

Rocky Mountain Natural Gas LLC, d/b/a Black Hills Energy  
 Calculation of Revenue Adjustment Mechanism Credit  
 Effective January 1, 2019

Line No.	Description	Reference	Accrued Amount in Previous Filing (Estimate) (e)	12 Months Ended Sept 2018 (Actual) (f)	12 Months Ended Sept 2018 (True-Up) (g) = (f) - (e)	Calendar Year 2019 (Estimate) (h)	2019 Total (g) + (h)
1	Revenue Included in RAM Calculation	Attachment C, Page 2 of 4	\$ 946,353	\$ 1,489,045	\$ 542,692	\$ 709,781	\$ 1,252,473
2	Applicable Contract Demand						113,109
3	Annual Billing Units	Line 2 X 12					1,357,308
4	<b>RAM Credit</b>	Line 1 / Line 3					<b>\$ (0.9228)</b>

Line No.	Description	Reference	Period of Estimate	Accrued Amount in Previous Filing (Estimate)	12 Months Ended Sept 2018 (Actual)	12 Months Ended Sept 2018 (True-Up)	Calendar Year 2019 (Estimate)
	(a)	(b)	(d)	(e)	(f)	(g) = (f) - (e)	(h)
1	<b>Off-System Transportation:</b>						
2	Grandfathered Revenues	Off-System Estimates	2017 Calendar Year Estimate	\$ 102,643	\$ 34,362		\$ 149,825
3		Off-System Estimates	2018 Calendar Year Estimate	267,858	389,594		
4	Applicable to RAM (100%)			\$ 370,500	\$ 423,957	\$ 53,456	\$ 149,825
5							
6							
7	Additional Off-Sys Revenues	Off-System Estimates	2017 Calendar Year Estimate	\$ 15,916	\$ 94,304		\$ 319,830
8		Off-System Estimates	2018 Calendar Year Estimate	230,118	244,942		
9	Subtotal Additional Off-Sys Revenues			\$ 246,034	\$ 339,246	\$ 93,212	\$ 319,830
10							
11	Applicable to RAM (25%)	Line 9 x 25%		\$ 61,508	\$ 84,812	\$ 23,303	\$ 79,958
12							
13	Total to RAM	Line 4 + Line 11		\$ 432,009	\$ 508,768	\$ 76,760	\$ 229,782
14							
15	<b>Market Center Services (MCS) (1):</b>						
16	Revenues	MCS Actuals		\$ -	\$ 152,236	\$ 152,236	\$ -
17	Applicable to RAM (70%)	Line 16 x 70%		\$ -	\$ 106,565	\$ 106,565	\$ -
18							
19							
20	<b>Liquids:</b>						
21	Rifle Plant:						
22	Total in Revenue Requirement	Liquids Rev Req		\$ 258,000	\$ 177,333		\$ 242,000
23	Projected Liquids Sales Net Revenue	Liquids Estimate		260,109	300,346		369,998
24	Amount to be Credited			258,000	177,333		242,000
25	Amount to be Shared	Line 23 - Line 24		2,109	123,012		127,998
26	Applicable to RAM (75%)	Line 25 x 75%		\$ 1,582	\$ 92,259		\$ 95,998
27							
28	Total Rifle	Line 24 + Line 26		\$ 259,582	\$ 269,593	\$ 10,011	\$ 337,998
29							
30	Piceance Plant:						
31	Total in Revenue Requirement	Liquids Rev Req		\$ 20,000	\$ 60,667		\$ 142,000
32	Projected Liquids Sales Net Revenue	Liquids Estimate		333,016	466,421		42,187
33	Amount to be Credited			20,000	60,667		42,187
34	Amount to be Shared	Line 32 - Line 33		313,016	405,754		-
35	Applicable to RAM (75%)	Line 34 x 75%		\$ 234,762	\$ 304,315	\$ 69,553	\$ -
36							
37	Piceance Plant Rev Requirement Refund (2)			\$ -	\$ -	\$ -	\$ 142,000
38							
39	Total Piceance	Lines 33+35+37		\$ 254,762	\$ 364,982	\$ 110,220	\$ 142,000
40							
41	Total Liquid Revenues to RAM	Line 28 + Line 39		\$ 514,344	\$ 634,575	\$ 120,231	\$ 479,998
42							
43	<b>Operational Purchases and Sales of Gas (1):</b>						
44	Purchases	Op Purchase & Sale		\$ -	\$ -	\$ -	\$ -
45							
46	Sales	Op Purchase & Sale		\$ -	\$ -	\$ -	\$ -
47							
48	Overrun Penalty/Charges	Op Purchase & Sale		\$ -	\$ 15,794	\$ 15,794	\$ -
49							
50	Cash out Gain/Loss	Op Purchase & Sale		\$ -	\$ 64,067	\$ 64,067	\$ -
51							
52	Total to RAM	Line 48 + Line 50		\$ -	\$ 79,861	\$ 79,861	\$ -
53							
54							
55	<b>Automatic Park and Loan Service (APAL) (1):</b>						
56	Revenue	APAL		\$ -	\$ 161,845	\$ 161,845	\$ -
57							
58	<b>Rate Case Expense True-Up (3)</b>			\$ -	\$ (2,569)	\$ (2,569)	\$ -
59							
60	<b>TCJA EDFIT ARAM Amortization</b>			\$ -	\$ -	\$ -	\$ -
61							
62	<b>Total Revenue included in RAM</b>	Lines 13+17+41+52+56+58+60		\$ 946,353	\$ 1,489,045	\$ 542,692	\$ 709,781

