to prevent damage.

4 For this adjustment, Black Hills used actual data for October and November 2024 and
5 projected expenses through September 2025. These projections were based on the prior
6 year's monthly data and assumed a 3.7% increase in the USIC contract rate from December
7 2024 to March 2025, followed by a 4% increase from April to September 2025.

8 **Q. Please describe Staff's adjustment to line locate expense.**

9 A. Staff's adjustment updates line locate expense to reflect known and measurable expenses
10 through Staff's update period and the most recently verified contract rate increase. Updated
11 actual expenses were used for October 2024 through February 2025. In response to KCC
12 DR-159, Black Hills provided updated USIC line locate contract price increase information
13 (see Table DB-D). Staff utilized the contract rate increase of 3.4% to adjust the March –
14 September 2024 data to account for a known and measurable contract rate change. This
15 calculation captures the most up to date and verified contract rate increase and is the most
16 representative of ongoing normalized operations.

17 (Table on Next Page)

USIC Line Locate Contract Price Increases Per Year Table DB-D					
USIC Contract Year	2021-2022	2022-2023	2023-2024	2024-2025	2025*
Percent Increase	4.0%	3.0%	7.0%	3.7%	3.4%

*A short-term, two-month contract was negotiated for April and May of 2025 to allow additional time to consider alternative terms for the next contract.

In its analysis, Staff found that monthly line locate expenses to more closely follow the number of tickets rather than annual USIC contract rate increases (see Table DB-E).

Line Locate Expenses by USIC Contract Year Table DB-E			
USIC Contract Year	Line Locate Expenses	# of Tickets	USIC Contract Rate Increase Over Prior Period
2021-2022	\$ 1,226,201	75,793	3.0%
2022-2023	\$ 1,284,319	79,504	7.0%
2023-2024	\$ 1,372,008	74,310	3.7%
2024-2025	\$ 1,276,651	67,645	3.4%

The variability in month-to-month ticket numbers creates uncertainty when relying on historical ticket numbers. As shown in Table DB-F, Black Hills' own projections of line locate expenses for December 2024 – February 2025 consistently overestimated actual expenses.

(Table on Next Page)

Projected vs. Actual Line Locate Expense			
Table DB-F			
	Black Hills Projected Line Locate Expense	Black Hills Actual Line Locate Expense	Projection Overestimation
24-Dec	\$114,351.06	\$93,473.54	122.34%
25-Jan	\$96,242.20	\$86,899.82	110.75%
25-Feb	\$88,901.04	\$69,986.59	127.03%

1

2 **VII. Conclusion and Exhibits**

3 **Q. Does this conclude your testimony?**

4 A. Yes.

5

6

7 Exhibit No. Description

8 DB-1 Plant in Service Summary Adjustment

9 DB-1a Plant in Service Detail Adjustment

10 DB-2 Accumulated Depreciation Summary Adjustment

11 DB-2a Accumulated Depreciation Detail Adjustment

12 DB-3 CWIP Summary Adjustment

13 DB-3a CWIP Kansas Detail Adjustment

14 DB-3b CWIP Corporate Adjustment

15 DB-4 Gas Storage Adjustment

1	DB-5	Depreciation Expense Adjustment
2	DB-5a	Depreciation Expense Detail Adjustment
3	DB-6	Fleet Depreciation Summary Adjustment
4	DB-6a	Fleet Depreciation Capitalization Adjustment
5	DB-6b	Fleet Depreciation Detail Adjustment
6	DB-7	Data Infrastructure Improvement Program Expense Adjustment
7	DB-8	Vegetation Management Expense Adjustment
8	DB-9	Line Locate Expense Adjustment
9	DB-9a	Line Locate Expense Detail Adjustment

Black Hills Energy
Plant in Service - Summary
Rate Base Adjustment No. 1
Test Year Ended September 30, 2024

			A	B	C
Line No.	Description	Reference	Black Hills Pro-Forma Adjusted Plant In Service September 30, 2025	Staff Adjusted Plant in Service February 28, 2025	Staff Adjustment to Plant in Service (B - A)
	Black Hills Plant In Service				
1	Intangible Plant	Exhibit DB-1(a), Line 8, Column A, B, C	\$ 3,508,760	\$ 3,508,760	-
2	Natural Gas Production & Gathering Plant	Exhibit DB-1(a), Line 10, Column A, B, C	-		-
3	Transmission Plant	Exhibit DB-1(a), Line 25, Column A, B, C	67,676,653.33	64,986,046.13	(2,690,607)
4	Distribution Plant	Exhibit DB-1(a), Line 47, Column A, B, C	371,219,276	357,308,515	(13,910,760)
5	General Plant	Exhibit DB-1(a), Line 66, Column A, B, C	36,310,377	32,519,628	(3,790,749)
7	Total Black Hills Plant In Service	Sum: Lines 1 - 6	\$ 478,715,066	\$ 458,322,949	\$ (20,392,116)
	Corporate Plant Allocated to Black Hills KS				
8	Other Utility Plant - Corporate	Exhibit DB-1(a), Line 70, Column A, B, C	\$ 16,585,405	\$ 16,874,915	\$ 289,510
9	Total Plant In Service	Lines 7 + 8	\$ 495,300,471	\$ 475,197,864	\$ (20,102,607)

