

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

Received  
on

JUL 15 2011

by  
State Corporation Commission  
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 ) Docket No. 12-BHCG-055-TAR  
For Gas System Reliability Surcharge Per K.S.A. )  
6-2201 through 66-2204 )

**DIRECT TESTIMONY OF STEVEN A. PETERS**

- 1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
- 2 A. My name is Steven A. Peters. My business address is 110 East 9th Street, Lawrence,  
3 KS 66044.  
4
- 5 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
- 6 A. I am employed by Black Hills Utility Holdings, Inc. ("BHUH" or "Utility Holdings")  
7 as a Financial Manager. In my role as a Financial Manager, I provide financial  
8 management support to the Company. The support provided includes strategic plan  
9 development, budget preparation, financial reporting and analysis and financial  
10 counsel to operating management.  
11
- 12 Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND BUSINESS  
13 EXPERIENCE.

1 A. I graduated with honors from Kansas State University with a Bachelor of Science  
2 degree in Accounting. I hold Certified Public Accountant and Certified Internal  
3 Auditor certificates. I assumed my present position on July 14, 2008 as a result of  
4 Black Hills Corporation's acquisition of the gas and electric assets of Aquila, Inc. in  
5 Colorado, Iowa, Kansas and Nebraska. Prior to joining Black Hills Corporation, I  
6 was employed by Aquila, Inc. for eighteen years. During my Aquila tenure, I held  
7 various financial positions including: Senior Manager – Financial Reporting, Senior  
8 Manager – Financial Analysis, Director – Treasury Operations, and Manager –  
9 General Ledger. Prior to employment with Aquila, I was a Senior Analyst/Financial  
10 Reporting for Gilbert/Robinson, Inc. and prior to that, I worked in public accounting  
11 as an Auditor for Arthur Andersen & Company.

12  
13 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

14 A. The purpose of my testimony is to support the calculation of the revenue requirement  
15 by customer class for Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black  
16 Hills Energy ("Black Hills"), proposed Gas System Reliability Surcharge (GSRS).

17  
18 Q. ARE YOU SPONSORING ANY EXHIBITS?

19 A. Yes, I am sponsoring five exhibits. Exhibit SAP-1 shows the calculation of the  
20 proposed GSRS revenue. Exhibits SAP-2 & SAP-3 detail the plant and deferred  
21 taxes. Exhibit SAP-4 shows the class allocation of the GSRS surcharge, and Exhibit  
22 SAP-5 is the tariff sheet.

23

1 Q. PLEASE EXPLAIN EXHIBIT SAP-1.

2 A. Pursuant to the provisions of K.S.A. 66-2204, Exhibit SAP-1 shows the increase to  
3 rate base and the calculation of the GSRS revenue requirement. In addition to the  
4 new GSRS projects, Exhibit SAP-1 includes an update of the revenue requirement of  
5 the GSRS projects originally included in Docket Nos. 08-AQLG-852-TAR, 09-  
6 BHCG-886-TAR, and 10-BHCG-786-TAR to account for an additional year of  
7 accumulated depreciation and to account for current accumulated deferred income  
8 taxes. The proposed incremental revenue increase is \$639,144.

9

10 Q. DOES THE REVENUE REQUIREMENT EXCEED THE MINIMUM REVENUE  
11 REQUIREMENTS SET FORTH IN SENATE BILL 414?

12 A. Yes. K.S.A. 66-2203 states that “the commission may not approve a GSRS to the  
13 extent it would produce total annualized GSRS revenues below the lesser of  
14 \$1,000,000 or 1/2 % of the natural gas public utility’s base revenue level approved  
15 by the commission in the natural gas public utility’s most recent general rate  
16 proceeding.” Based on Black Hills’ most recent general rate proceeding, that amount  
17 would total \$188,826.

18

19 Q. PLEASE EXPLAIN THE COMPONENTS OF THE FILED RATE BASE.

20 A. Components of the rate base calculation include Gross Plant, which is the original  
21 cost of all eligible projects, less any related cost of removal and abandonment of the  
22 existing system; Accumulated Depreciation, which has been calculated by project  
23 based on the approved depreciation rate for that type of plant; and Accumulated

1           Deferred Income Taxes, which has been calculated by project based on the type of  
2           plant. Exhibits SAP-2 and SAP-3 detail the GSRS net plant calculation and the  
3           deferred taxes calculation.

4  
5   Q.    WERE ANY OF THE ELIGIBLE PROJECTS BEING CONSIDERED INCLUDED  
6           IN BLACK HILLS' LAST GENERAL RATE FILING?

7   A.    No. None of the projects included in the GSRS filing were included Black Hills' last  
8           rate filing. These projects were completed subsequent to the June 30, 2006 test  
9           period included in Black Hills' last general rate filing. In addition, none of the  
10          projects being considered in this GSRS filing were included in the Company's GSRS  
11          filings in Docket Numbers 08-AQLG-852-TAR, 09-BHCG-886-TAR, or 10-BHCG-  
12          786-TAR.

13  
14   Q.    HOW WAS THE RATE OF RETURN CALCULATED?

15   A.    The Stipulated Settlement Agreement in Black Hills' most recent rate case, Docket  
16          No. 07-AQLG-431-RTS, establishes the provisions for the return calculation. It  
17          states, "the debt/equity ration shall be 49.27% / 50.73%, the cost of debt shall be  
18          7.13% and the cost of equity shall be the average of the cost of equity used or agreed  
19          to be used by the commission in calculating the GSRS surcharge for the other Kansas  
20          gas utility companies". The cost of equity included in this filing is 10.20%, which is  
21          the cost of equity Black Hills used in its previous GSRS filing.

22  
23   Q.    PLEASE EXPLAIN EXHIBIT SAP-4.

1 A. Exhibit SAP-4 shows the allocation of the GSRS revenue by class. The customer  
2 class allocation is pursuant to the Stipulated Settlement Agreement in Docket No.  
3 07-AQLG-431-RTS and is the same as that used in Black Hills' previous GSRS  
4 filings.

5

6 Q. DOES THE ALLOCATION OF THE PROPOSED GSRS SURCHARGE FALL  
7 WITHIN THE PARAMETERS AS SET FORTH IN THE STATUTE?

8 A. Yes. K.S.A 66-2204 (e) (1) states, "A GSRS shall be charged to customers as a  
9 monthly fixed charge and not based on volumetric consumption. Such monthly  
10 charge shall not increase more than \$.40 per residential customer over the base rates  
11 in effect for the initial filing of a GSRS. Thereafter, each filing shall not increase the  
12 monthly charge more than \$.40 per residential customer over the most recent filing of  
13 a GSRS". Exhibits SAP-1 and SAP-4 include an adjustment to reduce the  
14 Company's request for the statutory limit. The proposed GSRS increase is \$0.40 per  
15 month for a residential customer. Added to the current GSRS for a residential  
16 customer, the proposed residential GSRS is \$1.13 per month.

17

18 Q. PLEASE EXPLAIN EXHIBIT SAP-5.

19 A. Exhibit SAP-5 is the tariff sheet for the proposed GSRS surcharge.

20

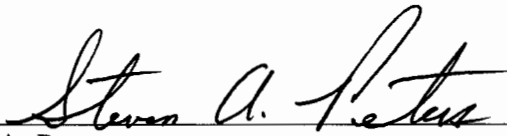
21 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

22 A. Yes it does.

**VERIFICATION**

STATE OF KANSAS                    )  
  ) ss:  
COUNTY OF DOUGLAS            )

I, STEVEN A. PETERS, being first duly sworn on oath, depose and state that I am the witness identified in the foregoing prepared direct testimony, that I have read the testimony and I am familiar with its contents, and that the facts set forth are true to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
Steven A. Peters

SUBSCRIBED AND SWORN to before me this 14<sup>th</sup> day of July, 2011.

  
\_\_\_\_\_  
Notary Public

Appointment/Commission Expires:



## BLACK HILLS ENERGY

## PROPOSED RATE ADJUSTMENT FOR GSRS

	[A]	[B]	[C]	[D]	[E]	[F]
Line No.		TOTAL	New GSRS Projects	UPDATE 786-TAR	UPDATE 886-TAR	UPDATE 852-TAR
1	GAS PLANT	\$18,453,336	\$ 10,078,224	\$ 2,406,658	\$ 3,564,820	\$ 2,403,634
2	ACCUMULATED DEPRECIATION	327,853	313,906	(17,552)	(8,332)	39,831
3	NET GAS PLANT	<u>\$18,125,483</u>	<u>\$ 9,764,318</u>	<u>\$ 2,424,210</u>	<u>\$ 3,573,152</u>	<u>\$ 2,363,803</u>
4	ACCUMULATED DEFERRED INCOME TAXES	(4,343,599)	(2,508,349)	(654,604)	(948,214)	(232,432)
5	TOTAL RATE BASE	<u>\$13,781,884</u>	<u>\$ 7,255,969</u>	<u>\$ 1,769,606</u>	<u>\$ 2,624,938</u>	<u>\$ 2,131,371</u>
6	RATE BASE	\$13,781,884	\$ 7,255,969	\$ 1,769,606	\$ 2,624,938	\$ 2,131,371
7	RATE OF RETURN	<u>8.6867%</u>	<u>8.6867%</u>	<u>8.6867%</u>	<u>8.6867%</u>	<u>8.6867%</u>
8	REQUIRED OPERATING INCOME	\$ 1,197,191	\$ 630,305	\$ 153,720	\$ 228,020	\$ 185,146
9	OPERATING INCOME AT PRESENT RATES	<u>(18,815)</u>	<u>(19,763)</u>	<u>(2,486)</u>	<u>(922)</u>	<u>4,356</u>
10	DEFICIENCY	\$ 1,216,006	\$ 650,068	\$ 156,206	\$ 228,942	\$ 180,790
11	TAX FACTOR	<u>60.42%</u>	<u>60.42%</u>	<u>60.42%</u>	<u>60.42%</u>	<u>60.42%</u>
12	TOTAL GSRS REVENUE	<u>\$ 2,012,588</u>	<u>\$ 1,075,916</u>	<u>\$ 258,533</u>	<u>\$ 378,918</u>	<u>\$ 299,222</u>
13	TRUE-UP OF RECOVERIES THRU 4/2011	<u>\$ (19,353)</u>				
14	GRAND TOTAL	\$ 1,993,235				
15	AUTHORIZED IN DKT 10-BHCG-786-TAR	<u>\$ 1,012,346</u>				
16	INCREMENTAL GSRS REVENUE	\$ 980,889				
17	LESS Statutory Limit Adjustment	<u>\$ (341,746)</u>				
18	INCREMENTAL GSRS REVENUE REQUEST	<u>\$ 639,144</u>				

