

**Black Hills Colorado Electric, LLC's Responses To
Arkansas River Power Authority's (ARPA) First Set of Information Requests
Relating to Black Hills Colorado Electric, LLC's (BHC)
2022 Annual True-Up Posting**

ARPA 1-1.

Please identify the nature and amount of any one-time expenditures included in the ATRR that were written-off during 2022.

- a. Please identify the FERC account number(s) where such write-offs were recorded.

Response:

There are no one-time expenditures included in the Actual ATRR that were written-off during 2022.

Prepared under the direct supervision of
Samantha Johnson
Director, Regulatory

Dated: September 22, 2023

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ARPA 1-2.

Identify, describe, and quantify any extraordinary¹ expenses for 2021 that are included in the ATRR.

- a. Please identify the FERC account number(s) where such extraordinary expenses were recorded.

Response:

There are no extraordinary expenses for 2021 that are included in the 2022 True Up Actual ATRR, as it is based on 2022 financial data. There are no extraordinary expenses in the 2022 financial data that was utilized in the 2022 True Up ATRR.

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Director, Regulatory

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¹ As defined in 18 C.F.R. Part 101, General Instruction No. 7.

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ARPA 1-3.

Are there any expenditures relating to major destructive events (i.e., storms, fires, etc.) included in the 2022 data used to calculate the ATRR for Rate Year 2022? If so, please identify and describe each destructive event and provide the following for each destructive event:

- a. The FERC Account(s) and corresponding amounts that were recorded related to restoration costs incurred for repair work.
- b. Any paid and pending insurance claims and the amounts associated with the received or anticipated reimbursements from these claims.
- c. The FERC Account(s) where the reimbursements in 1-3 (b) above have been or will be recorded.
- d. Verify whether TSGT self-insures for property insurance by setting aside reserves.
 - i. If so, please identify the FERC Account where these reserves are held.

Response:

Objection to the extent that the request is vague and ambiguous in its reference to whether TSGT self-insures for property insurance by setting aside reserves.

Subject to the objection, there were no expenditures relating to major destructive events included in the 2022 data used to calculate the Actual ATRR for Rate Year 2022.

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Samantha Johnson
Director, Regulatory

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ARPA 1-4.

Are any costs or expenses included in the ATRR associated with penalties or fines related to NERC Reliability Standards? If so, describe:

- a. the reason for the penalties or fines;
- b. the amounts of the penalties or fines; and
- c. the FERC Accounts to which the penalties or fines were recorded.

Response:

- a. There are no fines or penalties included in the 2022 data used to calculate the 2022 Actual ATRR.
- b. N/A
- c. N/A

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Samantha Johnson
Director, Regulatory

Dated: September 22, 2023

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ARPA 1-5.

Identify and describe all contingent liabilities accrued during 2022 that are included in the ATRR. For each contingent liability, provide:

- a. the balance sheet and income statement accounts used to record the contingent liability; and,
- b. the associated amounts.

Response:

Black Hills Colorado objects to this Data Request as irrelevant and unlikely to lead to relevant information given the pending settlement filed and under Commission review is ER22-2185.

Prepared under the direction and
supervision of counsel
Catherine M. Sabers
Associate General Counsel

Dated: September 22, 2023

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ARPA 2-1.

Slide 7 of the True Up Meeting presentation indicates that while the actual vs. projected ATRR return increased \$648,876 (see line 3), income taxes decreased \$346,886. Intuitively, the expectation would be that return and income taxes would move in the same direction (i.e., if return increased, so would income taxes). Please explain why the actual vs. projected return increased and income taxes decreased.

Response:

The main drivers of the decrease of \$346,886 in income taxes are the Net Excess/Deficient Deferred Income Tax Adjustment of \$322,196, made in the 2022 actual ATRR and the decrease of the state income tax rate from 4.55% (effective rate before 2022) to 4.40% (effective as of 1/1/2022).

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Samantha Johnson
Director, Regulatory

Dated: September 22, 2023

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ARPA 2-2.

