

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT	Section No.	3C
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FUEL AND PURCHASED POWER ADJUSTMENT

APPLICABLE

This Fuel and Purchased Power Adjustment (FPPA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission).

The FPPA shall be calculated annually based on actual system costs for Fuel and Purchased Power (FPP) for the twelve months of April through March as compared to the base year FPP costs, and shall include an over-or-under recovery from prior years adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make a FPPA filing with the Commission on an annual basis no later than May 10th.

<u>FUEL AND PURCHASED POWER ADJUSTMENT CALCULATION</u>		For the Twelve months ended March 31, 2011	
1.	Annual System FPP Costs	\$ <u>26,721,001</u>	(l)
2.	Annual System Energy Sales	<u>2,048,049,248</u> kWh	
3.	FPP Cost / kWh (Line 1 + Line 2)	\$ <u>0.0130</u> /kWh	
4.	Approved Base FPP Costs	\$ 0.0146 /kWh	
5.	FPP Cost / kWh Difference (line 3 - Line 4)	\$ <u>(0.0016)</u> /kWh	(l)
6.	Total FPP Change from Base (Line 2 x Line 5)	\$ <u>(3,276,879)</u>	
7.	South Dakota Annual Retail Energy Sales	\$ <u>1,460,761,897</u>	
8.	Total SD (Refund)/Charge (Line 5 x Line 7)	\$ <u>(2,337,219)</u>	
9.	SD Balancing Account (+/-)	\$ <u>(44,200)</u>	
10.	SD Surplus Energy Phase-out	\$ <u>0</u>	
11.	Net SD Amount to (Refund)/Charge (Line 8 + Line 9 + Line 10)	\$ <u>(2,381,419)</u>	
12.	Projected South Dakota Retail Energy Sales	<u>1,452,797,877</u> kWh	
13.	SD FPPA (Line 11 + Line 12)	\$ <u>(0.0016)</u> /kWh	

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By: Chris Kilpatrick
Director of Rates

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