

EL95-003

DOCKET NO. EL 95-003

IN THE MATTER OF THE
APPLICATION OF BLACK HILLS
POWER AND LIGHT FOR APPROVAL
OF AN INCREASE IN ELECTRIC
RATES

Public Utilities Commission of the State of South Dakota

DATE	MEMORANDUM
3/1 95	Filed and Docketed,
3/7 95	Order for and Notice of Opportunity to Present Comments and Assessment of a Filing Fee,
3/22 95	Petition to Intervene by Black Hills Industrial Consumer Group,
3/30 95	Petition to Intervene by Bureau of Administration of South Dakota,
4/1 95	Order Granting Intervention and Notice of Procedural Schedule,
4/6 95	Amended Procedural Schedule,
4/15 95	Order for and Notice of Opportunity to Present Comments and Assessment of a Filing Fee,
6/23 95	Settlement Stipulation,
7/27 95	Order Granting Motion to Alter Procedural Schedule, Order for and Notice of Hearing,
7/19 95	Order Approving Settlement Agreement,
7/19 95	Final Order

EL95-003

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SOUTH DAKOTA PUBLIC UTILITIES COMMISSION
~~INTERESTED IN RECEIVING TELECOMMUNICATIONS FILINGS~~

<u>PAX #</u>	<u>LASTNAME</u>	<u>FIRSTNAME</u>	<u>COMPANY</u>
	Copeland	Basil	Chesapeake Regulatory Consultants
	Morrill	David	Morrill, Brown & Thomas
	Norwood	Scott	GDS Associates, Inc.
	White	Kyle	Black Hills Power and Light
(404) 396-0151	Falkenberg	Randy	Kennedy & Associates, Inc.
(605) 347-7007	Simonson	Ken	Ft. Mead VA Hospital
(605) 394-5212	Zelmer	Steve	Dacotah Cement
(605) 584-3730	Barnes	Robert	Wharf Resources
(605) 584-4618	Winters	Al	Homestake Mining Co.
(605) 642-5902	Rarick	James	Pope & Talbot
(605) 773-3887	Bogue	Bruce	S D Bureau of Administration
(612) 333-6173	Lee	Robert	Mackall, Crouse & Moore
	Turner	Joanne	Mackall, Crouse & Moore

LAW OFFICES
MORRILL BROWN THOMAS & NOONEY
625 NINTH STREET - 8TH FLOOR
P. O. Box 8108
RAPID CITY, SOUTH DAKOTA 57709-8108

DAVID E. MORRILL
PORTIA K. BROWN
TIMOTHY L. THOMAS*
JOHN K. NOONEY*
MARK A. VARGO
*ALSO ADMITTED IN WYOMING

RECEIVED
AUG 02 1995
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

TELEPHONE
(605) 348-7516
FAX
(605) 348-5852

August 1, 1995

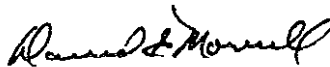
Greg Rislov
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501-5070

Re: Black Hills Power and Light Company
Industrial Contracts

Dear Greg:

Enclosed are copies of contracts showing the signatures between Black Hills Corporation and each of South Dakota State Cement Plant Commission, Homestake Mining Company, Pope & Talbot, Inc., Wharf Resources, State of South Dakota (for South Dakota School of Mines & Technology) and State of South Dakota (for Black Hills State University). I believe you and Bob Knadle wanted these to file with the Stipulation to show that these contracts as approved were in fact executed.

Sincerely,



David E. Morrill

DEM:br

Enclosures

Contract No.

AMENDMENT NO. 1 TO
INDUSTRIAL CONTRACT SERVICE AGREEMENT

SOUTH DAKOTA STATE CEMENT PLANT COMMISSION

This Amendment No. 1 ("Amendment") dated June 23, 1995 to an Electric Power Service Agreement dated June 1, 1993 ("Agreement"), is made and entered into by and between BLACK HILLS CORPORATION, which operates its electric utility division under the assumed name of Black Hills Power and Light Company ("Company") and the SOUTH DAKOTA STATE CEMENT PLANT COMMISSION, a commission of the State of South Dakota ("the Commission").

