

Francie,

Thanks for your comments. You raise some interesting issues and we will look into them. For instance, I can assure you that costs associated with any losses from Black Hills FiberCom will not be passed on to you.

Thanks for taking the time to write.

Dusty

-----Original Message-----

**From:** Francie Ruebel-Alberts

**Sent:** Tuesday, April 06, 2010 10:34 PM

**To:** Johnson, Dustin (PUC)

**Subject:** BLPL rate increase

Mr. Johnson;

I met you at the Dine Out event in Pierre Feb 11. You provided your card to me.

I have followed the BHPL debate regarding the requested rate increase along with their advertising and reasoning. BHPL argues that they have had a 40% increase in service with not an increase in revenue. For that reason they are requesting a rate increase of 26%. The 20% rate increase given to them as a temporary increase seems to be closer to 24 to 26%.

I have kept my household records for many years including the amount of electricity used each month and the amount paid each month. We have lived in this home since 1987. Our home was built in 1907. It is a two story structure of about 750 sq ft on one floor. We have hot water heat, do not have central air so use window air conditioners, have a gas stove and water heater. We have replaced all the windows in the house, replaced the siding and doors. The attic has some insulation but needs more. There are two adults in the house. Since 2009 both of us are retired.

Attached is a spread sheet showing the average amount of electrical use each year since 1994 as well as the average cost each year since 1994. The average use for that 16 year period is \$917.56. The average cost for the same period is \$82.89. I have also figured the percentage of increase for use and price. The change in use during the 16 year period is .004, the change in the price in the same period is .02.

I believe that BHPL's usage has gone up 40% but not by the average user. The usage has gone up due to the increased number of structures that are being provided electricity by BHPL. Since the number of businesses and homes have increased since 1995, the usage has increased BUT so has BHPL's income. If that is true, the rate increase should certainly not be 26 to 30% as they have been paid by all the new customers.

I do not begrudge the company a rate increase but I do object to an increase supporting their increased service to new structures. As a monopoly that is the breaks of the game - the company has to provide service to the new buildings.

The increase should be less or there should be competition for electrical services in the area.

One other thought - how much of the loss of revenue for BHPL stems from their loss of income due to the sale of their phone company? The cost for construction was huge and the sale price was around 30% of that construction cost.

Thank you for your time.

Francie Ruebel-Alberts  
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