Black Hills Energy															06/30/11 end of period date														
Gas System Reliability Surcharge Filing (GSRF)																													
Plant Data by Project																													
Period April 1, 2010 through June 30, 2011																													
JAW	Exh.	Related Retirement	Project # (A)	Project # (B)	Project Description (C)	FERC Acct (D)	Plant Description (E)	Eng Date (F)	# of Mos In Srvc (G)	Original Cost (H)	Associated Retirement Cost (I)	Net Orig Cost Less Retirements (J)	Depr Rate (K)	Annual Depr Expense (L) = (J) X (K)	Calculated Accum Depr based on In srvc date (M)	Accum Depr Less Retirement Costs (N)	Net Plant for Rate Base (O)	Unit of Prop Adj for Tax (P)											
1	R		60016305	-	Cimarron Highway 50 relocate	376002	Distr-PE Mains	May-10	14.0	\$ 39,967	\$ -	\$ 39,967	1.71%	\$ 683	\$ 795	\$ 795	\$ 39,172												
2	R		60016992	-	Blke Pedestrian Trail	376003	Distr-Steel Mains	Oct-10	9.0	\$ 16,700	\$ -	\$ 16,700	1.77%	\$ 296	\$ 221	\$ 221	\$ 16,479												
3	R		60017075	60017075	Rd 80 & Rd 14, Sherman Co Brdg Reloc	376003	Distr-Steel Mains	Nov-10	8.0	\$ 24,439	\$ (24,439)	\$ -	1.77%	\$ -	\$ 287	\$ (24,152)	\$ 24,152												
4	R		60016712	-	Kaasold Dr, between W 24th & W. 31st St	376002	Distr-PE Mains	Jul-10	12.0	\$ 107,165	\$ -	\$ 107,165	1.71%	\$ 1,833	\$ 1,827	\$ 1,827	\$ 105,338												
4	R		60016712	-	Kaasold Dr, between W 24th & W. 31st St	376003	Distr-Steel Mains	Jul-10	12.0	\$ 87,392	\$ -	\$ 87,392	1.77%	\$ 1,547	\$ 1,543	\$ 1,543	\$ 85,849												
5	R		60015659	-	Foster Hwy 96 Relocation	376002	Distr-PE Mains	Mar-10	16.0	\$ 14,999	\$ -	\$ 14,999	1.71%	\$ 256	\$ 341	\$ 341	\$ 14,658												
6	R		60016350	-	Western Ave Road & Drainage Relocation	376002	Distr-PE Mains	May-10	14.0	\$ 20,480	\$ -	\$ 20,480	1.71%	\$ 350	\$ 408	\$ 408	\$ 20,072												
7	R		60017257	60017257	Ave B & Nickerson Blvd Sewer replomt	376002	Distr-PE Mains	Jan-11	6.0	\$ 1,801	\$ -	\$ 1,801	1.71%	\$ 31	\$ 15	\$ 15	\$ 1,786												
7	R		60017257	60017257	Ave B & Nickerson Blvd Sewer replomt	376003	Distr-Steel Mains	Jan-11	6.0	\$ 1,801	\$ (7)	\$ 1,794	1.77%	\$ 32	\$ 16	\$ 9	\$ 1,785												
8	R		60016243	-	Sterling High School Project	376002	Distr-PE Mains	Jul-10	12.0	\$ 64,783	\$ -	\$ 64,783	1.71%	\$ 1,108	\$ 1,105	\$ 1,105	\$ 63,678												
9	R		60016355	60016356	Ridge & 45th St N St Improvement	376002	Distr-PE Mains	Sep-10	10.0	\$ 1,514	\$ -	\$ 1,514	1.71%	\$ 26	\$ 22	\$ 22	\$ 1,492												
9	R		60016355	60016356	Ridge & 45th St N St Improvement	376005	Distr-Plastic Mains	Sep-10	10.0	\$ 16,627	\$ (2,175)	\$ 14,452	1.71%	\$ 247	\$ 236	\$ (1,939)	\$ 16,391												
10	R		60016054	60016055	Franklin Arapaho to Glida St Improvmt	376002	Distr-PE Mains	Sep-10	10.0	\$ 14,955	\$ (5,802)	\$ 9,153	1.71%	\$ 157	\$ 212	\$ (5,590)	\$ 14,743												
11	R		10027632	10027633	Franklin Arapaho to Glida Services	380002	Distr-PE Services	Aug-10	11.0	\$ 12,210	\$ (93)	\$ 12,117	2.28%	\$ 276	\$ 254	\$ 161	\$ 11,956												
12	R		60016265	60016266	Fairway & Shade Storm Sewer Improv	376002	Distr-PE Mains	Sep-10	10.0	\$ 9,502	\$ -	\$ 9,502	1.71%	\$ 162	\$ 135	\$ 135	\$ 9,367												
12	R		60016265	60016266	Fairway & Shade Storm Sewer Improv	376003	Distr-Steel Mains	Sep-10	10.0	\$ -	\$ (7)	\$ (7)	1.77%	\$ -	\$ -	\$ (7)	\$ -												
13	R		60016293	60016294	Emerald Bay Estates St Improvement	376002	Distr-PE Mains	Sep-10	10.0	\$ 1,088	\$ -	\$ 1,088	1.71%	\$ 19	\$ 15	\$ 15	\$ 1,073												
13	R		60016293	60016294	Emerald Bay Estates St Improvement	376005	Distr-Plastic Mains	Sep-10	10.0	\$ 17,653	\$ (2,688)	\$ 14,965	1.71%	\$ 256	\$ 251	\$ (2,437)	\$ 17,402												
14	R		60016734	60016734	Harry & Hydraulic Storm Sewer	376003	Distr-Steel Mains	Aug-10	11.0	\$ 10,475	\$ (19)	\$ 10,456	1.77%	\$ 185	\$ 169	\$ 150	\$ 10,306												
15	R		60016776	60016776	47 St S - Meridian to Seneca St Imprv	376002	Distr-PE Mains	Sep-10	10.0	\$ 643	\$ -	\$ 643	1.71%	\$ 11	\$ 9	\$ 9	\$ 634												
15	R		60016776	60016776	47 St S - Meridian to Seneca St Imprv	376005	Distr-Plastic Mains	Sep-10	10.0	\$ 75,955	\$ (19,222)	\$ 56,733	1.71%	\$ 970	\$ 1,079	\$ (18,143)	\$ 74,876												
15	R		60016776	60016776	47 St S - Meridian to Seneca St Imprv	376003	Distr-Steel Mains	Sep-10	10.0	\$ -	\$ (5,240)	\$ (5,240)	1.77%	\$ (93)	\$ -	\$ (5,240)	\$ -												
16	R		60017356	60017356	Madison & Pike Sewer Line Project	376002	Distr-PE Mains	Mar-11	4.0	\$ 7,355	\$ -	\$ 7,355	1.71%	\$ 126	\$ 42	\$ 42	\$ 7,313												
16	R		60017356	60017356	Madison & Pike Sewer Line Project	376003	Distr-Steel Mains	Mar-11	4.0	\$ -	\$ (135)	\$ (135)	1.77%	\$ (2)	\$ -	\$ (135)	\$ -												
1	S		60014270	-	Avenue A & Commanche Main Replacement	376002	Distr-PE Mains	Aug-10	11.0	\$ 37,525	\$ -	\$ 37,525	1.71%	\$ 642	\$ 586	\$ 586	\$ 36,939												
1	S		60014270	-	Avenue A & Commanche Main Replacement	376007	Distr-Mains-Other Equip	Aug-10	11.0	\$ 2,313	\$ -	\$ 2,313	1.77%	\$ 41	\$ 37	\$ 37	\$ 2,276												
2	S		10028397	-	Avenue A & Commanche Service Replmt	380001	Distr-Iron Services	May-10	14.0	\$ 2,319	\$ -	\$ 2,319	2.96%	\$ 69	\$ 80	\$ 80	\$ 2,239												
2	S		10028397	-	Avenue A & Commanche Service Replmt	380003	Distr-Steel Services	May-10	14.0	\$ 6,957	\$ -	\$ 6,957	2.96%	\$ 206	\$ 240	\$ 240	\$ 6,717												
2	S		10028397	-	Avenue A & Commanche Service Replmt	380002	Distr-PE Services	May-10	14.0	\$ 13,916	\$ -	\$ 13,916	2.28%	\$ 317	\$ 369	\$ 369	\$ 13,547												
2	S		10028397	-	Avenue A & Commanche Service Replmt	382001	Distr-Meter Installation	May-10	14.0	\$ 3,907	\$ -	\$ 3,907	2.06%	\$ 80	\$ 94	\$ 94	\$ 3,813												
2	S		10028397	-	Avenue A & Commanche Service Replmt	383001	Distr-House Regulator	May-10	14.0	\$ 1,319	\$ -	\$ 1,319	2.20%	\$ 29	\$ 34	\$ 34	\$ 1,285												
3	S		60015665	-	Hart & Arapahoe Main Replacement	376002	Distr-PE Mains	Aug-10	11.0	\$ 48,044	\$ -	\$ 48,044	1.71%	\$ 822	\$ 751	\$ 751	\$ 47,293												
4	S		10028185	-	Hart & Arapahoe Service Replacement	380003	Distr-Services - Steel	Mar-10	16.0	\$ 22,346	\$ -	\$ 22,346	2.96%	\$ 661	\$ 880	\$ 880	\$ 21,466												
5	S		60015684	-	East Wyatt Earp Main Replacement	376002	Distr-PE Mains	Oct-10	9.0	\$ 29,225	\$ -	\$ 29,225	1.71%	\$ 500	\$ 373	\$ 373	\$ 28,852												
6	S		60016278	-	Howell PVC replacement	376002	Distr-PE Mains	Jan-11	6.0	\$ 279,097	\$ -	\$ 279,097	1.71%	\$ 4,773	\$ 2,373	\$ 2,373	\$ 276,724												
6	S		60016278	-	Howell PVC replacement	376003	Distr-Steel Mains	Jan-11	6.0	\$ 53,003	\$ -	\$ 53,003	1.77%	\$ 938	\$ 466	\$ 466	\$ 52,537												
7	S		60016870	-	DRS #40 pressure upgrade	376002	Distr-PE Mains	Oct-10	9.0	\$ 9,570	\$ -	\$ 9,570	1.71%	\$ 164	\$ 122	\$ 122	\$ 9,448												
7	S		60016870	-	DRS #40 pressure upgrade	376003	Distr-Steel Mains	Oct-10	9.0	\$ 47,551	\$ -	\$ 47,551	1.77%	\$ 842	\$ 629	\$ 629	\$ 46,922												
7	S		60016870	-	DRS #40 pressure upgrade	383001	Distr-House Regulator	Oct-10	9.0	\$ 579	\$ -	\$ 579	2.20%	\$ 13	\$ 10	\$ 10	\$ 569												
8	S		60016537	-	Taylor St. main replacement	376002	Distr-PE Mains	Oct-10	9.0	\$ 58,136	\$ -	\$ 58,136	1.71%	\$ 994	\$ 743	\$ 743	\$ 57,393												
8	S		60016537	-	Taylor St. main replacement	376003	Distr-Steel Mains	Oct-10	9.0	\$ 11,041	\$ -	\$ 11,041	1.77%	\$ 195	\$ 146	\$ 146	\$ 10,895												
9	S		10028525	-	Taylor St Service Line Replacements	380002	Distr-PE Services	Oct-10	9.0	\$ 8,673	\$ -	\$ 8,673	2.28%	\$ 198	\$ 148	\$ 148	\$ 8,525												
9	S		10028525	-	Taylor St Service Line Replacements	382001	Distr-Meter Installation	Oct-10	9.0	\$ 2,435	\$ -	\$ 2,435	2.06%	\$ 50	\$ 37	\$ 37	\$ 2,398												
9	S		10028525	-	Taylor St Service Line Replacements	380003	Distr-Services - Steel	Oct-10	9.0	\$ 4,336	\$ -	\$ 4,336	2.96%	\$ 128	\$ 96	\$ 96	\$ 4,240												
9	S		10028525	-	Taylor St Service Line Replacements	383001	Distr-House Regulator	Oct-10	9.0	\$ 822	\$ -	\$ 822	2.20%	\$ 18	\$ 14	\$ 14	\$ 808												
9	S		10028525	-	Taylor St Service Line Replacements	380001	Distr-Iron Services	Oct-10	9.0	\$ 1,445	\$ -	\$ 1,445	2.96%	\$ 43	\$ 32	\$ 32	\$ 1,413												
10	S		60016794	-	Pony to Kansas main replacement	376002	Distr-PE Mains	Nov-10	8.0	\$ 8,352	\$ -	\$ 8,352	1.71%	\$ 143	\$ 95	\$ 95	\$ 8,257												
11	S		60017011	-	East Fulton St. main replacement	376002	Distr-PE Mains	Oct-10	9.0	\$ 42,920	\$ -	\$ 42,920	1.71%	\$ 734	\$ 548	\$ 548	\$ 42,372												
12	S		60016878	-	N St. John 12th to 13th main replacement	376002	Distr-PE Mains	Nov-10	8.0	\$ 5,286	\$ -	\$ 5,286	1.71%	\$ 90	\$ 60	\$ 60	\$ 5,226												
13	S		60015780	-	West Fulton Main Replacement	376002	Distr-PE Mains	Aug-10	11.0	\$ 24,775	\$ -	\$ 24,775	1.71%	\$ 424	\$ 387	\$ 387	\$ 24,388												
13	S		60015780	-	West Fulton Main Replacement	376003	Distr-Steel Mains	Aug-10	11.0	\$ 4,705	\$ -	\$ 4,705	1.77%	\$ 83	\$ 76	\$ 76	\$ 4,629												
14	S		60017029	-	N Hackberry 6th & 7th main replacement	376002	Distr-PE Mains	Oct-10	9.0	\$ 2,116	\$ -	\$ 2,116	1.71%	\$ 36	\$ 27	\$ 27	\$ 2,089												
15	S		60016412	60016413	1023 Cherry School Main Replacement	376002	Distr-PE Mains	Oct-10	9.0	\$ 35,842	\$ -	\$ 35,842	1.71%	\$ 613	\$ 458	\$ 458	\$ 35,384												