At the bottom of Slide 8 of the True Up Meeting presentation is a description of a correction affecting the determination of the monthly peak. The referenced Divisor Load Workpaper tabs Old and New have some differences in values shown for Firm Network Service for Self (Column E) and Firm Network Service for Others (Column F).

- a. Are the differences in values shown in Columns E and F solely related to the correction affecting the determination of the timing of the monthly peak referenced on Slide 8 of the presentation?
- b. If not, please explain the reasons for the differences in such values.

Response:

The differences in load values shown in Column E and F are solely related to the correction affecting the determination of the timing of the monthly peak.

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Samantha Johnson
Director, Regulatory

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ARPA 2-3.

Please provide an updated version of page 401b of the 2022 FERC Form 1 incorporating the corrections affecting the determination of the monthly peak referenced on Slide 8 of the presentation and provide an explanation of any differences between the updated page 401b with the column e values in tab New of the Divisor Load Workpaper.

Response:

Black Hills Colorado objects to providing an updated version of Page 401b of the 2022 FERC Form 1 as does not impact the ATRR calculation and, as such, is irrelevant to the 2022 Annual True-Up.

Black Hills Colorado also objects to providing an updated version of page 400 of the 2022 FERC Form 1, which does contain load information as the request is duplicative because the requested information is already available. The "Divisor Load Workpaper" currently posted on the Black Hills Colorado Electric OASIS page has an "Old" and a "New" tab. The "New" tab shows updated peak loads, which were updated to include consideration of the long-term point-to-point firm usage on the Black Hills Colorado Electric system. When the long-term point-to-point firm usage was included in the calculation of peak load, the peak day and peak hour shifted for all months except April and July.

Prepared under the direct supervision of
Eric East
Manager, Utility Compliance

Dated: September 22, 2023

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ARPA 3-1.

The following discovery seeks information relating to Network Upgrade and Transmission Provider Interconnection Facility (TPIF) costs and payments associated with the 2022 capital additions exceeding \$1 million included in rate base and ATRR calculations.

- a. Please provide the number of capital additions exceeding \$1 million for the actual Rate Year 2022.
- b. For each such capital addition, please provide the following:
 - i. the dollar amount of each capital addition;
 - ii. if applicable, the Network Upgrade costs and payments, if any, associated with the capital addition in the response to subpart (a) above;
 - iii. the TPIF costs and payments associated with the capital addition in the response to subpart (a) above;
 - iv. to the extent source documents are needed, in addition to the information posted on BHC's OASIS, to determine the Network Upgrade and TPIF costs associated with capital additions exceeding \$1 million, please identify and provide each of those documents.

Response:

- a. Black Hills Colorado Electric interprets this DR as inquiring specifically about Network Upgrade or TPIF costs or payments associated with generator interconnections. There were no 2022 capital additions related to generator interconnection Network Upgrades or TPIF in 2022.
- b. N/A. See response to subsection a.

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Samantha Johnson
Director, Regulatory

Dated: September 22, 2023

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ARPA 3-2.

Are any costs relating to the West Station-Desert Cove 115 kV Rebuild Project, described on pages A-16 through A-18 of the 2022 Rule 3206 Report dated April 29, 2022, included in rate base and ATRR calculations? If so, please identify, describe, and quantify the costs that are included.

Response:

The amounts below are costs relating to the West Station-Desert Cove 115 kV Rebuild Project and included in rate base and the 2022 Actual ATRR calculations:

- Account 355 - Electric Transmission - Poles & Fixtures
 - \$2,526,847
- Account 356 - Electric Transmission - Overhead Conductors
 - \$808,085

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Samantha Johnson
Director, Regulatory

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ARPA 4-1.

During calendar year 2022, did the Company have any generation behind the Point of Delivery (POD), but in front of retail customer meters? If so, please provide the following:

- a. The voltage level at which the output of each such generator is measured or reported.
- b. The output of each generator at the time of the monthly system peak.
- c. The applicable line and transformation losses or loss factors between the POD and each such generator.
- d. Please provide the line and transformation loss factors used in BHC's most recent retail class cost of service study.

