



April 22, 2009

Black Hills/Colorado Electric Senate Bill 100 Stakeholder Meeting

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Meeting Overview

- Welcome and Introductions
- Meeting Objective
 - Inform stakeholders of the proposed BHCE SB-100 study plan and give an opportunity for stakeholders to provide input.

Meeting Agenda

- Black Hills Corporation Overview
- BHCE Transmission System review
- PSCO Information Filing
- 2009 Proposed Study Plan
- Study Coordination
- Stakeholder Comments/Questions

Black Hills Corporation

- Black Hills Corporation (BHC) is a diversified energy company based in Rapid City, South Dakota with corporate offices in Golden, Colorado and Omaha, Nebraska
- BHC's subsidiaries are classified within two major business groups – Utilities and Non-regulated Energy
- The utility companies serve 750,000 natural gas and electric customers in Colorado, Iowa, Kansas, Montana, South Dakota and Wyoming
- The non-regulated energy businesses construct and operate power plants which generate wholesale electricity, produce natural gas, oil and coal, and market energy

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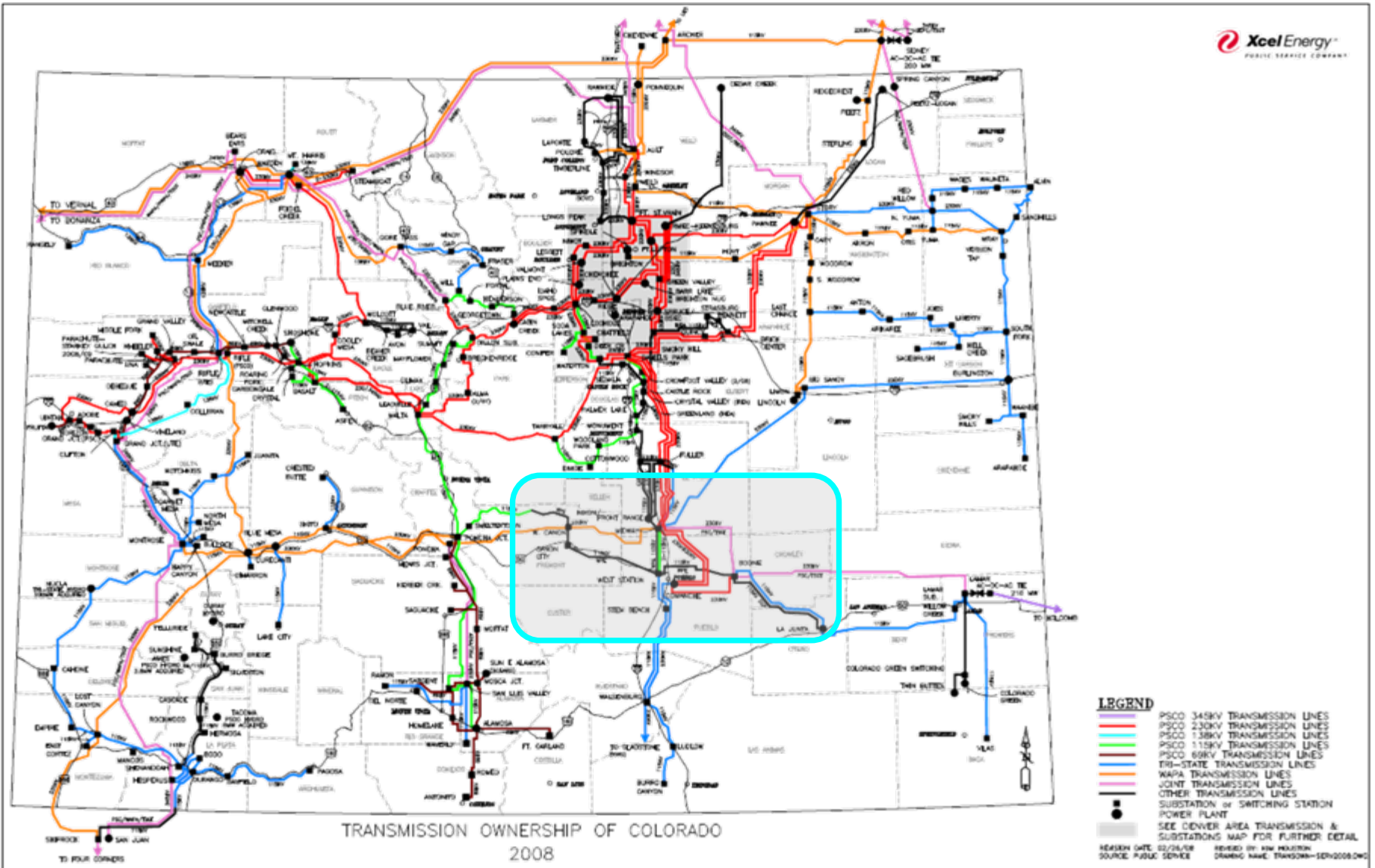


