

EXHIBIT __ (LK-3)

BLACK HILLS POWER, INC.
SD PUC DOCKET: EL14-026
RATE CASE

REQUEST DATE : August 12, 2014

RESPONSE DATE : September 5, 2014

REQUESTING PARTY: SDPUC Staff

SDPUC Request No. 6-42:

Cheyenne Prairie Generating Station

Refer to the Company's response to Staff DR 3-34, Attachment 3-34 – Cheyenne Prairie Generating Station.xlsx, CC Detail tab. Regarding the spare parts of \$2,220,000 found on line 76:

- a) Provide a breakout of the individual spare parts included.
- b) Are the spare parts included in the capital costs the same as any spare parts included on Schedule F-4?
- c) Explain why these spare parts are capitalized and other spare parts are included as working capital on Schedule F-4.

Response to SDPUC Request No. 6-42:

- a) Please refer to the response to SD PUC Request No. 5-3 and Attachment 5-3X for the spare parts inventory.
- b) Yes. The spare parts were inadvertently included on both the Cheyenne Prairie Generating Station capital schedule on Schedule D-11 and as materials and supplies on Schedule F-4. This oversight will be corrected and updated schedules will be provided.
- c) The spare parts should be included only as part of working capital and will be removed from the capital schedule.

Attachments: None