			A			B			C			D			E			F
Line No.	FERC Account	Description	Black Hills Plant In Service per Books September 30, 2024		Black Hills Planned Plant Additions through September 30, 2025		Black Hills Planned Retirements through September 30, 2025		Black Hills Planned Retirements through September 30, 2025		Black Hills Pro-Forma Adjusted Plant In Service September 30, 2025		Black Hills Plant In Service February 28, 2025		Staff Adjustment to Plant in Service		(E-D)	
																		(A+B+C)
																		(E-D)
INTANGIBLE PLANT																		
1	301.00	Intangibles Organization	\$	186,932	\$	-	\$	-	\$	-	186,932	\$	186,932	\$	-			
2	302.00	Intangibles Franchises & Consents		74,990		-		-	\$	-	74,990		74,990	\$	-			
3	303.00	Intangibles Miscellaneous		1,039,860		-		-	\$	-	1,039,860		1,039,860		-			
4	303.01	Intangibles Miscellaneous - Easements		1,730,332		-		-	\$	-	1,730,332		1,730,332		-			
5	303.02	Intangibles Miscellaneous - Trademarks		181,000		-		-	\$	-	181,000		181,000		-			
6	303.03	Intangibles Miscellaneous - Workforce		-		-		-	\$	-	-		-		-			
7	303.70	Intangibles Miscellaneous - Farm Tap		295,646		-		-	\$	-	295,646		295,646		-			
8		Total Intangible Plant	\$	3,508,760	\$	-	\$	-	\$	-	3,508,760	\$	3,508,760	\$	-			
NATURAL GAS PRODUCTION & GATHERING PLANT																		
9	336.01	Purification Equipment	\$	-	\$	-	\$	-	\$	-	-	\$	-	\$	-			
10		Total Natural Gas Production & Gathering Plant	\$	-	\$	-	\$	-	\$	-	-	\$	-	\$	-			
TRANSMISSION PLANT																		
11	365.01	Land	\$	9,431	\$	-	\$	-	\$	-	9,431	\$	9,431	\$	-			
12	365.02	Land Rights/Right-of-Way (Non-Depreciable)		720,497		5,069		(503)	\$	-	725,064		771,247	\$	46,183			
13	365.71	Land/Farm Tap		644		-		-	\$	-	644		644	\$	-			
14	365.72	Land Rights/Farm Tap (Non-Depreciable)		2,100		-		-	\$	-	2,100		2,100	\$	-			
15	366.01	Structures and Improvements		159,579		6,441		(639)	\$	-	165,381		159,429	\$	(5,952)			
16	366.20	Measuring		74,963		14,200		(1,409)	\$	-	87,754		89,914	\$	2,160			
17	366.71	Structures and Improvements		8,600		-		-	\$	-	8,600		8,600	\$	-			
18	367.00	Transmission Plant - Mains		58,767,417		2,679,328		(265,789)	\$	-	61,180,956		57,602,112	\$	(3,578,844)			
19	367.80	Gas Trans -Other Mains-RNG		-		-		-	\$	-	-		89,017	\$	89,017			
20	368.04	Compressor Station Equipment		2,475		-		-	\$	-	2,475		2,475	\$	-			
21	368.80	Gas Trans-Comp Sta Eqp-RNG		-		-		-	\$	-	-		962,655	\$	962,655			
22	369.03	Measuring & Regulating Station Equipment		5,147,043		210,549		(20,887)	\$	-	5,336,706		5,130,880	\$	(205,826)			
23	369.73	Measuring & Regulating Station Equipment		51,304		-		-	\$	-	51,304		51,304	\$	-			
24	371.01	Transmission Plant - Other Equipment	\$	106,238	\$	-	\$	-	\$	-	106,238	\$	106,238	\$	-			
25		Total Transmission Plant	\$	65,050,291	\$	2,915,588	\$	(289,226)	\$	-	67,676,653	\$	64,986,046	\$	(2,690,607)			
DISTRIBUTION PLANT																		
26	374.01	Land	\$	186,909	\$	-	\$	-	\$	-	186,909	\$	186,909	\$	-			
27	374.02	Land Rights/Right of Way (Non-Depreciable)		776,669		17,461		(1,732)	\$	-	792,398		776,669	\$	(15,729)			
28	374.82	Gas Dist-Ld Rt/ROW-ND-RNG		-		-		-	\$	-	-		147,389	\$	147,389			
29	375.01	Structures and Improvements		1,167,578		23,656		(2,347)	\$	-	1,188,888		1,451,539	\$	262,651			
30	375.03	Structures and Improvements - TBS		-		-		-	\$	-	-		-	\$	-			
31	375.80	Gas Dist-Strct&Improve-RNG		-		-		-	\$	-	-		4,170	\$	4,170			
32	376.00	Distribution Plant - Mains		152,609,049		13,331,572		(1,322,492)	\$	-	164,618,129		157,739,821	\$	(6,878,308)			
33	376.80	Gas Dist - Mains - RNG		989,195		-		-	\$	-	989,195		658,450	\$	(330,746)			
34	377.00	Compressor Station Equipment		175,304		-		-	\$	-	175,304		175,304	\$	-			
35	378.00	Measuring & Regulating Station Equipment - General		8,892,806		1,756,608		(174,256)	\$	-	10,475,158		9,028,636	\$	(1,446,522)			
36	378.50	Measuring & Regulating Station Equipment - Lease		-		-		-	\$	-	-		-	\$	-			
37	378.70	Measuring & Regulating Station Equipment		174,723		4,847		(481)	\$	-	179,090		174,723	\$	(4,366)			
38	378.80	Gas Dist-Mea/Reg St-RNG		-		-		-	\$	-	-		212,817	\$	212,817			
39	379.00	Measuring & Regulating Station Equipment - City Gate		61,111		-		-	\$	-	61,111		61,111	\$	-			
40	380.00	Distribution Plant - Services		100,601,826		6,576,049		(652,344)	\$	-	106,525,531		106,644,178	\$	118,647			
41	381.00	Meters		12,635,869		1,556,996		(154,454)	\$	-	14,038,411		13,160,398	\$	(878,013)			
42	381.01	Meters - ERT & AMI		10,095,105		445,333		(44,177)	\$	-	10,496,261		10,170,781	\$	(325,480)			
43	382.01	Meter Installations		4,786,072		94,430		(9,367)	\$	-	4,871,135		4,796,808	\$	(74,327)			
44	383.01	House Regulators		47,383,736		6,838,085		(678,338)	\$	-	53,543,483		48,928,197	\$	(4,615,286)			
45	385.01	Industrial Measuring & Regulating Station Equipment		2,760,797		223,767		(22,198)	\$	-	2,962,366		2,874,709	\$	(87,656)			
46	387.00	Other Equipment		115,909		-		-	\$	-	115,909		115,909	\$	-			
47		Total Distribution Plant	\$	343,412,658	\$	30,868,803	\$	(3,062,185)	\$	-	371,219,276	\$	357,308,515	\$	(13,910,760)			
GENERAL PLANT																		
48	389.01	Land	\$	856,543	\$	-	\$	-	\$	-	856,543	\$	856,543	\$	-			
49	390.01	Structures and Improvements		12,622,890		889,085		(88,197)	\$	-	13,423,778		12,733,254	\$	(690,524)			
50	390.51	Leasehold Improvements		-		-		-	\$	-	-		-	\$	-			
51	391.01	Office Furniture & Equipment		612,628		8,444		(1,407)	\$	-	619,665		711,547	\$	91,882			
52	391.03	Computer Hardware		1,298,502		360,131		(637,308)	\$	-	1,021,325		1,114,992	\$	93,667			
53	391.04	Software		95,874		14,250		(143)	\$	-	109,982		-	\$	(109,982)			
54	391.07	Ipad Hardware		33,899		79		-	\$	-	33,978		33,899	\$	(79)			
55	392.01	Transportation Equipment		207,305		83,138		(831)	\$	-	289,611		207,305	\$	(82,307)			
56	392.03	Light Trucks		10,069,428		1,837,509		(18,375)	\$	-	11,888,562		9,817,355	\$	(2,071,207)			
57	392.04	Medium Trucks		-		-		-	\$	-	-		-	\$	-			
58	392.05	Heavy Trucks		498,021		40,969		(410)	\$	-	538,580		498,021	\$	(40,559)			
59	392.06	Trailers		189,639		21,250		(212)	\$	-	210,677		189,639	\$	(21,037)			
60	393.00	Stores Equipment		51,583		4,257		(566)	\$	-	55,274		51,016	\$	(4,257)			
61	394.00	Tools, Shop, and Garage Equipment		3,554,977		1,421,023		(79,080)	\$	-	4,896,920		4,025,421	\$	(871,499)			
62	395.00	Laboratory Equipment		11,714		-		-	\$	-	11,714		11,714	\$	-			
63	396.00	Power Operated Equipment		1,031,830		68,367		(684)	\$	-	1,099,514		1,014,666	\$	(84,848)			
64	397.00	Communication Equipment		1,221,839		-		-	\$	-	1,221,839		1,221,839	\$	-			
65	398.00	Miscellaneous Equipment		32,417		-		-	\$	-	32,417		32,417	\$	-			
66		Total General Plant	\$	32,389,088	\$	4,748,501	\$	(827,212)	\$	-	36,310,377	\$	32,519,628	\$	(3,790,749)			
OTHER UTILITY PLANT																		
67	118	Other Utility Plant Note (1a)	\$	15,776,087	\$	1,320,942	\$	(1,639,034)	\$	-	15,457,994	\$	15,781,672	\$	323,677			
68	118	Other Utility Plant (CIS+) Note (1b)	\$	615,026	\$	11,941	\$	(349,412)	\$	-	277,554	\$	264,287	\$	(13,267)			
69	118	Other Utility Plant (Vehicles)		803,638		51,916		(5,698)	\$	-	849,856		828,956	\$	(20,901)			
70		Total Other Utility Plant	\$	17,194,751	\$	1,384,799	\$	(1,994,145)	\$	-	16,585,405	\$	16,874,915	\$	289,510			
71		Total Gross Plant	\$	461,555,548	\$	39,917,692	\$	(6,172,769)	\$	-	495,300,471	\$	475,197,864	\$	(20,102,607)			

Note (1a) Figure represents all assets except the CIS+ customer billing system portion of Other Utility Plant, Corporate Shared Assets allocated per the CAM.

Note (1b) Figure represents the CIS+ customer billing system portion of Other Utility Plant, Corporate Shared Assets allocated per the CAM.

