

Jon Thurber Manager, Regulatory Affairs jon.thurber@blackhillscorp.com 625 Ninth Street• P.O. Box 1400 Rapid City, South Dakota 57709-1400 P: 605.721.1603

March 27, 2015

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
Capitol Building
500 E. Capitol Ave.
Pierre, SD 57501-5070

RE: Docket EL14-026 In the Matter of the Application of Black Hills Power, Inc. for Authority to Increase its Electric Rates

Dear Ms. Van Gerpen:

As provided in the approved Amended Settlement Stipulation ("Stipulation") in the above referenced docket, Black Hills Power agreed to file an informational report on the Cheyenne Prairie Generating Station capital project by April 1, 2015. Enclosed is a comparison of the actual capital cost and the estimated capital cost included in the cost of service for the auxiliary boiler, testing, site finish work, and internal closeout labor, along with the inservice date of each project.

Please let me know if you have any questions.

Sincerely,

Jon Thurber

Manager, Regulatory Affairs

BLACK HILLS POWER, INC. Cheyenne Prairie Generating Station

| Description | Vendor / Contractor | Estimated Amount | | Actual Amount | | Actual In-Service Date |
|--|---------------------|---------------------|--------------|------------------|--------------|------------------------|
| Combined Cycle | | | | | | |
| Auxiliary Boiler | Cleaver Brooks | \$ | 332,953.42 | \$ | 348,803.42 | 3/24/2015 |
| Aux Boiler Sales Tax | Wyoming DOR | \$ | 19,977.21 | \$ | 17,428.35 | 3/24/2015 |
| Auxiliary Boiler Installation | AZCO | \$ | 671,454.00 | \$ | 820,896.00 | 3/5/2015 |
| Aux Boiler Valves & Specialties (Valves) | Project Works | \$ | 106,000.00 | \$ | 108,705.39 | 3/24/2015 |
| Aux Boiler Valves & Specialties (Relief) | Project Works | \$ | 38,000.00 | \$ | 36,289.56 | 3/24/2015 |
| Aux Boiler Valves & Specialties (Traps) | Project Works | \$ | 4,500.00 | \$ | 4,746.40 | 3/24/2015 |
| Subtotal | | \$ | 1,172,884.63 | \$ | 1,336,869.12 | |
| Common | | | | | | |
| Site Finish Work | Simon Contractors | \$ | 88,647.00 | \$ | 114,114.24 | 12/19/2014 |
| Testing | WECC | \$ | 62,125.00 | \$ | 62,125.00 | 1/20/2015 |
| Testing | CEMS | \$ | 22,050.00 | \$ | 22,050.00 | 1/22/2015 |
| Subtotal | | \$ | 172,822.00 | \$ | 198,289.24 | |
| Internal Closeout Labor | BHC / NTD | \$ | 100,000.00 | \$ | 103,701.10 | Multiple |