

**Black Hills Power**  
**Income Statement GAAP-to-FERC Reconciliation**

**Legend:**

GAAP Income Statement Caption

FERC Form 1 Income Statement Caption

in 000's

		Year ended December 31, 2024				
GAAP Income Statement		Reconciliation to FERC Form 1 details	FF1 Page	FF1 Row	FERC Vs. GAAP Variance	Comments on variances
(A)		(B)			(B) - (A)	
Revenue	\$ 328,195	Revenue (a)= \$ 331,903			\$ 3,708	3,641 GAAP nets certain wholesale contracts reducing both Revenue and Fuel & purchased power. FERC Operating Revenues (400) and Operations Expenses (401) are grossed up for this amount. 67 Transmission revenue reserve netted against revenue for GAAP but presented as non-operating expense for FERC
		Operating Revenues (400) (a) 329,074	114-117	2		
		Revenues From Merchandising, Jobbing, and Contract Work (415) (a) 883	114-117	31		
		Revenues From Nonutility Operations (417) (a) 1,946	114-117	33		
Operating expenses:		Operating expenses:				
Fuel & purchased power	84,914	Fuel & purchased power -			(84,914)	84,914 Fuel & purchased power is presented separately for GAAP but combined in O&M for FERC. 3,641 of Fuel & purchased power is presented separately for GAAP but combined in O&M for FERC. 3,641 of Revenue (variance above) includes netting of certain wholesale contracts reducing both Revenue and Fuel & purchased power for GAAP reporting. FERC presents these amounts as gross within their presentation. (2,065) of Taxes - Property (variance below) is recorded in O&M for GAAP. 353 of bank fees classified as Operating expenses for FERC and Non-operating Interest expense for GAAP 607 of non-service pension costs classified as O&M for FERC and as Non-operating Expense for GAAP (528) of amortization of cloud computing arrangements (CCAs) classified as depreciation for FERC and as general operating expenses for GAAP
Operations & maintenance	87,953	Operations & maintenance (b)= 174,873			86,920	(2) Rounding
		Operations Expenses (401) (b) 153,379	114-117	4		
		Maintenance Expenses (402) (b) 20,227	114-117	5		
		(Less) Costs & Exp. of Merchandising, Job. & Contract Work (416) (b) 1,067	114-117	32		
		(Less) Expenses of Nonutility Operations (417.1) (b) 45	114-117	34		
		Gain on Disposition of Property (421.1) (b) (358)	114-117	40		
		Donations (426.1) (b) 231	114-117	45		
		Exp. For Certain Civic, Political & Related Activities (426.4) (b) 282	114-117	48		
Depreciation & amortization	50,473	Depreciation and amortization (c)= 51,346			873	343 of non-service pension costs classified as depreciation for FERC and as other non-operating expenses for GAAP 528 of amortization of classified as depreciation for FERC and as general operating expenses for GAAP 2 Rounding
		Depreciation Expense (403) (c) 50,662	114-117	6		
		Depreciation Expense for Asset Retirement Costs (403.1) (c) 32				
		Amort. & Depl. Of Utility Plant (404-405) (c) 528	114-117	6		
		Amort. Of Utility Plant Acq. Adj. (406) (c) 96				
		Accretion Expense (411.10) (c) 28	114-117	6		
Taxes - Property	8,408	Taxes - Property (d)= 10,473			2,065	2,035 FERC reporting includes sales and use taxes which are included in O&M for GAAP 30 of non-Utility TOIT for FERC classified as "above the line" Property Taxes for GAAP
		Taxes Other Than Income Taxes (408.1) (d) 10,443	114-117	14		
		Taxes Other Than Income Taxes (408.2) (d) 30	114-117	52		
Total operating expenses	231,748	Total operating expenses 236,692			4,944	
Operating income	96,447	Operating income 95,211			(1,236)	