Black Hills Energy										06/30/11 end of period date											
Gas System Reliability Surcharge Filing (GSRS)																					
Plant Data by Project																					
Period April 1, 2010 through June 30, 2011																					
JAW	Exh.	Related Retirement	FERC Plant	Eng In Srvc	# of Mos In	Original Cost	Associated Retirement Cost	Net Orig Cost Less	Depr Rate	Annual Depr Expense (L)=(J) X (K)	Calculated Accum Depr based on In srvc date (M)	Accum Depr Less Retirement Costs (N)	Net Plant for Rate Base (O)	Unit of Prop Adj for Tax (P)							
Proj. No.	S/ R	Project # (A)	Project # (B)	Project Description (C)	Acct (D)	Plant Description (E)	Date (F)	srvc (G)	Cost (H)	Cost (I)	Retirements (J)	Rate (K)	Expense (L)	Depr (M)	Less (N)	Base (O)	Adj (P)				
15	S	60016412	60016413	1023 Cherry School Main Replacement	376003	Distr-Steel Mains	Oct-10	9.0	\$ -	\$ (1,059)	\$ (1,059)	1.77%	\$ (19)	\$ -	\$ (1,059)	\$ -					
16	S	60017189	60017189	Road 21 & Road D Main Replacement	376002	Distr-PE Mains	Jan-11	6.0	\$ 50,907	\$ -	\$ 50,907	1.71%	\$ 871	\$ 433	\$ 433	\$ 50,474					
16	S	60017189	60017189	Road 21 & Road D Main Replacement	376004	Distr-PVC Mains	Jan-11	6.0	\$ -	\$ (3,955)	\$ (3,955)	1.71%	\$ (68)	\$ -	\$ (3,955)	\$ -					
17	S	60016676	60016676	9th & 10th Main Replacement	376002	Distr-PE Mains	Oct-10	9.0	\$ 63,808	\$ -	\$ 63,808	1.71%	\$ 1,091	\$ 815	\$ 815	\$ 62,993					
17	S	60016676	60016676	9th & 10th Main Replacement	376003	Distr-Steel Mains	Oct-10	9.0	\$ -	\$ (2,508)	\$ (2,508)	1.77%	\$ (44)	\$ -	\$ (2,508)	\$ -					
17	S	60016676	60016676	9th & 10th Main Replacement	383001	Distr-House Regulator	Oct-10	9.0	\$ 4,592	\$ -	\$ 4,592	2.20%	\$ 101	\$ 75	\$ 75	\$ 4,517					
18	S	60016068	60016069	Murrow Ct & W. 9th St Main Replacement	376002	Distr-PE Mains	Sep-10	10.0	\$ 131,122	\$ -	\$ 131,122	1.71%	\$ 2,242	\$ 1,862	\$ 1,862	\$ 129,260					
18	S	60016068	60016069	Murrow Ct & W. 9th St Main Replacement	376003	Distr-Steel Mains	Sep-10	10.0	\$ -	\$ (5,415)	\$ (5,415)	1.77%	\$ (96)	\$ -	\$ (5,415)	\$ -					
19	S	60016595	60016596	Murphy Dr., north of W. 24th St Main Replc	376002	Distr-PE Mains	Jul-10	12.0	\$ 11,871	\$ -	\$ 11,871	1.71%	\$ 203	\$ 202	\$ 202	\$ 11,669					
19	S	60016595	60016596	Murphy Dr., north of W. 24th St Main Replc	376003	Distr-Steel Mains	Jul-10	12.0	\$ -	\$ (493)	\$ (493)	1.77%	\$ (9)	\$ -	\$ (493)	\$ -					
20	S	60016649	60016650	Miller Acres Subdivision & N. Iowa St. Main	376002	Distr-PE Mains	Jul-10	12.0	\$ 94,174	\$ -	\$ 94,174	1.71%	\$ 1,610	\$ 1,606	\$ 1,606	\$ 92,568					
20	S	60016649	60016650	Miller Acres Subdivision & N. Iowa St. Main	376003	Distr-Steel Mains	Jul-10	12.0	\$ -	\$ (8,539)	\$ (8,539)	1.77%	\$ (151)	\$ -	\$ (8,539)	\$ -					
21	S	60016352	-	Hwy 56 Tice Main Replacement	376002	Distr-PE Mains	Feb-11	5.0	\$ 807	\$ -	\$ 807	1.71%	\$ 14	\$ 6	\$ 6	\$ 801					
21	S	60016352	-	Hwy 56 Tice Main Replacement	376003	Distr-Steel Mains	Feb-11	5.0	\$ 41,549	\$ -	\$ 41,549	1.77%	\$ 735	\$ 304	\$ 304	\$ 41,245					
22	S	60016295	-	Morton and Border Main Replacement	376002	Distr-PE Mains	Mar-10	16.0	\$ 14,450	\$ -	\$ 14,450	1.71%	\$ 247	\$ 329	\$ 329	\$ 14,121					
23	S	10028376	-	Fowler Odorizer Replacement	378000	Distr-Gen Meas/Reg Sta	Dec-10	7.0	\$ 27,879	\$ -	\$ 27,879	2.21%	\$ 616	\$ 358	\$ 358	\$ 27,521					
24	S	60016644	-	204 E 8th Main Replacement	376002	Distr-PE Mains	Nov-10	8.0	\$ 10,329	\$ -	\$ 10,329	1.71%	\$ 177	\$ 117	\$ 117	\$ 10,212					
25	S	60015663	-	Hugoton PVC Replacement	376002	Distr-PE Mains	Nov-10	8.0	\$ 61,741	\$ -	\$ 61,741	1.71%	\$ 1,056	\$ 701	\$ 701	\$ 61,040					
26	S	10028430	-	Hugoton PVC Service Line Replacement	380001	Distr-Services - Iron	Jul-10	12.0	\$ 2,219	\$ -	\$ 2,219	2.96%	\$ 66	\$ 65	\$ 65	\$ 2,154					
26	S	10028430	-	Hugoton PVC Service Line Replacement	380002	Distr-Services - PE	Jul-10	12.0	\$ 13,318	\$ -	\$ 13,318	2.28%	\$ 304	\$ 303	\$ 303	\$ 13,015					
26	S	10028430	-	Hugoton PVC Service Line Replacement	380003	Distr-Services - Steel	Jul-10	12.0	\$ 6,657	\$ -	\$ 6,657	2.96%	\$ 197	\$ 196	\$ 196	\$ 6,461					
26	S	10028430	-	Hugoton PVC Service Line Replacement	382001	Distr-Meter Installation	Jul-10	12.0	\$ 3,739	\$ -	\$ 3,739	2.06%	\$ 77	\$ 77	\$ 77	\$ 3,662					
26	S	10028430	-	Hugoton PVC Service Line Replacement	383001	Distr-House Regulator	Jul-10	12.0	\$ 1,262	\$ -	\$ 1,262	2.20%	\$ 28	\$ 28	\$ 28	\$ 1,234					
27	S	60016891	-	Hugoton DRS and Odorizer Replacement	376002	Distr-PE Mains	Nov-10	8.0	\$ 25,531	\$ -	\$ 25,531	1.71%	\$ 437	\$ 290	\$ 290	\$ 25,241					
27	S	60016891	-	Hugoton DRS and Odorizer Replacement	376003	Distr-Steel Mains	Nov-10	8.0	\$ 58,386	\$ -	\$ 58,386	1.77%	\$ 1,033	\$ 686	\$ 686	\$ 57,700					
27	S	60016891	-	Hugoton DRS and Odorizer Replacement	376007	Distr-Mains-Other Equip	Nov-10	8.0	\$ 13,347	\$ -	\$ 13,347	1.77%	\$ 236	\$ 157	\$ 157	\$ 13,190					
27	S	60016891	-	Hugoton DRS and Odorizer Replacement	383001	Distr-House Regulator	Nov-10	8.0	\$ 3,164	\$ -	\$ 3,164	2.20%	\$ 70	\$ 46	\$ 46	\$ 3,118					
28	S	60016683	-	Jordan and 2nd Main Replacement	376002	Distr-PE Mains	Aug-10	11.0	\$ 8,283	\$ -	\$ 8,283	1.71%	\$ 142	\$ 129	\$ 129	\$ 8,154					
29	S	60016580	-	Pancake and Pershing Main Replacement	376002	Distr-PE Mains	Aug-10	11.0	\$ 5,280	\$ -	\$ 5,280	1.71%	\$ 90	\$ 83	\$ 83	\$ 5,197					
30	S	60016458	-	Missouri and Calvert Main Replacement	376002	Distr-PE Mains	May-10	14.0	\$ 9,196	\$ -	\$ 9,196	1.71%	\$ 157	\$ 183	\$ 183	\$ 9,013					
31	S	60016642	-	5th and Sherman Main Replacement	376002	Distr-PE Mains	Aug-10	11.0	\$ 8,206	\$ -	\$ 8,206	1.71%	\$ 140	\$ 128	\$ 128	\$ 8,078					
32	S	60016390	-	10th and Sherman Main Replacement	376002	Distr-PE Mains	Apr-11	3.0	\$ 367	\$ -	\$ 367	1.71%	\$ 6	\$ 2	\$ 2	\$ 365					
33	S	60016433	-	Carpenter Drive Main Replacement	376002	Distr-PE Mains	May-10	14.0	\$ 1,543	\$ -	\$ 1,543	1.71%	\$ 26	\$ 31	\$ 31	\$ 1,512					
34	S	10028381	-	DRS 3 Upgrade	378000	Distr-Gen Meas/Reg Sta	May-10	14.0	\$ 9,144	\$ -	\$ 9,144	2.21%	\$ 202	\$ 235	\$ 235	\$ 8,909					
35	S	60016453	-	Garrettsville Phase 2 Main Replacement	376002	Distr-PE Mains	Aug-10	11.0	\$ 41,974	\$ -	\$ 41,974	1.71%	\$ 718	\$ 656	\$ 656	\$ 41,318					
36	S	10028393	-	Garrettsville Service Line Replacement	380002	Distr-Services - PE	Jun-10	13.0	\$ 6,663	\$ -	\$ 6,663	2.28%	\$ 152	\$ 164	\$ 164	\$ 6,499					
37	S	60016640	-	Meads TBS Line Main Replacement	376002	Distr-PE Mains	Aug-10	11.0	\$ 19,389	\$ -	\$ 19,389	1.71%	\$ 332	\$ 303	\$ 303	\$ 19,086					
38	S	60016856	-	Botkon and West Plains Main Replacement	376002	Distr-PE Mains	Sep-10	10.0	\$ 16,701	\$ -	\$ 16,701	1.71%	\$ 286	\$ 237	\$ 237	\$ 16,464					
39	S	60016282	-	Rolls Loop Lines	376002	Distr-PE Mains	Feb-10	17.0	\$ 16,113	\$ -	\$ 16,113	1.71%	\$ 276	\$ 390	\$ 390	\$ 15,723					
40	S	60016274	-	Plute and Tonkawa Main Replacement	376002	Distr-PE Mains	Oct-10	9.0	\$ 11,760	\$ -	\$ 11,760	1.71%	\$ 201	\$ 150	\$ 150	\$ 11,610					
41	S	60017067	-	Omaha and Cherokee Main Replacement	376002	Distr-PE Mains	Oct-10	9.0	\$ 7,521	\$ -	\$ 7,521	1.71%	\$ 129	\$ 96	\$ 96	\$ 7,425					
42	S	10028196	-	Replace Deep Well Anode Bed replacement	376003	Distr-Steel Mains	Jul-10	12.0	\$ 17,879	\$ -	\$ 17,879	1.77%	\$ 316	\$ 316	\$ 316	\$ 17,563					
43	S	60016258	60016259	Wichita & W 6th Main Replacement	376002	Distr-PE Mains	Mar-10	16.0	\$ 20,214	\$ -	\$ 20,214	1.71%	\$ 346	\$ 460	\$ 460	\$ 19,754					
43	S	60016258	60016259	Wichita & W 6th Main Replacement	376003	Distr-Steel Mains	Mar-10	16.0	\$ -	\$ (524)	\$ (524)	1.77%	\$ (9)	\$ -	\$ (524)	\$ -					
44	S	60016300	60016301	Hendricks & 4th Main Replacement	376002	Distr-PE Mains	Apr-10	15.0	\$ 32,644	\$ -	\$ 32,644	1.71%	\$ 558	\$ 696	\$ 696	\$ 31,948					
44	S	60016300	60016301	Hendricks & 4th Main Replacement	376003	Distr-Steel Mains	Apr-10	15.0	\$ -	\$ (18)	\$ (18)	1.77%	\$ -	\$ -	\$ (18)	\$ -					
45	S	10028239	-	Hendricks & 4th Service Replacement	380002	Distr-Services - PE	Jun-10	13.0	\$ 15,251	\$ -	\$ 15,251	2.28%	\$ 348	\$ 376	\$ 376	\$ 14,875					
46	S	10028194	10028195	McNew Road Odorizer Replacement	378000	Distr-Gen Meas/Reg Sta	Apr-10	15.0	\$ 9,844	\$ (2,570)	\$ 7,274	2.21%	\$ 161	\$ 271	\$ (2,299)	\$ 9,573					
47	S	10028204	-	Hutchinson Deep Well Anode Bed Replmt	387000	Distr-Other Equipment	Jul-10	12.0	\$ 15,810	\$ -	\$ 15,810	3.23%	\$ 511	\$ 509	\$ 509	\$ 15,301					
47	S	10028204	-	Hutchinson Deep Well Anode Bed Replmt	393000	Gen- Stores Equipment	Jul-10	12.0	\$ 1,369	\$ -	\$ 1,369	4.51%	\$ 62	\$ 62	\$ 62	\$ 1,307					
47	S	10028204	-	Hutchinson Deep Well Anode Bed Replmt	398000	Gen- Miscellaneous Equip	Jul-10	12.0	\$ 3,902	\$ -	\$ 3,902	4.45%	\$ 174	\$ 173	\$ 173	\$ 3,729					
48	S	10040013	-	Obaveville 25% Bare Service Replacement	380003	Distr-Services - Steel	Sep-10	10.0	\$ 59,491	\$ -	\$ 59,491	2.96%	\$ 1,761	\$ 1,463	\$ 1,463	\$ 58,028					
49	S	10040433	10040433	Ave G Road Crossing Main Replacement	367003	Trans - Steel Mains	Dec-10	7.0	\$ 66,075	\$ (538)	\$ 65,537	1.68%	\$ 1,101	\$ 644	\$ 106	\$ 65,431					

