

## **Section H**

**Schedule H-8 – Generation Dispatch and Scheduling Cost Detail.** This Schedule shows the calculation of generation dispatch and scheduling costs. Lines 2 – 10 show the total amount related to generation dispatch and scheduling for the pro forma test year. Total generation dispatch costs are then allocated based on a power plant capacity. The percent of capacity that is related to Black Hills Power is on line 61 and is multiplied by line 10 to determine the amount of expense for Black Hills Power. This amount is compared to the amount recorded during the test year, and the difference is shown on line 73, and is adjusted in Statement H, column (f).

**BLACK HILLS POWER, INC.**  
**Generation Dispatch and Scheduling Cost Detail**  
**For the Pro Forma Test Year Ended September 30, 2013**

**Schedule H-8**  
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Line No.	Description	Reference	Total Cost
1	Costs Related to Generation Dispatch and Scheduling	Note (1)	
2	Labor		\$ 1,708,529
3	Labor Overhead		1,415,039
4	Office and Facility Expenses		8,489
5	IT Costs		22,778
6	Outside Services		415,611
7	Promo and Advertising		3,000
8	Travel and Training		121,305
9	Subscriptions		5,963
10	Total Costs Related to Generation Dispatch and Scheduling		<u>3,700,714</u>
11			
12	Power Plant Capacity - Black Hills Power (MW)		
13	Ben French	Note (3)	-
14	Ben French Diesels		10.00
15	Ben French CT's		100.00
16	Lange CT		40.00
17	Neil Simpson I	Note (3)	-
18	Neil Simpson II		91.00
19	Neil Simpson CT		40.00
20	Osage	Note (3)	-
21	Colstrip Long-Term Purchase		50.00
22	Happy Jack Long - Term Purchase		15.00
23	Silver Sage Long-Term Purchase		20.00
24	Wygen III 52%		57.20
25	Wyodak 20%		72.40
26	CPGS Combined Cycle		55.00
27	Total Power Plant Capacity - Black Hills Power (MW)		<u>550.60</u>
28			
29	Power Plant Capacity - Cheyenne Light (MW)		
30	Wygen II		95.00
31	Wygen I (Purchase Power Agreement)		60.00
32	CT II (Purchase Power Agreement)	Note (4)	-
33	Happy Jack Long-Term Purchase		15.00
34	Silver Sage Long-Term Purchase		10.00
35	CPGS Combined Cycle		40.00
36	CPGS Simple Cycle		37.00
37	Total Power Plant Capacity - Cheyenne Light (MW)		<u>257.00</u>
38			
39	Power Plant Capacity - Black Hills/Colorado Electric Utility		
40	WN Clark #1 & #2	Note (3)	-
41	Pueblo Diesels		10.00
42	Pueblo NG #5		9.30
43	Pueblo NG #6		18.80
44	Rocky Ford Diesels		10.00
45	Airport Diesels		10.00
46	Pueblo Airport Generation Station		380.00
47	Other Long- Term Purchase		5.00
48	BRW Phase I		14.50
49	BRW Phase I - AltaGas		14.50

**BLACK HILLS POWER, INC.**  
**Generation Dispatch and Scheduling Cost Detail**  
**For the Pro Forma Test Year Ended September 30, 2013**

Line No.	Description	Reference	Total Cost
50			-
51	Total Power Plant Capacity - Black Hills/Colorado Electric Utility (MW)		472.10
52			
53	Power Plant Capacity - MDU, City of Gillette, and Other		
54	Wygen III 48%		52.80
55	Wygen I		5.00
56	CTII - COG	Note (4)	40.00
57	Total Power Plant Capacity - MDU, City of Gillette, and Other (MW)		97.80
58			
59	Total Capacity to be Managed	Note (2)	1,377.50
60			
61	Black Hills Power Percent of Capacity		39.97%
62			
63	Cheyenne Light Percent of Capacity		18.66%
64			
65	Black Hills/Colorado Electric Utility		34.27%
66			
67	MDU, City of Gillette, and Other Percent of Capacity		7.10%
68			
69	Amount to be Charged to Black Hills Power		\$ 1,479,211
70			
71	Amount per Book - Black Hills Power		1,371,247
72			
73	Adjustment - Black Hills Power		<b>\$ 107,964</b>
74			
75	Note (1) Total generation dispatch and scheduling costs are the pro forma costs for the Black Hills Power		
76	Generation Dispatch and Scheduling department.		
77	Note (2) Costs from Black Hills Power Generation Dispatch and Scheduling are allocated based on the		
78	generation asset's load ratio.		
79	Note (3) Ben French, Neil Simpson I, Osage, and WN Clark 1 & 2 will be retired before CPGS goes into		
80	service. Therefore, the plant capacity is not included in the allocation.		
81	Note (4) The CTII PPA will expire August 2014, and the City of Gillette has entered into an agreement to		
82	purchase CT II from Black Hills Corporation.		