**Black Hills Power**  
**Income Statement GAAP-to-FERC Reconciliation**

**Legend:**  
GAAP Income Statement Caption  
FERC Form 1 Income Statement Caption

in 000's

Year ended December 31, 2024						
GAAP Income Statement		Reconciliation to FERC Form 1 details	FF1 Page	FF1 Row	FERC Vs. GAAP Variance	Comments on variances
Other income (expense):		Other income (expense):				
Interest Expense (34,070)		Interest Expense (e)= (34,714)			(644)	353 of bank fees classified as O&M for FERC and Non-operating Interest expense for GAAP (997) GAAP Interest Expense line includes AFUDC borrowed
		Interest on Long-Term Debt (427) (e) (20,213)	114-117	62		
		Amort. Of Debt Disc. And Expense (428) (e) (201)	114-117	63		
		Amortization of Loss on Recquired Debt (428.1) (e) (129)	114-117	64		
		Interest on Debt to Assoc. Companies (430) (e) (13,365)	114-117	67		
		Other Interest Expense (431) (e) (806)	114-117	68		
AFUDC borrowed -		AFUDC borrowed (f)= 997			997	GAAP Interest Expense line includes AFUDC borrowed
		Less AFUDC-Cr. (432) (f) 997	114-117	69		
Interest income 2,252		Interest income (g)= 2,252			-	
		Interest and Dividend Income (419) (g) 2,252	114-117	37		
Other income (expense), net (1,088)		Other income (expense), net (h)= (205)			883	607 of non-service pension costs classified as Operations Expense for FERC and as Non-operating Expense for GAAP 343 of non-service pension costs classified as Depreciation for FERC and as Other Non-operating Expenses for GAAP (67) Transmission revenue reserve netted against revenue for GAAP but presented as non-operating expense for FERC
		Allowance for Other Funds Used During Construction (419.1) (h) -	114-117	38		
		Miscellaneous Nonoperating Income (421) (h) 149	114-117	39		
		Penalties (426.3) (h) -	114-117	47		
		Other Deductions (426.5) (h) (354)	114-117	49		
Total other income (expense) (32,906)		Total other income (expense) (31,670)			1,236	
Income before income taxes 63,541		Income before income taxes 63,541			-	
Income tax expense (5,143)		Income tax expense (i)= (5,143)			-	
		Income Taxes - Federal (409.1) (i) (1,701)	114-117	15		
		- Other (409.1) (i) (166)	114-117	16		
		Provision for Deferred Income Taxes (410.1) (i) (20,033)	114-117	17		
		(Less) Provision for Deferred Income Taxes-Cr (411.1) (i) 16,720	114-117	18		
		Income Taxes - Federal (409.2) (i) 37	114-117	52		
<b>Net income \$ 58,398</b>		<b>Net income \$ 58,398</b>			\$ -	
		FERC Form 1 Net Income \$ 58,398				
		Variance -				

