BLACK HILLS POWER, INC. d/b/a BLACK HILLS ENERGY EL17-026

REQUEST DATE : 07/20/17

RESPONSE DATE : 08/03/17

REQUESTING PARTY: Staff

SDPUC Request No. 2.4:

Refer to the Company's response to Staff DR 1.7(b). Provide justification for proposed changes to incentive amounts and explain how the Company determined what these incentive amounts

should be for the proposed plan.

Response to SDPUC Request No. 2.4:

The incentive amounts were adjusted to reflect a more accurate equipment and installation cost. Black Hills continues to review equipment and installation costs to verify appropriate incentive amounts. Any change to an approved prescriptive incentive amount(s) must be approved by the Commission through a request for a plan modification filing. Black Hills also reviews customer receipts that are provided with each application and limits each incentive amount to 50% of the actual costs.

Attachments: None

Responder: Don Martinez