Black Hills Corporation

- Black Hills Energy is now a trade name for the assets acquired from Aquila
- Black Hills Energy provides electric and natural gas service to customers in Colorado, Iowa, Kansas and Nebraska
- BH/Colorado Electric Utility Company, LP (BHCE) is the Black Hills Energy electric utility in southeastern Colorado serving approximately 92,000 electric customers

BHCE Transmission System

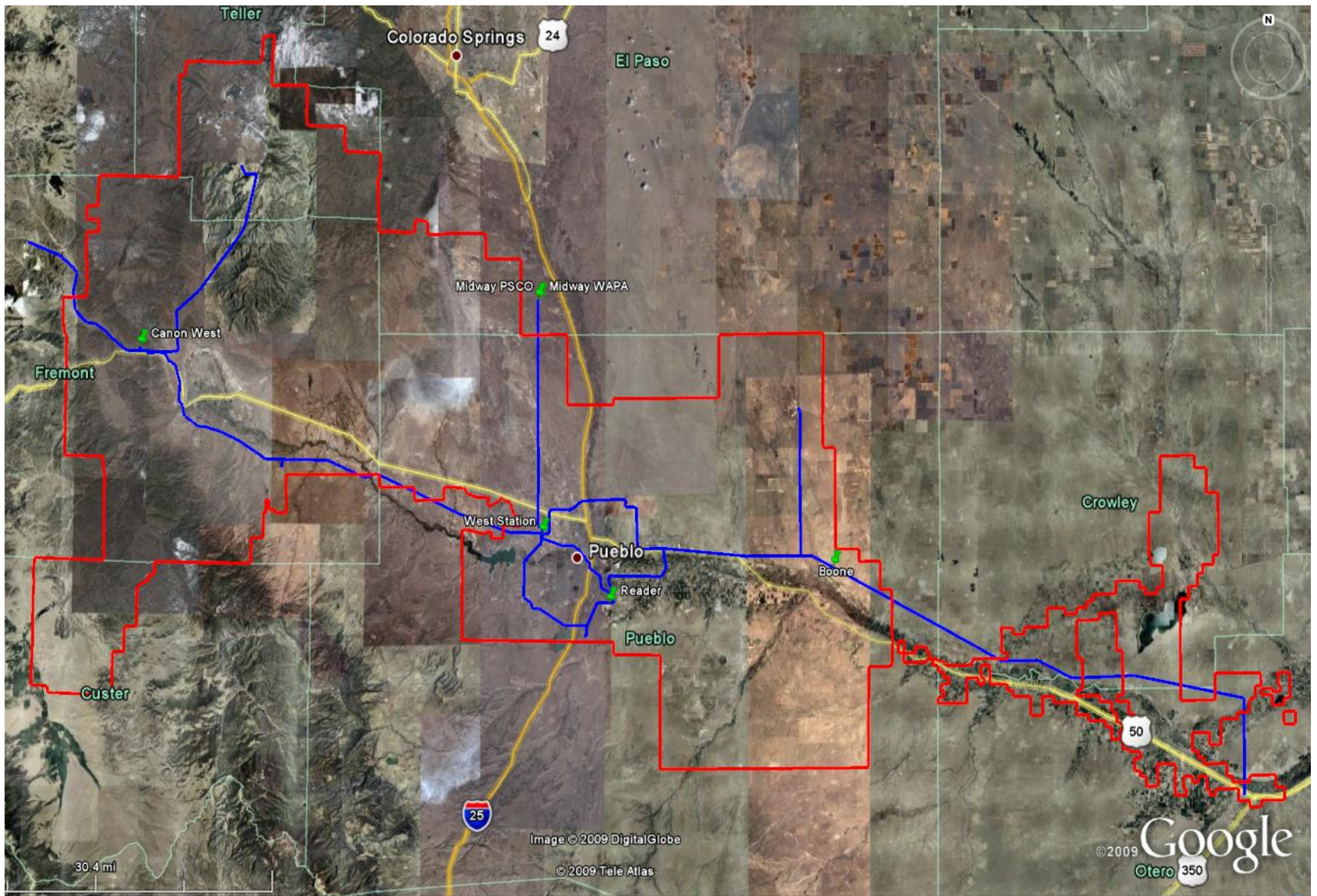
- The transmission system follows the Arkansas River Valley from the Royal Gorge west of Cañon City to La Junta
- Major load centers are Pueblo, Cañon City, and Rocky Ford
- The transmission system consists of 194 miles of 115-kV transmission lines