**Black Hills Power**  
**Balance Sheet GAAP-to-FERC Reconciliation**

**Legend:**

GAAP Balance Sheet Caption

FERC Form 1 Balance Sheet Caption

in 000's

Year ended December 31, 2024								
GAAP Balance Sheet		Reconciliation to FERC Form 1 details			FF1 Page	FF1 Row	FERC Vs. GAAP Variance	Comments on variances
(A)		(B)			(B) - (A)			
Current assets:								
Cash	\$ 33	Cash	(a)= \$ 33				\$ -	
		Cash (131)	(a) 33	110-111	35			
		Working Fund (135)	(a) -	110-111	37			
Accounts receivable, net	32,890	Accounts receivable, net	(b)= 32,890				-	
		Customer Accounts Receivable (142)	(b) 18,313	110-111	40			
		Other Accounts Receivable (143)	(b) 2,502	110-111	41			
		(Less) Accum. Prov. For Uncollectible Acct.-Credit (144)	(b) (108)	110-111	42			
		Accrued Utility Revenues (173)	(b) 12,183	110-111	61			
Money pool notes receivable, net	-	Notes receivables from associated companies	(c)= 12				12	I/C Interest Receivable from Utility Money Pool included in Notes Receivable from Assoc. Companies for FERC but within Other current assets for GAAP
		Notes Receivable from Associated Companies (145)	(c) 12	110-111	44			
Accounts receivable from affiliates	10,033	Accounts receivable from affiliates	(c)= 10,033				-	
		Accounts Receivable from Assoc. Companies (146)	(c) 10,033	110-111	44			
Materials, supplies, and fuel	44,583	Materials, supplies, and fuel	(d)= 44,583				-	
		Fuel Stock (151)	(d) 7,096	110-111	45			
		Plant Materials and Operating Supplies (154)	(d) 34,033	110-111	48			
		Stores Expense Undistributed (163)	(d) 3,454	110-111	54			
		Miscellaneous Current and Accrued Assets (174)	(d) -	110-111	62			
Regulatory assets, current	26,440	Regulatory assets, current	-				(26,440)	FERC does not make short-term/long-term distinction for Regulatory assets, see total reported below as part of Regulatory Assets, non-current
Other current assets	6,071	Other current assets	(e)= 6,059				(12)	I/C Interest Receivable from Utility Money Pool included in Notes Receivable from Assoc. Companies for FERC but within Other current assets for GAAP
		Prepayments (165)	(e) 4,488	110-111	57			
		Derivative Instrument Assets (175)	(e) -	110-111	63			
		Clearing Accounts (184)	(e) 1,571	110-111	76			
Total Current Assets	120,050	Total Current Assets	93,610				(26,440)	
Investments	3,946	Other Property and Investments	(f)= 3,946				-	
		Other investments (124)	(f) 1,158	110-111	24			
		Other Special Funds (128)	(f) 2,788	110-111	28			
Property, plant & equipment	1,836,570	Property, plant & equipment	(g)= 1,863,100				26,530	892 FERC-to-GAAP plant adjustment included in GAAP amount
		Utility Plant (101-106, 114)	(g) 1,810,192	110-111	2			1 Rounding
		Construction Work in Progress (107)	(g) 52,908	110-111	3			16,792 of operating lease right-of-use assets included in Utility Plant (101) for FERC, but within Other, non-current assets for GAAP
								4,294 of Service Company CCA allocations included in Utility Plant (101) for FERC, but within Other, non-current assets for GAAP
								4,551 GAAP-to-FERC difference driven by the acquisition of a 20% interest in Wyodak plant -- this was recorded at fair value in accordance with GAAP but recorded at historical cost in accordance with FERC, which causes higher gross Utility Plant offset by lower gross Accumulated Depreciation

**Black Hills Power**  
**Balance Sheet GAAP-to-FERC Reconciliation**

**Legend:**

GAAP Balance Sheet Caption

FERC Form 1 Balance Sheet Caption

in 000's

Year ended December 31, 2024		FF1	FF1	FERC Vs.	
GAAP Balance Sheet	Reconciliation to FERC Form 1 details	Page	Row	GAAP Variance	Comments on variances
					(62,223) of removal costs classified as Regulatory liabilities for GAAP but part of Accumulated Depreciation for FERC
					(4,551) GAAP-to-FERC difference driven by the acquisition of a 20% interest in Wyodak plant -- this was recorded at fair value in accordance with GAAP but recorded at historical cost in accordance with FERC, which causes higher gross Utility Plant offset by lower gross Accumulated Depreciation
					(3,589) of operating lease right-of-use asset amortization included in Accumulated Depreciation (108) for FERC but within Other, non-current assets for GAAP
					(916) of Service Company CCA allocations included in Accumulated Depreciation (108) for FERC, but within Other, non-current assets for GAAP
					(1,418) GAAP-to-FERC difference due to capitalization (and related depreciation) of non-service pension costs for FERC vs. Other expense for GAAP
Less accumulated depreciation and amortization	(479,142)	Less accumulated depreciation and amortization	(h)=	(551,839)	(72,697)
		Less Accum. Prov. For Depr. (108, 110, 111, 115)	(h)	(551,839)	110-111 5
Total property, plant and equipment, net	1,357,428	Total property, plant and equipment, net		1,311,261	(46,167)
		Net Utility Plant		1,311,261	110-111 6, 14
Other assets:					
					26,440
					of Regulatory assets are classified as current assets for GAAP but for FERC does not make distinction between current/non-current
Regulatory assets, non-current	55,272	Regulatory assets, non-current	(i)=	82,238	26,966
		Other Regulatory Assets (182.3)	(i)	82,238	110-111 72
		Unamortized Loss on Required Debt (189)	(i)	-	110-111 81
					(16,792) of operating lease right-of-use assets included in Utility Plant (101) for FERC but within Other, non-current assets for GAAP
					(4,294) of Service Company CCA allocations included in Utility Plant (101) for FERC, but within Other, non-current assets for GAAP
					3,589 of operating lease right-of-use asset amortization included in Accumulated Depreciation (108) for FERC, but within Other, non-current assets for GAAP
					916 of Service Company CCA allocations included in Accumulated Depreciation (108) for FERC, but within Other, non-current assets for GAAP
Other, non-current assets	22,716	Other, non-current assets	(j)=	6,135	(16,581)
		Other Preliminary Survey and Investigation Charges (183.2)	(j)	619	110-111 73
		Miscellaneous Deferred Debits (186)	(j)	5,516	110-111 78
Total other assets, non-current	77,988	Total other assets, non-current		88,373	10,385
<b>TOTAL ASSETS</b>	<b>\$ 1,559,412</b>	<b>TOTAL ASSETS</b>		<b>\$ 1,497,190</b>	<b>\$ (62,222)</b>