Black Hills Energy										06/30/11 end of period date									
Gas System Reliability Surcharge Filing (GSRF)																			
Plant Data by Project																			
Period April 1, 2010 through June 30, 2011																			
JAW	Exh.	Proj.	S/ R	Project # (A)	Project # (B)	Project Description (C)	FERC Plant Acct (D)	Plant Description (E)	Eng In Svc Date (F)	# of Mos in svc (G)	Original Cost (H)	Associated Retirement Cost (I)	Net Orig Cost Less Retirements (J)	Depr Rate (K)	Annual Depr Expense (L) = (J) X (K)	Calculated Accum Depr based on In svc date (M)	Accum Depr Less Retirement Costs (N)	Net Plant for Rate Base (O)	Unit of Prop Adj for Tax (P)
50	S			10028245	-	Little River Main Replacement	367003	Trans - Steel Mains	Oct-10	9.0	\$ 345,241	\$ -	\$ 345,241	1.68%	\$ 5,800	\$ 4,334	\$ 4,334	\$ 340,907	
51	S			10041284	-	Tobias Junction Main Replacement	367002	Trans - PE Mains	Jan-11	6.0	\$ 70,068	\$ -	\$ 70,068	1.88%	\$ 1,317	\$ 655	\$ 655	\$ 69,413	
52	S			60017462	60017462	Main & Burns Main Replacement	376002	Distr-PE Mains	Mar-11	4.0	\$ 3,474	\$ -	\$ 3,474	1.71%	\$ 59	\$ 20	\$ 20	\$ 3,454	
52	S			60017462	60017462	Main & Burns Main Replacement	376003	Distr-Steel Mains	Mar-11	4.0	\$ -	\$ (6)	\$ (6)	1.77%	\$ -	\$ -	\$ (6)	\$ -	
53	S			60016297	60016298	Ave D & 119th Main Replacement	376002	Distr-PE Mains	Apr-10	15.0	\$ 4,251	\$ -	\$ 4,251	1.71%	\$ 73	\$ 91	\$ 91	\$ 4,160	
53	S			60016297	60016298	Ave D & 119th Main Replacement	376003	Distr-Steel Mains	Apr-10	15.0	\$ -	\$ (394)	\$ (394)	1.77%	\$ (7)	\$ -	\$ (394)	\$ -	
54	S			10028476	-	Sterling TBS Upgrade	383001	Distr-House Regulator	Dec-10	7.0	\$ 8,946	\$ -	\$ 8,946	2.20%	\$ 197	\$ 114	\$ 114	\$ 8,832	
55	S			10028407	-	Wellington Main Replacement	367003	Trans - Steel Mains	Jul-10	12.0	\$ 605,206	\$ -	\$ 605,206	1.68%	\$ 10,167	\$ 10,139	\$ 10,139	\$ 595,067	\$ 605,206
56	S			60016283	60016284	Coolidge & 11th Main Replacement	376002	Distr-PE Mains	Sep-10	10.0	\$ 7,212	\$ -	\$ 7,212	1.71%	\$ 123	\$ 102	\$ 102	\$ 7,110	
56	S			60016283	60016284	Coolidge & 11th Main Replacement	376003	Distr-Steel Mains	Sep-10	10.0	\$ -	\$ (145)	\$ (145)	1.77%	\$ (3)	\$ -	\$ (145)	\$ -	
57	S			60016174	60016175	Meridian & 14th Main Replacement	376002	Distr-PE Mains	Sep-10	10.0	\$ 10,229	\$ -	\$ 10,229	1.71%	\$ 175	\$ 145	\$ 145	\$ 10,084	
57	S			60016174	60016175	Meridian & 14th Main Replacement	376003	Distr-Steel Mains	Sep-10	10.0	\$ -	\$ (179)	\$ (179)	1.77%	\$ (3)	\$ -	\$ (179)	\$ -	
58	S			60016290	60016291	100 Block N Hoover Main Replacement	376002	Distr-PE Mains	Sep-10	10.0	\$ 10,021	\$ -	\$ 10,021	1.71%	\$ 171	\$ 142	\$ 142	\$ 9,879	
58	S			60016290	60016291	101 Block N Hoover Main Replacement	376003	Distr-Steel Mains	Sep-10	10.0	\$ -	\$ (343)	\$ (343)	1.77%	\$ (6)	\$ -	\$ (343)	\$ -	
59	S			60016285	60016286	Hieserman & 17th Main Replacement	376002	Distr-PE Mains	Sep-10	10.0	\$ 16,860	\$ -	\$ 16,860	1.71%	\$ 288	\$ 239	\$ 239	\$ 16,621	
59	S			60016285	60016286	Hieserman & 17th Main Replacement	376003	Distr-Steel Mains	Sep-10	10.0	\$ -	\$ (175)	\$ (175)	1.77%	\$ (3)	\$ -	\$ (175)	\$ -	
60	S			60016499	60016500	Burns & 17th Main Replacement	376002	Distr-PE Mains	Sep-10	10.0	\$ 19,775	\$ -	\$ 19,775	1.71%	\$ 338	\$ 281	\$ 281	\$ 19,494	
60	S			60016499	60016500	Burns & 17th Main Replacement	376003	Distr-Steel Mains	Sep-10	10.0	\$ -	\$ (1,225)	\$ (1,225)	1.77%	\$ (22)	\$ -	\$ (1,225)	\$ -	
60	S			60016499	60016500	Burns & 17th Main Replacement	376005	Distr-Plastic Mains	Sep-10	10.0	\$ 24,508	\$ -	\$ 24,508	1.71%	\$ 419	\$ 348	\$ 348	\$ 24,160	
61	S			10027600	10027601	Anna - 9th to Elm Service replacement	380002	Distr-Services - PE	Aug-10	11.0	\$ 22,380	\$ -	\$ 22,380	2.28%	\$ 510	\$ 466	\$ 466	\$ 21,914	
61	S			10027600	10027601	Anna - 9th to Elm Service replacement	380003	Distr-Services - Steel	Aug-10	11.0	\$ -	\$ (42)	\$ (42)	2.96%	\$ (1)	\$ -	\$ (42)	\$ -	
62	S			60016608	-	Sheridan - 16th to 18th Main Replacement	376002	Distr-PE Mains	Sep-10	10.0	\$ 23,863	\$ -	\$ 23,863	1.71%	\$ 408	\$ 339	\$ 339	\$ 23,524	
63	S			10028545	10028550	Sheridan - 16th to 18th Service Replacement	380002	Distr-Services - PE	Aug-10	11.0	\$ 33,369	\$ -	\$ 33,369	2.28%	\$ 761	\$ 695	\$ 695	\$ 32,674	
63	S			10028545	10028550	Sheridan - 16th to 18th Service Replacement	376003	Distr-Steel Mains	Aug-10	11.0	\$ -	\$ (536)	\$ (536)	1.77%	\$ (9)	\$ -	\$ (536)	\$ -	
64	S			10027419	10027420	Wichita STBS Regulator Upgrade	369003	Trans-Mass & Reg Sta Equip	Sep-10	10.0	\$ 143,148	\$ -	\$ 143,148	1.57%	\$ 2,247	\$ 1,867	\$ 1,867	\$ 141,281	
65	S			10027464	10027465	12th St DRS Regulator Replacement	383001	Distr-House Regulator	Sep-10	10.0	\$ 8,626	\$ (3,828)	\$ 4,798	2.20%	\$ 106	\$ 158	\$ (3,670)	\$ 8,468	
66	S			60017407	60017407	Clara & 2nd Main Replacement	376002	Distr-PE Mains	Feb-11	5.0	\$ 5,005	\$ -	\$ 5,005	1.71%	\$ 86	\$ 35	\$ 35	\$ 4,970	
66	S			60017407	60017407	Clara & 2nd Main Replacement	376003	Distr-Steel Mains	Feb-11	5.0	\$ -	\$ (13)	\$ (13)	1.77%	\$ -	\$ -	\$ (13)	\$ -	
67	S			10028269	-	Wichita 25% Bare Service Replacement	380001	Distr-Services - Iron	Nov-10	8.0	\$ 8,652	\$ -	\$ 8,652	2.96%	\$ 256	\$ 170	\$ 170	\$ 8,482	
67	S			10028269	-	Wichita 25% Bare Service Replacement	380002	Distr-Services - PE	Nov-10	8.0	\$ 51,923	\$ -	\$ 51,923	2.28%	\$ 1,184	\$ 786	\$ 786	\$ 51,137	
67	S			10028269	-	Wichita 25% Bare Service Replacement	380003	Distr-Services - Steel	Nov-10	8.0	\$ 25,956	\$ -	\$ 25,956	2.96%	\$ 768	\$ 510	\$ 510	\$ 25,446	
67	S			10028269	-	Wichita 25% Bare Service Replacement	382001	Distr-Meter Installation	Nov-10	8.0	\$ 14,579	\$ -	\$ 14,579	2.06%	\$ 300	\$ 199	\$ 199	\$ 14,380	
67	S			10028269	-	Wichita 25% Bare Service Replacement	383001	Distr-House Regulator	Nov-10	8.0	\$ 4,920	\$ -	\$ 4,920	2.20%	\$ 108	\$ 72	\$ 72	\$ 4,848	
68	S			10028261	10028262	Line 27 Main Replacement	376002	Distr-PE Mains	Jun-10	13.0	\$ 55,728	\$ -	\$ 55,728	1.71%	\$ 953	\$ 1,030	\$ 1,030	\$ 54,698	
68	S			10028261	10028262	Line 27 Main Replacement	376003	Distr-Steel Mains	Jun-10	13.0	\$ -	\$ (3,463)	\$ (3,463)	1.77%	\$ (61)	\$ -	\$ (3,463)	\$ -	
TOTAL OF PROJECTS											\$ 3,885,470	\$ (95,795)	\$ 3,789,675		\$ 68,231	\$ 58,243	\$ (37,552)	\$ 3,827,227	\$ 605,206
Explanations of various columns:																			
Col A = The project number is listed more than once if there is more than one FERC plant account for the project and retirement																			
Col F = Date put into service																			
Col G = Number of months the project has been in service based on Col F to the end of the filing period																			
Col H = Amount on our fixed asset system																			
Col I = Amount of retirement on our fixed asset system																			
Col J = Original Cost in Col H less Retirement Cost in Col I																			
Col K = Current depreciation rate in Kansas for applicable plant category																			
Col L = 12 month amount for depreciation expense calculated on original cost less retirements																			
Col M = Accumulated depreciation calculated on the number of months the project has been in service in the filing period times the monthly depr amt.																			

Black Hills Energy													06/30/11 end of period date					
Gas System Reliability Surcharge Filing (GSRS)																		
Plant Data by Project																		
Period April 1, 2010 through June 30, 2011																		
JAW	Exh.	S/R	Project #	Project #	Project Description	Acct	Plant Description	Eng In Svc Date	# of Mos In Svc	Original Cost	Associated Retirement Cost	Net Orig Cost Less Retirements	Depr Rate	Annual Depr Expense	Calculated Accum Depr based on In svc date	Accum Depr Less Retirement Costs	Net Plant for Rate Base	Unit of Prop Adj for Tax
Proj. No.			(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)
Col N = Accumulate depreciation in Col M netted against the retirements in Col I																		
Col O = Original Cost less retirements in Col J less Accum Depr less retirements in Col N																		
Col P = Unit of Property deduction for tax purposes																		
Col Q = Deductible costs under section 263(A) regulations																		
Col R = Net Plant for Accum Tax Depr = Original cost less Col P Unit of Property amt and less Col Q 263(A) amount if greater than 0																		
Col S = Tax depreciation rates for 2010 tax depreciation																		
Col T = 2010 Tax depreciation																		
Col U = Tax Depreciation rates for 2011 tax depreciation																		
Col V = 2011 Tax depreciation																		
Col W = Accumulated tax depreciation as of 06/30/2011																		
Col X = Net Tax Basis (Col R less Col W)																		
Other Notes:																		
The Engineering In-Service Year determines when tax depreciation starts. However, due to purchase of Kansas Gas Utility Company, LLC by Black Hills on 7/14/08, all tax depreciation for projects placed in service prior to the																		
Since passage of the Energy Tax Incentives Act, natural gas transmission and distribution assets are 15-year MACRS property until 12/31/2010.																		
Projects with engineering in service date of 7/2008 or later qualify for "Unit of Property" deduction for tax purposes. Deduction is based upon expected 2010 tax return calculation, with immaterial true-up expected in September																		
Projects with engineering in service date of 9/1/2010 or later qualify for 100% bonus depreciation deduction for tax purposes until 12/31/2011. Projects with engineering date of 01/01/2010 to 8/31/2010 qualify for 50% bonus de																		
No projects had CIAC charged against it.																		