Response: Yes. As ARPA is aware, the Settlement Agreement in ER22-2185, states that Network Customer Network Load will not account for generation behind a retail meter, however Network Customer Network Load will account for generation in front of a retail meter but behind a transmission customer point of delivery ("Impacted Generation"). In 2022, the only generation included in this category would be community solar gardens. Black Hills Colorado has answered the following questions consistent with the Settlement Agreement in ER22-2185. Please note, the 2022 Annual True-Up completed in June of 2022 did not include Impacted Generation as listed below; instead those will be addressed together with the refunds outlined and, and required by the Settlement Agreement for partial Rate Year 2022

- a. The output of each community solar garden is measured at: 277/480V
- b. See below kW output of each community at the peak:

Date	14-Jan	3-Feb	9-Mar	28-Apr	19-May	29-Jun	18-Jul	5-Aug	8-Sep	3-Oct	30-Nov	22-Dec
HE	18	19	19	21	18	19	17	17	17	18	19	19
HW32015744	0	0	0	0	0	34	94	30	45	6	0	0
EL13067008	0	0	0	1224	218	1096	614	1383	1011	306	0	0
EL17507846	0	0	0	5345	1375	4173	4994	5493	5136	33	0	0
HW22228608	0	0	0	1220	565	307	291	376	1252	237	0	0
HW22228630	0	0	0	3696	2810	252	2608	1156	3211	1875	0	0
HW29860651	0	0	3	5519	2338	1951	2155	1471	2488	731	0	0
HW29860644	0	0	0	5799	1708	5315	5451	6012	5637	120	0	0

- c. As agreed upon in the Settlement Agreement in ER22-2185, Reconstituted Network Load will include transmission losses. The transmission loss rate as found in the Black Hills Colorado Open Access Transmission Tariff of 1.94%.
- d. Objection this question is not relevant given the Settlement Agreement in ER22-2185. Subject to the objection and without waiving the same, please see answer to subsection b for the transmission loss rate.

As to Objections,
Cathy Sabers Associate General Counsel

Prepared under the direct supervision of
Eric East
Manager, Utility Compliance

Dated: September 22, 2023

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ARPA 5-1.

Please provide the source documentation for FRT Act Att-H, Page 3, Line 5b, Column 3, "Plus: PBOP Actual Cash Outlay".

Response:

Production of the source documentation for FRT Act Att-H, Page 3, Line 5b, Column 3, "Plus: PBOP Actual Cash Outlay" would involve the production of confidential and proprietary information and, pursuant to protocols Section VI, Paragraph 4, confidential and proprietary information will only be made available if a confidentiality agreement is executed by Black Hills Colorado and the requesting party.

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ARPA 5-2.

Please provide the source documentation for FRT A1-RevCred, Page 1, Lines 4 and 5, Column A, "Rental Income on Transmission Facilities" and "Rental Income on Other Facilities" respectively.

Response:

Please see ARPA 5-2_Attach A.xlsx attached.

Attachment:

ARPA 5-2_Attach A.xlsx

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ARPA 5-3.

Please provide the source documentation for FRT A2-A&G, Page 1, Lines 4-4b and 20, Column D (Excel), "Les Safety Related Advertising", "Lobbying Expense", "Penalties", and "Account No. 920" respectively.

Response:

There is no source documentation to provide, as these amounts were \$0. There was no safety related advertising coded to Account 930100. Lobbying expenses are accounted for below the line, thus not included in the financials that are inputs to the ATRR. Penalties are recorded below the line, thus not included in the financials that are inputs to the ATRR. There were no PBOP expenses recorded to Account 920.

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ARPA 5-4.