Sources: KSG-SKJ RRS Section 4 Stmt D WP 2, KSG-SKJ RRS Section 4 Sched D-1 WP 3, KSG-SKJ RRS Section 4 Sched D-2 WP 4, Black Hills Response to Staff Discovery Request No. 111

Black Hills Energy
Rate Base Adjustment No. 2
Accumulated Provision for Depreciation - Summary
For the Test Year Ended September 30, 2024

Line No.	Description	Reference	A		B		C
			Black Hills Pro-Forma Adjusted Depreciation	Accumulated September 30, 2024	Staff Adjusted Accumulated Depreciation	February 28, 2025	Staff Adjustment to Accumulated Depreciation
							(B - A)
	Black Hills Accumulated Depreciation						
1	Intangible Plant	Exhibit DB-2(a), Line 8, Column E, F, G	\$	2,856,240	\$	2,788,450	\$ (67,790)
2	Natural Gas Production & Gathering Plant	Exhibit DB-2(a), Line 10, Column E, F, G		-			-
3	Transmission Plant	Exhibit DB-2(a), Line 25, Column E, F, G		16,209,075		15,933,546	(275,528)
4	Distribution Plant	Exhibit DB-2(a), Line 47, Column E, F, G		103,784,334		102,867,436	(916,898)
5	General Plant	Exhibit DB-2(a), Line 66, Column E, F, G		9,276,564		7,891,457	(1,385,106)
6	Total Black Hills Accumulated Depreciation	Sum: Lines 1 - 6	\$	132,126,212	\$	129,480,889	\$ (2,645,323)
	Corporate Accumulated Depreciation Allocated to Black Hills KS						
7	Other Utility Plant - Corporate	Exhibit DB-2(a), Line 70, Column E, F, G	\$	6,630,140	\$	6,776,582	\$ 146,441
8	Total Accumulated Depreciation	Lines 7 + 8	<u>\$</u>	<u>138,756,353</u>	<u>\$</u>	<u>136,257,471</u>	<u>\$ (2,498,882)</u>

Line No.	FERC Account	Description	A	B	C	D	E	F	G
			Accumulated Depreciation Per Books Balance as of September 30, 2024	Adjustment to Accumulated Depreciation for Capital Additions	Adjustment to Accumulated Depreciation for Retirements on Capital Additions	Accumulated Depreciation as of 09/30/2025 on Existing Assets	Adjusted Accumulated Depreciation Balance as of September 30, 2025	Adjusted Accumulated Depreciation Balance as of February 28, 2025	Staff Adjustment
			(A+B+C+D)						(F-E)
		Intangible Plant							
1	301.00	Intangibles Organization	186,932	-	-	-	186,932	186,932	-
2	302.00	Intangibles Franchises & Consents	74,990	-	-	360	75,350	74,990	(360)
3	303.00	Intangibles Miscellaneous	782,147	-	-	19,029	801,176	783,439	(17,737)
4	303.01	Intangibles Miscellaneous - Easements	1,400,473	-	-	87,555	1,488,028	1,436,954	(51,074)
5	303.02	Intangibles Miscellaneous - Trademarks	9,109	-	-	-	9,109	10,489	1,380
6	303.03	Intangibles Miscellaneous - Workforce	-	-	-	-	-	-	-
7	303.70	Intangibles Miscellaneous - Farm Tap	295,646	-	-	-	295,646	295,646	-
8		Total Intangible Plant	\$ 2,749,296	\$ -	\$ -	\$ 106,944	\$ 2,856,240	\$ 2,788,450	\$ (67,790)
		Natural Gas Production & Gathering Plant							
9	336.01	Purification Equipment	-	-	-	-	-	-	-
10		Total Natural Gas Production & Gathering Plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Transmission Plant							
11	365.01	Land	-	-	-	-	-	-	-
12	365.02	Land Rights/Right-of-Way (Non-Depreciable)	691,895	-	-	-	691,895	691,895	-
13	365.71	Land/Farm Tap	-	-	-	-	-	-	-
14	365.72	Land Rights/Farm Tap (Non-Depreciable)	-	-	-	-	-	-	-
15	366.01	Structures and Improvements	100,437	32	(645)	1,564	101,387	100,939	(449)
16	366.20	Measuring	1,111	70	(1,422)	735	493	1,436	943
17	366.71	Structures and Improvements	78,223	-	-	84	78,308	78,259	(49)
18	367.00	Transmission Plant - Mains	12,536,385	18,487	(269,457)	810,990	13,096,406	12,864,550	(231,856)
19	367.80	Gas Trans -Other Mains-RNG	-	-	-	-	-	963	963
20	368.04	Compressor Station Equipment	(98,136)	-	-	180	(97,956)	(95,487)	2,469
21	368.80	Gas Trans-Comp Sta Equip-RNG	-	-	-	-	-	25,502	25,502
22	369.03	Measuring & Regulating Station Equipment	2,075,710	2,958	(21,473)	144,632	2,201,827	2,135,133	(66,693)
23	369.73	Measuring & Regulating Station Equipment	54,466	-	-	1,442	55,907	55,064	(843)
24	371.01	Transmission Plant - Other Equipment	71,352	-	-	9,455	80,808	75,292	(5,516)
25		Total Transmission Plant	\$ 15,511,444	\$ 21,547	\$ (292,998)	\$ 969,082	\$ 16,209,075	\$ 15,933,546	\$ (275,528)
		Distribution Plant							
26	374.01	Land	-	-	-	-	-	-	-
27	374.02	Land Rights/Right of Way (Non-Depreciable)	-	-	-	-	-	-	-
28	374.82	Gas Dist-Ld Rt/ROW-ND-RNG	-	-	-	-	-	-	-
29	375.01	Structures and Improvements	451,834	290	(2,404)	28,606	478,326	465,568	(12,757)
30	375.03	Structures and Improvements - TBS	-	-	-	-	-	-	-
31	375.80	Gas Dist-Strct&Improve-RNG	-	-	-	-	-	-	-
32	376.00	Distribution Plant - Mains	47,667,887	102,653	(1,342,858)	2,365,413	48,793,095	48,698,938	(94,157)
33	376.80	Gas Dist - Mains - RNG	12,770	-	-	-	12,770	17,203	4,433
34	377.00	Compressor Station Equipment	86,071	-	-	8,520	94,591	89,621	(4,970)
35	378.00	Measuring & Regulating Station Equipment - General	2,023,073	20,464	(178,316)	207,202	2,072,424	2,115,669	43,245
36	378.50	Measuring & Regulating Station Equipment - Lease	-	-	-	-	-	-	-
37	378.70	Measuring & Regulating Station Equipment	62,514	56	(492)	4,071	66,150	64,211	(1,939)
38	378.80	Gas Dist-Mea/Reg St-RNG	-	-	-	-	-	6,254	6,254
39	379.00	Measuring & Regulating Station Equipment - City Gate	41,310	-	-	2,897	44,207	42,517	(1,690)
40	380.00	Distribution Plant - Services	31,147,071	68,720	(665,978)	2,102,578	32,652,391	33,389,959	737,568
41	381.00	Meters	1,703,063	71,855	(168,710)	1,166,291	2,772,499	2,043,857	(728,642)
42	381.01	Meters - ERT & AMI	5,603,106	15,809	(47,314)	716,752	6,288,354	5,803,368	(484,987)
43	382.01	Meter Installations	2,536,651	425	(9,452)	43,075	2,570,699	2,554,631	(16,068)
44	383.01	House Regulators	6,660,629	105,307	(699,231)	1,459,419	7,526,124	7,221,538	(304,586)
45	385.01	Industrial Measuring & Regulating Station Equipment	326,961	2,741	(22,741)	67,640	374,600	317,968	(56,631)
46	387.00	Other Equipment	34,720	-	-	3,385	38,104	36,134	(1,970)
47		Total Distribution Plant	\$ 98,357,662	\$ 388,321	\$ (3,137,496)	\$ 8,175,848	\$ 103,784,334	\$ 102,867,436	\$ (916,898)
		General Plant							
48	389.01	Land	-	-	-	-	-	-	-
49	390.01	Structures and Improvements	1,299,213	12,047	(90,587)	342,080	1,562,753	1,385,965	(176,789)
50	390.51	Leasehold Improvements	-	-	-	-	-	-	-
51	391.01	Office Furniture & Equipment	398,878	210	(1,477)	30,509	428,120	394,213	(33,907)
52	391.03	Computer Hardware	814,496	31,764	(749,729)	229,056	325,586	406,325	80,739
53	391.04	Software	73,979	1,257	(168)	16,912	91,980	(19,898)	(111,878)
54	391.07	Ipad Hardware	31,221	8	-	6,780	38,009	31,717	(6,292)
55	392.01	Transportation Equipment	96,310	3,546	(902)	17,683	116,637	103,678	(12,959)
56	392.03	Light Trucks	3,270,756	65,507	(19,685)	717,950	4,034,528	3,111,953	(922,576)
57	392.04	Medium Trucks	2,895	-	-	-	2,895	2,895	-
58	392.05	Heavy Trucks	269,813	229	(414)	5,578	275,206	272,137	(3,069)
59	392.06	Trailers	118,010	155	(216)	2,769	120,718	119,164	(1,555)
60	393.00	Stores Equipment	9,526	85	(589)	2,063	11,085	9,638	(1,447)
61	394.00	Tools, Shop, and Garage Equipment	1,056,863	27,710	(82,164)	138,644	1,141,053	1,043,281	(97,772)
62	395.00	Laboratory Equipment	12,823	-	-	517	13,340	12,070	(1,269)
63	396.00	Power Operated Equipment	239,671	1,904	(722)	57,473	298,326	246,254	(52,072)
64	397.00	Communication Equipment	726,564	-	-	80,519	807,083	763,501	(43,582)
65	398.00	Miscellaneous Equipment	7,081	-	-	2,162	9,244	8,564	(680)
66		Total General Plant	\$ 8,428,099	\$ 144,422	\$ (946,652)	\$ 1,650,695	\$ 9,276,564	\$ 7,891,457	\$ (1,385,106)
		Other Utility Plant							
67	119.00	Other Utility Plant	6,326,780	68,660	(1,809,422)	1,640,019	6,226,038	6,421,936	195,898
68	119.00	Other Utility Plant (CIS+)	419,850	597	(384,354)	61,503	97,596	102,959	5,363
69	119.00	Other Utility Plant (Vehicles)	236,195	2,395	(6,224)	74,141	306,507	251,687	(54,820)
70		Total Other Utility Plant	\$ 6,982,825	\$ 71,652	\$ (2,199,999)	\$ 1,775,663	\$ 6,630,140	\$ 6,776,582	\$ 146,441
71		Total Gas Plant In Service	\$ 132,029,326	\$ 625,942	\$ (6,577,146)	\$ 12,678,231	\$ 138,756,353	\$ 136,257,471	\$ (2,498,882)

