

Black Hills Gas Distribution, LLC d/b/a Black Hills Energy (formerly SourceGas Distribution LLC)
 Tallgrass Interstate Gas Transmission, LLC Annual FERC Refund
 Refund Calculation for North Eastern Gas Cost Adjustment Area

Line No.	Allocation Calculation	Revenues	%
1	Allocation of TIGT Refund to SGD Jurisdictions		
2	North Eastern Colorado (Commodity, Demand & Reservation Charges)	\$ 571,429.55	2.9774%
3	Wyoming Pass on (Commodity, Demand & Reservation Charges)	\$ 190,953.45	0.9950%
4	Choice Gas (Nebraska & Wyoming)	\$ 18,429,743.00	96.0276%
5	Total Revenues for all SGD jurisdictions:	\$ 19,192,126.00	100.0000%
6	Allocated percentage [\$571,429.55 (NE Colorado) divided by \$19,192,126 total]:		2.9774%
7	Total Black Hills Gas Distribution, LLC (formerly SourceGas Distribution LLC) TIGT Report; Appendix A,		
8	Schedule A, Page 1 of 2, Line No. 1, Shipper No. 17	\$68,759.90	
9	Actual Refund Received		
10	North Eastern Colorado Allocated Net Imbalance Refund (2.9774% multiplied by \$68,759.90)	\$2,047.26	
11	Wyoming Pass On (0.9950% multiplied by \$68,759.90)	\$684.16	
12	Wyoming Choice (WY Choice 11,623,837 therms / Total 147,631,197 therms) * (\$68,759.90 - 2,047.26 - 684.16)	\$5,198.79	
13	NE Choice (NE Choice 136,007,360 therms / Total 147,631,197 therms) * (\$68,759.90 - 2,047.26 - 684.16)	\$60,829.69	
14	Total	\$68,759.90	
15	Interest Rate Calculation		
16	2016 Annual Deposit Interest Rate	0.3400%	
17	Interest Rate for 73 days ¹	0.0678%	
18	2016 Interest Rate Applied	0.0678%	
19	2016 Simple Interest to be added to principal	\$1.39	
	Total Simple Interest	\$1.39	
20	Total Credit	\$2,048.65	

Note:

1 73 Days are calculated beginning on March 21, 2016 through June 2, 2016, the estimated date to credit the Deferred Balance.

Journal Entries		
It is the Company's position that the amounts collected are refundable to the Customers and therefore will not be included in Revenue. The Company has determined that the transaction qualifies as a regulatory liability to customers as defined in Chapter 18, Part 201 of the Code of Federal Regulations.		
<i>The amounts collected from TIGT are recorded as follows:</i>		
Account 131 Cash	Account 254 Other Regulatory Liability	\$2,047.26
		\$2,047.26
<i>The interest earned on the Cash prior to Refund is transferred to the Deferred as follows:</i>		
Account 419 Interest Income	Account 254 Other Regulatory Liability	\$1.39
		\$1.39
<i>When the amount is credited to North Eastern's GCA deferral balance, the entry is as follows:</i>		
Account 254 Other Regulatory Liability	Account 191 Unrecovered Purchased Gas Costs	\$2,048.65
		\$2,048.65