BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OFPOST-HEARINGBLACK HILLS POWER, INC. FORPROCEDURAL ORDERAUTHORITY TO INCREASE ITS ELECTRICEL14-026

On March 31, 2014, the South Dakota Public Utilities Commission (Commission) received an Application for Authority to Increase Electric Rates (Application) filed by Black Hills Power, Inc. (BHP) for approval to increase rates for electric service to customers in its South Dakota service territory by approximately \$14.6 million annually or approximately 9.27% based on BHP's test year ending September 30, 2013. BHP states a typical residential electric customer using 650 kWh per month would see an increase of \$10.91 per month. The proposed changes would affect approximately 65,500 customers in BHP's South Dakota service territory. The proposed increase would be effective no earlier than October 1, 2014.

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26 and 49-34A, including 1-26-20, 49-34A-3, 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-8, 49-34A-10, 49-34A-11, 49-34A-12, 49-34A-13, 49-34A-13, 1, 49-34A-14, 49-34A-19, 49-34A-19, 1, 49-34A-19, 1, 49-34A-19, 2, and 49-34A-21.

On June 26, 2014, the Commission issued an Order Granting Intervention, granting intervention to Black Hills Industrial Intervenors (BHII) and Dakota Rural Action (DRA). On September 3, 2014, BHP filed a Notice of Intent to Implement Interim Rates advising the Commission and the public of BHP's intent to implement its requested rate increase as of October 1, 2014. On September 4, 2014, BHP filed a Motion for Approval of Settlement Agreement to settle outstanding issues between BHP and the South Dakota Science and Technology Authority (SDSTA). On September 18, 2014, the Commission issued an Order Conditionally Authorizing and Approving Implementation of Contract with Deviations Rates on an Interim Basis. On December 9, 2014, BHP and the Commission's staff (Staff) jointly filed a Joint Motion for Approval of Settlement Stipulation, Settlement Stipulation, and Exhibits. On December 30, 2014, the Commission issued an Order for and Notice of Hearing setting this matter for hearing on January 27-29, 2015.

On January 23, 2015, BHII filed a Motion for Briefing of GCC Dacotah, Inc., Pete Lien & Sons, Inc., Rushmore Forest Products, Inc., Spearfish Forest Products, Inc., Rapid City Regional Hospital, and Wharf Resources (U.S.A.), Inc. requesting that the Commission issue an order establishing a post-hearing briefing schedule and recommending a schedule to be established by such order (Motion). The hearing was held as scheduled on January 27 and 28, 2015. Following the evidentiary hearing, the Commission considered the Motion. After discussion with the parties, the Commission voted unanimously to establish a post-hearing briefing and decision schedule that would enable the Commission to issue its decision in the docket prior to the March 31, 2015, one year deadline, after which the Commission's authority to require the refund by BHP of interim rate collections in excess of the approved rates would lapse as set forth in SDCL 49-34A-17. It is therefore

ORDERED, that the following briefing and decision schedule shall be followed by the parties and the Commission following the hearing in this matter:

All parties' briefs filed and served February 17, 2015 Commission action on Application March 2, 2015 Dated at Pierre, South Dakota, this <u>29th</u> day of January, 2015. BY ORDER OF THE COMMISSION: 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-or by mail.

By: Date:

(OFFICIAL SEAL)

CHRIS NELSON, Chairman

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KRISTIE FIEGEN, Commissioner

HANSON, Commissioner