Sources KSG-SKJ RRS Section 5_Stmt E WP 5, KSG-SKJ RRS Section 5_Sched E-1 WP 6, KSG-SKJ RRS Section 5_Sched E-2 WP 7, KSG-SKJ RRS Section 5_Sched E-3 WP 8,
Black Hills Response to KCC Discovery Request No. 112

Black Hills Energy
Construction Work In Progress - Summary
Rate Base Adjustment No. 3
Test Year Ended September 30, 2024

Line No.	Description	Reference	Staff Adjusted Construction Work In Progress Balance
1	Black Hills CWIP	Exhibit DB-2(a), Line 8, Column E, F, G	\$ 3,190,763
2	Corporate CWIP - Allocated to Black Hills KS	Exhibit DB-2(a), Line 8, Column E, F, G	<u>281,186</u>
3	Total Construction Work In Progress	Line 1 + Line 2	<u><u>\$ 3,471,949</u></u>

Black Hills Energy
Construction Work In Progress - KS Detail
Rate Base Adjustment No. 3
Test Year Ended September 30, 2024

			Black Hills KS Construction Work In Progress February 28, 2025	
Line No.	Work Order Number	Project Description		
1	WO.10026718	10026718-MONTHLY ACCRUAL PROJECT/BHKSG	\$	513,604
2	WO.10044745	10044745-REPLACE 2650' OF 12 BARE	\$	(10)
3	WO.10083747	10083747-PENNINGTON ROAD		8,655
4	WO.10083964	10083964-T1A Lakeside I		184,752
5	WO.10083965	10083965-T1A Lakeside II		135,263
6	WO.10083967	10083967-T1A Rubke Orchard		229,267
7	WO.10083969	10083969-T1A Parallel Rd		177,548
8	WO.10084329	10084329-VEH# 10084312 2024 CHEVY 2500		125,267
9	WO.10084332	10084332-VEH# 10084315 2024 FORD F150		76,030
10	WO.10084334	10084334-VEH# 10084317 2024 FORD F150		81,724
11	WO.10084335	10084335-VEH# 10084318 2024 FORD F150		92,755
12	WO.10084336	10084336-VEH# 10084319 2024 RAM 5500		225,870
13	WO.10085252	10085252-Southern Star Farm Tap Acquisiton		282
14	WO.135194145G2	135194145G242-GSRS KS Rider- Mains		-
15	WO.4410350504	4410350504-Payroll Capital Accrual		75,015
16	WO.5215116111	5215116111-Inv Sys Imp Extensions Gas	\$	(146)
17	WO.60105872	60105872-BLACK HILLS ENERGY - 1512 W 5TH ST,		868
18	WO.60105877	60105877-BLACK HILLS ENERGY - 1701 W 4TH ST,		635
19	WO.60182260	60182260-BLACK HILLS - 1000 SOLAR ST, , GARD		29,418
20	WO.60192526	60192526-JOSH DUNCAN - 205 GUNSMOKE AVE, , D		9,958
21	WO.60206181	60206181-W 4TH AVE COW CREEK CANAL HUTCHINSON		84,309
22	WO.60208910	60208910-JOSH DUNCAN - 355 NW 30TH AVE, EAST		-
23	WO.60210397	60210397-BLACK HILLS - 1200 ACRA WAY, GENER		-
24	WO.60213296	60213296-NORWICH TBS REBUILD		40,510
25	WO.60215444	60215444-(AFFC - ABOVE GROUND) - 1146 MAINE		4,858
26	WO.60216818	60216818-IRVING EAST BORE K&O RAILROAD		12,597
27	WO.60216823	60216823-IRVING BORE K&O WEST		19,169
28	WO.60217882	60217882-REPLACEMENT ALONG 119TH W/ 4 MAIN		-
29	WO.60221119	60221119-RECTIFIER BED FOR T1C		19,863
30	WO.60222523	60222523-CITY MANDATED RELOCATE- 1100 LOUISI		31,863
31	WO.60223826	60223826-SEDWICK AND WALKER WICHITA, KS		7,602
32	WO.60227232	60227232-426 W DAYTON AVE, , WICHITA, KS		566,485
33	WO.60229824	60229824-VINE ST REPLACEMENT , , WICHITA, KS		511
34	WO.60230314	60230314-MARTINSON ST, IRVING , WICHITA, KS		277,929
35	WO.60231057	60231057-BHE - 2 S KANSAS MAIN AVE, , LIBERA		-
36	WO.60231182	60231182-BLACK HILLS ENERGY - ST MARKS EXPOS		798
37	WO.60231564	60231564-BLACK HILLS ENERGY - DRS 403 INSTAL	\$	36,500
38	WO.60232890	60232890-LAKEWAY REG 21ST STN, , WICHITA, KS		2,462
39	WO.60234040	60234040-6IN VALVE REMOVE BURRTON, KS		4,289
40	WO.60235351	60235351-JOSH DUNCAN - 355 NW 30TH AVE, EAST		100,235
41	WO.60235360	60235360-JOSH DUNCAN - 355 NW 30TH AVE, WEST		14,028
42	Total BH KS Construction Work In Progress		\$	3,190,763

Black Hills Energy
Construction Work In Progress - Corporate Detail
Rate Base Adjustment No. 3
Test Year Ended September 30, 2024

			Black Hills Corporate Construction Work In Progress February 28, 2025	
Line No.	Work Order Number	Project Description		
1	10046311	ServCo - Dept 4750 IT/OT Costs	\$	44,268
2	10047697U	BHUH ELECTRIC METER BLANKET		-
3	10048726	Microsoft Enterprise Agreement		61,428
4	10051850U	Apps - PowerOn - Upgrade		-
5	10057359U	Reliability Center Hdware Upgrade		9,804
6	10071709	Endur Enhancements		13,415
7	10075336	WAM-NGU Inst&Tools		-
8	10077644	ADMS		52,871
9	10078295	Energy Forward		-
10	10078571	Implementation GE GIS Adaptor		3,191
11	10078591	Enterprise Security 2022 FP		-
12	10078854	CT20 EU Verve T&D		-
13	10079145	VEH# 10079140 2023 CHEVY EV 1500		4,132
14	10079313	VEH# 10079312 2023 CHEVY EV 1500		19,187
15	10081252	VEH# 10081251 2023 COMMAND CENTER T		6,010
16	10081711	PowerPlan Second Set of Books		-
17	10081757	FERC Order 881		13,678
18	10083363	OSN_PS Efficiencies_Enhancements_Ca		125
19	10084342	2023 CAPITAL PROJECT		8,986
20	10084362	Gas SCADA AutoSol License		-
21	10085372	Smallworld 2024 Enhancements		10,036
22	10085735	FSO 2024 Quick Wins (QW)		3,833
23	10086051	VEH# 10086030 2024 FORD RANGER		4,610
24	10086165	VEH# 10086164 2024 DODGE DURANGO		-
25	10086185	Vegetation Software		4,300
26	10086186	NTP clocking hardware refresh		4,566
27	10086200	CPLM_Quick WIn_EF_Cap		16,745
28	10086661	2024 Cisco DNA		
29		Total Black Hills Corporate Allocated Construction Work In Progress	\$	281,186