**Black Hills Power**  
**Balance Sheet GAAP-to-FERC Reconciliation**

**Legend:**

GAAP Balance Sheet Caption

FERC Form 1 Balance Sheet Caption

in 000's

Year ended December 31, 2024							
GAAP Balance Sheet		Reconciliation to FERC Form 1 details	FF1 Page	FF1 Row	FERC Vs. GAAP Variance		Comments on variances
<b>Current liabilities:</b>							
Accounts payable	\$ 22,924	Accounts payable	(k)=	23,090	\$ 166	166	of benefits and tax withholdings included in Accounts payable for FERC, but within Accrued liabilities for GAAP
		Accounts Payable (232)	(k)	22,096	112-113	38	
		Tax Collections Payable (241)	(k)	994	112-113	47	
Accounts payable to affiliates	41,605	Accounts payable to affiliates	(l)=	41,605		-	
		Accounts Payable to Associated Companies (234)	(l)	41,605	112-113	40	
							1 Rounding
							(4,508) of contractor retainage, deferred revenue, and provisions for employee injuries and damages classified as Other, non-current liabilities for FERC vs. Accrued liabilities for GAAP
							(166) of benefits and tax withholdings included in Accounts payable for FERC, but within Accrued liabilities for GAAP
Accrued liabilities	27,681	Accrued liabilities	(m)=	22,253	(5,428)	(755)	of intercompany interest classified as Notes payable to Parent for FERC vs. Accrued liabilities for GAAP
		Customer Deposits (235)	(m)	1,464	112-113	41	
		Taxes Accrued (236)	(m)	9,909	112-113	42	
		Interest Accrued (237)	(m)	4,705	112-113	43	
		Miscellaneous Current and Accrued Liabilities (242)	(m)	5,817	112-113	48	
		Obligations Under Capital Leases-Current (243)	(m)	358	112-113	49	
		Derivative Instrument Liabilities (244)	(m)	-	112-113	50	
Money pool notes payable	3,987	Money pool notes payable	(n)=	-	(3,987)	(3,987)	of intercompany Notes Payable to Parent for FERC vs. Accrued liabilities for GAAP
		Notes Payable to Associated Companies (233)	(n)	4,742	112-113	39	
Notes payable to Parent	-	Notes payable to Parent		4,742	4,742	755	of intercompany interest classified as Notes payable to Parent for FERC vs. Accrued liabilities for GAAP
Regulatory liabilities, current	-	Regulatory liabilities, current	(o)=	-	-	3,987	of intercompany Notes Payable to Parent for FERC vs. Accrued liabilities for GAAP
		Accumulates Provision for Rate Refunds (229)	(o)	-	112-113	31	
Total current liabilities	96,197	Total current liabilities		91,690	(4,507)		
<b>Long term debt</b>							
Long term debt	338,087	Long term debt	(p)=	534,537	196,450		Notes payable to Parent, non-current classified as Long-term debt for FERC vs separate non-current liability line item for GAAP
		Bonds (221)	(p)	340,000	112-113	18	
		Advances from Associated Companies (223)	(y)	196,450	112-113	20	
		Other Ling-Term Debt (224)	(p)	-	112-113	21	
		(Less) Unamortized Discounts (226)	(p)	(61)	112-113	23	
		Unamortized Debt Expenses (181)	(p)	(1,852)	110-111	69	
<b>Deferred credits and other liabilities:</b>							
Notes payable to Parent, non-current	196,450	Notes payable to Parent, non-current		-	(196,450)		Notes payable to Parent, non-current classified as Long-term debt for FERC vs separate non-current liability line item for GAAP
Deferred income tax liabilities, net	138,182	Deferred income tax liabilities, net	(q)=	138,182	-		
		Accum. Deferred Income Taxes-Other Property (282)	(q)	164,913	112-113	63	
		Accum. Deferred Income Taxes-Other (283)	(q)	19,325	112-113	64	
		Accumulated Deferred Income Taxes (190)	(q)	(46,056)	110-111	82	

