

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

**IN THE MATTER OF THE APPLICATION BY
BLACK HILLS POWER, INC., FOR
AUTHORITY TO INCREASE ITS ELECTRIC
RATES IN SOUTH DAKOTA**

) **ORDER APPROVING JOINT
) MOTION FOR APPROVAL
) OF SETTLEMENT
) STIPULATION AND
) APPROVING TARIFFS**

) **EL11-001**
)

On January 25, 2011, the Public Utilities Commission (Commission) received a petition from Black Hills Power, Inc. (BHP) requesting the Commission approve its new tariff establishing an Environmental Improvement Adjustment (EIA) pursuant to legislation enacted during the 2007 Legislative Session. SDCL Chapter 49-34A, Sections 97 through 100, authorize the Commission to approve a tariff mechanism for the automatic annual adjustment of charges for a public utility to recover the South Dakota jurisdictional portion of eligible investments in and expenses related to new environmental measures. The statute defines eligible new environmental measures as any environmental improvements required under the Clean Air Act, the Clean Water Act, or any other federal law or rule, or any state law or rule implementing a federal law or rule, or voluntary environmental measures designed to protect the environment. On January 27, 2011, the Commission electronically transmitted notice of the filing and the intervention deadline of February 11, 2011, to interested individuals and entities. At its regularly scheduled meeting on March 8, 2011, the Commission approved the assessment of a filing fee up to the statutory limit of \$50,000. On May 27, 2011 the Commission received a Joint Motion for Approval of Settlement Stipulation, Settlement Stipulation, and Staff Memorandum Supporting Settlement Stipulation.

At its regularly scheduled meeting of May 31, 2011, the Commission considered this matter. The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26, 49-1A, and 49-34A, particularly SDCL 49-34A-97 through 49-34A-100. Commission Staff recommended approval. The Commission found and concluded that the Settlement Stipulation and attached tariff sheets meet the standards for approval set forth in SDCL 49-34A-98 and voted unanimously to grant the Joint Motion for Approval of Settlement Stipulation and approve the Settlement Stipulation, including the attached tariff sheets.

The following revised tariff sheets, designed to reflect the rates, terms, and conditions of the Settlement Stipulation, were filed as Exhibit A attached to the Settlement Stipulation.

Section No. 1

Twenty-second Revised Sheet No. 1	Replaces Twenty-first Revised Sheet No. 1
Twentieth Revised Sheet No. 2	Replaces Nineteenth Revised Sheet No. 2
Seventeenth Revised Sheet No. 3	Replaces Sixteenth Revised Sheet No. 3

Section No. 3

Twelfth Revised Sheet No. 2	Replaces Eleventh Revised Sheet No. 2
Twelfth Revised Sheet No. 4	Replaces Eleventh Revised Sheet No. 4
Twelfth Revised Sheet No. 8	Replaces Eleventh Revised Sheet No. 8
Twelfth Revised Sheet No. 10	Replaces Eleventh Revised Sheet No. 10
Twelfth Revised Sheet No. 13	Replaces Eleventh Revised Sheet No. 13
Twelfth Revised Sheet No. 15	Replaces Eleventh Revised Sheet No. 15
Fifteenth Revised Sheet No. 17	Replaces Fourteenth Revised Sheet No. 17

Twelfth Revised Sheet No. 20
Thirteenth Revised Sheet No. 23
Twelfth Revised Sheet No. 25
Twelfth Revised Sheet No. 27
Sixth Revised Sheet No. 32
Third Revised Sheet No. 34
Second Revised Sheet No. 37

Replaces Eleventh Revised Sheet No. 20
Replaces Twelfth Revised Sheet No. 23
Replaces Eleventh Revised Sheet No. 25
Replaces Eleventh Revised Sheet No. 27
Replaces Fifth Revised Sheet No. 32
Replaces Second Revised Sheet No. 34
Replaces First Sheet No. 37

Section No. 3A

Seventh Revised Sheet No. 2
Fifth Revised Sheet No. 5
Seventh Revised Sheet No. 7
Sixth Revised Sheet No. 12
Sixth Revised Sheet No. 16
Third Revised Sheet No. 19

Replaces Sixth Revised Sheet No. 2
Replaces Fourth Revised Sheet No. 5
Replaces Sixth Revised Sheet No. 7
Replaces Fifth Revised Sheet No. 12
Replaces Fifth Revised Sheet No. 16
Replaces Second Revised Sheet No. 19

Section No. 3B

Fifth Revised Sheet No. 5
Fifth Revised Sheet No. 8

Replaces Fourth Revised Sheet No. 5
Replaces Fourth Revised Sheet no. 8

Section No. 3C

Fourth Revised Sheet No. 11
Original Sheet No. 20

Replaces Third Revised Sheet No. 11

Section No. 4

Third Revised Sheet No. 4

Replaces Second Revised Sheet No. 4

It is therefore

ORDERED, that the Joint Motion for Approval of the Settlement Stipulation is granted and the Settlement Stipulation approved, including the aforementioned tariff sheets, effective June 1, 2011.

Dated at Pierre, South Dakota, this 17th day of June, 2011.

CERTIFICATE OF SERVICE	
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, electronically.	
By:	<u><i>Herold Dahl</i></u>
Date:	<u>6-21-11</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Steve Kolbeck

STEVE KOLBECK, Chairman

Gary Hanson

GARY HANSON, Commissioner

Chris Nelson

CHRIS NELSON, Commissioner