

EXHIBIT __ (LK-14)

BLACK HILLS POWER, INC.
SD PUC DOCKET: EL-14-026
RATE CASE

REQUEST DATE : April 28, 2014
RESPONSE DATE : July 7, 2014
REQUESTING PARTY: Black Hills Industrial Intervenors

BHII Request No. 18: Reference Schedule H-1, line 5, identified as “Employee Additions\Eliminations.”

- a. Please provide a detailed description of these costs. In the description, please detail the costs included for each open vacancy and additional employee.
- b. Please provide the calculation of this amount, including all assumptions, data, and electronic spreadsheets with formulas intact.
- c. Please explain how these additional costs differ from the requested FutureTrack Workforce costs.
- d. Please explain how these additional costs are incremental to the costs for those employees being transferred from the retired generating plants.

Response to BHII Request No. 18:

- a. See Attachment 18, “Positions by Dept” tab. The position descriptions and detail of the costs are shown in rows 30 through 54.
- b. See Attachment 18.
- c. The FutureTrack WorkForce Development Program is a recruitment and training program to address pending retirements. The additional costs on Schedule H-1 are for current open positions to be filled as soon as possible. They do not include any positions related to FutureTrack.
- d. The additional costs for Employee Additions are for current open positions. The only adjustment made for the employees being transferred from the retired generating plants is for labor costs associated with Neil Simpson I employees that will be charged to power plants not owned by Black Hills Power at the Neil Simpson Complex. These costs have been removed on line 3 of Schedule H-1.

Attachments: 18 – BHP SD Payroll Adjustment Workpaper

Position Summary by Dept

Department	Already filled before Jan 28th	Additions	Terminations	Transfers	Total	
5123			3			3 captured in GDPM adjustment
8600			1	-1	1	1 replacement/soon to retire
8606	0		3		-2	1
8610					3	3
8612			1			1
8616				-1		-1 retirement 2014
8617			1			1
8619			1			1
8621			1			1
8623			3			3
8626					-1	-1
8628			1			1
8638	1		2		2	5
8639			1			1
8640			2			2
8650	1				-1	0
8652			5	-6	-2	-3 Customer Service Remodel adjustment
		2	25	-8	0	19
less other adjustments			-6	6		
			19	-2	17	

Salaries for Additions by Dept				Salaries for Terminations by Dept			
	BHP portion	Fully Loaded (65%)		BHP portion	Fully Loaded (65%)		
8600	52,150	52,150	86,048	8600	32,635	32,635	53,848
8606	105,200	39,976	65,960	8616	70,762	70,762	116,757
	76,523	29,079	47,980				
	76,523	29,079	47,980				
8612	74,500	74,500	122,925	Total Terminations	103,397	103,397	170,605
8617	41,800	41,800	68,970				
8619	74,500	74,500	122,925				
8621	48,450	48,450	79,943				
8623	74,500	74,500	122,925				
	62,850	62,850	103,703				
	74,500	74,500	122,925				
8628	85,634	85,634	141,295				
8638	81,350	30,913	51,006				
	81,350	30,913	51,006				
8639	57,800	21,964	36,241				
8640	52,150	19,817	32,698				
	68,350	25,973	42,855				
8652	41,800	41,800	68,970				
	81,350	81,350	134,228				
Total Additions	1,311,280	939,747	1,550,583				
			Net Additions		1,379,978		
			2015 wage increase (union)		6,575		
			2015 wage increase (non-union)		23,987		
			Adjusted Total		1,410,540	BHP Fully Loaded	

Additions

- 8612 System Protection Engineer
- 8619 Reliability Engineer
- 8623 Energy Services Engineer
- 8623 Energy Services Rep
- 8638 Instrument Tech II
- 8638 Instrument Tech II
- 8639 Process Chemistry Tech
- 8600 Lead Customer Service Rep
- 8606 Generation Operations Trainer
- 8606 Plant Maintenance Operator
- 8606 Plant Maintenance Operator
- 8617 Mobile Communicatinos Tech
- 8621 Business Analyst
- 8623 Energy Services Key Acct Rep
- 8628 Lead Line Mechanic
- 8640 Drafting/Document Control Tech
- 8640 Electrical Control Engineer
- 8652 Admin Asst
- 8652 Construction Rep

Retirements pending

- 8600 Cashier/Switchboard Operator
- 8616 Electrician Thereafter