



622 Crook Street
Custer, SD 57730

Office of Mayor
Harold D. Stickney

Phone: (605) 673-4824
Fax: (605) 673-2411

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Public Utilities Commission
500 East Capitol Ave
Pierre, SD 57501-5070

DEC 11 2009

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

To Whom It May Concern;

Black Hills Power has been providing power to the citizens of Custer City and the City for many years. We have been well satisfied with the service they have provided and that is why when they requested a rate increase two or three years ago we had no objection to their request.

As you know there are many retired people living in Custer whose only income is their Social Security checks, so this 26.6% increase they have requested would impact these people especially hard, this along with the increase in prices of goods and services that we are all experiencing.

The City budgets for all their income and expenses for the coming year and this has must be approved by the second meeting in September. Their rate increase request came after our budget had been approved so there is only one way we can respond to their increase and that is by a supplement to the budget. Since the City is a large consumer of the power they provide, a 26.6% increase would place a burden on the City.

We had Mr. Mutch Usera explain the rate increase request to the City Council, so we think we understand the reasons for their rate increase request, however, the City Council voted unanimously to object to a rate increase of this magnitude and instructed me to write this letter stating our objection. They are possibly entitled to a rate increase but not one this large.

Sincerely,

Harold D. Stickney
Mayor, Custer City