

Exhibit 2

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE) Docket No. EL 18-038
COMPLAINT OF ENERGY OF UTAH)
LLC, AND FALL RIVER SOLAR,) Deposition of:
LLC AGAINST BLACK HILLS) ROS VRBA
POWER INC. DBA BLACK HILLS)
ENERGY FOR DETERMINATION OF)
AVOIDED COSTS)

DATE: November 15, 2005, at 8:53 a.m.

PLACE: Gunderson, Palmer, Nelson & Ashmore
506 Sixth Street
Rapid City, SD 57701

APPEARANCES:

FOR BLACK HILLS ENERGY:	MS. CATHERINE SABERS Attorney at Law 7001 Mt. Rushmore Road Rapid City, SD 57702
FOR ENERGY OF UTAH, LLC and FALL RIVER SOLAR, LLC	MR. WILLIAM TAYLOR Attorney at Law 4820 East 57th Street, Suite B Sioux Falls, SD 57108
FOR PUBLIC UTILITIES COMMISSION:	MS. KRISTEN EDWARDS Attorney at Law 500 E. Capitol Avenue Pierre, SD 57501

Also Present: Kyle White - BH Energy
Darren Kearney - Public Utilities Commission
Jon Thurber - Utility Analyst

1 challenging?

2 A No, we have not.

3 Q Have you had any discussions with Mr. Klein about the
4 inputs that he's reviewed?

5 A We had periodic discussions with Mr. Klein on certain
6 inputs, however, not necessarily specifics because we
7 believed that the model that was employed by Black
8 Hills was completely flawed and incorrect so we
9 rejected the entire proposition. It is not our
10 intent to continue in futile discussions over model
11 inputs and outputs which is the desire of the utility
12 to continue. The model provided to us and its
13 assumptions were flawed. We believe that it was a
14 change in methodology that wasn't approved by the
15 commission. We believe that through the proceeding
16 of this case, assumptions, calculations made by
17 Public Service Commissions expert on Staff, Analyst
18 Mr. Kearney resulted in completely different avoided
19 costs suggested to Black Hills than what Black Hills
20 provided to us as a part of this proceeding. I
21 believe that the record of evidence shows that Black
22 Hills indicated to us their avoided cost was \$17,
23 then \$24, and then \$28. I have not seen any changes
24 in the world of electricity that would support
25 avoided cost change within 12 months that much.

1 There are no commodity changes in the market that
2 would justify that. Absolutely nothing. I believe
3 these costs are arbitrary and I believe that this
4 model should be rejected in its entirety.

5 Q Just so I understand what you just said, were you
6 saying you don't believe there's anything that you've
7 seen in the industry that justifies a change from 17
8 to 28 or were you referring back to a change from,
9 for example, South Dakota Sun II to any of those
10 other numbers?

11 A I believe that there's absolutely nothing in the
12 electrical market that warrants or justifies change
13 of so claimed alleged avoided cost of \$17 to \$28
14 within 12 months.

15 Q Have you reviewed or developed an understanding of
16 what the changes that led to a change from \$17 to \$28
17 are?

18 A I don't need to do that. I think that's the
19 responsibility of the utility. The utility is
20 responsible to calculate avoided cost and to justify
21 its avoided cost. I believe that the point reference
22 here is the Public Service Commission which act as a
23 referee and I believe their own analysis through the
24 record indicated that Black Hills' avoided cost was
25 completely false.

1 stipulation for September 6th of 2018, I believe it
2 is?

3 A So that's a good question. So there are three LEO
4 days that have been subject to this litigation. June
5 7th being first, August 14th being the second, and
6 September 6th being the third. My position after
7 reviewing the evidence of the record, especially
8 Mr. Kearney's work submitted in his testimony, I
9 believe that the correct date for LEO is August 14th.
10 I believe that Mr. Kearney had raised a valid point
11 as to not only demonstration to sell the entire
12 output of the plant to the utility, but also
13 supported by a transmission study allowing that
14 generation being delivered in timely fashion. And I
15 don't believe that that was known until end of July.
16 Don't remember the exact date, but sometime in July
17 received feasibility studies. So August 14th would
18 be the closest date where I do believe an LEO should
19 be created.

20 Q Is there anything that you are aware of, Ros, as you
21 sit here today that is -- would change whether the
22 LEO date is October -- or August 14th, 2018, or
23 September 6th, 2018?

24 A I believe there is.

25 Q What is that?