Sources: Black Hills Response to KCC Discovery Request Nos. 27, 193

Black Hills Energy
Gas Storage
Rate Base Adjustment No. 4
Test Year Ended September 30, 2024

Line No.	Month	Gas Stored Underground	
1	Sep-23	4,367,399	
2	Oct-23	4,718,183	
3	Nov-23	3,947,460	
4	Dec-23	3,444,519	
5	Jan-24	2,455,675	
6	Feb-24	1,854,676	
7	Mar-24	973,340	
8	Apr-24	922,155	
9	May-24	1,263,457	
10	Jun-24	1,722,357	
11	Jul-24	2,490,372	
12	Aug-24	3,056,117	
13	Sep-24	3,401,168	\$ 2,662,837
14	Oct-24	3,854,462	
15	Nov-24	3,299,357	
16	Dec-24	2,945,566	
17	Jan-25	2,017,125	
18	Feb-25	1,339,006	\$ 2,241,474
20	Staff 13-Month Average	\$ 2,241,474	
21	Less Black Hills 13-Month Average	\$ 2,662,837	
22	Total Staff Adjustment to Account 164	\$ (421,363)	

Source: KSG-SKJ RRS Section 6_Sched F-1 WP 9,
Black Hills Response to Staff Data Request Nos. 115

Black Hills
Income Statement Adjustment No. 1
Accumulated Provision for Depreciation - Summary
For the Test Year Ended September 30, 2024

Line No.	Description	Reference	A		B		C	
			Black Hills Pro-Forma Adjusted Depreciation Expense September 30, 2025		Staff Adjusted Depreciation Expense February 28, 2025		Staff Adjustment to Depreciation Expense (B - A)	
	Black Hills Depreciation Expense							
1	Intangible Plant	Exhibit DB-5(a), Line 8, Column C, F, G	\$	106,944	\$	106,944	\$	-
2	Natural Gas Production & Gathering Plant	Exhibit DB-5(a), Line 10, Column C, F, G		-				-
3	Transmission Plant	Exhibit DB-5(a), Line 25, Column C, F, G		1,007,900		1,023,905		16,005
4	Distribution Plant	Exhibit DB-5(a), Line 47, Column C, F, G		8,875,446		8,495,480		(379,967)
5	General Plant	Exhibit DB-5(a), Line 66, Column C, F, G		877,391		826,201		(51,190)
6	Total Black Hills Depreciation Expense	Sum: Lines 1 - 6	\$	10,867,682	\$	10,452,530	\$	(415,152)
	Corporate Depreciation Expense Allocated to Black Hills KS							
7	Other Utility Plant - Corporate	Exhibit DB-5(a), Line 70, Column C, F, G	\$	1,634,707	\$	1,667,028	\$	32,322
	Total Amortization of Unrecovered Reserve	Exhibit DB-5(a), Line 71, Column G, K	\$	244,608	\$	244,608	\$	-
8	Total Depreciation Expense	Lines 7 + 8	\$ 12,746,996		\$ 12,364,166		\$ (382,830)	

