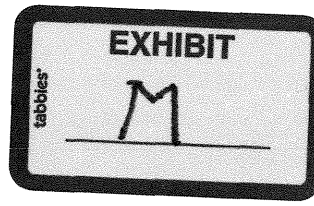


Catherine M. Sabers
Associate General Counsel
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605.721.1914

March 1, 2019

SENT VIA EMAIL ONLY

Mr. Bill Taylor
Taylor Law Firm
4820 E. 57th Street, Ste. B
Sioux Falls, SD 57108

SENT VIA EMAIL ONLY

Ms. Kristen Edwards
Staff Attorney
South Dakota Public Utilities Commission
500 E. Capitol
Pierre, SD 57501

Re: In the Matter of the Complaint of Energy of Utah, LLC and Fall River Solar, LLC
Against Black Hills Power Inc. dba Black Hills Energy for Determination of
Avoided Cost – Docket No. EL 18-038

Dear Bill and Kristen:

Last week, I indicated that I was following up on some items internally that could impact the proposed schedule in this matter. I had indicated that I would provide some additional information this week.

To that end, I am writing to advise that Black Hills Power, Inc. will not be building the SD Sun Project at this time.

In light of that decision, Black Hills Power intends to provide an updated avoided cost calculation to Fall River Solar that does not include SD Sun in the input data. I anticipate that new information could be available next week.

I am assuming that Bill will likely need some time to discuss this information with his client and that there might well need to be some adjustments to the overall procedural schedule. Black Hills Power is certainly open to discussions as to what the correct procedural schedule looks like at this time and given this information.

Perhaps it makes the most sense for the three of us to have a call next week, to discuss next steps? I would be happy to set something up based on your respective availability.

Sincerely,

Catherine M. Sabers
Associate General Counsel