Black Hills Energy															06/30/11	
Gas System Reliability Surcharge Filing (GSRS)																
Plant Data by Project																
Period April 1, 2010 through June 30, 2011																
JAW	Exh.	Related Retirement	Project #	Project #	Project Description	Plant	Plant Description	Eng In Srvc Date	263(A) - Unicap Adj for Tax	Net Plant for Accum Tax Depr	2010 Tax Depr Rate	2010 Tax Depr	2011 Tax Depr Rate	2011 Tax Depr	Accum Tax Depr	Net Tax Basis
Proj. No.	S / R	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)
1	R	60016305	-	Cimarron Highway 50 relocate	376002	Distr-PE Mains	May-10	\$ 9,832	\$ 30,135	0.5250	15,821	0.04750	716	16,537	\$ 13,598	
2	R	60016992	-	Blake Pedestrian Trail	376003	Distr-Steel Mains	Oct-10	\$ 4,108	\$ 12,592	1.0000	12,592	0.00000	0	12,592	\$ (0)	
3	R	60017075	60017075	Rd 80 & Rd 14, Sherman Co Brdg Reloc	376003	Distr-Steel Mains	Nov-10	\$ 6,012	\$ 18,427	1.0000	18,427	0.00000	0	18,427	\$ 0	
4	R	60016712	-	Kasold Dr, between W 24th & W. 31st St	376002	Distr-PE Mains	Jul-10	\$ 26,363	\$ 80,802	0.5250	42,421	0.04750	1,919	44,340	\$ 36,462	
4	R	60016712	-	Kasold Dr, between W 24th & W. 31st St	376003	Distr-Steel Mains	Jul-10	\$ 21,498	\$ 65,894	0.5250	34,594	0.04750	1,565	36,159	\$ 29,735	
5	R	60015659	-	Fowler Hwy 96 Relocation	376002	Distr-PE Mains	Mar-10	\$ 3,690	\$ 11,309	0.5250	5,937	0.04750	269	6,206	\$ 5,103	
6	R	60016350	-	Western Ave Road & Drainage Relocation	376002	Distr-PE Mains	May-10	\$ 5,038	\$ 15,442	0.5250	8,107	0.04750	367	8,474	\$ 6,968	
7	R	60017257	60017257	Ave B & Nickerson Blvd Sewer replcmt	376002	Distr-PE Mains	Jan-11	\$ 443	\$ 1,358	0.0000	0	1.00000	679	679	\$ 679	
7	R	60017257	60017257	Ave B & Nickerson Blvd Sewer replcmt	376003	Distr-Steel Mains	Jan-11	\$ 443	\$ 1,358	0.0000	0	1.00000	679	679	\$ 679	
8	R	60016243	-	Sterling High School Project	376002	Distr-PE Mains	Jul-10	\$ 15,937	\$ 48,846	0.5250	25,644	0.04750	1,160	26,804	\$ 22,042	
9	R	60016355	60016356	Ridge & 45th St N St Improvement	376002	Distr-PE Mains	Sep-10	\$ 372	\$ 1,142	1.0000	1,142	0.00000	0	1,142	\$ (0)	
9	R	60016355	60016356	Ridge & 45th St N St Improvement	376005	Distr-Plastic Mains	Sep-10	\$ 4,090	\$ 12,537	1.0000	12,537	0.00000	0	12,537	\$ (0)	
10	R	60016054	60016055	Franklin Arapaho to Gilda St Improvmt	376002	Distr-PE Mains	Sep-10	\$ 3,679	\$ 11,276	1.0000	11,276	0.00000	0	11,276	\$ 0	
11	R	10027632	10027633	Franklin Arapaho to Gilda Services	380002	Distr-PE Services	Aug-10	\$ 3,004	\$ 9,206	0.5250	4,833	0.04750	219	5,052	\$ 4,154	
12	R	60016265	60016266	Fairway & Shade Storm Sewer Improv	376002	Distr-PE Mains	Sep-10	\$ 2,337	\$ 7,165	1.0000	7,165	0.00000	0	7,165	\$ (0)	
12	R	60016265	60016266	Fairway & Shade Storm Sewer Improv	376003	Distr-Steel Mains	Sep-10	\$ -	\$ -	1.0000	0	0.00000	0	0	\$ -	
13	R	60016293	60016294	Emerald Bay Estates St Improvement	376002	Distr-PE Mains	Sep-10	\$ 268	\$ 820	1.0000	820	0.00000	0	820	\$ 0	
13	R	60016293	60016294	Emerald Bay Estates St Improvement	376005	Distr-Plastic Mains	Sep-10	\$ 4,343	\$ 13,310	1.0000	13,310	0.00000	0	13,310	\$ 0	
14	R	60016734	60016734	Harry & Hydraulic Storm Sewer	376003	Distr-Steel Mains	Aug-10	\$ 2,577	\$ 7,898	0.5250	4,147	0.04750	188	4,335	\$ 3,563	
15	R	60016776	60016776	47 St S - Meridian to Seneca St Imprv	376002	Distr-PE Mains	Sep-10	\$ 158	\$ 485	1.0000	485	0.00000	0	485	\$ (0)	
15	R	60016776	60016776	47 St S - Meridian to Seneca St Imprv	376005	Distr-Plastic Mains	Sep-10	\$ 18,685	\$ 57,270	1.0000	57,270	0.00000	0	57,270	\$ 0	
15	R	60016776	60016776	47 St S - Meridian to Seneca St Imprv	376003	Distr-Steel Mains	Sep-10	\$ -	\$ -	1.0000	0	0.00000	0	0	\$ -	
16	R	60017356	60017356	Madison & Pike Sewer Line Project	376002	Distr-PE Mains	Mar-11	\$ 1,809	\$ 5,546	0.0000	0	1.00000	2,773	2,773	\$ 2,773	
16	R	60017356	60017356	Madison & Pike Sewer Line Project	376003	Distr-Steel Mains	Mar-11	\$ -	\$ -	0.0000	0	1.00000	0	0	\$ -	
1	S	60014270	-	Avenue A & Commanche Main Replacement	376002	Distr-PE Mains	Aug-10	\$ 9,231	\$ 28,294	0.5250	14,854	0.04750	672	15,526	\$ 12,768	
1	S	60014270	-	Avenue A & Commanche Main Replacement	376007	Distr-Mains-Other Equip	Aug-10	\$ 569	\$ 1,744	0.5250	916	0.04750	41	957	\$ 787	
2	S	10028397	-	Avenue A & Commanche Service Replmt	380001	Distr-Iron Services	May-10	\$ 570	\$ 1,749	0.5250	918	0.04750	42	960	\$ 789	
2	S	10028397	-	Avenue A & Commanche Service Replmt	380003	Distr-Steel Services	May-10	\$ 1,711	\$ 5,246	0.5250	2,754	0.04750	125	2,879	\$ 2,367	
2	S	10028397	-	Avenue A & Commanche Service Replmt	380002	Distr-PE Services	May-10	\$ 3,423	\$ 10,493	0.5250	5,509	0.04750	249	5,758	\$ 4,735	
2	S	10028397	-	Avenue A & Commanche Service Replmt	382001	Distr-Meter Installation	May-10	\$ 961	\$ 2,946	0.5250	1,547	0.04750	70	1,617	\$ 1,329	
2	S	10028397	-	Avenue A & Commanche Service Replmt	383001	Distr-House Regulator	May-10	\$ 324	\$ 995	0.5250	522	0.04750	24	546	\$ 449	
3	S	60015665	-	Hart & Arapahoe Main Replacement	376002	Distr-PE Mains	Aug-10	\$ 11,819	\$ 36,225	0.5250	19,018	0.04750	860	19,878	\$ 16,347	
4	S	10028185	-	Hart & Arapahoe Service Replacement	380003	Distr-Services - Steel	Mar-10	\$ 5,497	\$ 16,849	0.5250	8,846	0.04750	400	9,246	\$ 7,603	
5	S	60015684	-	East Wyatt Earp Main Replacement	376002	Distr-PE Mains	Oct-10	\$ 7,189	\$ 22,036	1.0000	22,036	0.00000	0	22,036	\$ (0)	
6	S	60016278	-	Howell PVC replacement	376002	Distr-PE Mains	Jan-11	\$ 68,658	\$ 210,439	0.0000	0	1.00000	105,220	105,220	\$ 105,219	
6	S	60016278	-	Howell PVC replacement	376003	Distr-Steel Mains	Jan-11	\$ 13,039	\$ 39,964	0.0000	0	1.00000	19,982	19,982	\$ 19,982	
7	S	60016870	-	DRS #40 pressure upgrade	376002	Distr-PE Mains	Oct-10	\$ 2,354	\$ 7,216	1.0000	7,216	0.00000	0	7,216	\$ (0)	
7	S	60016870	-	DRS #40 pressure upgrade	376003	Distr-Steel Mains	Oct-10	\$ 11,698	\$ 35,853	1.0000	35,853	0.00000	0	35,853	\$ 0	
7	S	60016870	-	DRS #40 pressure upgrade	383001	Distr-House Regulator	Oct-10	\$ 142	\$ 437	1.0000	437	0.00000	0	437	\$ (0)	
8	S	60016537	-	Taylor St. main replacement	376002	Distr-PE Mains	Oct-10	\$ 14,301	\$ 43,835	1.0000	43,835	0.00000	0	43,835	\$ (0)	
8	S	60016537	-	Taylor St. main replacement	376003	Distr-Steel Mains	Oct-10	\$ 2,716	\$ 8,325	1.0000	8,325	0.00000	0	8,325	\$ (0)	
9	S	10028525	-	Taylor St Service Line Replacements	380002	Distr-PE Services	Oct-10	\$ 2,134	\$ 6,539	1.0000	6,539	0.00000	0	6,539	\$ 0	
9	S	10028525	-	Taylor St Service Line Replacements	382001	Distr-Meter Installation	Oct-10	\$ 599	\$ 1,836	1.0000	1,836	0.00000	0	1,836	\$ (0)	
9	S	10028525	-	Taylor St Service Line Replacements	380003	Distr-Services - Steel	Oct-10	\$ 1,067	\$ 3,269	1.0000	3,269	0.00000	0	3,269	\$ 0	
9	S	10028525	-	Taylor St Service Line Replacements	383001	Distr-House Regulator	Oct-10	\$ 202	\$ 620	1.0000	620	0.00000	0	620	\$ (0)	
9	S	10028525	-	Taylor St Service Line Replacements	380001	Distr-Iron Services	Oct-10	\$ 355	\$ 1,090	1.0000	1,090	0.00000	0	1,090	\$ (0)	
10	S	60016794	-	Pony to Kansas main replacement	376002	Distr-PE Mains	Nov-10	\$ 2,055	\$ 6,297	1.0000	6,297	0.00000	0	6,297	\$ 0	
11	S	60017011	-	East Fulton St. main replacement	376002	Distr-PE Mains	Oct-10	\$ 10,558	\$ 32,362	1.0000	32,362	0.00000	0	32,362	\$ (0)	
12	S	60016878	-	N St. John 12th to 13th main replacement	376002	Distr-PE Mains	Nov-10	\$ 1,300	\$ 3,986	1.0000	3,986	0.00000	0	3,986	\$ (0)	
13	S	60015780	-	West Fulton Main Replacement	376002	Distr-PE Mains	Aug-10	\$ 6,095	\$ 18,680	0.5250	9,807	0.04750	444	10,251	\$ 8,429	
13	S	60015780	-	West Fulton Main Replacement	376003	Distr-Steel Mains	Aug-10	\$ 1,157	\$ 3,548	0.5250	1,862	0.04750	84	1,946	\$ 1,602	
14	S	60017029	-	N Hackberry 5th & 7th main replacement	376002	Distr-PE Mains	Oct-10	\$ 521	\$ 1,595	1.0000	1,595	0.00000	0	1,595	\$ 0	
15	S	60016412	60016413	1023 Cherry School Main Replacement	376002	Distr-PE Mains	Oct-10	\$ 8,817	\$ 27,025	1.0000	27,025	0.00000	0	27,025	\$ (0)	

