

BLACK HILLS POWER, INC.
d/b/a BLACK HILLS ENERGY
EL17-045

REQUEST DATE : 11/03/17

RESPONSE DATE : 11/10/17

REQUESTING PARTY: Staff

SDPUC Request No. 2.5:

Please explain why the residential and C&I budgets for PY2017 provided in Exhibit 5 (attached to BHE's response to Staff DR 1-2) do not match the budgets submitted in response to Staff's data request 3-1 in docket EL17-026. The discrepancy is provided below. Further, please provide support for shifting dollars from the residential program to the commercial program.

	EL17-045 Response to DR 1-2		EL17-026 Response to DR 3-1 Attachment 3-1		
	Exhibit 5		(New Program-Budget Summary Tab)		Difference
Residential	\$ 161,203		\$ 185,355		\$ (24,152)
C&I	\$ 689,293		\$ 665,141		\$ 24,152
Total	\$ 850,496		\$ 850,496		\$ -

Response to SDPUC Request No. 2.5:

The numbers should be the following and are included in Attachment 3-1 (EL17-026):

Residential	\$157,669	Cell E9
C&I	\$692,827	Cell E11

In reference to Attachment 3-1 in Docket EL17-026, the number in Cells E25 (\$185,355) and E32 (\$665,141) are not correct. It appears that the formulas calculating these numbers were not updated with the allocation of the budgeted Cross Marketing & Training to the Residential and C&I class also reflected in the Program Inputs tab. Notes are included within the Attachment.

The cells used the allocation percentages that were used in previous filings where Residential was allocated 70% and C&I 30%. BHP believes the Cross Marketing & Training should have been based on the new allocation used in the model, which is the percentage of incentives to each

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class. By definition, these efforts benefit each class. Since the C&I class benefits the most of a cross marketing/training effort, they should be allocated more of the costs for this item.

A copy of the corrected Attachment 3-1 is attached as Attachment DR 2.5.

Attachments: Attachment DR 2.5

Responder: Don Martinez