Xcel Energy Colorado Transmission Ownership Map

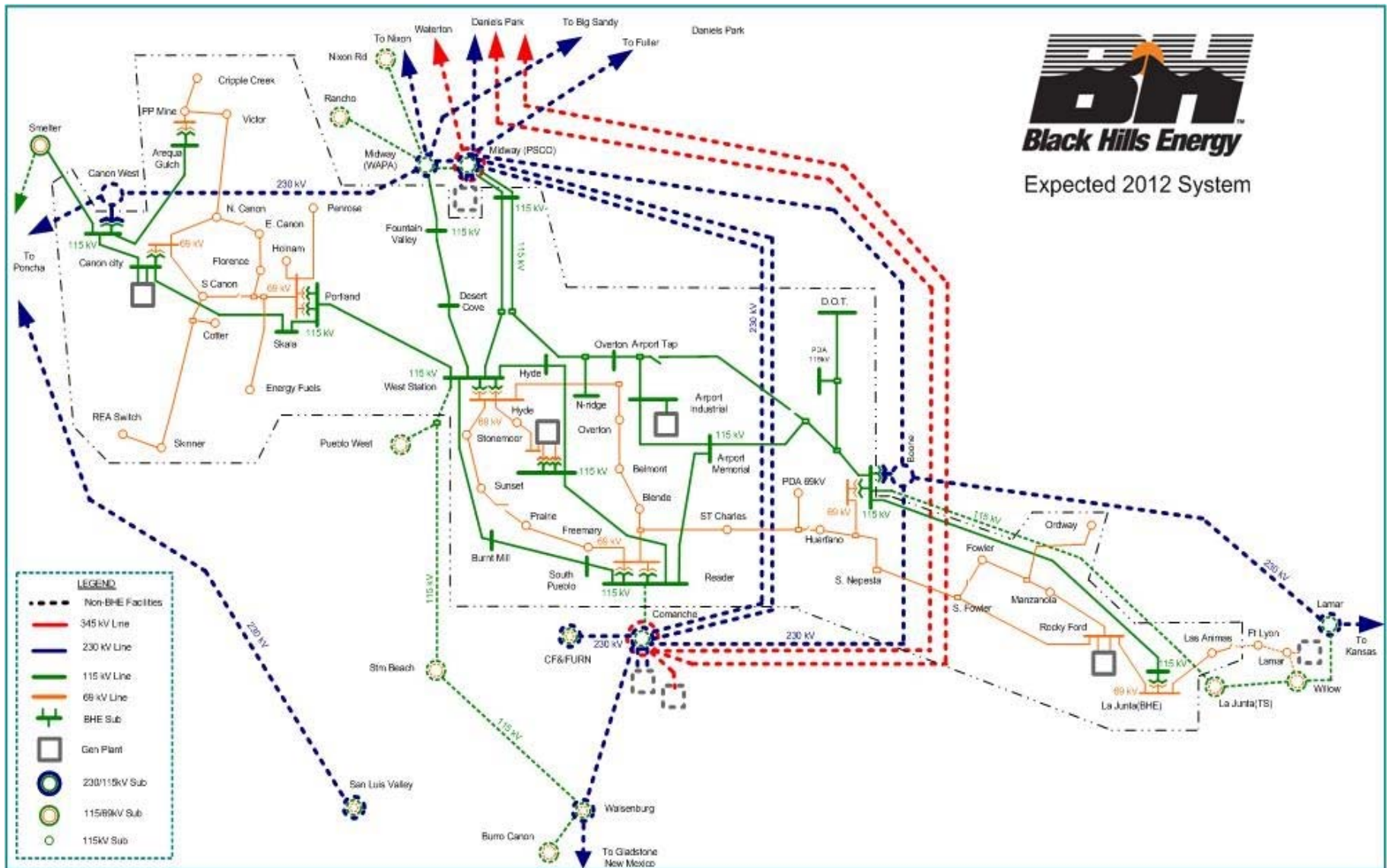
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BHCE Transmission System Map

