

EXHIBIT CJK - 3

REQUEST FOR ACCOUNTING ORDER
FOR VEGETATION MANAGEMENT

Black Hills Power, Inc. (the “Company”) hereby requests that the Commission approve an accounting order regarding vegetation management whereby the Company is allowed to treat a portion of its South Dakota expenditures for vegetation management as a regulatory asset, as follows:

- 1) Prudent expenditures for vegetation management totaling \$1,412,177 or less per year will continue to be expensed by the Company.
- 2) Expenditures for vegetation management in each of the next five years that exceed \$1,412,177 annually are considered a Vegetation Management Regulatory Asset (“VMRA”).
- 3) The Company requests that it receive a rate of return on the balance in the VMRA, calculated on a monthly basis. The rate of return would be equal to the rate of return approved by the Commission in this rate case.
- 4) The Company will provide annual reports to the Commission to demonstrate the actual vegetation management costs incurred. This report will also outline the progress made on the overall five year plan and update the forecast for the remaining years based on actual progress to date. The annual review by the Commission may include a review of the prudence of incurred costs, approval of

the budget for the following year, and verification of the amount to be collected from customers in the future.

- 4) The Company requests that at the end of the five year period, the principal balance in the VMRA account be amortized over a five year period.
- 5) The Company requests that the recovery in years six thru ten of the balance of the VMRA account commence in year six in the form of a tariff or rate increase to be approved by the Commission prior to year six.