**Black Hills Power**  
**Balance Sheet GAAP-to-FERC Reconciliation**

**Legend:**

GAAP Balance Sheet Caption

FERC Form 1 Balance Sheet Caption

in 000's

Year ended December 31, 2024								
GAAP Balance Sheet		Reconciliation to FERC Form 1 details		FF1 Page	FF1 Row	FERC Vs. GAAP Variance		Comments on variances
Regulatory liabilities, non-current	156,333	Regulatory liabilities, non-current (r)=	94,110			(62,223)		(62,223) of removal costs classified as Regulatory liabilities for GAAP but part of Accumulated Depreciation for FERC
		Other Regulatory Liabilities (254)	94,110	112-113	60			
Benefit plan liabilities	9,242	Benefit plan liabilities (s)=	9,242			-		
		Accumulated Provision for Pensions and Benefits (228.3)	9,242	112-113	29			
Other, non-current liabilities	20,641	Other, non-current liabilities (t)=	25,149			4,508		4,508 of contractor retainage, deferred revenue, and provisions for employee injuries and damages classified as Other, non-current liabilities for FERC vs. Accrued liabilities for GAAP
		Obligations Under Capital Leases - Noncurrent (227)	12,855	112-113	26			
		Accumulates Provision for Injuries and Damages (228.2)	2,104	112-113	28			
		Asset Retirement Obligations (230)	859	112-113	34			
		Customer Advances for Construction (252)	7,692	112-113	56			
		Other Deferred Credits (253)	1,639	112-113	59			
Total deferred credits and other liabilities	520,848	Total deferred credits and other liabilities	266,683			(254,165)		
Stockholder's equity:								
Common Stock	23,416	Common Stock (u)=	23,416			-		
		Common Stock Issued (201)	23,416	112-113	2			
Additional paid-in-capital	39,575	Additional paid-in-capital (v)=	39,575			-		
		Premium on Capital Stock (207)	42,077	112-113	6			
		Less Capital Stock Expense (214)	(2,502)	112-113	10			
Retained earnings	541,942	Retained Earnings (w)=	541,942			-		
		Retained Earnings (216)	541,942	112-113	11			
Accumulated other comprehensive (loss)	(653)	Accumulated Other comprehensive income (x)=	(653)			-		
		Accumulated Other comprehensive income (219)	(653)	112-113	15			
Total stockholder's equity	604,280	Total stockholder's equity	604,280			-		
<b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>	<b>\$ 1,559,412</b>	<b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>	<b>\$ 1,497,190</b>			<b>\$ (62,222)</b>		
		Total Assets and Total Liabilities + Stockholder Equity as reported on FERC Form 1	1,545,098					
		Variance - FERC Form 1 vs Total Assets and Total Liabilities and Equity above	47,908					
		Unamortized Debt Expenses (181)	(1,852)					Presented net within Long-term debt for GAAP reporting vs gross asset for FERC reporting
		Accumulated Deferred Income Taxes (190)	(46,056)					Presented net within Deferred tax liabilities for GAAP reporting vs gross asset for FERC reporting
		Remaining Variance	-					