

Black Hills/Colorado Electric Utility Company, LP
Non-Intermittent Resource Solicitation
Questions and Answers

Q&A Released on 5/08/09

Q050809-1. With respect to commercial operation date (COD), the RFP mentions January 1, 2012 and 2013. With respect to 2013, is the COD limited to June 1st, or can the COD be anytime in 2013 (or some other specific date in 2013)?

A. The need for resources on the Black Hills/Colorado Electric (BHCE) system occurs on January 1, 2012 when the existing power purchase agreement with Public Service Company of Colorado (PSCo) expires. A Joint Notice of Updated Load Forecast filed by PSCo and BHCE on March 19, 2009, did advise the Commission that the updated PSCo forecast predicts that PSCo will have capacity and energy available through May 2013 which could be used to serve a portion of BHCE's resource need. However, to date, BHCE has not received any bridge proposals from PSCo and therefore it is unknown what, if anything, PSCo may offer to BHCE. For this reason, BHCE does not know what, if any, COD in 2013 would be acceptable. Due to the uncertainty regarding a potential bridge proposal from PSCo, BHCE has agreed to allow bidders to submit a proposal with multiple in-service dates for the same project under a single bid fee. Additionally, if BHCE and PSCo negotiate a contract extension prior to conclusion of the bid process, it will be filed with the Commission and bidders will be promptly notified.

BHCE suggests that bidders consider offering a proposal with a January 1, 2012 start date and an alternate proposal, for the same project, with a June 1, 2013 start date. Each proposal must be complete and will require a separate set of forms. BHCE does not expect that any bridge proposal from PSCo will extend beyond May 31, 2013.