

BLACK HILLS POWER, INC.
d/b/a BLACK HILLS ENERGY
SD PUC DOCKET: EL16-042

REQUEST DATE : 1/27/17

RESPONSE DATE : 2/10/17

REQUESTING PARTY: Staff

SDPUC Request No. 3-2:

Confirm that in BHP's next cogeneration and small power production simultaneous net billing generation credit filing, BHP will have an update to the ABB production cost modeling software and be able to run the model using 100 kW or less for a better representation of facilities applicable under this tariff.

Response to SDPUC Request No. 3-2:

ABB, the vendor that Black Hills purchased the Planning and Risk (PaR) production cost software from, has indicated that the new model to replace PaR is called Portfolio Optimization. The Portfolio Optimization engine has a relative gap/tolerance input which allows the analyst to adjust how much accuracy is desired in the simulation. This will allow the analyst to more accurately model resources down to 100 kW. The next release of Portfolio Optimization is expected in April 2017.

Attachments:

None