Black Hills Energy										06/30/11						
Gas System Reliability Surcharge Filing (GSRS)																
Plant Data by Project																
Period April 1, 2010 through June 30, 2011																
JAW Exh.	Related Retirement	FERC Plant	Eng In Srvc	263(A) - Unicap Adj for Tax	Net Plant for Accum Tax Depr	2010 Tax Depr Rate	2010 Tax Depr	2011 Tax Depr Rate	2011 Tax Depr	Accum Tax Depr	Net Tax Basis					
Proj. No.	S/R	Project # (A)	Project # (B)	Project Description (C)	Acct (D)	Plant Description (E)	Date (F)	(G)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	
15	S	60016412	60016413	1023 Cherry School Main Replacement	376003	Distr-Steel Mains	Oct-10	\$ -	\$ -	1.0000	0	0.00000	0	0	\$ -	
16	S	60017189	60017189	Road 21 & Road D Main Replacement	376002	Distr-PE Mains	Jan-11	\$ 12,523	\$ 38,384	0.0000	0	1.00000	19,192	19,192	\$ 19,192	
16	S	60017189	60017189	Road 21 & Road D Main Replacement	376004	Distr-PVC Mains	Jan-11	\$ -	\$ -	0.0000	0	1.00000	0	0	\$ -	
17	S	60016676	60016676	9th & 10th Main Replacement	376002	Distr-PE Mains	Oct-10	\$ 15,697	\$ 48,111	1.0000	48,111	0.00000	0	48,111	\$ 0	
17	S	60016676	60016676	9th & 10th Main Replacement	376003	Distr-Steel Mains	Oct-10	\$ -	\$ -	1.0000	0	0.00000	0	0	\$ -	
17	S	60016676	60016676	9th & 10th Main Replacement	383001	Distr-House Regulator	Oct-10	\$ 1,130	\$ 3,462	1.0000	3,462	0.00000	0	3,462	\$ 0	
18	S	60016068	60016069	Murrow Ct & W. 9th St Main Replacement	376002	Distr-PE Mains	Sep-10	\$ 32,256	\$ 98,866	1.0000	98,866	0.00000	0	98,866	\$ (0)	
18	S	60016068	60016069	Murrow Ct & W. 9th St Main Replacement	376003	Distr-Steel Mains	Sep-10	\$ -	\$ -	1.0000	0	0.00000	0	0	\$ -	
19	S	60016595	60016596	Murphy Dr., north of W. 24th St Main Replc	376002	Distr-PE Mains	Jul-10	\$ 2,920	\$ 8,951	0.5250	4,699	0.04750	213	4,912	\$ 4,039	
19	S	60016595	60016596	Murphy Dr., north of W. 24th St Main Replc	376003	Distr-Steel Mains	Jul-10	\$ -	\$ -	0.5250	0	0.04750	0	0	\$ -	
20	S	60016649	60016650	Miller Acres Subdivision & N. Iowa St. Main	376002	Distr-PE Mains	Jul-10	\$ 23,167	\$ 71,007	0.5250	37,279	0.04750	1,686	38,965	\$ 32,042	
20	S	60016649	60016650	Miller Acres Subdivision & N. Iowa St. Main	376003	Distr-Steel Mains	Jul-10	\$ -	\$ -	0.5250	0	0.04750	0	0	\$ -	
21	S	60016352	-	Hwy 56 Tics Main Replacement	376002	Distr-PE Mains	Feb-11	\$ 199	\$ 608	0.0000	0	1.00000	304	304	\$ 304	
21	S	60016352	-	Hwy 56 Tics Main Replacement	376003	Distr-Steel Mains	Feb-11	\$ 10,221	\$ 31,328	0.0000	0	1.00000	15,664	15,664	\$ 15,664	
22	S	60016295	-	Morton and Border Main Replacement	376002	Distr-PE Mains	Mar-10	\$ 3,555	\$ 10,895	0.5250	5,720	0.04750	259	5,979	\$ 4,916	
23	S	10028376	-	Fowler Odorizer Replacement	378000	Distr-Gen Meas/Reg Sta	Dec-10	\$ 6,858	\$ 21,021	1.0000	21,021	0.00000	0	21,021	\$ (0)	
24	S	60016644	-	204 E 8th Main Replacement	376002	Distr-PE Mains	Nov-10	\$ 2,541	\$ 7,788	1.0000	7,788	0.00000	0	7,788	\$ 0	
25	S	60015663	-	Hugoton PVC Replacement	376002	Distr-PE Mains	Nov-10	\$ 15,188	\$ 46,553	1.0000	46,553	0.00000	0	46,553	\$ (0)	
26	S	10028430	-	Hugoton PVC Service Line Replacement	380001	Distr-Services - Iron	Jul-10	\$ 546	\$ 1,673	0.5250	878	0.04750	40	918	\$ 755	
26	S	10028430	-	Hugoton PVC Service Line Replacement	380002	Distr-Services - PE	Jul-10	\$ 3,276	\$ 10,042	0.5250	5,272	0.04750	238	5,510	\$ 4,532	
26	S	10028430	-	Hugoton PVC Service Line Replacement	380003	Distr-Services - Steel	Jul-10	\$ 1,638	\$ 5,019	0.5250	2,635	0.04750	119	2,754	\$ 2,265	
26	S	10028430	-	Hugoton PVC Service Line Replacement	382001	Distr-Meter Installation	Jul-10	\$ 920	\$ 2,819	0.5250	1,480	0.04750	67	1,547	\$ 1,272	
26	S	10028430	-	Hugoton PVC Service Line Replacement	383001	Distr-House Regulator	Jul-10	\$ 310	\$ 952	0.5250	500	0.04750	23	523	\$ 429	
27	S	60016891	-	Hugoton DRS and Odorizer Replacement	376002	Distr-PE Mains	Nov-10	\$ 6,281	\$ 19,250	1.0000	19,250	0.00000	0	19,250	\$ 0	
27	S	60016891	-	Hugoton DRS and Odorizer Replacement	376003	Distr-Steel Mains	Nov-10	\$ 14,363	\$ 44,023	1.0000	44,023	0.00000	0	44,023	\$ 0	
27	S	60016891	-	Hugoton DRS and Odorizer Replacement	376007	Distr-Mains-Other Equip	Nov-10	\$ 3,283	\$ 10,064	1.0000	10,064	0.00000	0	10,064	\$ (0)	
27	S	60016891	-	Hugoton DRS and Odorizer Replacement	383001	Distr-House Regulator	Nov-10	\$ 778	\$ 2,386	1.0000	2,386	0.00000	0	2,386	\$ (0)	
28	S	60016683	-	Jordan and 2nd Main Replacement	376002	Distr-PE Mains	Aug-10	\$ 2,038	\$ 6,245	0.5250	3,279	0.04750	148	3,427	\$ 2,818	
29	S	60016580	-	Pancake and Parshing Main Replacement	376002	Distr-PE Mains	Aug-10	\$ 1,299	\$ 3,981	0.5250	2,090	0.04750	95	2,185	\$ 1,796	
30	S	60016458	-	Missouri and Calvert Main Replacement	376002	Distr-PE Mains	May-10	\$ 2,262	\$ 6,934	0.5250	3,640	0.04750	165	3,805	\$ 3,129	
31	S	60016642	-	5th and Sherman Main Replacement	376002	Distr-PE Mains	Aug-10	\$ 2,019	\$ 6,187	0.5250	3,248	0.04750	147	3,395	\$ 2,792	
32	S	60016390	-	10th and Sherman Main Replacement	376002	Distr-PE Mains	Apr-11	\$ 90	\$ 277	0.0000	0	1.00000	138	138	\$ 139	
33	S	60016433	-	Carpenter Drive Main Replacement	376002	Distr-PE Mains	May-10	\$ 380	\$ 1,163	0.5250	611	0.04750	28	639	\$ 524	
34	S	10028381	-	DRS 3 Upgrade	378000	Distr-Gen Meas/Reg Sta	May-10	\$ 2,249	\$ 6,895	0.5250	3,620	0.04750	164	3,784	\$ 3,111	
35	S	60016453	-	Garrettsville Phase 2 Main Replacement	376002	Distr-PE Mains	Aug-10	\$ 10,326	\$ 31,648	0.5250	16,615	0.04750	752	17,367	\$ 14,281	
36	S	10028393	-	Garrettsville Service Line Replacement	380002	Distr-Services - PE	Jun-10	\$ 1,639	\$ 5,024	0.5250	2,638	0.04750	119	2,757	\$ 2,267	
37	S	60016640	-	Meade TBS Line Main Replacement	376002	Distr-PE Mains	Aug-10	\$ 4,770	\$ 14,619	0.5250	7,675	0.04750	347	8,022	\$ 6,597	
38	S	60016856	-	Botkon and West Plains Main Replacement	376002	Distr-PE Mains	Sep-10	\$ 4,108	\$ 12,593	1.0000	12,593	0.00000	0	12,593	\$ (0)	
39	S	60016282	-	Rolla Loop Lines	376002	Distr-PE Mains	Feb-10	\$ 3,964	\$ 12,149	0.5250	6,378	0.04750	289	6,667	\$ 5,482	
40	S	60016274	-	Plute and Tonkawa Main Replacement	376002	Distr-PE Mains	Oct-10	\$ 2,893	\$ 8,867	1.0000	8,867	0.00000	0	8,867	\$ 0	
41	S	60017067	-	Omaha and Cherokee Main Replacement	376002	Distr-PE Mains	Oct-10	\$ 1,850	\$ 5,671	1.0000	5,671	0.00000	0	5,671	\$ (0)	
42	S	10028196	-	Replace Deep Well Anode Bed replacement	376003	Distr-Steel Mains	Jul-10	\$ 4,398	\$ 13,481	0.5250	7,077	0.04750	320	7,397	\$ 6,084	
43	S	60016258	60016259	Wichita & W 8th Main Replacement	376002	Distr-PE Mains	Mar-10	\$ 4,973	\$ 15,241	0.5250	8,002	0.04750	362	8,364	\$ 6,877	
43	S	60016258	60016259	Wichita & W 8th Main Replacement	376003	Distr-Steel Mains	Mar-10	\$ -	\$ -	0.5250	0	0.04750	0	0	\$ -	
44	S	60016300	60016301	Hendricks & 4th Main Replacement	376002	Distr-PE Mains	Apr-10	\$ 8,030	\$ 24,614	0.5250	12,922	0.04750	585	13,507	\$ 11,107	
44	S	60016300	60016301	Hendricks & 4th Main Replacement	376003	Distr-Steel Mains	Apr-10	\$ -	\$ -	0.5250	0	0.04750	0	0	\$ -	
45	S	10028239	-	Hendricks & 4th Service Replacement	380002	Distr-Services - PE	Jun-10	\$ 3,752	\$ 11,499	0.5250	6,037	0.04750	273	6,310	\$ 5,189	
46	S	10028194	10028195	McNew Road Odorizer Replacement	378000	Distr-Gen Meas/Reg Sta	Apr-10	\$ 2,422	\$ 7,422	0.5250	3,897	0.04750	176	4,073	\$ 3,349	
47	S	10028204	-	Hutchinson Deep Well Anode Bed Replmt	387000	Distr-Other Equipment	Jul-10	\$ 3,889	\$ 11,921	0.5250	6,258	0.04750	283	6,541	\$ 5,380	
47	S	10028204	-	Hutchinson Deep Well Anode Bed Replmt	393000	Gen- Stores Equipment	Jul-10	\$ 337	\$ 1,032	0.5250	542	0.04750	25	567	\$ 465	
47	S	10028204	-	Hutchinson Deep Well Anode Bed Replmt	398000	Gen- Miscellaneous Equip	Jul-10	\$ 960	\$ 2,942	0.5250	1,545	0.04750	70	1,615	\$ 1,327	
48	S	10040013	-	Obeeville 25% Bare Service Replacement	380003	Distr-Services - Steel	Sep-10	\$ 14,635	\$ 44,856	1.0000	44,856	0.00000	0	44,856	\$ 0	
49	S	10040433	10040433	Ave G Road Crossing Main Replacement	367003	Trans - Steel Mains	Dec-10	\$ 16,254	\$ 49,821	1.0000	49,821	0.00000	0	49,821	\$ (0)	

Black Hills Energy															06/30/11
Gas System Reliability Surcharge Filing (GSRF)															
Plant Data by Project															
Period April 1, 2010 through June 30, 2011															
JAW Exh.	S/R	Project # (A)	Related Project # (B)	Project Description (C)	FERC Plant Acct (D)	Plant Description (E)	Eng In Srvc Date (F)	263(A) - Unicap Adj for Tax (Q)	Net Plant for Accum Tax Depr (R)	2010 Tax Depr Rate (S)	2010 Tax Depr (T)	2011 Tax Depr Rate (U)	2011 Tax Depr (V)	Accum Tax Depr (W)	Net Tax Basis (X)
50	S	10028245	-	Little River Main Replacement	367003	Trans - Steel Mains	Oct-10	\$ 84,929	\$ 260,312	1.0000	260,312	0.00000	0	260,312	\$ (0)
51	S	10041284	-	Tobias Junction Main Replacement	367002	Trans - PE Mains	Jan-11	\$ 17,237	\$ 52,831	0.0000	0	1.00000	26,416	26,416	\$ 26,415
52	S	60017462	60017462	Main & Burns Main Replacement	376002	Distr-PE Mains	Mar-11	\$ 855	\$ 2,619	0.0000	0	1.00000	1,310	1,310	\$ 1,309
52	S	60017462	60017462	Main & Burns Main Replacement	376003	Distr-Steel Mains	Mar-11	\$ -	\$ -	0.0000	0	1.00000	0	0	\$ -
53	S	60016297	60016298	Ave D & 119th Main Replacement	376002	Distr-PE Mains	Apr-10	\$ 1,046	\$ 3,205	0.5250	1,683	0.04750	76	1,759	\$ 1,446
53	S	60016297	60016298	Ave D & 119th Main Replacement	376003	Distr-Steel Mains	Apr-10	\$ -	\$ -	0.5250	0	0.04750	0	0	\$ -
54	S	10028476	-	Sterling TBS Upgrade	383001	Distr-House Regulator	Dec-10	\$ 2,201	\$ 6,745	1.0000	6,745	0.00000	0	6,745	\$ 0
55	S	10028407	-	Wellington Main Replacement	367003	Trans - Steel Mains	Jul-10	\$ -	\$ -	0.5188	0	0.03610	0	0	\$ -
56	S	60016283	60016284	Coolidge & 11th Main Replacement	376002	Distr-PE Mains	Sep-10	\$ 1,774	\$ 5,438	1.0000	5,438	0.00000	0	5,438	\$ (0)
56	S	60016283	60016284	Coolidge & 11th Main Replacement	376003	Distr-Steel Mains	Sep-10	\$ -	\$ -	1.0000	0	0.00000	0	0	\$ -
57	S	60016174	60016175	Meridian & 14th Main Replacement	376002	Distr-PE Mains	Sep-10	\$ 2,516	\$ 7,713	1.0000	7,713	0.00000	0	7,713	\$ (0)
57	S	60016174	60016175	Meridian & 14th Main Replacement	376003	Distr-Steel Mains	Sep-10	\$ -	\$ -	0.5250	0	0.04750	0	0	\$ -
58	S	60016290	60016291	100 Block N Hoover Main Replacement	376002	Distr-PE Mains	Sep-10	\$ 2,465	\$ 7,556	1.0000	7,556	0.00000	0	7,556	\$ (0)
58	S	60016290	60016291	101 Block N Hoover Main Replacement	376003	Distr-Steel Mains	Sep-10	\$ -	\$ -	1.0000	0	0.00000	0	0	\$ -
59	S	60016285	60016286	Hieserman & 17th Main Replacement	376002	Distr-PE Mains	Sep-10	\$ 4,148	\$ 12,712	1.0000	12,712	0.00000	0	12,712	\$ 0
59	S	60016285	60016286	Hieserman & 17th Main Replacement	376003	Distr-Steel Mains	Sep-10	\$ -	\$ -	1.0000	0	0.00000	0	0	\$ -
60	S	60016499	60016500	Burns & 17th Main Replacement	376002	Distr-PE Mains	Sep-10	\$ 4,865	\$ 14,910	1.0000	14,910	0.00000	0	14,910	\$ 0
60	S	60016499	60016500	Burns & 17th Main Replacement	376003	Distr-Steel Mains	Sep-10	\$ -	\$ -	1.0000	0	0.00000	0	0	\$ -
60	S	60016499	60016500	Burns & 17th Main Replacement	376005	Distr-Plastic Mains	Sep-10	\$ 6,029	\$ 18,479	1.0000	18,479	0.00000	0	18,479	\$ 0
61	S	10027600	10027601	Anna - 9th to Elm Service replacement	380002	Distr-Services - PE	Aug-10	\$ 5,505	\$ 16,875	0.5250	8,859	0.04750	401	9,260	\$ 7,615
61	S	10027600	10027601	Anna - 9th to Elm Service replacement	380003	Distr-Services - Steel	Aug-10	\$ -	\$ -	0.5250	0	0.04750	0	0	\$ -
62	S	60016608	-	Sheridan - 16th to 18th Main Replacement	376002	Distr-PE Mains	Sep-10	\$ 5,870	\$ 17,993	1.0000	17,993	0.00000	0	17,993	\$ (0)
63	S	10028545	10028550	Sheridan - 16th to 18th Service Replacement	380002	Distr-Services - PE	Aug-10	\$ 8,209	\$ 25,160	0.5250	13,209	0.04750	598	13,807	\$ 11,353
63	S	10028545	10028550	Sheridan - 16th to 18th Service Replacement	376003	Distr-Steel Mains	Aug-10	\$ -	\$ -	0.5250	0	0.04750	0	0	\$ -
64	S	10027419	10027420	Wichita STBS Regulator Upgrade	369003	Trans-Meas & Reg Sta Equip	Sep-10	\$ 35,214	\$ 107,934	1.0000	107,934	0.00000	0	107,934	\$ (0)
65	S	10027464	10027465	12th St DRS Regulator Replacement	383001	Distr-House Regulator	Sep-10	\$ 2,122	\$ 6,504	1.0000	6,504	0.00000	0	6,504	\$ 0
66	S	60017407	60017407	Clara & 2nd Main Replacement	376002	Distr-PE Mains	Feb-11	\$ 1,231	\$ 3,774	0.0000	0	1.00000	1,887	1,887	\$ 1,887
66	S	60017407	60017407	Clara & 2nd Main Replacement	376003	Distr-Steel Mains	Feb-11	\$ -	\$ -	0.0000	0	1.00000	0	0	\$ -
67	S	10028269	-	Wichita 25% Bare Service Replacement	380001	Distr-Services - Iron	Nov-10	\$ 2,128	\$ 6,524	1.0000	6,524	0.00000	0	6,524	\$ (0)
67	S	10028269	-	Wichita 25% Bare Service Replacement	380002	Distr-Services - PE	Nov-10	\$ 12,773	\$ 39,150	1.0000	39,150	0.00000	0	39,150	\$ (0)
67	S	10028269	-	Wichita 25% Bare Service Replacement	380003	Distr-Services - Steel	Nov-10	\$ 6,385	\$ 19,571	1.0000	19,571	0.00000	0	19,571	\$ (0)
67	S	10028269	-	Wichita 25% Bare Service Replacement	382001	Distr-Meter Installation	Nov-10	\$ 3,586	\$ 10,993	1.0000	10,993	0.00000	0	10,993	\$ (0)
67	S	10028269	-	Wichita 25% Bare Service Replacement	383001	Distr-House Regulator	Nov-10	\$ 1,210	\$ 3,710	1.0000	3,710	0.00000	0	3,710	\$ (0)
68	S	10028261	10028262	Line 27 Main Replacement	376002	Distr-PE Mains	Jun-10	\$ 13,709	\$ 42,019	0.5250	22,060	0.04750	998	23,058	\$ 18,961
68	S	10028261	10028262	Line 27 Main Replacement	376003	Distr-Steel Mains	Jun-10	\$ -	\$ -	0.5250	0	0.04750	0	0	\$ -
TOTAL OF PROJECTS								\$ 806,945	\$ 2,473,319		1,715,326		212,724	1,928,050	\$ 545,269
Explanations of various columns:															
Col A = The project number is listed more than once if there is more than one FERC plant account for the p															
Col F = Date put into service															
Col G = Number of months the project has been in service based on Col F to the end of the filing period															
Col H = Amount on our fixed asset system															
Col I = Amount of retirement on our fixed asset system															
Col J = Original Cost in Col H less Retirement Cost in Col I															
Col K = Current depreciation rate in Kansas for applicable plant category															
Col L = 12 month amount for depreciation expense calculated on original cost less retirements															
Col M = Accumulated depreciation calculated on the number of months the project has been in service in II															
Net Plant for Rate Base \$ 3,827,227															
Cumulative Book/Tax Difference \$ (3,281,958)															
Kansas Effective Tax Rate 0.3958															
Cumulative Deferred Taxes at 06/30/2011 \$ (1,298,999)															

