



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

BUSINESS DEVELOPMENT SERVICE

RATE NO. BDS-2 (T)

Page 1 of 3

Section No. 4

First Revised Sheet No. 2

Replaces Original Sheet No. 2

BUSINESS DEVELOPMENT SERVICE

AVAILABLE

At points on the Company's existing transmission or distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To customers requiring an appropriate response to non-standard unique or specialized electric services and/or to meet competitive forces in the energy services markets in a manner that satisfies the needs of participating customers while balancing the interests of the participating customer, the non-participating customers, and the Company.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established transmission or distribution system most available to the location of the customer.

ELIGIBILITY

Customers requesting Business Development Service (BDS) will be considered upon written application to the Company if one or more of the following conditions is shown by the customer to exist:

1. The customer accepts non-standard electric service for new or existing load;
2. The customer has unique requirements for new load;
3. The customer intends to acquire its electric service for new or existing load from a source other than the Company absent service under this rate by showing:
 - a. The customer demonstrates a competitive alternative, energy source or business locations, to the Company's standard tariff rates; and
 - b. The comparative economics, including but not limited to availability of capital, environmental impacts and assessment of risk, of the alternative over the Company's standard tariff rates are material; and



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BUSINESS DEVELOPMENT SERVICE

ELIGIBILITY (continued)

- c. The alternative is demonstrated to be technologically feasible and legally permissible; and
- d. The customer has taken substantial steps to fairly evaluate the alternative sufficient to establish the customer's actual ability to utilize the alternative within a reasonable period of time.

Upon receipt of the customer's written application, and such additional information as the Company may require, the Company and the applying customer may, at the sole discretion of either party, commence negotiation of rates and terms and conditions of service under this tariff. If a mutually acceptable agreement is reached, the agreement and full support for it shall be forwarded to the Commission for their file of contracts with deviations as authorized by this rate schedule.

CONTRACT PROVISIONS

All mutually acceptable service agreements will meet these minimum standards:

- 1. The initial service term shall not be less than three years; and
- 2. No service term shall exceed 7 years without the inclusion of language providing for renegotiation by the Company.
- 3. The minimum written notice of cancellation by either party shall be nine months; and
- 4. The customer shall not be eligible for any discounts or service conditions except as provided for in the service agreement; and
- 5. The compensation to be received under the service agreement during its term shall exceed the marginal cost to the Company of performance under the contact; and
- 6. The rate for metered service will be designed to encourage the customer to improve load factor, calculated using the customer's On-Peak KVA; and
- 7. Minimum contract demand is 250 KVA; and
- 8. The terms and conditions of service shall be those contained in the service agreement between the Company and the customer; and
- 9. Identification of the rate schedule that customer would have received service under in lieu of BDS.



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BUSINESS DEVELOPMENT SERVICE

ELIGIBILITY (continued)

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Section No. 4
Fourth Revised Sheet No. 4
Replaces Third Revised Sheet No. 4

BUSINESS DEVELOPMENT SERVICE

RATE

All charges for service under this rate shall be the charges contained in the contract between the Company and the customer.

CONFIDENTIALITY

Upon request of the Company or the customer, upon good cause shown by affidavit, all terms and conditions of any service agreement under this rate schedule and any supporting information shall be protected from disclosure as confidential in accordance with the Commission's Administrative Rules provided for at Section 20:10:01:41 and 20:10:01:42.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No.3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.