		A	B	C	D	E	F	G	
Line No.	FERC Account	Description	Black Hills Adjusted Plant In Service 9/30/2025	Black Hills Depreciation Rates Approved in 21-BHCG-418-RTS	BH Projected Pro Forma Depreciation Expense	Staff's Pro Forma Adjusted Depreciable Plant 2/28/2025	Black Hills Depreciation Rates Approved in 21-BHCG-418-RTS	Staff Adjusted Depreciation Expense for Plant Update	Staff's Adjustment to Depreciation Expense
			A x B			D x E			F - C
INTANGIBLE PLANT									
1	301.00	Intangibles Organization	\$ 186,932	0.00%	\$ -	\$ 186,932	0.00%	\$ -	\$ -
2	302.00	Intangibles Franchises & Consents	74,990	0.48%	\$ 360	74,990	0.48%	\$ 360	\$ -
3	303.00	Intangibles Miscellaneous	1,039,860	1.83%	\$ 19,029	1,039,860	1.83%	\$ 19,029	\$ -
4	303.01	Intangibles Miscellaneous - Easements	1,730,332	5.06%	\$ 87,555	1,730,332	5.06%	\$ 87,555	\$ -
5	303.02	Intangibles Miscellaneous - Trademarks	181,000	0.00%	\$ -	181,000	0.00%	\$ -	\$ -
6	303.03	Intangibles Miscellaneous - Workforce	-	0.00%	\$ -	-	0.00%	\$ -	\$ -
7	303.70	Intangibles Miscellaneous - Farm Tap	295,646	0.00%	\$ -	295,646	0.00%	\$ -	\$ -
8		Total Intangible Plant	\$ 3,508,760	\$ 0	\$ 106,944	\$ 3,508,760	\$ 0	\$ 106,944	\$ -
NATURAL GAS PRODUCTION & GATHERING PLANT									
9	336.01	Purification Equipment	\$ -	2.76%	\$ -	\$ -	2.76%	\$ -	\$ -
10		Total Natural Gas Production & Gathering Plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSMISSION PLANT									
11	365.01	Land	\$ 9,431	0.00%	\$ -	\$ 9,431	0.00%	\$ -	\$ -
12	365.02	Land Rights/Right-of-Way (Non-Depreciable)	725,064	0.00%	\$ -	771,247	0.00%	\$ -	\$ -
13	365.71	Land/Farm Tap	644	0.00%	\$ -	644	0.00%	\$ -	\$ -
14	365.72	Land Rights/Farm Tap (Non-Depreciable)	2,100	0.00%	\$ -	2,100	0.00%	\$ -	\$ -
15	366.01	Structures and Improvements	165,381	0.98%	\$ 1,621	159,429	0.98%	\$ 1,562	\$ (58)
16	366.20	Measuring	87,754	0.98%	\$ 860	89,914	0.98%	\$ 881	\$ 21
17	366.71	Structures and Improvements	8,600	0.98%	\$ 84	8,600	0.98%	\$ 84	\$ -
18	367.00	Transmission Plant - Mains	61,180,956	1.38%	\$ 844,297	57,602,112	1.38%	\$ 794,909	\$ (49,388)
19	367.80	Gas Trans -Other Mains-RNG	-	1.38%	\$ -	89,017	1.38%	\$ 1,228	\$ 1,228
20	368.04	Compressor Station Equipment	2,475	7.27%	\$ 180	2,475	7.27%	\$ 180	\$ -
21	368.80	Gas Trans-Comp Sta Equip-RNG	-	7.27%	\$ -	962,655	7.27%	\$ 69,985	\$ 69,985
22	369.03	Measuring & Regulating Station Equipment	5,336,706	2.81%	\$ 149,961	5,130,880	2.81%	\$ 144,178	\$ (5,784)
23	369.73	Measuring & Regulating Station Equipment	51,304	2.81%	\$ 1,442	51,304	2.81%	\$ 1,442	\$ -
24	371.01	Transmission Plant - Other Equipment	\$ 106,238	8.90%	\$ 9,455	\$ 106,238	8.90%	\$ 9,455	\$ -
25		Total Transmission Plant	\$ 67,676,653		\$ 1,007,900	\$ 64,986,046		\$ 1,023,905	\$ 16,005
DISTRIBUTION PLANT									
26	374.01	Land	\$ 186,909	0.00%	\$ -	\$ 186,909	0.00%	\$ -	\$ -
27	374.02	Land Rights/Right of Way (Non-Depreciable)	792,398	0.00%	\$ -	776,669	0.00%	\$ -	\$ -
28	374.82	Gas Dist-Ld Rt/ROW-ND-RNG	-	0.00%	\$ -	147,389	0.00%	\$ -	\$ -
29	375.01	Structures and Improvements	1,188,888	2.45%	\$ 29,128	1,451,539	2.45%	\$ 35,563	\$ 6,435
30	375.03	Structures and Improvements - TBS	-	2.45%	\$ -	-	2.45%	\$ -	\$ -
31	375.80	Gas Dist-Strct&Improve-RNG	-	2.45%	\$ -	4,170	2.45%	\$ 102	\$ 102
32	376.00	Distribution Plant - Mains	164,618,129	1.54%	\$ 2,535,119	157,739,821	1.54%	\$ 2,429,193	\$ (105,926)
33	376.80	Gas Dist - Mains - RNG	989,195	1.54%	\$ 15,234	658,450	1.54%	\$ 10,140	\$ (5,093)
34	377.00	Compressor Station Equipment	175,304	4.86%	\$ 8,520	175,304	4.86%	\$ 8,520	\$ -
35	378.00	Measuring & Regulating Station Equipment - General	10,475,158	2.33%	\$ 244,071	9,028,636	2.33%	\$ 210,367	\$ (33,704)
36	378.50	Measuring & Regulating Station Equipment - Lease	-	2.33%	\$ -	-	2.33%	\$ -	\$ -
37	378.70	Measuring & Regulating Station Equipment	179,090	2.33%	\$ 4,173	174,723	2.33%	\$ 4,071	\$ (102)
38	378.80	Gas Dist-Mea/Reg St-RNG	-	2.33%	\$ -	212,817	2.33%	\$ 4,959	\$ 4,959
39	379.00	Measuring & Regulating Station Equipment - City Gate	61,111	4.74%	\$ 2,897	61,111	4.74%	\$ 2,897	\$ -
40	380.00	Distribution Plant - Services	106,525,531	2.09%	\$ 2,226,384	106,644,178	2.09%	\$ 2,228,863	\$ 2,480
41	381.00	Meters	14,038,411	9.23%	\$ 1,295,745	13,160,398	9.23%	\$ 1,214,705	\$ (81,041)
42	381.01	Meters - ERT & AMI	10,496,261	7.10%	\$ 745,235	10,170,781	7.10%	\$ 722,125	\$ (23,109)
43	382.01	Meter Installations	4,871,135	0.90%	\$ 43,840	4,796,808	0.90%	\$ 43,171	\$ (669)
44	383.01	House Regulators	53,543,483	3.08%	\$ 1,649,139	48,928,197	3.08%	\$ 1,506,988	\$ (142,151)
45	385.01	Industrial Measuring & Regulating Station Equipment	2,962,366	2.45%	\$ 72,578	2,874,709	2.45%	\$ 70,430	\$ (2,148)
46	387.00	Other Equipment	115,909	2.92%	\$ 3,385	115,909	2.92%	\$ 3,385	\$ -
47		Total Distribution Plant	\$ 371,219,276		\$ 8,875,446	\$ 357,308,515		\$ 8,495,480	\$ (379,967)
GENERAL PLANT									
48	389.01	Land	\$ 856,543	0.00%	\$ -	\$ 856,543	0.00%	\$ -	\$ -
49	390.01	Structures and Improvements	13,423,778	2.71%	\$ 363,784	12,733,254	2.71%	\$ 345,071	\$ (18,713)
50	390.51	Leasehold Improvements	-	0.00%	\$ -	-	0.00%	\$ -	\$ -
51	391.01	Office Furniture & Equipment	619,665	4.98%	\$ 30,859	711,547	4.98%	\$ 35,435	\$ 4,576
52	391.03	Computer Hardware	1,021,325	17.64%	\$ 180,162	1,114,992	17.64%	\$ 196,685	\$ 16,523
53	391.04	Software	109,982	17.64%	\$ 19,401	-	17.64%	\$ -	\$ (19,401)
54	391.07	Ipad Hardware	33,978	20.00%	\$ 6,796	33,899	20.00%	\$ 6,780	\$ (16)
55	392.01	Transportation Equipment	289,611	8.53%	\$ 24,704	207,305	8.53%	\$ 17,683	\$ (7,021)
56	392.03	Light Trucks	11,888,562	7.13%	\$ 847,654	9,817,355	7.13%	\$ 699,977	\$ (147,677)
57	392.04	Medium Trucks	-	11.60%	\$ -	-	11.60%	\$ -	\$ -
58	392.05	Heavy Trucks	538,580	1.12%	\$ 6,032	498,021	1.12%	\$ 5,578	\$ (454)
59	392.06	Trailers	210,677	1.46%	\$ 3,076	189,639	1.46%	\$ 2,769	\$ (307)
60	393.00	Stores Equipment	55,274	4.00%	\$ 2,211	51,016	4.00%	\$ 2,041	\$ (170)
61	394.00	Tools, Shop, and Garage Equipment	4,896,920	3.90%	\$ 190,980	4,025,421	3.90%	\$ 156,991	\$ (33,988)
62	395.00	Laboratory Equipment	11,714	4.41%	\$ 517	11,714	4.41%	\$ 517	\$ -
63	396.00	Power Operated Equipment	1,099,514	5.57%	\$ 61,243	1,014,666	5.57%	\$ 56,517	\$ (4,726)
64	397.00	Communication Equipment	1,221,839	6.59%	\$ 80,519	1,221,839	6.59%	\$ 80,519	\$ -
65	398.00	Miscellaneous Equipment	32,417	6.67%	\$ 2,162	32,417	6.67%	\$ 2,162	\$ -
66		Total General Plant	\$ 36,310,377		\$ 1,820,100	\$ 32,519,628		\$ 1,608,725	\$ (211,375)
67	118.00	Other Utility Plant	\$ 15,457,994	10.40%	\$ 1,606,952	\$ 15,781,672	10.40%	\$ 1,640,600	\$ 33,648
68	118.00	Other Utility Plant (CIS+)	\$ 277,554	10.00%	\$ 27,755	\$ 264,287	10.00%	\$ 26,429	\$ (1,327)
69	118.00	Other Utility Plant (Vehicles)	\$ 849,856	9.23%	\$ 78,405	\$ 828,956	9.23%	\$ 76,477	\$ (1,928)
70		Total Other Utility Plant	\$ 16,585,405		\$ 1,713,112	\$ 16,874,915		\$ 1,743,505	\$ 30,393
71		Total Amortization of Unrecovered Reserve			\$ 244,608			\$ 244,608	
72		Total Depreciation Expense	\$ 495,300,471		\$ 12,746,996	\$ 475,197,864		\$ 12,364,166	\$ (382,830)

Black Hills
Fleet Depreciation Expense - Summary
Income Statement Adjustment No. 2
Test Year Ended September 30, 2024

Line No.	Description	Reference	A	B	C
			Black Hills Pro- Forma Adjustment to Fleet Depreciation September 30, 2025	Staff Updated Adjustment to Fleet Depreciation February 28, 2025	Staff Adjustment to Fleet Depreciation Expense
(B - A)					
Black Hills Fleet Depreciation					
1	Total Production Operation Expenses	Exhibit DB-6b, Line 13, Column B, C, D	\$ -	\$ -	\$ -
2	Total Production Maintenance Expenses	Exhibit DB-6b, Line 22, Column B, C, D	\$ -		\$ -
3	Total Other Gas Supply Expense	Exhibit DB-6b, Line 35, Column B, C, D	\$ -	\$ -	\$ -
4	Total Underground Storage Expense	Exhibit DB-6b, Line 56, Column B, C, D	\$ -	\$ -	\$ -
5	Total Transmission Expense	Exhibit DB-6b, Line 77, Column B, C, D	\$ 1,407	\$ 1,219	\$ (189)
6	Total Distribution Expense	Exhibit DB-6b, Line 105, Column B, C, D	\$ 100,167	\$ 86,746	\$ (13,421)
7	Total Customer Account Expense	Exhibit DB-6b, Line 113, Column B, C, D	\$ 9,751	\$ 8,444	\$ (1,306)
8	Total Customer Srvc & Inform Exp.	Exhibit DB-6b, Line 120, Column B, C, D	\$ -	\$ -	\$ -
9	Total Sales Expense	Exhibit DB-6b, Line 127, Column B, C, D	\$ 5	\$ 4	\$ (1)
10	Total Administrative & General Exp	Exhibit DB-6b, Line 146, Column B, C, D	\$ 202	\$ 175	\$ (27)
11	Total Black Hills Fleet Depreciation	Sum: Lines 1 - 6	\$ 111,532	\$ 96,588	\$ (14,944)

Black Hills Energy
Fleet Depreciation Adjustment - Capitalization
Income Statement Adjustment No. 2
Test Year Ended September 30, 2024