Black Hills Energy										06/30/11					
Gas System Reliability Surcharge Filing (GSRS)															
Plant Data by Project															
Period April 1, 2010 through June 30, 2011															
JAW		Related		FERC		Eng	263(A) -	Net Plant		2010	2010	2011	2011	Accum	Net
Exh.		Retirement		Plant		In Srvc	Unicap	for		Tax Depr	Tax	Tax Depr	Tax	Tax	Tax
Proj.	S /	Project #	Project #	Project Description	Acct	Plant Description	Date	for Tax	Tax Depr	Rate	Depr	Rate	Depr	Depr	Basis
No.	R	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
		Col N = Accumulate depreciation in Col M netted against the retirements in Col I													
		Col O = Original Cost less retirements in Col J less Accum Depr less retirements in Col N													
		Col P = Unit of Property deduction for tax purposes													
		Col Q = Deductible costs under section 263(A) regulations													
		Col R = Net Plant for Accum Tax Depr = Original cost less Col P Unit of Property amt and less Col Q 263(A)													
		Col S = Tax depreciation rates for 2010 tax depreciation													
		Col T = 2010 Tax depreciation													
		Col U = Tax Depreciation rates for 2011 tax depreciation													
		Col V = 2011 Tax depreciation													
		Col W = Accumulated tax depreciation as of 06/30/2011													
		Col X = Net Tax Basis (Col R less Col W)													
		Other Notes:													
		The Engineering In-Service Year determines when tax depreciation starts. However, due to purchase of Kaat date, begin on 7/14/08.													
		Since passage of the Energy Tax Incentives Act, natural gas transmission and distribution assets are 15-yr													
		Projects with engineering in service date of 7/2008 or later qualify for "Unit of Property" deduction for tax per 2011 for 2010 projects.													
		Projects with engineering in service date of 9/1/2010 or later qualify for 100% bonus depreciation deduction.													
		No projects had CIAC charged against it.													

Gas System Reliability Surcharge Filing (GSRS)  
Blanket Work Order Plant Data  
In service In 2007

FERC Plant Acct (A)	Plant Description (B)	In Svc Date (C)	# of Mos In arvc (D)	Original Cost (E)	Depr Rate (F)	Annual Depr Expense (L)=(J) X (K) (G)	Calculated Accum Depr based on in svc date (H)	Net Plant for Rate Base (I)	Unit of Prop Adj for Tax (J)	263(A) - Unicap Adj for Tax (K)	Net Plant for Accum Tax Depr (L)	2008 Tax Depr Rate (M)	2008 Tax Depr (N)	2009 Tax Rate (O)	2009 Tax Depr (P)	2010 Tax Rate (Q)	2010 Tax Depr (R)	2011 Tax Rate (S)	2011 Tax Depr (T)	Accum Tax Depr (U)	Net Tax Basis (V)
367002	Gas Trans - PE Mains	Jul-07	48	\$ 2,888	1.88%	\$ 54	\$ 217	\$ 2,671			\$ 2,888	0.05	144	0.095	274	0.0855	247	0.0770	111	776	\$ 2,112
367003	Gas Trans - Steel Mains	Jul-07	48	\$ 235	1.68%	\$ 4	\$ 16	\$ 219			\$ 235	0.05	12	0.095	22	0.0855	20	0.0770	9	63	\$ 172
369003	Trans- Meas & Reg Sta Eqp	Jul-07	48	\$ 6,158	1.57%	\$ 97	\$ 386	\$ 5,772			\$ 6,158	0.05	308	0.095	585	0.0855	527	0.0770	237	1,657	\$ 4,501
376002	Distr - PE Mains	Jul-07	48	\$ 631,751	1.71%	\$ 10,803	\$ 43,182	\$ 588,569			\$ 631,751	0.05	31,588	0.095	60,016	0.0855	54,015	0.0770	24,322	169,941	\$ 461,810
376003	Distr - Steel Mains	Jul-07	48	\$ 23,256	1.77%	\$ 412	\$ 1,645	\$ 21,611			\$ 23,256	0.05	1,163	0.095	2,209	0.0855	1,988	0.0770	895	6,255	\$ 17,001
380002	Distr - PE Services	Jul-07	48	\$ 725,702	2.28%	\$ 16,546	\$ 66,138	\$ 659,564			\$ 725,702	0.05	36,285	0.095	68,942	0.0855	62,048	0.0770	27,940	195,215	\$ 530,487
380003	Distr - Steel Services	Jul-07	48	\$ (2,806)	2.96%	\$ (83)	\$ (332)	\$ (2,474)			\$ (2,806)	0.05	(140)	0.095	(267)	0.0855	(240)	0.0770	(108)	(755)	\$ (2,051)
382001	Distr - Meter Installation	Jul-07	48	\$ 7,817	2.06%	\$ 161	\$ 644	\$ 7,173			\$ 7,817	0.05	391	0.095	743	0.0855	668	0.0770	301	2,103	\$ 5,714
383001	Distr - House Regulator	Jul-07	48	\$ 478,808	2.20%	\$ 10,534	\$ 42,106	\$ 436,702			\$ 478,808	0.05	23,940	0.095	45,487	0.0855	40,938	0.0770	18,434	128,799	\$ 350,009
385001	Distr - Industrial Meas/Reg	Jul-07	48	\$ 17,770	1.99%	\$ 354	\$ 1,414	\$ 16,356			\$ 17,770	0.05	889	0.095	1,688	0.0855	1,519	0.0770	684	4,780	\$ 12,990
				<u>\$ 1,891,579</u>		<u>\$ 38,882</u>	<u>\$ 155,416</u>	<u>\$ 1,736,163</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,891,579</u>		<u>\$ 94,580</u>	<u>\$ 179,699</u>		<u>\$ 161,730</u>	<u>\$ 72,825</u>	<u>\$ 508,834</u>	<u>\$ 1,382,745</u>		

Net Plant for Rate Base \$ 1,736,163

Cumulative Book/Tax Difference \$ (353,418)

Kansas Effective Tax Rate 0.3958

Notes

Column C: Assumes an In-Service date of July 2007 for all blankets as an average.

Cumulative Deferred Taxes at 6/30/2011 \$ (139,883)

Gas System Reliability Surcharge Filing (GSRS)  
Blanket Work Order Plant Data  
In Service In 2008

FERC Plant Acct (A)	Plant Description (B)	In Svc Date (C)	# of Mos In srvc (D)	Original Cost (E)	Depr Rate (F)	Annual Depr Expense (L)=(J) X (K) (G)	Calculated Accum Depr based on In srvc date (H)	Net Plant for Rate Base (I)	Unit of Prop Adj for Tax (J)	263(A) - Unicap Adj for Tax (K)	Net Plant for Accum Tax Depr (L)	2008 Tax Depr Rate (M)	2008 Tax Depr (N)	2009 Tax Rate (O)	2009 Tax Depr (P)	2010 Tax Rate (Q)	2010 Tax Depr (R)	2011 Tax Rate (S)	2011 Tax Depr (T)	Accum Tax Depr (U)	Net Tax Basis (V)
367002	Gas Trans - PE Mains	Jul-08	36	\$ 3,609	1.88%	\$ 68	\$ 203	\$ 3,406	\$ 32	\$ -	\$ 3,577	0.525	1,878	0.0475	170	0.0428	153	0.0385	69	2,270	\$ 1,307
367003	Gas Trans - Steel Mains	Jul-08	36	\$ (26)	1.68%	\$ -	\$ (1)	\$ (25)	\$ -	\$ -	\$ (25)	0.525	(13)	0.0475	(1)	0.0428	(1)	0.0385	0	(15)	\$ (10)
369003	Trans - Meas & Reg Sta Eqp	Jul-08	36	\$ (92)	1.57%	\$ (1)	\$ (4)	\$ (88)	\$ -	\$ -	\$ (88)	0.525	(46)	0.0475	(4)	0.0428	(4)	0.0385	(2)	(56)	\$ (32)
376002	Distr - PE Mains	Jul-08	36	\$ 625,723	1.71%	\$ 10,700	\$ 32,070	\$ 593,653	\$ 5,632	\$ -	\$ 620,091	0.525	325,548	0.0475	29,454	0.0428	26,540	0.0385	11,937	393,479	\$ 226,612
376003	Distr - Steel Mains	Jul-08	36	\$ 1,899	1.77%	\$ 34	\$ 101	\$ 1,798	\$ 17	\$ -	\$ 1,882	0.525	988	0.0475	89	0.0428	81	0.0385	36	1,194	\$ 688
380002	Distr - PE Services	Jul-08	36	\$ 801,646	2.28%	\$ 18,278	\$ 54,782	\$ 746,864	\$ 7,215	\$ -	\$ 794,431	0.525	417,076	0.0475	37,735	0.0428	34,002	0.0385	15,293	504,106	\$ 290,325
380003	Distr - Steel Services	Jul-08	36	\$ 2,270	2.96%	\$ 67	\$ 201	\$ 2,069	\$ 20	\$ -	\$ 2,250	0.525	1,181	0.0475	107	0.0428	96	0.0385	43	1,427	\$ 823
383001	Distr - House Regulator	Jul-08	36	\$ 476,231	2.20%	\$ 10,477	\$ 31,402	\$ 444,829	\$ 4,286	\$ -	\$ 471,945	0.525	247,771	0.0475	22,417	0.0428	20,199	0.0385	9,085	299,472	\$ 172,473
385001	Distr - Industrial Meas/Reg	Jul-08	36	\$ 10,168	1.99%	\$ 202	\$ 606	\$ 9,562	\$ 92	\$ -	\$ 10,076	0.525	5,290	0.0475	479	0.0428	431	0.0385	194	6,394	\$ 3,682
				<u>\$ 1,921,428</u>		<u>\$ 39,825</u>	<u>\$ 119,360</u>	<u>\$ 1,802,068</u>	<u>\$ 17,294</u>	<u>\$ -</u>	<u>\$ 1,904,139</u>		<u>\$ 999,673</u>	<u>\$ 90,446</u>	<u>\$ 81,497</u>	<u>\$ 81,497</u>	<u>\$ 36,655</u>	<u>\$ 1,208,271</u>		<u>\$ 695,868</u>	

Net Plant for Rate Base \$ 1,802,068

Cumulative Book/Tax Difference \$ (1,106,200)

Kansas Effective Tax Rate 0.3958

Notes

Column C: Assumes an In-Service date of July 2007 for all blankets as an average.

