

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

<b>IN THE MATTER OF THE APPLICATION ) OF BLACK HILLS POWER, INC. FOR ) APPROVAL OF ITS ENVIRONMENTAL ) IMPROVEMENT ADJUSTMENT ) ) )</b>	<b>ORDER ASSESSING FILING ) FEE; ORDER APPROVING ) ENVIRONMENTAL ) IMPROVEMENT ADJUSTMENT )  EL14-037</b>
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On April 30, 2014, the South Dakota Public Utilities Commission (Commission) received an Application from Black Hills Power, Inc. (BHP) for Commission approval of its revised Environmental Improvement Adjustment (EIA). BHP requests approval of the annual true-up for the third effective year of the existing EIA. BHP proposes a June 1, 2014, effective date to set the rates for all customer classes to \$0.00, since the cost recovery for the Wyodak environmental improvement investments were shifted from the EIA to base rates in Docket EL12-061. The Company also requests permission to credit/charge the remaining EIA balancing account amounts through the Transmission Facilities Adjustment (TFA).

On May 1, 2014, the Commission electronically transmitted notice of the filing and the intervention deadline of May 12, 2014, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions for intervention or comments were filed. On May 7, 2014, the Commission's staff (Staff) filed a Memorandum and revised EIA calculations.

The revised tariff sheet effective for service rendered on and after June 1, 2014, is as follows:

**SOUTH DAKOTA ELECTRIC RATE BOOK**

Section No. 3C

Third Revised Sheet No. 20

Cancels Second Revised Sheet No. 20

BHP will submit a revised Cost Adjustment Summary tariff sheet, Section No. 3C Sheet 11, reflecting the approved EIA rates, TFA rates, and electric cost adjustment rates effective June 1, 2014, in a compliance filing in Docket EL14-013.

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

At its regularly scheduled meeting on May 13, 2014, the Commission considered this matter. 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. Staff further recommended that the Commission approve the 2014 EIA with the revised calculations attached to its Memorandum and stated that BHP's proposal to credit/charge the remaining balancing account amounts through the TFA would achieve the refund to customers in the most rapid and efficient manner and would be a just and reasonable method of effectuating the refund.

Finding that the revised exhibits attached to the Commission Staff's Memorandum and proposed tariff sheet meet the standards for approval set forth in SDCL 49-34A-98 and that crediting/charging the remaining EIA balancing account amounts through the TFA would be the most rapid and efficient means of achieving refunds to customers, a majority of the Commission, with Commissioner Fiegen dissenting, voted to assess BHP a filing fee under SDCL 49-1A-8 for actual expenses incurred up to the statutory limit of \$50,000, to approve the 2014 EIA with the revised calculations set forth in Staff's Memorandum, including the associated tariff sheet and revised rates, and to approve BHP's request to credit/charge the remaining EIA balancing account amounts through the TFA. It is therefore

ORDERED, that BHP shall be assessed a filing fee for actual expenses incurred by the Commission not to exceed \$50,000. It is further

ORDERED, that BHP's 2014 EIA, including the above referenced tariff sheet, is hereby approved with the revised calculations set forth in Staff's Memorandum, effective June 1, 2014. It is further

ORDERED, that BHP's request to credit/charge the remaining EIA balancing account amounts through the TFA is approved.

Dated at Pierre, South Dakota, this 16<sup>th</sup> day of May, 2014.

<b>CERTIFICATE OF SERVICE</b>
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>[Signature]</u>
Date: <u>5/16.14</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

[Signature]  
GARY HANSON, Chairman

[Signature]  
CHRIS NELSON, Commissioner

KRISTIE FIEGEN, Commissioner  
(dissenting)