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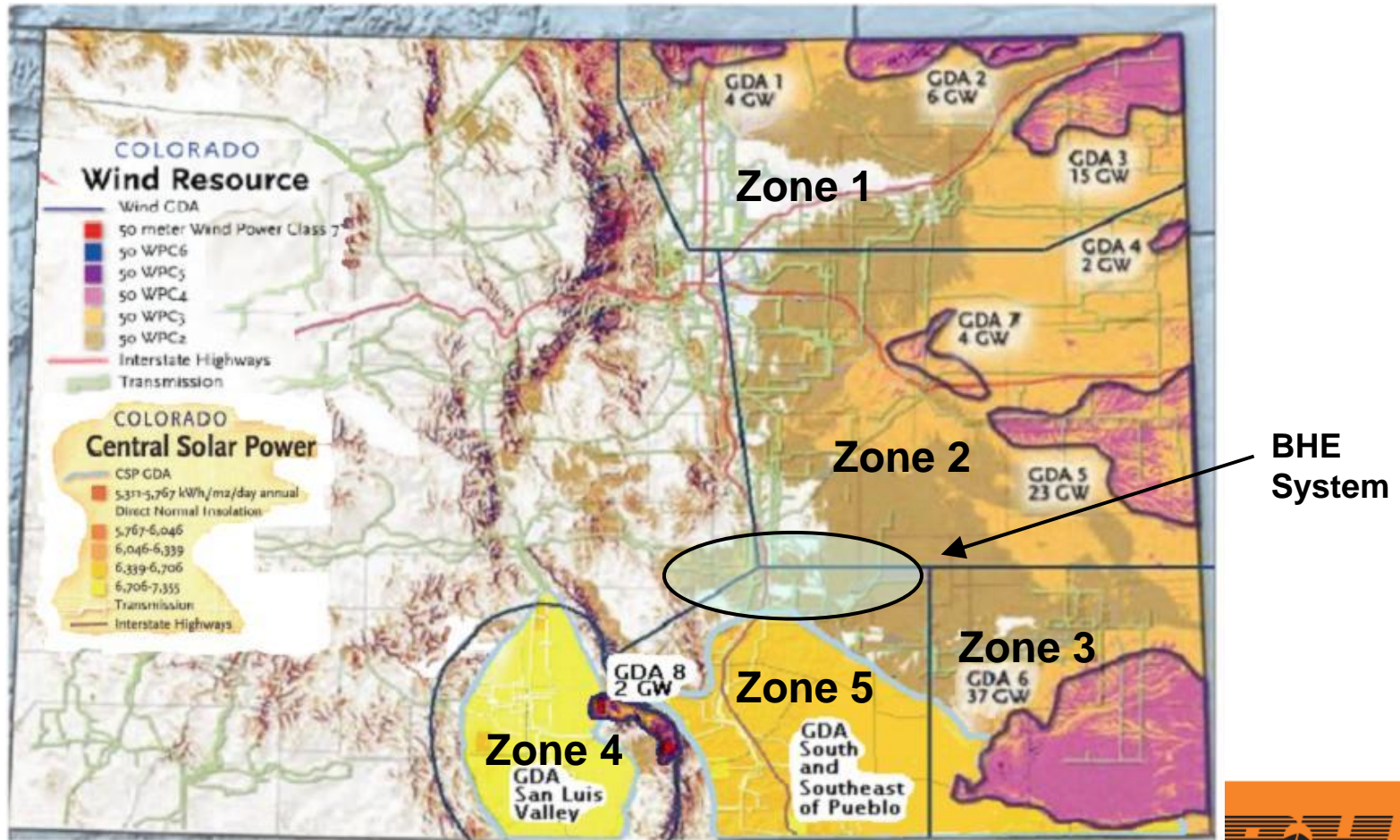
BHCE Transmission System Interconnection Points

