

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

**IN THE MATTER OF THE APPLICATION OF)
BLACK HILLS POWER, INC. DBA BLACK)
HILLS ENERGY FOR APPROVAL OF ITS)
2016 TRANSMISSION FACILITY)
ADJUSTMENT)**

**ORDER APPROVING
TARIFF REVISIONS**

EL16-005

On February 16, 2016, the South Dakota Public Utilities Commission (Commission) received an application from Black Hills Power, Inc. dba Black Hills Energy (BHE) for approval of its 2016 Transmission Facilities Adjustment (TFA). BHE seeks approval of the annual true-up of the actual amounts collected in the second year of the TFA, as approved in Docket EL15-007, and the forecasted recovery of revenue requirements associated with the third year of the TFA. BHE proposes TFA rates effective June 1, 2016, through May 31, 2017. Approximately 68,000 South Dakota customers will be affected by the TFA rate change. The bill increase for a typical residential customer averaging 650 kWh per month will be approximately 0.03%.

On February 18, 2016, the Commission electronically transmitted notice of the filing and the intervention deadline of March 4, 2016, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were filed.

On March 1, 2016, the Commission issued an Order Assessing Filing Fee. On April 29, 2016, BHE filed revised Exhibits 2, 3, 4, and 5. On May 3, 2016, Commission Staff filed its Staff Memorandum setting forth its analysis and recommendations.

The revised tariff sheet proposed for service rendered on and after June 1, 2016 is as follows:

South Dakota Electric Rate Book

Section No. 3C

Third Revised Sheet No. 22

Cancels Second Revised Sheet No. 22

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 49-34A, specifically 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-10, 49-34A-12, and 49-34A-25.1 through 49-34A-25.4.

At its regularly scheduled meeting on May 10, 2016, the Commission considered this matter. Commission Staff recommended approval of the revised TFA revenue requirements, rates, and tariff revisions as filed on April 29, 2016, with an effective date of June 1, 2016. Having thoroughly reviewed the filings in the docket, the Commission found that the TFA rates and tariff revisions were just, reasonable, and in the public interest and that good and sufficient cause was demonstrated to approve the tariff revision. The Commission voted unanimously to approve the revised TFA rates and revised tariff sheet with an effective date of June 1, 2016. It is therefore

ORDERED, that the revised TFA rates and above-described revised tariff sheet are approved with an effective date of June 1, 2016.

Dated at Pierre, South Dakota, this 13th day of May, 2016.

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: Rayne West

Date: 5-13-16

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Chris Nelson

CHRIS NELSON, Chairman

Kristie Fiegen

KRISTIE FIEGEN, Commissioner

Gary Hanson

GARY HANSON, Commissioner