Please provide the source documentation and explain why the following BOY Balance inputs for FRT A3.1-EDIT-DDIT do not match the ending balance of the Prior Year FERC Form 1:

- a. Page 1, Line 201, Column b, "Total Protected Property - EDIT"
- b. Page 1, Line 203, Column b, "Total Protected Property - DDIT-NOL"

Response:

- a. Please refer to ARPA 5-4_Attach A.xlsx attached for the source documentation and the reconciliation of the total EDIT per the 2021 FERC Form 1, Page 278, Line 3 to FRT A3.1-EDIT-DDIT Page 1, Line 201, Column b, "Total Protected Property – EDIT." The two adjustments include a reclassification of the cost of removal DDIT from 182.3 to Page 1, Line 201, Column b, "Total Protected Property - EDIT" and the inadvertent absence of Black Hills Service Company EDIT.
- b. Please refer to ARPA 5-4_Attach A.xlsx attached for the source documentation and the reconciliation of the total DDIT per the 2021 FERC Form 1, Page 232, Line 10 Page 1, Line 203, Column b, "Total Protected Property - DDIT-NOL". The two adjustments include a reclassification of the cost of removal DDIT from 182.3 to Page 1, Line 201, Column b, "Total Protected Property - EDIT" and the removal of State DDIT included in 182.3 that BHC is not recovering from transmission customers.

Attachment:

ARPA 5-4_Attach A.xlsx

Prepared under the direct supervision of
Ken Crouch
Sr. Manager, Tax

Dated: September 22, 2023

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ARPA 5-5.

Please provide the source documentation and explain why the following EOY Balance inputs for FRT A3.1-EDIT-DDIT do not match the ending balance of the Current Year FERC Form 1:

- a. Page 1, Line 201, Column e, "Total Protected Property - EDIT"
- b. Page 1, Line 203, Column e, "Total Protected Property - DDIT-NOL"

Response:

- a. Please refer to the attachment to ARPA 5-4 for the source documentation and the reconciliation of the total EDIT per the 2022 FERC Form 1, Page 278, Line 3 to FRT A3.1-EDIT-DDIT Page 1, Line 201, Column e, "Total Protected Property - EDIT". The two adjustments include a reclassification of the cost of removal DDIT from 182.3 to Page 1, Line 201, Column e, "Total Protected Property - EDIT" and the inadvertent absence of Black Hills Service Company EDIT.
- b. Please refer to the attachment to ARPA 5-4 for the source documentation and the reconciliation of the total DDIT per the 2022 FERC Form 1, Page 232, Line 10 Page 1, Line 203, Column e, "Total Protected Property - DDIT-NOL". The two adjustments include a reclassification of the cost of removal DDIT from 182.3 to Page 1, Line 201, Column b, "Total Protected Property - EDIT" and the removal of State DDIT included in 182.3 that BHC is not recovering from transmission customers.

Prepared under the direct supervision of
Ken Crouch
Sr. Manager, Tax

Dated: September 22, 2023

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ARPA 5-6.

Please provide the source documentation for the following FRT A3.1-EDIT-DDIT inputs:

- a. Page 1, Line 300, Column b
- b. Page 1, Line 300, Column e
- c. Page 1, Line 301, Column b
- d. Page 1, Line 301, Column e

Response:

Please find attached ARPA 5-6_Attach A.xlsx for details of the inputs for FRT A3.1-EDIT-DDIT Lines 300 and 301. Lines 300 and 301, columns b and e, are the ADIT associated with the EDIT and DDIT. The amortization of the deferred tax asset on Line 300 and the deferred tax liability on Line 301 are the tax effect of the amortization of the EDIT on Line 201 and the DDIT on Line 203. The computation is shown in ARPA 5-6_Attach A.xlsx on tab A3.1-EDIT-DDIT. The source documents for the EDIT/DDIT amortization are from PowerTax Report 260s and are also included in the file.

Attachment:

ARPA 5-6_Attach A.xlsx

Prepared under the direct supervision of
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Sr. Manager, Tax

Dated: September 22, 2023

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ARPA 5-7.

