



Black Hills Power, Inc.  
Rapid City, South Dakota

**SOUTH DAKOTA ELECTRIC RATE BOOK**

**COST ADJUSTMENT SUMMARY**

Section No. 3C

~~Twelfth~~-~~Thirteenth~~ Revised Sheet No. 11

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Cancel ~~Eleventh~~-~~Twelfth~~ Revised Sheet No. 11

**COST ADJUSTMENT SUMMARY**

Rate Schedule	Base Costs <sup>1</sup>	ECA <sup>2</sup>	EIA <sup>3</sup>	EESA <sup>4</sup>	TFA <sup>5</sup>	Total Rate (\$/kWh)	
Residential Services	\$0.0227	\$0.0070	\$0.0000	<del>\$0.0004</del> 0.0002	\$0.00023	<del>\$0.03033</del> 0.03013	(R)
Small General Service	\$0.0227	\$0.0076	\$0.0000	<del>\$0.0002</del> 0.0000	\$0.00028	<del>\$0.03078</del> 0.03058	(R)
Large General Service	\$0.0227	\$0.0069	\$0.0000	<del>\$0.0002</del> 0.0000	\$0.00028	<del>\$0.03008</del> 0.02988	(R)
Industrial Contract Service	\$0.0227	\$0.0068	\$0.0000	<del>\$0.0002</del> 0.0000	\$0.00028	<del>\$0.02998</del> 0.02978	(R)
Lighting Service	\$0.0227	\$0.0071	\$0.0000	<del>\$0.0002</del> 0.0000	\$0.00045	<del>\$0.03045</del> 0.03025	(R)

<sup>1</sup>Base Costs are comprised of:

Base FPP Costs of \$0.0146/kWh as approved by the South Dakota Public Utilities Commission (the Commission) in Docket EL09-018; prior to June 16, 2013 the Base FPP Costs were recovered through base rates

Base Transmission Costs of \$0.0081 as approved by the Commission in Docket EL09-018; prior to June 16, 2013 the Base Transmission Costs were recovered through base rates

<sup>2</sup>Energy Cost Adjustments (ECA) is comprised of:

Fuel and Purchased Power Adjustment (FPPA) Sheet No. 12  
(Effective June 16, 2013)  
Transmission Cost Adjustment (TCA) – Sheet No. 17  
Fuel and Purchase Power Adjustment (FPPA) Sheet No. 1  
(Effective June 16, 2013)

<sup>3</sup>Environmental Improvement Adjustment (EIA) – Sheet No. 20

<sup>4</sup> Energy Efficiency Solutions Adjustments (EESA) Sheet No. 21

<sup>5</sup> Transmission Facility Adjustment (TFA) Sheet No. 22

Date Filed: May 7, 2014  
June 30, 2014  
Docket: EL14-037

By: Chris Kilpatrick  
Director of Rates

Effective Date: June 1, 2014  
September 1, 2014



Black Hills Power, Inc.  
Rapid City, South Dakota

**SOUTH DAKOTA ELECTRIC RATE BOOK**

**ENERGY EFFICIENCY SOLUTIONS ADJUSTMENT**

Section No. 3C

~~Second-Third~~ Revised Sheet No. 21

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Cancels ~~First-Second~~ Revised Sheet No. 21

**ENERGY EFFICIENCY SOLUTIONS ADJUSTMENT**

**APPLICABLE**

This Energy Efficiency Solutions Adjustment (EESA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission).

The EESA shall be calculated annually based on actual versus forecasted energy efficiency solutions program costs ~~for the twelve months of September through August~~ and kWh retail sales for the applicable rate schedules, ~~for the twelve months of June through May to coincide with other Black Hills Power adjustment clause mechanisms,~~ and shall include an over or under recovery from prior years' adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make an EESA filing with the Commission on an annual basis no later than ~~April 30<sup>th</sup>~~ ~~October 15<sup>th</sup>~~. ~~Since the energy efficiency solutions programs will be implemented September 1, 2011,~~ ~~the~~ ~~The~~ first year rate recovery period will be from September 1, ~~2011-2014~~ through ~~May 31, 2012~~ ~~November 30, 2015~~ and the last rate recovery period of the ~~2014-2016 Energy Efficiency Solutions Plan~~ ~~for the three year program~~ will be from ~~June 1, 2013~~ ~~December 1, 2016~~ through ~~August 31, 2014~~ ~~November 30, 2017~~.

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**ENERGY EFFICIENCY SOLUTIONS ADJUSTMENT RATE**

An EESA rate shall be determined by dividing the energy efficiency program costs and the forecasted balance of the EESA Balancing Account by the forecasted retail sales volumes for the upcoming year. The EESA rate shall be rounded to the nearest \$0.0001 per kWh.

The EESA rate may be adjusted annually with approval of the Commission. The EESA rates for the applicable rate schedules are:

Residential: ~~\$0.0004~~ \$0.0002  
Commercial/Industrial: ~~\$0.0002~~ \$0.0000

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Energy Efficiency Solutions Program Costs shall include all expenses, costs and lost margins associated with energy efficiency programs and that are approved by the Commission. All revenues recovered pursuant to the Energy Efficiency Solutions Adjustment shall be credited to the Balancing Account.

EESA Balancing Account amount is the energy efficiency program costs incurred less all revenues recovered pursuant to the Energy Efficiency Solutions Adjustment for the annual year as adjusted for applicable interest. The Balancing Account shall have interest applied or credited monthly at the annual rate of seven percent (7%). The EESA revenues will be applied monthly to the Balancing Account for each customer class, first to the interest balance, and thereafter to the principal amount.

Forecasted Retail Sales Volumes shall be the estimated retail electric sales for the applicable rate schedules for the designated recovery period.

**EFFECTIVE DATE**

~~After the first period effective date of September 1, 2011 to coincide with the implementation of the energy efficiency solutions programs, the~~ The EESA will be updated and filed by ~~April 30<sup>th</sup>~~ ~~October 15<sup>th</sup>~~ each year ~~thereafter~~ with the effective date of ~~June~~ ~~December~~ 1<sup>st</sup>.

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June 30, 2014  
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September 1, 2014