

BLACK HILLS POWER, INC.
SD PUC DOCKET: EL16-007
Economic Development Plan

REQUEST DATE : March 10, 2016

RESPONSE DATE : March 24, 2016

REQUESTING PARTY: SDPUC Staff

SDPUC Request No. 1.2:

Provide a brief explanation on the types of projects and activities implemented by each Economic Development Membership and Community Sponsorship that Black Hills Energy includes in the 2016 budget.

Response to SDPUC Request No. 1.2:

The following are types of projects or activities implemented for community sponsorships in the Company's 2016 proposed budget.

- **South Dakota Center for Enterprise Opportunity (SD CEO):** As an exclusive premier sponsor of SD CEO Annual Educational Seminars BHE will support the three business and entrepreneur conference events for 2016. The events include:
 - Celebrating Women in Business
 - Women's Business Conference
 - Make Energy Make Cents Workshop
- **Giant Vision Awards:** An annual business competition event hosted by the SD Chamber of Commerce and the SD GOED. The Governor's Giant Vision Business Competition give entrepreneurs the opportunity to develop your ideas, write a business plan and make a formal presentation. A panel of business experts will review all entries and select eight qualifiers who will attend the final competition in Sioux Falls. Qualifiers will give presentations and discuss their ideas with seasoned business and financial experts and other invitees.
- **SDGOED Annual Conference** – Utility sponsor for Community of the Year Awards. The GOED works to expand primary job opportunities for all South Dakotans. We strive to retain and expand existing businesses, foster new businesses, facilitate business succession and recruit out-of-state businesses. The office works closely with community economic development corporations to expand and diversify the state's industry and economy. Additionally, the GOED administers a variety of financing opportunities available to new and existing businesses.

The following are types of projects or activities that each Economic Development organization seeks to implement during 2016.

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Belle Fourche Economic Development:

- Recurring – Marketing the Belle Fourche Industrial & Rail Park
- 2015/2016 – Planning and construction of Rail Spur that is located in the Industrial Park
- 2015 - Housing assessment and plan. Partnering with SD Governor Homes and NeighborWorks

Black Hills Vision:

- 2016 – Produce and implement Phase III Initiative for Black Hills Region
- 2015/2016 - Funded regional initiatives that include projects are the following:
 - Ellsworth Air Force Base – Ellsworth Development Authority
 - Air Service Task Force – Regional Air Traffic
 - Ports-to-Plains – Northern Highway
 - Belle Fourche Rail Depot – Regional Rail
 - Rushmore Region Alliance – Marketing the Black Hills
 - Southern Hills Economic Development Corp - VA Plan B
 - Workforce Development- Matching State Grant
 - Center for Theoretical Underground Physics (CETUP)

Black Hills Badlands & Lakes:

- Recurring - Dedicated to promoting and communicating the region as an all-season travel destination for the tourism industry in western South Dakota.

Black Hills Business Council:

- Recurring - To develop, advance and communicate regional issues which foster and promote greater diversity and strength within the Black Hills economy.

Black Hills Community Economic Development Corp:

- Recurring - Oversight of the West River Revolving Loan Fund - Fund makes available up to \$250,000 for a wide range of uses: feasibility studies, business start-up costs, purchase or development of land, infrastructure or the purchase of equipment.

Custer Economic Development Corp:

- No projects are scheduled for 2015 or 2016.

Destination Rapid City:

- No projects are available for 2015 or 2016.

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Lead/Deadwood Economic Development Corp:

- 2016 - Development of economic development assessment.

Heart of the Black Hills Economic Development Corp.:

- No projects are scheduled for 2015 or 2016.

Rapid City Area Economic Development Corp.:

- 2015 - Workforce development initiative with key businesses engaged
- 2015/2016 - Rushmore Region Alliance – Management of the regional marketing initiative and plan set forth by the economic development partners from Black Hills region.
- Recurring - Rapid City Loan Fund – Management of funds

Southern Hills Economic Development Corp:

- 2015 - Development of Plan B strategy for replacement of the VA Hospital in Hot Springs
- 2016 - Planning phase of development of Industrial Park for Hot Springs

South Dakota Chamber Economic Development Council:

- Recurring - Coordinate and host two conferences that are tied to GOED events

South Dakota Center for Enterprise Opportunity (SD CEO):

- 2015/2016 - Support the three business and entrepreneur conference events. The events include:
 - Celebrating Women in Business
 - Women's Business Conference
 - Make Energy Make Cents Workshop

Spearfish Economic Development Corp:

- 2015 – Completed the construction of the Atlas facility located in the Spearfish Business Park
- 2016 - Planning phase for expanding additional business and industrial park

Sturgis Economic Development Corp:

- 2015 - Planning phase for expanding additional business and industrial park
- 2015 - Marketing materials updated
- 2015 - Residential Housing Planning Study