Please provide the source documentation for the following FRT A3.2-EDIT-DDIT.dtl inputs:

- a. Page 1, Line 2-4, Column 3 and 4
- b. Page 1, Line 101-108, Column 3 and 4
- c. Page 1, Line 301-315, Column 3 and 4

Response:

Please refer to ARPA 5-6_Attach A.xlsx for details of the inputs for FRT A3.2-EDIT-DDIT.dtl.

ARPA 5-6_Attach A.xlsx, tab "BHCOE TCJA 12.31.18" is a PowerProvision report which shows the gross timing differences and ADIT before the Tax Cuts and Jobs Act federal income tax rate change. The tab "Property Excess Deferreds TBBS" is the PowerTax report which shows the property-related gross timing differences.

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Sr. Manager, Tax

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ARPA 5-8.

Provide provided the source documentation and explain why the following FRT A4-Rate Base inputs do not match the FERC Form 1 if you include the ARO:

- a. Page 1, Line 1, Column b
- b. Page 1, Line 1, Column e
- c. Page 1, Line 13, Column d
- d. Page 1, Line 15, Column d
- e. Page 1, Line 15, Column e
- f. Page 1, Line 15, Column f
- g. Page 1, Line 15, Column g
- h. Page 2, Line 1, Column h
- i. Page 2, Line 13, Column h
- j. Page 3, Line 1, Column b
- k. Page 3, Line 1, Column d

Response:

The source documentation for each of the above requested inputs can be found in ARPA 5-8_Attach A.xlsx. The original data point for the references above can be found by tracing each respective cell referenced to the source within the attachment.

Please see the table below for the explanation of variances as well as ARPA 5-8_Attach A.xlsx attached.

Reference	Amount in Template	Amount in FF1	Variance	Less ARO	Less Right of Use Operating Lease	Variance	Explanation of Variance
a. Page 1, Line 1, Column b	424,419,333	429,646,343	(5,227,010)	-	-	(5,227,010)	Variance due to Pending Retirements not being accounted for in the FF1
b. Page 1, Line 1, Column e	39,146,482	47,583,985	(8,437,503)	7,196,224	1,241,279	0.16	Variance due to rounding differences
c. Page 1, Line 13, Column d	410,978,289	410,978,288	1	-	-	1.37	Variance due to rounding differences
d. Page 1, Line 15, Column d	113,164,497	113,481,416	(316,919)	2,197,786	-	1,880,867	Due to the nature of how the ARO was allocated in the FF1, there is a variance in each category. However the net of these variances is \$0.
e. Page 1, Line 15, Column e	46,193,935	46,318,516	(124,581)	-	-	(124,581)	
f. Page 1, Line 15, Column f	152,179,530	152,587,038	(407,508)	-	-	(407,508)	
g. Page 1, Line 15, Column g	19,353,546	21,094,951	(1,741,405)	-	392,627	(1,348,778)	
h. Page 2, Line 1, Column h	1,130,673	1,130,672	1	-	-	1.00	Variance due to rounding differences
i. Page 2, Line 13, Column h	1,578,989	1,578,989	-	-	-	-	No Variance
j. Page 3, Line 1, Column b	24,501	6,067	18,434	-	-	18,433.84	To stay consistent, the decision was made to use the allocation percentages used in the 2022 FF1 for all 13 months. This caused a variance in the December 2021 balance.
k. Page 3, Line 1, Column d	4,530,716	4,426,394	104,322	-	-	104,322.04	

Attachment:

ARPA 5-8_Attach A.xlsx

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Director, Regulatory

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ARPA 5-9.

Please provide the source documentation for the following FRT A4-Rate Base inputs:

- a. Page 1, Line 2-12, Column b-f
- b. Page 1, Line 16-26, Column d-h
- c. Page 1, Line 29-41, Column b-h
- d. Page 2, Line 2-12, Column h
- e. Page 3, Line 2-12, Column b-d

Response:

The source documentation can be found in ARPA 5-8_Attach A.xlsx for each of the above requested inputs. The original data point for the references above can be found by tracing each respective cell referenced to the source within the attachment.

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Samantha Johnson
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ARPA 5-10.

