

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO**

**IN THE MATTER OF THE APPLICATION     )  
OF BLACK HILLS/COLORADO ELECTRIC    )  
UTILITY COMPANY, LP FOR APPROVAL    )  
OF ITS 2008 COLORADO RESOURCE        ) Docket No. 08A-346E  
PLAN AND PETITION FOR WAIVERS OF    )  
PORTIONS OF THE RESOURCE            )  
PLANNING RULES                         )**

**JOINT NOTICE OF UPDATED LOAD FORECAST**

Black Hills/Colorado Electric Company, LP (“Black Hills”) and Public Service Company of Colorado hereby submit this joint notice.

Public Service is filing today in Docket No. 07A-447E an updated energy sales forecast and updated peak demand forecast for the period 2009 through 2015. Public Service is also filing in that Docket an updated Loads & Resources Table that incorporates the updated forecasts.

At the hearings in this Docket No. 08A-346E, several parties expressed concern that, based upon Public Service’s then most recent forecast, Public Service was not in a position to continue to provide service to Black Hills after December 2011, even on a stepped down basis to reduce the capacity “cliff.” Public Service’s updated forecast predicts that Public Service will now have capacity and energy available through May 2013 to serve a portion of Black Hills resource need. Public Service is willing to discuss a partial bridge power purchase agreement with Black Hills for up to 200 MW of capacity through May 2013 and this willingness was communicated to Black Hills yesterday. Rule 3611 of the electric rules would permit Public Service and Black

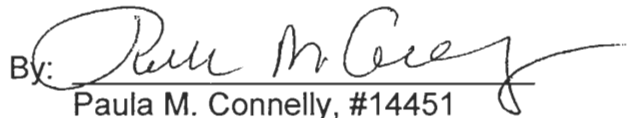
Hills to enter into a short-term bridge agreement. Details of a possible bridge agreement have yet to be worked out including pricing and other terms. Public Service is not willing to propose a greater bridge because, if the economy bounces back due to the stimulus bill and other actions being taken by the federal and state governments, Public Service may very well experience sales and peak demand higher than it is currently forecasting.

Black Hills will appropriately consider a short-term bridge as details are developed. A short term bridge would allow for the staging of the needed resource additions (with the two LMS100s coming on line in 2012 and resources from the competitive acquisition process coming on line in 2013) rather than having to have the entire capacity deficit addressed at a single point in time. A short term bridge would reduce the costs of a contingency plan, allow for a little more time for negotiation of PPAs (although this should be pretty short so as to preserve as much time as possible for IPP construction) and it might make it possible for more bidders to participate in the Black Hills RFP process.

On the other hand, there may be companies who are planning on bidding in the Black Hills RFP process who have or will have projects available on January 1, 2012, who would negatively view a short-term bridge that moves the in-service date. Black Hills will be in a better position to evaluate the prudence of a short-term partial bridge after Public Service and Black Hills have had an opportunity to discuss the pricing and other terms and Black Hills has received its bids. Black Hills would be able to report on its evaluation as part of the RFP summary to be filed on June 22, 2009.

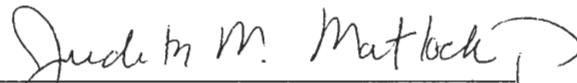
Dated this 19th day of March, 2009.

Respectfully submitted,

By: 

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CERTIFICATE OF SERVICE

I hereby certify that on this 19<sup>th</sup> day of March, 2009, the original and seven (7) copies of the foregoing **Joint Notice of Black Hills/Colorado Electric Utility Company, LP and Public Service Company of Colorado** were hand-delivered for filing to:

Mr. Doug Dean, Director  
 Colorado Public Utilities Commission  
 1560 Broadway, Suite 250  
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and a pdf of the Application was served on the following persons to the e-mail addresses noted below:

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