



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

COST ADJUSTMENT SUMMARY

Section No. 3C

Eighth Revised Sheet No. 11

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Cancels Seventh Revised Sheet No. 11

COST ADJUSTMENT SUMMARY

COST ADJUSTMENT SUMMARY

Rate Schedule	ECA ¹	EIA ²	EESA ³	Total Rate (\$/kWh)
Residential Services	\$ 0.0047	\$0.0019	\$0.0009	\$ 0.0075
Small General Service	\$ 0.0053	\$0.0023	\$0.0008	\$ 0.0084
Large General Service	\$ 0.0048	\$0.0016	\$0.0008	\$ 0.0072
Industrial Contract Service	\$ 0.0042	\$0.0016	\$0.0008	\$ 0.0066
Lighting Service	\$ 0.0050	\$0.0025	\$0.0008	\$ 0.0083

(N)

¹ Energy Cost Adjustments (ECA) is comprised of:
 Transmission Cost Adjustment (TCA) – Sheet No. 17
 Fuel and Purchase Power Adjustment (FPPA) Sheet No. 12

² Environmental Improvement Adjustment (EIA) – Sheet No. 20

³ Energy Efficiency Solutions Adjustments (EESA) Sheet No. 21

(N)



Black Hills Power, Inc.
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SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Second Revised Sheet No. 12

Cancels First Revised Sheet No. 12

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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, 2012	(T)
1.	Annual System FPP Costs	\$ 34,336,513	(I)
2.	Annual System Energy Sales	2,037,182,483 kWh	(R)
3.	FPP Cost / kWh (Line 1 ÷ Line 2)	\$ 0.0169 /kWh	(I)
4.	Approved Base FPP Costs	\$ 0.0146 /kWh	
5.	FPP Cost / kWh Difference (Line 3 – Line 4)	\$ 0.0023 /kWh	(I)
6.	Total FPP Change from Base (Line 2 x Line 5)	\$ 4,685,520	
7.	South Dakota Annual Retail Energy Sales	1,466,771,127 kWh	
8.	Total SD (Refund)/Charge (Line 5 x Line 7)	\$ 3,373,574	
9.	SD Balancing Account (+/-)	\$ 32,377	
10.	SD Surplus Energy Phase-out	\$ 250,000	(C)
11.	Net SD Amount to (Refund)/Charge (Line 8 + Line 9 + Line 10)	\$ 3,655,951	(I)
12.	Projected South Dakota Retail Energy Sales	1,508,163,661 kWh	
13.	SD FPPA (Line 11 ÷ Line 12)	\$ 0.0024 /kWh	

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By: Chris Kilpatrick
Director of Resource Planning
and Rates

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Black Hills Power, Inc.
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SOUTH DAKOTA ELECTRIC RATE BOOK

TRANSMISSION COST ADJUSTMENT

Section No. 3C

Second Revised Sheet No. 16

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Cancels First Revised Sheet No. 16

TRANSMISSION COST ADJUSTMENT

APPLICABLE

This Transmission Cost Adjustment (TCA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission). The TCA shall be calculated annually based on actual system transmission costs for the twelve months April through March as compared to the base year transmission 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 TCA filing with the Commission on an annual basis no later than May 10th.

<u>TRANSMISSION COST ADJUSTMENT CALCULATION</u>		For the Twelve months ended March 31, 2012	
1.	Annual System Transmission Costs	\$ 19,699,453	(R)
2.	Power Marketing Transmission Costs	\$ 1,577,949	
3.	Transmission Costs Reimbursed by Others	\$ 885,851	(I)
4.	Net Transmission Costs (Line 1 – Line 2 – Line 3)	\$ 17,235,653	
5.	Annual Retail Energy Sales	1,695,533,762 kWh	
6.	Adjusted Transmission Costs (Line 4 ÷ Line 5)	\$ 0.0102 /kWh	
7.	Base Transmission Costs	\$ 0.0081 /kWh	
8.	Difference (Line 6 – Line 7)	\$ 0.0021 /kWh	
9.	South Dakota Annual Year Retail Energy Sales	1,466,771,127 kWh	(I)
10.	Transmission Costs to South Dakota (Line 8 x Line 9)	\$ 3,080,219	(I)
11.	For Each Customer Class Calculate the Customer Class Allocation of Total South Dakota Transmission Expense Based Upon Class Allocators in Table 1 – Multiply Each Class Allocator by Line 10		
	Customer Class Allocation Factor	Allocated Amount	
	Residential Service	1,047,275	(I)
	Small General Service	1,057,439	
	Large General Service	638,529	
	Industrial Contract Service	307,098	
	Lighting Service	29,878	

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TRANSMISSION COST ADJUSTMENT

12.	Balancing Account (+/-) for each South Dakota Customer Class	<u>571,909</u>	(I)
	Residential Service	\$ 194,449	
	Small General Service	\$ 196,336	
	Large General Service	\$ 118,557	
	Industrial Contract Service	\$ 57,019	
	Lighting Service	\$ 5,548	
13.	Total Transmission Cost for each South Dakota Customer Class (Refund)/Charge (Line 11 + Line 12)		
	Residential Service	\$ 1,241,724	
	Small General Service	\$ 1,253,775	
	Large General Service	\$ 757,086	
	Industrial Contract Service	\$ 364,117	
	Lighting Service	\$ 35,426	
14.	Forecast South Dakota Customer Class Annual Retail Energy Sales (kWh/Class)		
	Residential Service	536,031,331	(R)
	Small General Service	437,728,883	(R)
	Large General Service	319,423,304	(I)
	Industrial Contract Service	201,455,339	(R)
	Lighting Service	13,524,804	(I)
15.	South Dakota Customer Class Transmission Cost Adjustment (Line 13/Line 14)		
	Residential Service	\$ <u>0.0023/kWh</u>	(I)
	Small General Service	\$ <u>0.0029/kWh</u>	(I)
	Large General Service	\$ <u>0.0024/kWh</u>	(R)
	Industrial Contract Service	\$ <u>0.0018/kWh</u>	(I)
	Lighting Service	\$ <u>0.0026/kWh</u>	(I)

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