

SERVICE TERRITORY EXCEPTION AGREEMENT

BETWEEN

BLACK HILLS POWER AND BLACK HILLS ELECTRIC COOPERATIVE

Black Hills Power (BHP) and Black Hills Electric Cooperative (BHEC) jointly agree to allow BHP to provide electric service to 22716 Vick Drive. The location of the shop will be in the NW1/4 in Section 28, Township 2 North Range 5 East in Pennington County, South Dakota.

While the parcel of land resides within the existing BHEC territory established in 1975 by the South Dakota Legislature and codified in SDCL 49-34A-42, BHP's electric facilities are more conveniently located relative to providing service to this customer.

A drawing of the service site is attached to this agreement as Exhibit A.

BHP and BHEC have concluded that, in this instance, the customers interests will be best served by receiving service from BHP and have agreed to this exception to the existing territorial agreement.

We also agree that each such instance where territory boundaries become a factor will be dealt with on an individual basis.

This consent on the part of BHEC is limited to the said services described in this agreement and this territory exception will automatically terminate upon removal or abandonment of such services. BHEC shall retain the right of service to any new commercial or residential facility or service that may be developed on any portion of the parcel as described.

This exception is not to be construed as having any impact upon or indicating a desire to change the service areas assigned by the South Dakota Public Utilities Commission.

BLACK HILLS POWER

Louis Schwengler

By: Louie Schwengler

Date 12-19-2013

BLACK HILLS ELECTRIC COOPERATIVE

Walker Witt

By Walker Witt

Date 12-23-2013