Line No.	Description	Amount	A		B	
			Vehicle Loadings as of February 28,		Pro Forma Adjusted	
			FERC Acct	2025	A(x) / (A78 * B78)	
1	Staff Fleet Depreciation Expense from Exhibit DB-5a (Note 1)	\$ 162,113	107	\$ 385,362		
2			108001	3,367		
3	Below The Line Vehicle loading Capitalization rate	40.42%		(71)		
4			163	99,643		
5	Capitalized amount (Line 1 x Line 3)	\$ 65,525	184003	-		
6			242003	-		
7	Staff O&M Adjustment Amount (Line 1 - Line 5)	<u>\$ 96,588</u>	416000	50,651		
8			416100	2,016		
9	Note 1: (Ln 55 to 59 (C) + Ln 63 + Ln 69) - (Ln 55 to 59 (F) + Ln 63 + Ln 69)		416101	60,999		
10			416300	2,162		
11	Source: Black Hills' Response to Staff Data Request No. 179		416800	396		
12			417101	3,044		
13			417158	9,004		
14			754	-		-
15			756	-		-
16			764	-		-
17			766	-		-
18			767	-		-
19			814	-		-
20			816	-		-
21			817	-		-
22			818	-		-
23			820	-		-
24			821	-		-
25			830	-		-
26			832	-		-
27			833	-		-
28			834	-		-
29			835	-		-
30			836	-		-
31			850	-		-
32			851	622		66
33			852	351		37
34			853	5,582		593
35			856	1,478		157
36			857	1,650		175
37			859	2,685		285
38			860	360		38
39			861	64		7
40			862	263		28
41			863	719		76
42			864	45,437		4,829
43			865	37,146		3,948
44			866	24,432		2,596
45			867	73,081		7,767
46			870	45,773		4,864
47			871	14,741		1,567
48			874	3,061		325
49			875	6,936		737
50			876	35,854		3,810
51			877	62,621		6,655
52			878	62,175		6,608
53			879	169,019		17,962
54			880	7,909		841
55			885	86,805		9,225
56			886	64		7
57			887	12,016		1,277
58			888	18,120		1,926
59			889	4,441		472
60			890	19,619		2,085
61			891	33,659		3,577
62			892	40,121		4,264
63			893	14,472		1,538
64			894	47,889		5,089
65			901	26,929		2,862
66			902	178		19
67			903	27		3
68			905	2,568		273
69			907	-		-
70			908	-		-
71			910	-		-
72			911	-		-
73			912	-		-
74			920	-		-
75			921	-		-
76			930.2	-		-
77			932	-		-
78				<u>\$ 908,867</u>	<u>\$</u>	<u>96,588</u>

Black Hills
Fleet Depreciation Adjustment - Detail
Income Statement Adjustment No. 2
Test Year Ended September 30, 2024

		A	B	C	D
Line No.	Description	Test Year Expenses	Black Hills Pro Forma Fleet Depreciation Adjustment	Staff Updated Fleet Depreciation Adjustment	Staff Adjustment to Fleet Depreciation (C-B)
1	Production and Gathering				
2	Operation				
3	750 - Operation Supervision & Engineering	-	-	-	-
4	752 - Gas Wells Expense	-	-	-	-
5	753 - Field Line Expense	-	-	-	-
6	754 - Field Compressor Station Expense	-	-	-	-
7	755 - Field Compressor Station Fuel and Power	-	-	-	-
8	756 - Field Measuring & Regulating Station Expense	-	-	-	-
9	757 - Purification Expense	-	-	-	-
10	758 - Gas Well Royalties	-	-	-	-
11	759 - Other Expenses	-	-	-	-
12	760 - Rents	-	-	-	-
13	Total Production Operation Expenses	-	-	-	-
14	Maintenance				
15	761 - Maintenance Supervision & Engineering	-	-	-	-
16	762 - Maintenance of Structures & Improvements	-	-	-	-
17	763 - Maintenance of Producing Gas Wells	-	-	-	-
18	764 - Maintenance of Field Lines	-	-	-	-
19	765 - Maintenance of Field Compressor Station Equipment	-	-	-	-
20	766 - Maintenance of Field Measuring & Regulating Station Equipment	-	-	-	-
21	767 - Maintenance of Purification Equipment	-	-	-	-
22	Total Production Maintenance Expenses	-	-	-	-
23	Other Gas Supply Expense				
24	Operation				
25	804 - Natural Gas City Gate Purchase	-	-	-	-
26	805 - Other Gas Purchases	-	-	-	-
27	805.1 - Purchased Gas Cost Adjustments	-	-	-	-
28	805.2 - Financial Gas Cost Adj	-	-	-	-
29	806 - Exchange Gas	-	-	-	-
30	808 - Gas Storage-Gas Ops	-	-	-	-
31	808.1 - Withdrawals from Storage	-	-	-	-
32	808.2 - Gas Delivered to Storage	-	-	-	-
33	812 - Gas Used for Other Utility Operation	-	-	-	-
34	813 - Other Gas Supply Expense	-	-	-	-
35	Total Other Gas Supply Expense	-	-	-	-
36	Underground Storage Expense				
37	Operation				
38	814 - Operation Supervision & Engineering	-	-	-	-
39	816 - Wells Expense	-	-	-	-
40	817 - Lines Expense	-	-	-	-
41	818 - Compressor Station Expense	-	-	-	-
42	819 - Compressor Station Fuel and Power	-	-	-	-
43	820 - Storage - Measuring & Regulating Station Expense	-	-	-	-
44	821 - Purification Expense	-	-	-	-
45	824 - Other Expenses	-	-	-	-
46	826 - Rents	-	-	-	-
47	Total Operation Underground Storage Expense	-	-	-	-
48	Maintenance				
49	830 - Maintenance Supervision & Engineering	-	-	-	-
50	832 - Maintenance of Reservoirs & Wells	-	-	-	-
51	833 - Maintenance of Lines	-	-	-	-
52	834 - Maintenance of Compressor Station Equipment	-	-	-	-
53	835 - Maintenance of Measuring & Regulating Station Equipment	-	-	-	-
54	836 - Maintenance of Purification Equipment	-	-	-	-
55	Total Maintenance Underground Storage Expense	-	-	-	-
56	Total Underground Storage Expense	-	-	-	-
57	Transmission Expense				
58	Operation				
59	850 - Operation Supervision & Engineering	-	-	-	-
60	851 - System Control & Load Dispatching	173	21	19	(3)
61	852 - Communication System Expenses	122	15	13	(2)

