



October 15, 2009

Public Utilities Commission
Capitol Building, 1st floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

RECEIVED
OCT 19 2009
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: Black Hills Power Proposed Rate Increase

Dear Commission Members:

I am writing in opposition to Black Hills Power's requested utility rate increase filed September 29, 2009. In my opinion, the rate increase Black Hills Power (hereinafter "BHP") has proposed is excessive. The fact that such an excessive increase was even sought by BHP is hard for me to comprehend given the current economic environment and financial situation faced by the consumers served by this utility.

I believe the rate increase would place a significant hardship not only on my business and other businesses in my area, but on my employees and their households. For instance, according to BHP's own estimates, the proposed rates would increase my average employee's personal power bill \$215.88 per year. In the current economy when businesses are fighting to spend every penny wisely and employees are living on flat or reduced incomes, this proposed rate increase is out of line.

The reasons given by BHP for the increase are questionable. For instance, BHP states that 41.7% of the proposed increase would be for a "return of equity to shareholders." This is hardly the time for shareholders to reap returns. A large portion of the remaining 58.3% of the increase would be a "recovery of costs" of the Wygen III coal-fired power plant. While I realize that there are significant differences between public utility companies and private businesses, I can imagine the reaction my customers would have if I told them I wanted to raise prices 15.5% to "recover the costs" of a new facility I had built.

If the rate increase is approved as proposed, according to their own literature, BHP's average retail price of electricity would exceed the current average rates of Nebraska, North Dakota, Montana, Wyoming, Idaho, Utah, Colorado, Kansas, Arizona, New Mexico, Kansas, Oklahoma, Missouri, Arkansas, Louisiana, Iowa, and Minnesota. Only Texas would have a higher average rate among the middle America states listed.

I ask that you would not only reject BHP's proposed rate increase, but that you would also, in no uncertain terms, make clear to BHP the realities of the current economic climate that their customers are operating within.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sam Fischer', with a stylized flourish extending to the right.

Sam Fischer
Vice President