

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

REQUEST DATE : 04/26/17

RESPONSE DATE : 05/02/17

REQUESTING PARTY: Staff

SDPUC Request No. 5-1:

In response to Staff Data Request 1-20, BHE states that the difference in line losses between the system with the QF and the system without the QF is negligible. Did the modeling take into account any other avoided costs associated with the transmission and distribution system, such as a delayed need for BHE to upgrade these lines in the future? Are there any feeder lines nearing their congestion limits?

Response to SDPUC Request No. 5-1:

No, the modeling did not take into account potential avoided costs associated with the Company's transmission and distribution system such as possible delays in upgrades or infrastructure additions. The potential benefits of a QF addition to the transmission and distribution system is dependent on the location and size of the QF and the loading condition of the feeder. For large QF facilities, greater than the 100 kW systems covered by the Cogeneration and Small Power Production Service Simultaneous Purchase and Sale tariff, the Company would recalculate the avoided costs for specific QF projects incorporating the appropriate assumptions based on the QF technology type and location.

Black Hills is continually monitoring transmission and distribution system loading and has noted that a select few feeders are approaching a loading that may require further study and actions to reduce load in the next few years.

Attachments:

None

Responder:

Lisa Seaman