Provide provided the source documentation and explain why the following FRT A4-Rate Base inputs do not match the FERC Form 1 if you include the ARO:

- a. Page 1, Line 2-12, Column b-f
- b. Page 1, Line 16-26, Column d-h
- c. Page 1, Line 29-41, Column b-h
- d. Page 2, Line 2-12, Column h
- e. Page 3, Line 2-12, Column b-d

Response:

Worksheet A4 provides greater transparency than what is available in the FF1 and is necessary to show the average of the 13-month balances.

- a. Page 1, Line 2-12, Column b-f
 - Please see Attachment ARPA 5-8_Attach A.xlsx for source documentation.
 - These amounts will not tie to the FERC Form 1 as only the December ending balance is reported in the FERC Form 1.
- b. Page 1, Line 16-26, Column d-h
 - Please see Attachment ARPA 5-8_Attach A.xlsx for source documentation.
 - These amounts will not tie to the FERC Form 1 as only the December ending balance is reported in the FERC Form 1.
- c. Page 1, Line 29-41, Column b-h
 - Please see Attachment ARPA 5-8_Attach A.xlsx for source documentation.
 - These amounts will not tie to the FERC Form 1 as only the December ending balance is reported in the FERC Form 1.
- d. Page 2, Line 2-12, Column h
 - Please see Attachment ARPA 5-8_Attach A.xlsx for source documentation.
 - These amounts will not tie to the FERC Form 1 as only the December ending balance is reported in the FERC Form 1.
- e. Page 3, Line 2-12, Column b-d
 - Please see Attachment ARPA 5-8_Attach A.xlsx for source documentation.
 - These amounts will not tie to the FERC Form 1 as only the December ending balance is reported in the FERC Form 1.

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ARPA 5-11.

Please provide the source documentation and explain the prescribed amortization method to reduce the current year for the following inputs:

- a. A3.1-EDIT-DDIT, Page 1, Line 201, Column c
- b. A3.1-EDIT-DDIT, Page 1, Line 203, Column c
- c. A3.1-EDIT-DDIT, Page 1, Line 300, Column c
- d. A3.1-EDIT-DDIT, Page 1, Line 301, Column c

Response:

Please refer to the attachment within ARPA 5-6 for the source documentation for FRT A3.1-EDIT-DDIT Lines 201 and 203. The prescribed amortization method is the average rate assumption method ("ARAM") as calculated by PowerTax. Within the attachment provided in ARPA 5-6, the tab "2022 ARAM and 2021 Tru Up" Excel row 14 summarizes the 2022 Protected-Property EDIT amortization and true up of the 2021 Protected-Property EDIT amortization for the filing of the 2021 income tax return in 2022. These amounts are linked to the PowerTax Report 260s also contained in the attachment to ARPA 5-6. Finally, the amortization of the Protected Property DDIT-NOL on row 203 is show on tab "2022 ARAM and 2021 Tru Up" of the Attachment to ARPA 5-6. The amortization of the DDIT-NOL occurs proportionally to the Protected-Property EDIT amortization.

As described in ARPA 5-6 the amortization of the ADIT on Lines 300 and 301 is the tax effect of the amortization of Lines 201 and 203.

Prepared under the direct supervision of
Ken Crouch
Sr. Manager, Tax

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ARPA 5-12.

Please provide the source documentation and explain the impact of tax rate changes enacted during the period for the following inputs:

- a. A3.1-EDIT-DDIT, Page 1, Line 201, Column d
- b. A3.1-EDIT-DDIT, Page 1, Line 203, Column d
- c. A3.1-EDIT-DDIT, Page 1, Line 300, Column d
- d. A3.1-EDIT-DDIT, Page 1, Line 301, Column d

Response:

The reduction in the Colorado income tax rate from 4.50% to 4.40% (effective 1/1/2022) reduces the ADIT on Lines 300 and 301 as shown on the attachment to ARPA 5-6.

