

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION) OF BLACK HILLS POWER, INC. FOR) APPROVAL OF ITS ENVIRONMENTAL) IMPROVEMENT ADJUSTMENT))))	ORDER ASSESSING FILING) FEE; ORDER APPROVING) ENVIRONMENTAL) IMPROVEMENT ADJUSTMENT) EL13-009
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On April 30, 2013, the South Dakota Public Utilities Commission (Commission) received an Application for Environmental Improvement Adjustment (Application) from Black Hills Power, Inc. (BHP or Company). The Application provides the third year revenue requirement and customer rates for the environmental improvements made to the Wyodak Power Plant approved in EL11-001, along with the annual true-up. The Application requests approval of its revised Environmental Improvement Adjustment (EIA) rate and proposed tariffs with a June 1, 2013, effective date.

The revised tariff sheets are as follows:

SOUTH DAKOTA ELECTRIC RATE BOOK
Section No. 3C

Ninth Revised Sheet No. 11
Second Revised Sheet No. 20

Cancels Eighth Revised Sheet No. 11
Cancels First Revised Sheet No. 20

On May 2, 2013, the Commission electronically transmitted notice of the filing and the intervention deadline of May 17, 2013, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions for intervention were filed. On May 14, 2013, Commission Staff filed a Memorandum recommending approval of the 2013 EIA and the associated tariff sheet as filed on April 30, 2013.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26, 49-1A, and 49-34A, particularly SDCL 49-34A-97 through 49-34A-100.

At its regularly scheduled meeting on May 21, 2013, the Commission considered this matter. Commission Staff recommended that pursuant to SDCL 49-1A-8, the Commission assess a filing fee of up to \$50,000 to account for actual expenses incurred in review of this filing commencing from the filing date. Commission Staff further recommended that the Commission approve the 2013 EIA and the associated tariff sheet, with the condition that the return on equity (ROE) be revised next year during the true-up of the third year revenue requirement to reflect the ROE determined as a result of either a settlement or Commission decision in Docket EL12-061. Commission Staff also recommended that the Commission approve the revised Cost Adjustment Summary tariff sheet the Company will submit as a compliance filing to reflect the approved EIA rates as well as the electric cost adjustment rates effective June 1, 2013.

The Commission voted unanimously that pursuant to SDCL 49-1A-8, BHP shall be assessed a filing fee up to the statutory limit of \$50,000. The Commission found and concluded

that the exhibits and tariff sheets meet the standards for approval set forth in SDCL 49-34A-98 and voted unanimously to approve the 2013 EIA. The Commission further found that the ROE applied to the third year revenue requirement be revised at the time of the Company's next annual true-up filing to reflect the ROE determined as a result of either a settlement or Commission decision in Docket EL12-061. It is therefore

ORDERED, that BHP shall be assessed a filing fee not to exceed \$50,000. It is further

ORDERED, that BHP's 2013 EIA, including the above referenced tariff sheets, is hereby approved, effective on and after June 1, 2013. It is further

ORDERED, that the ROE applied to the third year revenue requirement be revised at the time of the Company's next annual true-up filing to reflect the ROE determined as a result of either a settlement or Commission decision in Docket EL12-061.

Dated at Pierre, South Dakota, this 28th day of May, 2013.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.
By: <u>Time Darger</u>
Date: <u>5-28-13</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Gary Hanson
GARY HANSON, Chairman

Chris Nelson
CHRIS NELSON, Commissioner

Kristie Fiegen
KRISTIE FIEGEN, Commissioner