



Black Hills Power, Inc.  
Rapid City, South Dakota

## SOUTH DAKOTA ELECTRIC RATE BOOK

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Section No. 5  
Third Revised Sheet No. 17  
Replaces Second Revised Sheet No. 17

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### 501.3 – VOLTAGE, FREQUENCY AND PHASE

Electric service furnished will be alternating current, 60 hertz, single or three (3) phase, at one of the nominal standard voltages given below:

#### Secondary Voltage:

Single phase, 120/240 volt 3 wire or 120/208 3 wire

Three phase, 4 wire 120/208 or 277/480 volt where available

#### Primary Voltage:

The voltage of the Company's nearest distribution line of adequate capacity as determined by the Company.

The nominal standard voltages shall be maintained so far as practical within the limits of ANSI 84.1 Voltage Ratings for Electric Power Systems and Equipment.

### 502 – PROTECTION BY CUSTOMER

Customer shall protect Company's wiring and apparatus on customer's premises and shall permit no one except Company's agents or persons authorized by law to inspect or handle same. In the event of any loss or damage to such property of Company or other person caused by or arising out of carelessness, neglect or misuse by customer or other unauthorized persons, the cost of repairing such damage shall be paid by customer or person causing such damage.

### 503 – CUSTOMER EXTENSIONS

The Company, at its own expense, makes extensions where the revenue therefrom is sufficient, in Company's opinion, to justify the necessary expenditure.

Where the Company cannot be assured that the business offered is of sufficient duration, where unusual expenditures are necessary to supply service because of location, size or character of installation, or where area requirements of Regulatory Bodies may control, the customer or customers shall make arrangements satisfactory to Company dependent upon the particular condition of each situation.

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Fourth Revised Sheet No. 23  
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### 800 LINE EXTENSIONS

Line extensions shall be administered in accordance with these rules.

#### **801 - APPLICABLE**

This rule is applicable to all prospective permanent customers located within the Company's service area, providing the proposed line extension can be built from an existing distribution line of 24.9 kV or less. This rule is not applicable to temporary service.

#### **802 - DEFINITIONS – GENERAL CONSTRUCTION POLICY**

##### **A. DEFINITIONS**

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1. A line extension is herein defined as a branch from, or a continuation of, an existing Company-owned distribution line. A line extension from customer-owned lines will require special agreements. A line extension may be either single or three phase or may be the conversion of an existing single phase line to three phase with or without further extension of the three phase line.
2. This section of the rules and regulations sets forth the terms and conditions under which the Company will construct and extend its facilities to serve new loads and replace, relocate, or otherwise modify its distribution facilities.
3. Applicant is the individual(s) who requests a line extension of the Company.
4. Developer is an Applicant requesting a line extension to serve two (2) or more contiguous building sites.
5. Revenue shall be the estimated annual revenue which the Company expects to receive from the Applicant as determined by the terms of Sections 803.1.A and 802.2.E of this rule.
6. Actual Revenue is the sum of the actual payments made to the Company by the Applicant for electrical service for the account in question per the line extension agreement less the applicable sales tax.
7. A Permanent Year-Round Dwelling is a residence which includes a well or water hook-up, sewer or septic-system, automatic heating system and is otherwise likely to be inhabited year-round.
8. Rate Schedule is the Company's filed tariff for which the Applicant/customer qualifies. Qualification will be solely determined by the Company and may change if the Applicant/customer changes their expected electricity consumption.
9. Line Extension Allowance is the estimated construction cost which the Company will incur without charge to the Applicant.



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10. Advance Deposit is the payment required of the Applicant prior to line extension construction for any estimated construction cost in excess of the Line Extension Allowance.

11. Supplemental Design Fee is a \$100 fee charged to Applicant for line extension design estimates. This fee shall not apply to the first two design estimates.

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**B. GENERAL CONSTRUCTION POLICY**

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1. No refunds will be made in excess of the refundable Advance Deposit, and deposits shall bear interest only as specified herein. Refunds, where applicable, will be made in accordance with the terms stated herein.

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2. Each line extension shall be a separate, distinct unit and any further extension therefrom shall have no effect upon the agreements under which such extension is constructed.

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3. All construction of line extensions shall conform to the Company's standards as well as applicable national, state, and local electrical codes.

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4. In all cases where, in the opinion of the Company, its investment in facilities appears extraordinary or unusual, and where extensive repairing or building of any facilities is necessary to accommodate the customer or group of customers, making application for service, the right is reserved to require the customer, or group of customers, to be served to execute a contract for a definite period of service, and to otherwise protect the Company against possible losses. Prospective customers entering into a venture, which is considered by the Company as a poor risk for the investment of its capital, may be required to finance the entire additional investment needed to serve the customer.

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5. The title to every line extension shall at all times remain with the Company. The Company reserves the right at all times to add customers to an extension, and to make new extensions to any existing extension, under the provisions of these rules, without procuring the consent of any customer (Applicant) or customers contributing to the original construction costs.