The rate reduction is acting to reduce a historical state income DDIT for a prior state rate increase which state income DDIT is excluded from recovery from wholesale customers. This historical state DDIT is shown on tab "182392 12.31.22" of the attachment to ARPA 5-6 and is in the amount of \$7.7 million.

Prepared under the direct supervision of
Ken Crouch
Sr. Manager, Tax

Dated: September 22, 2023

**Black Hills Colorado Electric, LLC's Responses To
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ARPA 6-1.

Note B in FRT A8-Prepmts, Page 1 states "The total of the 13 month average of the individual items will match the 13 month average calculated on A4-Rate Base, page 2 line 14 column (h). The variance between A8 and A4 will be \$0."

- a. Please explain why the variance (Page 1, Line 11, Column c) is \$2 and not \$0.
- b. The supporting workpaper "A8-Prepmts.xlsx" shows a variance of \$0.91. Please explain this discrepancy.
- c. Please explain how this supporting workpaper is intended to be used in the future. (i.e. Are only the inputs (Lines 1-8) to be used? If there will be variances in the future that are not equal to zero, what is the criteria for allowance?)

Response:

- a. The variance of \$2 is due to rounding differences. The amount on Page 1, Line 9, Column c is come from the People Soft General Ledger that include 2 decimal points, whereas the amount on Page 1, Line 10, Column c come from the FERC Form 1 as well as the Company's financial Hyperion reporting system, which are rounded to the nearest dollar.
- b. The discrepancy of \$0.91 is due to rounding differences. The amount on Page 1, Line 9, Column c come from the People Soft General Ledger that include 2 decimal points, whereas the amount on Page 1, Line 10, Column c come from the FERC Form 1 as well as the Company's financial Hyperion reporting system, which are rounded to the nearest dollar.
- c. The intent of the supporting workpaper is to show additional detail for the prepaid balances shown on A4. Black Hills Colorado's intent is that the future variances are \$0, as stated in the template.

Prepared under the direct supervision of
Samantha Johnson
Director, Regulatory

Dated: September 22, 2023

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ARPA 6-2.

In FRT A8-Prepmts, Page 1, Line 10, Column (c), "Total from A4-Rate Base" has an input value of \$1,178,004.08. In supporting workpaper "A8-Prepmts.xlsx", Page 1, Line 10, Column (c), "Total from A4-Rate Base" has an input value of \$1,178,002.54.

- a. Please explain why there is a discrepancy between the FRT and supporting workpaper.

Response:

The discrepancy between the amount in FRT A8-Prepmts, Page 1, Line 10, Column (c), "Total from A4-Rate Base" and the amount in A8-Prepmts.xlsx", Page 1, Line 10, Column (c), "Total from A4-Rate Base" is due to rounding differences. The amounts shown in supporting workpaper "A8-Prepmts.xlsx" come from the People Soft General ledger and show the balances down to the penny. The balances shown on A4 are run from the Company's financial Hyperion reporting system and round the amounts to the nearest dollar.

Prepared under the direct supervision of
Samantha Johnson
Director, Regulatory

Dated: September 22, 2023

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ARPA 6-3.

In FRT TU-TrueUp, Page 1, Line 13, Excel Column H, "Actual Revenue Requirements from Step 7" has an input value of \$26,570,742 (rather than linked to the value in Act-H as provided in the FRT). In Act Att-H, Page 1, Line 7, Excel Column I, "NET REVENUE REQUIREMENT" is determined to be \$26,741,397. Please explain why the "Actual Revenue Requirements from Step 7" in the TU-TrueUp worksheet does not match the "NET REVENUE REQUIREMENT" in the Act Att-H worksheet.

Response:

The input value of \$26,570,742 was not updated, in error, to the final "NET REVENUE REQUIREMENT" amount after final amounts were input in the template. Black Hills Colorado would propose to address this error as part of the refunds anticipated in the settlement of Docket No. ER22-2185. This input has been corrected in the 2022 populated True-Up model filed with the settlement in Docket No. ER22-2185.

Prepared under the direct supervision of
Samantha Johnson
Director, Regulatory

Dated: September 22, 2023