

**BLACK HILLS POWER, INC.**  
**COMPARISON OF REVENUE FROM SALES**  
**UNDER PRO FORMA AND PROPOSED RATES**  
**FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013**

LINE NO.	TARIFF SCHEDULE	RATE IDS	REVENUE FROM SALES					AVERAGE NUMBER OF CUSTOMERS	
			kWh	PRO FORMA RATES	PROPOSED RATES	PROPOSED INCREASE			
						AMOUNT	% INCREASE		
<b>RESIDENTIAL SERVICE</b>									
1	Residential	Sect 3, 1-2	SD710, SD875	328,835,952	\$ 42,956,794	\$ 47,975,480	\$ 5,018,686	11.68%	42,144
2	Residential Total Electric	Sect 3, 3-4	SD712, SD876	88,923,685	\$ 9,450,758	\$ 10,108,103	657,345	6.96%	6,725
3	Residential Demand Metered	Sect 3A, 1-3	SD714, SD716, SD887	90,666,049	\$ 8,137,939	\$ 8,998,136	860,197	10.57%	3,579
4	Utility Controlled Residential (Closed)	Sect 3A, 4-5	SD717	131,002	\$ 8,735	\$ 9,274	539	6.17%	3
5	TOTAL Residential Service			508,556,688	\$ 60,554,226	\$ 67,090,992	\$ 6,536,767	10.79%	52,450
6									
7									
8	<b>SMALL GENERAL SERVICE</b>								
9	General Service	Sect 3, 7-8	SD720, SD770, SD878	356,168,400	\$ 46,242,061	\$ 49,662,738	3,420,676	7.40%	10,841
10	General Service - Total Electric	Sect 3, 9-10	SD723, SD703	38,153,493	\$ 4,314,389	\$ 4,614,629	300,240	6.96%	882
11	Irrigation Pumping	Sect 3, 19-20	SD726	887,365	\$ 119,166	\$ 126,457	7,290	6.12%	18
12	Utility Controlled General Service (Closed)	Sect 3A, 11-12	SD727	2,375,455	\$ 166,068	\$ 178,024	11,957	7.20%	24
13	Energy Storage Service	Sect 3A, 6-10	SD755	4,800,579	\$ 374,486	\$ 402,899	28,412	7.59%	20
14	Municipal Pumping Service	Sect 3, 24-25	SD743	23,373,116	\$ 2,062,417	\$ 2,199,447	137,030	6.64%	98
15	Small Interruptible General Service (Closed)	Sect 3A, 18-20	SD750	211,580	\$ 19,185	\$ 20,454	1,269	6.62%	4
16	TOTAL Small General Service			425,969,988	\$ 53,297,772	\$ 57,204,647	\$ 3,906,875	7.33%	11,886
17									
18									
19	<b>LIGHTING SERVICE</b>								
20	Public or Private Area Lighting	Sect 3, 16-18	SDA24, SDB24, SDC24	3,937,907	\$ 611,640	\$ 657,807	46,167	7.55%	404
21	Street Lighting Service-Company Owned	Sect 3, 21-23	SD840	3,577,040	\$ 794,414	\$ 857,462	63,048	7.94%	20
22	Street Lighting Service-Customer Owned	Sect 3, 21-23	SD841, SD741	5,987,037	\$ 482,114	\$ 512,718	30,605	6.35%	18
23	Traffic Signals	Sect 3, 26-27	SD742	706,762	\$ 78,092	\$ 86,681	8,589	11.00%	146
24	Rental/Facilities	Sect 3, 22	SD798/SD799	-	\$ 58,943	\$ 58,943	-	0.00%	59
25	TOTAL Lighting Service			14,208,746	\$ 2,025,202	\$ 2,173,611	\$ 148,409	7.33%	647
26									
27									
28	<b>LARGE GENERAL SERVICE &amp; INDUSTRIAL</b>								
29	General Service - Large (69 kV)	Sect 3, 11-13	SD771	20,550,893	\$ 1,479,881	\$ 1,580,023	100,142	6.77%	1
30	General Service - Large (Primary and Secondary)	Sect 3, 11-13	SD721, SD731	125,655,017	\$ 11,675,799	\$ 12,433,722	757,923	6.49%	108
31	General Service - Large (Optional Combined Account Billing)	Sect 3, 31-35	SD752, SD772, SD775	199,897,157	\$ 17,420,507	\$ 19,632,407	2,211,900	12.70%	150
32	Large Demand Curtailable Service	Sect 3A, 13-17	SD722	998,721	\$ 71,582	\$ 78,447	6,865	9.59%	242
33	Industrial Contract Service (69 kV)	Sect 3, 14-15	SD761	96,403,799	\$ 5,336,167	\$ 5,782,101	445,934	8.36%	1
34	Forest Products Service - Primary	Sect 3, 36-38	SD764, SD774	74,131,937	\$ 4,941,885	\$ 5,398,335	456,450	9.24%	2
35	Forest Products Service - Secondary	Sect 3, 36-38	SD765	11,054,048	\$ 898,866	\$ 967,759	68,894	7.66%	1
36	TOTAL Large General Service & Industrial			528,691,572	\$ 41,824,686	\$ 45,872,794	\$ 4,048,108	9.68%	505
37									
38									
39	TOTAL SOUTH DAKOTA REVENUE FROM SALES			1,477,426,994	\$ 157,701,886	\$ 172,342,044	\$ 14,640,159	9.28%	65,487

BLACK HILLS POWER, INC.  
Comparison of Rates  
With Other Rates for Similar Service

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Black Hills Power, Inc. provides similar retail electric service to customers located in Wyoming and Montana. The rates charged for retail electric service in Wyoming and Montana are not directly comparable with existing South Dakota retail rates because of differing rate Schedules and blocks. In addition, the proposed South Dakota retail rates are not comparable with existing Wyoming and Montana rates because they reflect the cost of providing electric service for different test years. The proposed South Dakota rates reflect the adjusted cost of providing service for the year ended September 30, 2013.

BLACK HILLS POWER, INC.  
REPORT OF TARIFF SCHEDULE CHANGE

Section 3  
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<b><u>Item Requested</u></b>	<b><u>Response</u></b>
1. Name and address of the public utility;	Black Hills Power, Inc. PO Box 1400 Rapid City, SD 57709-1400
2. Section and sheet number of tariff schedule;	Included in Volume 1, Section 3, page 1 of the Application
3. Description of the change;	Described in Testimony of Vance Crocker
4. Reasons for the change;	a.) Increase in Cost of Service for Cheyenne Prairie Generating Station b.) Costs associated with Winter Storm Atlas
5. Present rates;	Included in Volume 1, Section 2 of the Application
6. Proposed rates;	Included in Section 4, Schedule I-1, page 1, of the Application
7. Proposed effective date of modified rates;	October 1, 2014
8. Approximation of annual amount of increase in revenue;	Included in Section 4, Schedule I-1, page 1 of the Application
9. Points affected;	All points of service located in South Dakota
10. Estimate of the number of customers whose cost of service will be affected and annual amounts of increase in cost of service to those customers;	65,500 customers; see Section 4, Schedule I-1, page 1 of the Application and see testimony of Vance Crocker
11. Statement of facts, expert opinions, documents, and exhibits to support the proposed changes.	Included in Volumes 1 and 2 of the Application