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6. Payment shall be made prior to the start of such construction. Where a group of customers will be served by a single extension, applicable charges shall be allocated in an equitable manner by the Company.

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7. Company representatives will prepare two design estimates at no cost to Applicant. If Applicant requests additional design estimates, each and every additional design estimate shall be assessed a Supplemental Design Fee. The Supplemental Design Fee shall be non-refundable, however, the Supplemental Design Fee will be applied to the cost to construct the line extension where Applicant commits to construct the line extension within 180 days of the date of the first design estimate. Design estimates shall be void after 180 days. Updates to the design following the date that it becomes void may incur a Supplemental Design Fee at the discretion of the Company.

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Fifth Revised Sheet No. 25  
Replaces Fourth Revised Sheet No. 25

**803 – LINE EXTENSION POLICY**

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**803.1 – RESIDENTIAL SERVICE**

Company Financed Extensions – For each Permanent Year-Round Dwelling in place or under construction, the Company will Construct a line extension without charge to the Applicant if the estimated construction cost does not exceed the Line Extension Allowance which is equal to approximately four (4) times the annual revenue amounts for the residential dwelling to be served under the applicable Rate Schedule.

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For permanent dwellings which, in the Company's opinion are not designed and constructed to be inhabited year-round (at least nine months each year), the total Line Extension Allowance is \$1,000 or the Applicant may sign a seasonal use agreement and qualify for the applicable Permanent Year-Round Dwelling Line Extension Allowance.

The Rate Schedule shall be determined from the Applicant's representation. If at any time it is determined that the Applicant has misrepresented electrical service, the Company shall redetermine the applicable Line Extension Allowance. The redetermination may result in a charge to the Applicant, if the Company's estimated construction cost exceeds the correct Line Extension Allowance.

B. Excess Construction Costs – Line extensions which are estimated to cost in excess of the Line Extension Allowance will require an Advance Deposit for all excess cost. When applicable, the Applicant will be required to make in advance of construction a non-refundable contribution to pay for all permitting, fees, and environmental studies directly related to the line extension. The line extension construction cost estimate will be based on current construction costs.

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Fourth Revised Sheet No. 26  
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- C. Measurement – The length of any line extension will be measured along the route of the extension from the Company’s nearest facilities from which the extension can be made to the point of transformation of last pole. Should the Company for its own reasons choose a longer route or require system improvement as part of the extension, the Applicant will not be charged for the additional distance or costs, however, if the Applicant requests special routing of the line extension, the Applicant will be required to make in advance of construction a non-refundable contribution to pay for the additional cost resulting from the special routing.
- D. Refunds – The Applicant will be entitled to refunds of the Advance Deposit under two (2) separate and distinct calculations:
1. The Applicant may be entitled to a refund of any remaining Advance Deposit if additional line extensions are constructed from the electrical facilities that were partially financed by the Applicant. Only those lines extensions which connect directly with the facilities partially financed by the Applicant, without any intervening line extensions, will be considered when determining the Applicant’s entitlement for a refund. The refund will be equal to the difference between the applicable Line Extension Allowance for the new Applicant and the estimated construction cost of the additional electric facilities. The Applicant will receive any applicable refund within thirty (30) days of the Applicant



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contacting the Company regarding the completed construction of additional electric facilities. In addition, the Company will make a final refund determination four (4) years following the effective date of the Application and Agreement for Line Extension. Refunds under this paragraph shall bear simple interest at the rate of seven (7) percent annually. In no case shall the total refund to the Applicant exceed the amount of the Applicant's refundable Advance Deposit.

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2. The Applicant may be entitled to a refund of any remaining Advance Deposit when four (4) years have passed from the effective date of the Application and Agreement, if the Company's Actual Revenue from the Applicant's account served during the first four (4) years by the line extension exceeds the Line Extension Allowance as originally determined and contracted for under Section 803.1.A. The amount eligible for refund to the Applicant shall be the amount by which Actual Revenue exceeds the Line Extension Allowance, if any. Refunds under this paragraph shall bear simple interest at the rate of seven (7) percent annually.

A Developer who has provided an Advance Deposit to extend electric service within a development will be entitled to a refund under 803.1.D.1 equal to the Line Extension Allowance of each new customer whose service is connected directly to the electric facilities that were partially financed by the Developer. A Developer will have their refund eligibility under 803.1.D.2 determined by the Actual Revenue received from the accounts established and directly served within the development as a result of the Developer's Application and Agreement for Line Extension.

Such refunds will be made only to the original Applicant if still receiving service at the same location. In no case shall the total refund to the Applicant exceed the amount of the Applicant's refundable Advance Deposit.

Any Advance Deposit not refunded to the Applicant as set forth above shall be retained and become the property of the Company.

#### E. Residential Underground Extensions

1. The Company will: