

BLACK HILLS POWER, INC.
d/b/a BLACK HILLS ENERGY
EL19-006

REQUEST DATE : 02/26/19
RESPONSE DATE : 03/12/19
REQUESTING PARTY: Staff

SDPUC Request No. 1.4:

Will the Project effect Applicant's gross receipts tax? Please explain.

Response to SDPUC Request No. 1.4:

Gross receipts tax will see an increase. The 230 kV transmission line and the associated transmission facilities will be recovered through Black Hill Power's Transmission Cost Adjustment and therefore, the increased revenue will be subject to gross receipts tax. Increased revenue for the distribution assets will not occur until the assets are placed into general rates in Black Hills' next general rate review, and at that time the distribution assets will cause an increase in gross receipts tax.

Attachments: None

Responder: Jason Keil