Cumulative Deferred Taxes at 6/30/2011 \$ (437,834)

Gas System Reliability Surcharge Filing (GSRS)  
Blanket Work Order Plant Data  
In Service In 2009

FERC Plant Acct (A)	Plant Description (B)	In Srvc Date (C)	# of Mos In srvc (D)	Original Cost (E)	Depr Rate (F)	Annual Depr Expense (L)=(J) X (K) (G)	Calculated Accum Depr based on In srvc date (H)	Net Plant for Rate Base (I)	Unit of Prop Adj for Tax (J)	263(A) - Unicap Adj for Tax (K)	Net Plant for Accum Tax Depr (L)	2009 Tax Rate (M)	2009 Tax Depr (N)	2010 Tax Rate (O)	2010 Tax Depr (P)	2011 Tax Depr Rate (Q)	2011 Tax Depr (R)	Accum Tax Depr (S)	Net Tax Basis (V)
367002	Gas Trans - PE Mains	Jul-09	24	\$ 7,989	1.88%	\$ 150	\$ 300	\$ 7,689	\$ -	\$ 1,965	\$ 6,024	0.5250	3,162	0.0475	286	0.0428	129	3,577	\$ 2,447
369003	Trans- Meas & Reg Sta Eqp	Jul-09	24	\$ 3,548	1.57%	\$ 56	\$ 111	\$ 3,437	\$ -	\$ 873	\$ 2,675	0.5250	1,404	0.0475	127	0.0428	57	1,588	\$ 1,087
376002	Distr - PE Mains	Jul-09	24	\$ 273,895	1.71%	\$ 4,684	\$ 9,354	\$ 264,541	\$ -	\$ 67,378	\$ 206,517	0.5250	108,421	0.0475	9,810	0.0428	4,419	122,650	\$ 83,867
376003	Distr - Steel Mains	Jul-09	24	\$ 30,688	1.77%	\$ 543	\$ 1,085	\$ 29,603	\$ -	\$ 7,549	\$ 23,139	0.5250	12,148	0.0475	1,099	0.0428	495	13,742	\$ 9,397
376007	Distr - Mains other	Jul-09	24	\$ 11,498	1.77%	\$ 204	\$ 406	\$ 11,092	\$ -	\$ 2,829	\$ 8,669	0.5250	4,551	0.0475	412	0.0428	186	5,149	\$ 3,520
380002	Distr - PE Services	Jul-09	24	\$ 443,081	2.28%	\$ 10,102	\$ 20,176	\$ 422,905	\$ -	\$ 108,998	\$ 334,083	0.5250	175,394	0.0475	15,869	0.0428	7,149	198,412	\$ 135,671
380003	Distr - Steel Services	Jul-09	24	\$ 778	2.96%	\$ 23	\$ 46	\$ 732	\$ -	\$ 191	\$ 587	0.5250	308	0.0475	28	0.0428	13	349	\$ 238
383001	Distr - House Regulator	Jul-09	24	\$ 363,411	2.20%	\$ 7,995	\$ 15,968	\$ 347,443	\$ -	\$ 89,399	\$ 274,012	0.5250	143,856	0.0475	13,016	0.0428	5,864	162,736	\$ 111,276
385001	Distr - Industrial Meas/Reg	Jul-09	24	\$ 16,956	1.99%	\$ 337	\$ 674	\$ 16,282	\$ -	\$ 4,171	\$ 12,785	0.5250	6,712	0.0475	607	0.0428	274	7,593	\$ 5,192
				<u>\$1,151,844</u>		<u>\$ 24,094</u>	<u>\$ 48,120</u>	<u>\$ 1,103,724</u>	<u>\$ -</u>	<u>\$ 283,354</u>	<u>\$ 868,490</u>		<u>\$ 455,956</u>		<u>\$ 41,254</u>		<u>\$ 18,586</u>	<u>\$ 515,796</u>	<u>\$ 352,694</u>

Net Plant for Rate Base \$ 1,103,724

Cumulative Book/Tax Difference \$ (751,030)

Kansas Effective Tax Rate 0.3958

Notes

Column C: Assumes an In-Service date of July 2007 for all blankets as an average.

Cumulative Deferred Taxes at 6/30/2011 \$ (297,258)

Gas System Reliability Surcharge Filing (GSRS)  
Blanket Work Order Plant Data  
In Service in 2010

FERC Plant Acct (A)	Plant Description (B)	In Svc Date (C)	# of Mos in svc (D)	Original Cost (E)	Depr Rate (F)	Annual Depr Expense (L)-(J) X (K) (G)	Calculated Accum Depr based on In svc date (H)	Net Plant for Rate Base (I)	Unit of Prop Adj for Tax (J)	263(A) - Unicap Adj for Tax (K)	Net Plant for Accum Tax Depr (L)	2010 Tax Rate (M)	2010 Tax Depr (N)	2011 Tax Depr Rate (O)	2011 Tax Depr (P)	Accum Tax Depr (Q)	Net Tax Basis (R)
369003	Trans- Meas & Reg Sta Eqp	Jul-10	12	\$ (446)	1.57%	\$ (7)	\$ (7)	\$ (439)		\$ -	\$ (446)	0.5250	(234)	0.0475	(11)	(245)	\$ (201)
371001	Trans - Other Equipment	Jul-10	12	\$ 3,294	2.33%	\$ 77	\$ 77	\$ 3,217		\$ 810	\$ 2,484	0.5250	1,304	0.0475	59	1,363	\$ 1,121
376002	Distr - PE Mains	Jul-10	12	\$ 238,391	1.71%	\$ 4,076	\$ 4,065	\$ 234,326		\$ 58,644	\$ 179,747	0.5250	94,367	0.0475	4,269	98,636	\$ 81,111
376003	Distr - Steel Mains	Jul-10	12	\$ 765	1.77%	\$ 14	\$ 14	\$ 751		\$ 188	\$ 577	0.5250	303	0.0475	14	317	\$ 260
380002	Distr - PE Services	Jul-10	12	\$ 775,971	2.28%	\$ 17,692	\$ 17,643	\$ 758,328		\$ 190,889	\$ 585,082	0.5250	307,168	0.0475	13,896	321,064	\$ 264,018
380003	Distr - Steel Services	Jul-10	12	\$ 9,998	2.96%	\$ 296	\$ 295	\$ 9,703		\$ 2,460	\$ 7,538	0.5250	3,958	0.0475	179	4,137	\$ 3,401
383001	Distr - House Regulator	Jul-10	12	\$ 289,670	2.20%	\$ 6,373	\$ 6,355	\$ 283,315		\$ 71,259	\$ 218,411	0.5250	114,666	0.0475	5,187	119,853	\$ 98,558
385001	Distr - Industrial Meas/Reg	Jul-10	12	\$ 6,055	1.99%	\$ 120	\$ 120	\$ 5,935		\$ 1,490	\$ 4,565	0.5250	2,397	0.0475	108	2,505	\$ 2,060
				<u>\$ 1,323,698</u>		<u>\$ 28,641</u>	<u>\$ 28,562</u>	<u>\$ 1,295,136</u>	<u>\$ -</u>	<u>\$ 325,739</u>	<u>\$ 997,959</u>		<u>\$ 523,929</u>		<u>\$ 23,701</u>	<u>\$ 547,630</u>	<u>\$ 450,329</u>

Net Plant for Rate Base \$ 1,295,136

Cumulative Book/Tax Difference \$ (844,807)

Kansas Effective Tax Rate 0.3958

Notes

Column C: Assumes an In-Service date of July 2007 for all blankets as an average.

Cumulative Deferred Taxes at 6/30/2011 \$ (334,375)

**BLACK HILLS ENERGY**  
**GSRS Allocation**

Line Number	[A] Description	[B] Total Company	[C] Residential	[D] Small Commercial	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]
					Firm	Interruptible	Trans.	Total	Firm	Interruptible	Trans.	Total
1	<u>Units*</u>											
2	Number of Customers	104,180	94,010	8,225	1,175	65	526	1,766	33	12	134	179
3	Volume - therms	132,877,466	68,764,710	11,678,410	12,965,980	765,130	5,891,281	19,622,391	2,672,570	1,328,030	28,811,355	32,811,955
4	<u>Rates*</u>											
5	Commodity Charge - \$/therm		0.14524	0.14524	0.12500	0.12500	0.12500		0.05900	0.05900	0.05900	
6	Customer Charge - \$/month		16.00	22.75	40.00	40.00	40.00		256.00	256.00	256.00	
7	<u>Revenue Increase*</u>											
8	Commodity Charge - \$	(273,564)	(401,586)	(68,202)	129,660	7,651	58,913	196,224	0	0	0	0
9	Customer Charge - \$	5,358,513	4,512,480	567,525	141,000	7,800	63,120	211,920	12,400	4,464	49,724	66,588
10	Total - \$	5,084,949	4,110,894	499,323	270,660	15,451	122,033	408,144	12,400	4,464	49,724	66,588
11	<u>GSRS Allocation</u>											
12	Customer Class Allocation Percent		80.84%	9.82%				8.03%				1.31%
13	GSRS Annual Revenue - \$	980,889	792,994	96,320				78,731				12,845
14	Less Statutory Limit Adjustment - \$	(341,746)	(341,746)									
15	Net GSRS Annual Revenue - \$	639,144	451,248	96,320				78,731				12,845
16	Monthly surcharge per customer ((Line 13 / Line 2)/12)		0.40	0.98				3.72				5.98
17	Current surcharge per customer		0.73	1.01				3.83				6.17
18	New surcharge per customer (Line 14 + Line 15)		1.13	1.99				7.55				12.15

\*From Schedule 1 of Stipulated Settlement Agreement in Docket No. 07-AQLG-431-RTS

19 Calculation of Statutory Limit Adjustment - Residential GSRS

20	Incremental Monthly Residential GSRS	0.40
21	Incremental Annual Residential GSRS	4.80
22	Number of Residential Customers	94,010
23	Maximum Incremental Residential GSRS	451,248

**THE STATE CORPORATION COMMISSION OF KANSAS**

**BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC**  
**d/b/a BLACK HILLS ENERGY**  
(Name of Issuing Utility)

Schedule GSRS Rider, Third Revised

**KANSAS SERVICE AREA**  
(Territory to which schedule is applicable)

Replacing: Index No. 17B, GSRS Rider, 2<sup>nd</sup> Revised, Sheet 1 of 1  
which was effective 10/12/2010

No supplement or separate understanding  
shall modify the tariff as shown hereon.

Sheet 1 of 1 Sheets

**GAS SYSTEM RELIABILITY SURCHARGE RIDER**

**APPLICABILITY**

This rider is applicable to every bill for service provided under each of the Company's sales and transportation rate schedules except where not permitted under a separately negotiated contract with a customer. Not applicable to bills for Irrigation Sales Service, Irrigation Transportation Service, or Wholesale Gas Service.

**RATE**

The Gas System Reliability Surcharge (GSRS) shall be applied to each monthly bill. The surcharge shall be as follows:

- RS-1: \$1.13 per meter per month
- SC-1, SCTS-A: \$1.99 per meter per month
- SVF, SVI, and SVTS-A: \$7.55 per meter per month
- LVF, LVI, LVTS-A, OLVTS-A, and LVTS: \$12.15 per meter per month

**DEFINITIONS AND CONDITIONS**

1. The GSRS is intended to recover charges for natural gas public utility plant projects pursuant to K.S.A. 66-2001 through 66-2204.
2. The monthly GSRS charge shall be allocated among customers in the same manner as approved in Docket No. 07-AQLG-431-RTS.
3. The GSRS shall be charged to customers as a monthly fixed charge and not based on volumetric consumption. Such monthly charge shall not increase more than \$0.40 per residential customer over the base rates in effect for the initial filing of a GSRS. Thereafter, each filing shall not increase the monthly charge for more than \$0.40 per residential customer over the most recent filing of a GSRS.
4. At the end of each twelve-month calendar period the GSRS is in effect, the utility shall reconcile the differences between the revenues resulting from a GSRS and the appropriate pretax revenues as found by the Commission for that period and shall submit the reconciliation and a proposed GSRS adjustment to the Commission for approval to recover or refund the difference through adjustments of the GSRS charge.
5. All provisions of this rider are subject to changes made by order of the Commission.

Issued \_\_\_\_\_  
Month Day Year

Effective \_\_\_\_\_  
Month Day Year

By \_\_\_\_\_  
Signature

Steven M. Jurek Vice President, Regulatory Services