From: Ron & Lois Ward

Sent: Tuesday, January 21, 2014 2:17 PM

To: Nelson, Chris Subject: BH Power

Chris,

First – BH Power has asked that rate-payers shoulder the costs of the repairs from the October 2013 blizzard. This is totally unfair. They have been granted several rate increases in the last few years so they can make capital improvements and build new power generation facilities. Now they want us to pay for the damage due to them not burying power lines or having adequate strength poles? We all suffered various expenses due to the storm, and with the loss of service for varying lengths of times but we either have insurance or pay for those costs ourselves. BH Power is foolish if they don't have insurance!

Most businesses are not able to demand their customers pay for their catastrophic expenses. If we raise our prices our customers will buy from someone else! Since BH Power is a monopoly (we CAN'T purchase from someone else) they are regulated and it is your job to tell them to use their profits to cover their uninsured expenses. Shareholders should not be surprised if their dividends are a bit smaller in the next few months, but ratepayers should not shoulder this burden. I don't believe we should have to shoulder as much of the burden of the building of the new gas-fired power plants, either, as those are capital expenses and should be funded from profits.

My parents lived in Tulsa until my dad died in 2008. They were offered a choice to fund the burying of their power lines – by neighborhood. Their neighborhood voted yes but the next neighborhood said no. When an ice-storm came along my parents had power but the neighborhoods that had not paid to bury lines were out for many days. If this rate increase would go toward burying lines I would be in favor and would encourage others to be in favor.

BH Power also has a healthy salary structure, especially for the managers and Corporate officers. They make way more than we can from our business – all at our expense.

Your attention to these issues will be greatly appreciated.

Thank you,

Lois Ward Rapid City, SD