

1-13-2014
South Dakota PUC

To all Members of the SDPUC,

I am writing in reference to the proposed rate hikes requested by Black Hills Power.

I feel as a customer of the company I need to go on record in reference to their justification of the rate hike requests in both instances, decommissioning old plants and the storm damage response.

First of all I will address the storm response. Most large entities have a fund set aside to address unforeseen expenses to the company. I would think if the Power Company would have a capital expense line this would have been, if not planned for at least funded. On the upper most note Storm Atlas was declared an emergency therefore the power company will receive 75% of their allowable expenses paid for with our Federal Tax dollars, 15% paid by our State tax dollars and they will have to **pick up only 10%**. Also if they would have been proactive and kept the trees out of the power lines much of the storm damage would have been mitigated.

I understand how unplanned expenses affect your operating budget. My November Electric bill was over \$300 am I going to get a rate adjustment to my pay check to pay this? Obviously not. Why would I think they need to add to my burden at this time when my income does not change to help with this added expense? I have had to make adjustments in my expenses to pay for my already outrageous electric bill. This does not reflect my home gas bill which is over \$100 a month. I feel that the bulk of the power company storm expenses will be paid for with **MY** tax dollars already, why should I pay again with my utility dollars? This is a greedy request by the power company. In my opinion they are trying to double dip at the expense of all their customers. We do not have any other power options thus holding us hostage to their rate hikes. This should be a definite NO on the part of the PUC.

On to the closure of old plants. I feel that this should be done in stages as it is something the company knew was coming and should have been planning for. I think that since we, the customer are footing the bill for the new plant expenses, closing the old plants should be absorbed into their operating budget with better planning. There is no reason all the plants need to be taken to the ground in the next 12 months. They could take the Osage plant down in 2014-2015. Then move on to the next plant in 3-5 years and lastly take out the final plant by 2023. They admitted that the plan was to use two plants until 2023.

Understanding regulations change and plans need to be adjusted I feel that they knew this was coming and to expect customers to foot the total bill for three plants in one year is unacceptable. They are a business and are a for profit entity. If they need more funds they should adjust some of their non operating budgets as we, the public have to do when we have cash flow problems. If they are allowed to raise the rates to cover these one time expenses our rates will never return to our current rate.

I respectfully request both of these proposed rate increases be denied as the consumer is not in a position to fund these expenses all in one year or ever for many of us.

Thank you for your time.

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