

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

<b>IN THE MATTER OF THE APPLICATION OF BLACK HILLS POWER, INC. FOR AUTHORITY TO INCREASE ITS ELECTRIC RATES</b>	) ) ) ) )	<b>SECOND ORDER FOR AND NOTICE OF PROCEDURAL SCHEDULE AND ORDER CANCELLING HEARING EL06-019</b>
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On June 30, 2006, Black Hills Power, Inc. (BHP), filed with the Public Utilities Commission (Commission) an application to increase rates for electric service to customers in its service territory by \$9,593,688 annually or approximately 9.5% based on BHP's 2005 test year. The company states the proposed increase for a residential customer would be \$5.16 per month based on usage of 600 kwh. The proposed rates may potentially affect approximately 60,434 customers in BHP's service territory.

At its regularly scheduled meeting of July 11, 2006, the Commission found that pursuant to SDCL 49-1A-8, BHP shall be assessed a filing fee as requested by the deputy executive director up to the statutory limit of \$100,000. The Commission further established an intervention deadline of August 25, 2006. Pursuant to SDCL 49-34A-14, the Commission suspended the operation of the schedule of rates proposed by BHP for 90 days beyond July 30, 2006. On July 28, 2006, the Commission received a Petition to Intervene from Merillat Industries, LLC, Pope & Talbot, Inc. and GCC Dacotah, Inc. (collectively Black Hills Intervenors). At a regularly scheduled meeting of August 8, 2006, the Commission granted intervention to the Black Hills Intervenors. On August 25, 2006, the Commission received a Petition to Intervene from the City of Gillette, Wyoming (Gillette). On August 31, 2006, the Commission received Black Hills Power, Inc.'s Objection to the Petition of City of Gillette to Intervene. On September 7, 2006, the Commission received a Withdrawal of Petition of City of Gillette to Intervene. At a regularly scheduled meeting of September 12, 2006, the Commission granted the withdrawal of the City of Gillette's Petition to Intervene. On September 18, 2006, the Commission received a Petition to Intervene and Notice of Appearance of Rushmore Forest Products (Rushmore). At its regularly scheduled meeting of September 26, 2006, the Commission granted intervention to Rushmore. On October 25, 2006, the Commission received an email from counsel for all of the parties stipulating to the extension of remaining filing deadlines in this docket by two weeks and to the cancellation and rescheduling of the hearing as noticed to the earliest available date(s) compatible with the extended filing dates.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-34A, specifically 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-10, 49-34A-11, 49-34A-12, 49-34A-13, 49-34A-13.1, 49-34A-17, 49-34A-19, 49-34A-21.

In accordance with the stipulation of the parties, the original procedural schedule is cancelled, and the procedural schedule shall be as follows:

<b>DATE</b>	<b>PROCEDURAL SCHEDULE</b>
November 10, 2006	Staff and Intervenor Prefiled Testimony Due
November 22, 2006	BHP Rebuttal Testimony Due

The hearing scheduled for November 20 and 21, 2006, is hereby cancelled and will be noticed for hearing in a subsequent order and a briefing schedule will be established in a subsequent order or at the hearing. It is therefore

ORDERED, that the procedural schedule set forth above shall be followed by all parties to these proceedings. It is further

ORDERED, that the hearing scheduled for November 20 and 21, 2006, is cancelled.

Dated at Pierre, South Dakota, this 27<sup>th</sup> day of October, 2006.

<b>CERTIFICATE OF SERVICE</b>
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u>Alpine Kalbo</u>
Date: <u>10/27/06</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Robert K. Sahr  
ROBERT K. SAHR, Chairman

Dustin M. Johnson  
DUSTIN M. JOHNSON, Commissioner

Gary Hanson  
GARY HANSON, Commissioner