

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

**SDPUC Request No. 5-4:**

Refer to BHE's response to Staff Data Request 3-2. When does BHE anticipate ABB's Portfolio Optimization product to be thoroughly vetted and ready for use? When does BHE plan to open a docket to revise the generation credit rate to that calculated with this new model?

**Response to SDPUC Request No. 5-4:**

ABB and Black Hills have developed a schedule for the Portfolio Optimization software installation, database configuration and verification, and training that needs to be completed prior to using the software to calculate avoided costs. Based on the schedule that ABB has established, Black Hills does not foresee the model being fully functional and fully vetted within the next 90 days; therefore, Black Hills does not anticipate opening a new docket to update the generation credit rate that was filed in Docket number EL16-042 but the Company will use the new model in its next rate update filing due in two (2) years.

**Attachments:**

None

**Responder:**

Lisa Seaman