Notes

- The amounts included for Rate Schedules MCS and APAL and Operational Purchases and Sales of Gas are the actual twelve months ended September 30th.
- Due to the Piceance Plant ceasing operation in January 2019, RMNG will refund, to on-system shippers, the amount of annual expenses required to operate the Piceance Plant that were included in the revenue requirement for base rates in the 2018 RMNG Rate Case as part of Proceeding No. 17AL-0654G. RMNG will continue to refund the annual expenses included in the revenue requirement on an annual basis until a future rate case.
- As part of Decision No. R18-0263 in Proceeding No. 17AL-0654G, the Company is entitled to recover rate case expenses in excess of \$450,000 up to \$525,000.

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Line No.	Description	Reference	4 Months Ended Sept 2018 (Actual) (a)	4 Months Ended Sept 2018 True-Up (b)	2019 Total (a) + (b)
1	Revenue Included in RAM Calculation	Attachment C,Page 4 of 4	\$ 75,585	\$ 58,178	\$ 133,764
2	Applicable Contract Demand				12,700
3	Annual Billing Units	Line 2 X 12			152,400
4	<b>RAM Credit</b>	Line 1 / Line 3			\$ <b>(0.8777)</b>

Rocky Mountain Natural Gas LLC, d/b/a Black Hills Energy  
 Calculation of Revenue Adjustment Mechanism Credit  
 Applicable Revenue Calculation by Component

Line No.	Description	Reference	4 Months Ended		2019 Total
			Sept 2018 (Actual) (1) (a)	4 Months Ended Sept 2018 True-Up (b)	
1	<b>Market Center Services (MCS):</b>				
2	Revenues	Actuals	\$ 107,979	\$ -	\$ 107,979
3	Applicable to RAM (70%)	Line 2 x 70%	\$ 75,585	\$ -	\$ 75,585
4					
5	<b>True-Up</b>		\$ -	\$ 58,178	\$ 58,178
6					
7	<b>Total Revenue included in RAM</b>	Line 3 + Line 5	<b>\$ 75,585</b>	<b>\$ 58,178</b>	<b>\$ 133,764</b>

Notes

1. The amounts included for Rate Schedules MCS are the actual four months ended September 30th, as the NNS rate went into effect June 1, 2018 through September 30, 2018.