62	853 - Compressor Labor & Expense	-	-	-	-
63	856 - Mains Expense	6,984	861	745	(115)
64	857 - Measuring & Regulating Station Expense	210	26	22	(3)
65	859 - Other Expenses	88	11	9	(1)
66	860 - Rents	-	-	-	-
67	Total Operation	7,578	934	809	(125)
68	Maintenance				
69	861 - Maintenance Supervision & Engineering	2,473	305	264	(41)
70	862 - Maintenance of Structures & Improvements	463	57	49	(8)
71	863 - Maintenance of Mains	273	34	29	(5)
72	864 - Maintenance of Compressor Station Equipment	-	-	-	-
73	865 - Maintenance of Measuring & Regulating Station Equipment	263	32	28	(4)
74	866 - Maintenance of Communication Equipment	371	46	40	(6)
75	867 - Maintenance of Other Equipment	-	-	-	-
76	Total Maintenance	3,843	473	410	(63)
77	Total Transmission Expense	11,421	1,407	1,219	(189)
78	Distribution Expense				
79	Operation				
80	870 - Dist. Operating and Supervision Engineering	56,235	6,929	6,000	(928)
81	871 - Dist. Load Dispatching	174	21	19	(3)
82	872 - Compressor Station Labor & Expense	-	-	-	-
83	873 - Distr Fuel/Power Compr Station	-	-	-	-
84	874 - Oper./Inspect Underground Dist. Mains - Gas	147,707	18,199	15,760	(2,438)
85	875 - Dist. Measuring & Regulating Station Expense - General	50,116	6,175	5,347	(827)
86	876 - Dist. Measuring & Regulating Station Expense - Industrial	3,027	373	323	(50)
87	877 - Measuring & Regulating Station Expense - City Gate Check Station	17,724	2,184	1,891	(293)
88	878 - Oper./Inspect Meters & Collect Data - Gas	90,585	11,161	9,665	(1,495)
89	879 - Dist. Customer Installation Expense	61,912	7,628	6,606	(1,022)
90	880 - Dist. Ops. Other Expenses	158,027	19,470	16,862	(2,609)
91	881 - Dist. Oper. Rents	-	-	-	-
92	Total Operation	585,505	72,139	62,474	(9,666)
93	Maintenance				
94	885 - Dist. Maint. Supervision & Engineering	7,927	977	846	(131)
95	886 - Maintenance of Structures & Improvements	-	-	-	-
96	887 - Perf. Underground Distribution Line Maintenance - Gas	52,433	6,460	5,595	(866)
97	888 - Dist. Maint. of Compressor Station Equipment	12,654	1,559	1,350	(209)
98	889 - Maintenance of Measuring & Regulating Station Expense -General	9,033	1,113	964	(149)
99	890 - Dist. Maint. of Measuring & Regulating Station Equip - Industrial	11,740	1,446	1,253	(194)
100	891 - Maintenance of Measuring & Regulating Station - City Gate Check Stn.	21,741	2,679	2,320	(359)
101	892 - Dist. Maint. of Services	35,800	4,411	3,820	(591)
102	893 - Dist. Maint. of Meters & House Regulators	70,738	8,715	7,548	(1,168)
103	894 - Dist. Maint. of Other Equipment	5,417	667	578	(89)
104	Total Maintenance	227,481	28,028	24,272	(3,755)
105	Total Distribution Expense	812,986	100,167	86,746	(13,421)
106	Customer Account Expenses				
107	Operation				
108	901 - Customer Accounts Supervision	-	-	-	-
109	902 - Meter Reading Expense	46,188	5,691	4,928	(762)
110	903 - Customer Record & Collection Expense	32,954	4,060	3,516	(544)
111	904 - Uncollectible Accounts	-	-	-	-
112	905 - Miscellaneous Customer Accounts Expense	-	-	-	-
113	Total Customer Account Expense	79,142	9,751	8,444	(1,306)
114	Customer Service and Information Expenses				
115	Operation				
116	907 - Supervision	-	-	-	-
117	908 - Customer Assistance Expense	-	-	-	-
118	909 - Informational/Instructional Advertising Expense	-	-	-	-
119	910 - Miscellaneous Cust Serv & Inform Expense	-	-	-	-
120	Total Customer Srvc & Inform Exp.	-	-	-	-
121	Sales Expenses				
122	Operation				
123	911 - Supervision	-	-	-	-
124	912 - Demonstrating and Selling Expense	-	-	-	-
125	913 - Advertising Expenses	39	5	4	(1)
126	916 - Miscellaneous Sales Expense	-	-	-	-
127	Total Sales Expense	39	5	4	(1)
128	Administrative & General Expense				
129	Operation				
130	920 - Administrative & General Salaries	3	0	0	(0)
131	921 - Office Supplies & Expense	-	-	-	-
132	922 - Administrative Expense Transferred-Cr	-	-	-	-
133	923 - Outside Services Employed	-	-	-	-

134	924 - Property Insurance	-	-	-	-
135	925 - Injuries and Damages	-	-	-	-
136	926 - Employee Pensions and Benefits	-	-	-	-
137	927 - Franchise Requirements	-	-	-	-
138	928 - Regulatory Commission Expense	-	-	-	-
139	929 - Duplicate Charges - Credit	-	-	-	-
140	930.1 - General Advertising Expense	-	-	-	-
141	930.2 - Miscellaneous General Expense	-	-	-	-
142	931 - Rents	-	-	-	-
143	Total Operation	<u>3</u>	<u>0</u>	<u>0</u>	<u>(0)</u>
144	Maintenance				
145	932 - Maintenance of General Plant	1,636	202	175	(27)
146	Total Administrative & General Exp	<u>1,636</u>	<u>202</u>	<u>175</u>	<u>(27)</u>
147					
148	Total Operating & Maintenance Exp	<u>\$ 905,227</u>	<u>\$ 111,532</u>	<u>\$ 96,588</u>	<u>\$ (14,944)</u>

Source: Black Hills' Response to Staff Data Request No. 179

\$ 111,532 \$ 96,588

Black Hills Energy
DIIP Expense
Income Statement Adjustment No. 3
Test Year Ended September 30, 2024

Line No.	Account & Description	Test Year Expenses	Pro Forma Adjustment	Staff Adjustment to DIIP Expense	Staff Adjusted Total
1	Distribution Expense Acct. #870 - Dist. Operating and Supervision Engineering	\$ 149,724	\$ 250,276	\$ (250,276)	\$ <u>149,724</u>

Sources: Black Hills Response to Staff Discovery Request Nos. 160, 194

Black Hills Energy
Vegetation Management Expense
Income Statement Adjustment No. 4
Test Year Ended September 30, 2024

Line No.	Account & Description	Test Year Expenses	Black Hills Pro Forma Adjustment	Staff Adjustment to Vegetation Management	Adjusted Total
1	Transmission Expense Acct. #856 - Mains Expense	\$ -	\$ 100,000	\$ (100,000)	<u>\$ -</u>

Sources: Black Hills Response to Staff Discovery Request Nos. 158, 178

Black Hills
Line Locate Expense
Income Statement Adjustment No. 5
Test Year Ended September 30, 2024

Line No.	Description	Amount
1	Staff Adjusted Line Locate Expense (Exhibit DB-9a, Line 13, Column D)	\$ 1,396,444
2	Black Hills Pro Forma Adjusted Total Line Locate Expenses	\$ 1,450,426
3	Total Staff Adjustment to Line Locate Expense (Distrubution Expense Acct. #874 - Oper./Inspect Underground Dist. Mains)	\$ (53,983)

Sources: Black Hills Response to Staff Discovery Request No. 159

Black Hills Energy
Line Locate Expense - Calculation Detail
Income Statement Adjustment No. 5
Test Year Ended September 30, 2024

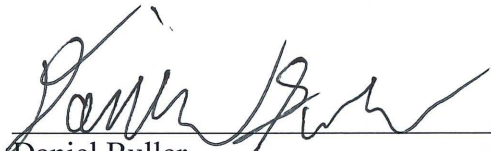
A		B		C	D	
Actual Line Locate Expenses		Amount	Contract Rate Increase	Projected Line Locate Expenses through 9/30/2025		
1	Oct-24	\$ 125,500.76	N/A	\$	125,500.76	
2	Nov-24	\$ 138,112.63	N/A	\$	138,112.63	
3	Dec-24	\$ 93,473.54	N/A	\$	93,473.54	
4	Jan-25	\$ 86,899.82	N/A	\$	86,899.82	
5	Feb-25	\$ 69,986.59	N/A	\$	69,986.59	
6	Mar-24	\$ 90,774.93	3.4%	\$	93,861.28	
7	Apr-24	\$ 127,415.03	3.4%	\$	131,747.14	
8	May-24	\$ 125,660.34	3.4%	\$	129,932.79	
9	Jun-24	\$ 131,050.46	3.4%	\$	135,506.18	
10	Jul-24	\$ 113,974.81	3.4%	\$	117,849.95	
11	Aug-24	\$ 131,280.12	3.4%	\$	135,743.64	
12	Sep-24	\$ 133,297.30	3.4%	\$	137,829.41	
13	Total Staff Adjusted Line Locate Expense Projected through 9/30/2025			\$	1,396,443.73	

Sources: KSG-SKJ RRS IS-29_Sched H-19 WP 35,
Black Hills' Response to Staff Discovery Request No. 159

STATE OF KANSAS)
) ss.
COUNTY OF SHAWNEE)

VERIFICATION

Daniel Buller, being duly sworn upon his oath deposes and states that he is an Auditor for the Utilities Division of the Kansas Corporation Commission of the State of Kansas, that he has read and is familiar with the foregoing *Direct Testimony*, and attests that the statements contained therein are true and correct to the best of his knowledge, information and belief.




Daniel Buller
Auditor
State Corporation Commission of the
State of Kansas

Subscribed and sworn to before me this 30 day of April, 2025.



Notary Public

My Appointment Expires: 4/28/29

 NOTARY PUBLIC - State of Kansas
ANN M. MURPHY
My Appt. Expires 4/28/29

CERTIFICATE OF SERVICE

25-BHCG-298-RTS

I, the undersigned, certify that a true and correct copy of the above and foregoing Direct Testimony was served via electronic service this 9th day of May, 2025, to the following:

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