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AUG 15 2012

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

This **AGREEMENT**, is made and entered into by West River Electric Association, Inc., of 1200 W. 4<sup>th</sup> Ave. PO Box 412, Wall, SD 57790, hereinafter referred to as **West River**, and Black Hills Electric Cooperative, Inc., of PO Box 792, Custer, SD, 57730, hereinafter referred to as **Black Hills**; jointly referred to as the Parties.

The Parties hereto agree to be bound by all terms, conditions, promises, and obligations herein, and state as follows:

1. The Parties to this Agreement are electric utilities as defined by South Dakota statute and are actively engaged in furnishing electric services within the state.

2. Pursuant to state law, the South Dakota Public Utilities Commission (SD PUC) has established the assigned service territories of each electric utility operating within the state. According to SDCL 49-34A-44, the SD PUC prepared, or caused to be prepared, maps showing the boundaries of the assigned service territories for each electric utility. Any changes to the assigned service territories of any electric utility are subject to the approval of the SD PUC according to SDCL 49-34A-55.

3. The purpose of this Agreement is to verify and update all existing service territory mapping data for use in a Geographic Information System (GIS) database. To properly verify service territory, all mapping data, including; initial territorial agreements, maps, and all territory change agreements, have been compiled and reviewed for accuracy. A legal description was formulated by the SD PUC staff and sent to the Parties for review and approval.

4. The mapping data contained in the legal description (Exhibit A) and the corresponding map/s (Exhibit B), attached to this Agreement and incorporated here by reference, reflect the electric service territory currently served by the Parties.

5. During the review process, the Parties identified specific portions of the SD PUC official mapping data that do not accurately reflect territory served by the Parties. In order to remedy these inaccuracies and reflect the true territory divisions, the Parties agree the service territory boundary beginning in Section 19, Township 2 South, Range 11 East, Pennington County, South Dakota, as indicated on Exhibit B, pages 4-6

of this Agreement, follows east along the Pennington County and Custer County border, and extends along this path to a point 1,880 feet north of the southwest corner Section 22, Township 2 South, Range 12 East, Pennington County, South Dakota. This territory designation shall substitute the territory division indicated on the current SD PUC map showing the territory division running east along section lines directly south of the county line.

6. Under this Agreement, any changes made to mapping data are to be deemed intentional and a result of the review and exchange of information between the SD PUC staff and the Parties hereto. If approved by the SD PUC, the revised mapping data shall hereafter constitute the controlling service territory designations of the Parties.

7. Unless agreed to by the Parties and approved by the SD PUC, no changes or updates of mapping data under this Agreement shall change the service provider for any South Dakota consumer. The changes affected through this Agreement are made only to ensure mapping data conforms to service territory as it is currently served.

8. The Parties agree to the continued existence and validity of all service territory exceptions established through; the provision of retail electric service to a customer location in existence prior to March 31, 1975, exception agreements entered by the Parties prior to July 1, 1976, Commission approved territory exception agreements entered by the Parties, and all additional territory exceptions established in accordance with state law. See, SDCL 49-34A-42 *et seq.*

9. Notwithstanding Clause 8 of this Agreement, during the review process, the Parties discovered additional territory deviations, which have not been approved by the Commission or otherwise established as official territory exceptions through state statute. In the interest of efficiency and system economy, the Parties agree it is best to maintain the current status of electric service provider to these customer locations. The Parties ask for Commission approval of the customer locations listed in Exhibit B as territory exceptions pursuant to SDCL 49-34A-42. Further, the Parties agree these territory exceptions will be limited to such a time when the rightful holder of electric service territory rights extends facilities allowing such Party to assume service obligations to said location/s. At such time, the rightful holder of service rights shall purchase any existing facilities at their depreciated value with no exchange or credit for energy purchased.

10. This Agreement shall be binding upon the Parties and their successors, assigns, agents and representatives.

11. Approval of this Agreement by the SD PUC shall not in any way constitute a determination by the SD PUC as to the merits of any allegations or contentions that may arise as a result of this Agreement, and shall not foreclose the SD PUC from the review of any allegations or contentions that may arise hereafter.

12. This Amendment shall not foreclose the ability of the Parties to modify the service territory as established in this Agreement through the processes provided under the laws of the State of South Dakota.

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**West River Electric Association, Inc.**

By: Richard Johnson

Title: CEO / General Manager

Date: 8-13-2012

**Black Hills Electric Cooperative, Inc.**

By: Daniel E. Hull

Title: General Manager / Executive V.P.

Date: 8/10/2012

ACKNOWLEDGMENT OF CORPORATION

STATE OF South Dakota )  
 )SS  
COUNTY OF Bonnington )

On this 13 day of August, 2012, before me, Betty Haerer,  
the undersigned officer, Richard Johnson personally appeared,  
who acknowledged himself/herself to be the CEO / General Manager  
of **West River Electric Association, Inc.**, and that s/he, being authorized to do so,  
executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.



Betty Haerer  
Notary Public

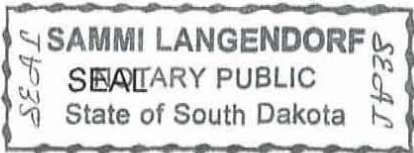
My Commission Expires:  
11-15-14

ACKNOWLEDGMENT OF CORPORATION

STATE OF South Dakota )  
 )SS  
COUNTY OF Custer )

On this 10<sup>th</sup> day of August, 2012, before me, Sammi Langendorf, the undersigned officer, Daniel E. Hutt personally appeared, who acknowledged himself/herself to be the general manager/executive V.P. of **Black Hills Electric Cooperative, Inc.**, and that s/he, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.



Sammi Langendorf  
Notary Public

My Commission Expires:

7-12-2016