Interconnection Name	Interconnecting Utility
Midway (PSCo)	PSCo
Midway (WAPA)	Western, CSU, Tri-State
Boone	PSCo, Tri-State
Reader	PSCo
Cañon West	Western, PSCo
West Station	Tri-State

PSCO SB-100 Informational Filing

- Filed with the Colorado PUC on November 24, 2008
- Designated 5 Energy Resource Zones
- Proposed 6 SB-100 Projects

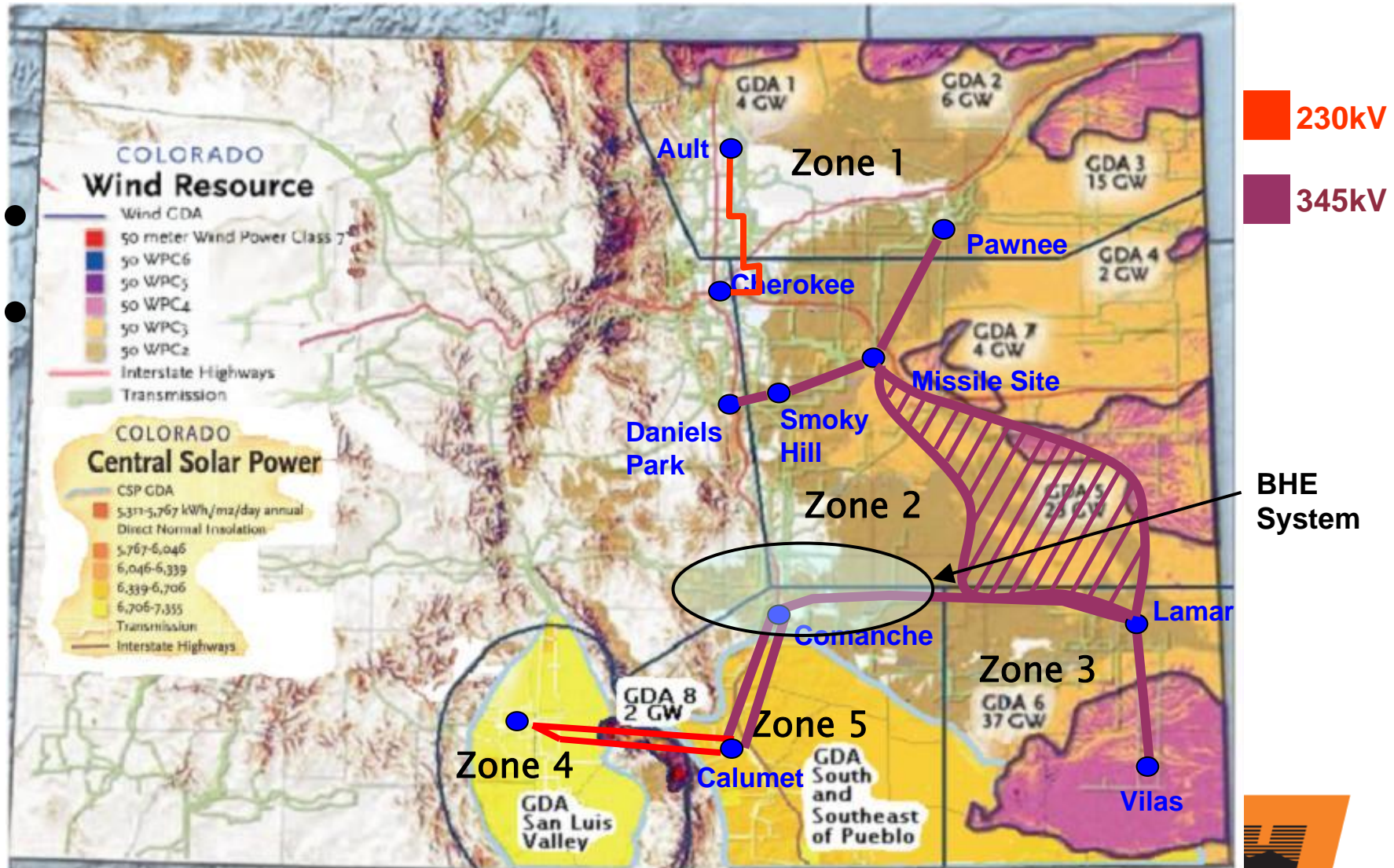
PSCO SB-100 Energy Resource Zones



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PSCO SB-100 Projects



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SB-100 Overview

- On or before October 31 of each odd-numbered year, submit to the Commission:
 - Designated Energy Resource Zones
 - Plans for construction or expansion of transmission facilities
 - Applications for Certificates of Public Convenience and Necessity

BHCE SB-100 Proposed Study

- Focus on delivery of power to load from interconnection points
- Potential injection at Pueblo Chemical Depot

BHCE SB-100 Study Timeline

- April 22, 2009 – Stakeholder Meeting
- May 2009 – Develop base cases and load scenarios
- June/July 2009 – Perform power flow analysis and identify projects
- August 2009 – Results review meeting
- August-October 2009 – Develop CPCN's

Benchmark Load Scenarios

- 2015 Summer Peak
 - Used to identify primary projects
- 2027 Summer Peak
 - Used to identify long range needs
 - Define and plan for potential future upgrade needs

BHCE Energy Resource Zones

- Includes all of the BHCE service territory and transmission footprint
- Specifically evaluate injection at Pueblo Chemical Depot

BHCE Resource Assumptions

- BHCE ERP filed with Commission on August 5, 2008
 - Non-intermittent Resource Solicitation issued on March 25, 2009
 - Responses to the Solicitation are due June 8, 2009
- Location of ERP resources are unknown
- Evaluate 200 MW resource at Pueblo Chemical Depot
- Remaining resources assumed off-system

Study Coordination

- Coordination meetings as required; meeting announcements will be posted and send via email
- Study and project updates to be presented at CCPG meetings.
 - Additional opportunity for stakeholder participation
- Planning an information filing with the Colorado PUC prior to filing of CPCN's
- Developing a SB-100 informational website
 - Will include presentation materials, meeting announcements, etc.
 - Meeting materials currently posted on OASIS
 - <http://www.oatioasis.com/bhct/index.html>

Stakeholder Input

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Thank You for Participating!

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