

From: PUC
Sent: Monday, January 13, 2014 3:30 PM
To: 'ccm@goldenwest.net'
Subject: FW: bhp

Mike:

Thank you for your message. I understand your concern about rising costs and how to deal with these, especially when not anticipated.

The Black Hills Power docket EL13-036 heard during last week's commission meeting referred only to the accounting method for the Atlas storm and coal plant decommissioning costs. The commission did not act on any rate increase or approval of these costs, simply approved of the separate accounting of these costs. The commission will act on these expenses at a later date, when BHP files a rate case which we expect this spring. At that time, commissioners and staff will review any BHP expenses to determine what is reasonable and just and must be allowed for recovery according to state statute. The commission must follow the law when processing investor-owned utility expenses and other accounting matters in rate cases.

Here is a document on the PUC's web site which helps explain this process:
<http://www.puc.sd.gov/commission/Publication/electricratecasehandout.pdf>

Commissioner Kristie Fiegen
South Dakota Public Utilities Commission