1. RECITALS. In connection with a settlement of PUC Docket EL95-003 the parties have agreed to certain modifications to their Agreement as set forth in this Amendment. These modifications are contingent upon approval of the settlement by the PUC.

2. Section 2 of the Agreement is deleted and the following substituted therefor:

"2. TERM.

2.1 Initial Term. The initial term of this Agreement shall commence May 1, 1987 and end July 31, 2000.

2.2 Right to Extend Term. The Commission shall have an automatic right to extend the term of the Agreement or any extended term of the Agreement for an additional three (3) years from the date the extension option is exercised. This option may be exercised at any time, but for computation of the 3 year period, the date of exercise shall be deemed to be no earlier than July 31, 1993 in the case of the first exercise of the option and no earlier than the first anniversary of the effective date of any prior exercise of this extension option in the case of any subsequent exercise of the option. Not earlier than 120 days and not later than 60 days prior to the deemed date of exercise of each option to extend the Term under this Section 2.2, the Company shall give the Commission written notice of the Commission's right to extend the Term. Failure to exercise an extension option by the end of this Agreement's term will require the Commission to either execute a new service agreement with a minimum 5 year term or cease taking service at the end of the Agreement's term. The Commission acknowledges that in the event it allows its remaining Agreement term to decline to less than 2 years after the Company has given the required notice of the Commission's right to extend the Term prior thereto, there will be a System Planning Surcharge for the first 2 years of the new service

agreement term or extended service agreement term, less any remaining unexpired existing Agreement term at the time of an extension. The surcharge will be \$.50/KVA per month of Measured Demand. The Company may, in its sole discretion, waive the System Planning Surcharge in those circumstances that it deems the surcharge to be inconsistent with the best interests of the Company or its ratepayers.

2.3 Failure to Extend Agreement. Failure to exercise an extension option by the end of the Agreement's term, including any extension thereof, and failure of the Commission to immediately execute a new service agreement with Black Hills with a minimum five-year term will result in either of the following:

(a) If Regulated. If as of the date of the termination of the Agreement, the Commission is obligated by law to take its electric service from Black Hills, Black Hills shall continue to serve the Commission, and the Commission shall continue to purchase all of its electric requirements from Black Hills under other applicable tariff schedules not requiring a contract or, upon application of either party, such tariff schedules as the South Dakota Public Utilities Commission directs .

(b) If Unregulated. If as of the date of the termination of the Agreement, the Commission has the legal right to choose its electric power supplier, and absent any other agreement of Black Hills and the Commission to the contrary, Black Hills shall have no further obligation to serve the Commission, and the Commission shall have no further obligation to purchase electric service from Black Hills.

2.4 Black Hills' Rights in Event of Customer Choice. If at the time the Commission exercises an option to extend the term of the Agreement, the Commission has the legal right to choose its electric power supplier, Black Hills shall have the option, to be exercised within thirty (30) days thereafter, to reject the extension and allow the Agreement to terminate at the end of its term.

3. A new Section 6.4 shall be inserted in the Agreement and shall read as follows:

"6.4. Rate Setting in the Event of Deregulation. In the event that during the term of this Agreement, or any extension thereof, the current PUC regulation of retail electric rates is eliminated, either by a change in South Dakota laws or by federal preemption of those laws, the parties agree that for the remainder of the term, either party may invoke from time to time the following procedure in order to obtain a change in the rates that are in effect on the date that such regulation ends:

1-3-80
6.6.2.6

(a) Request. Either the Company or the Commission may make a request that the rates be adjusted to conform the rates being charged to the cost of serving the Commission as those costs would have been calculated by the PUC under the laws and regulations that existed at the time this Amendment was executed. The request will be in writing. If the request is from the Company, it will provide sufficient explanation and data regarding changes in its cost of providing service to the Commission to justify the proposed adjustment. If from the Commission, the request will contain an explanation of why the Commission believes that the costs have changed and a demand that the Company provide the necessary data and/or explanation to confirm or dispute the Commission's claim. Neither Company nor the Commission shall be entitled to either unilaterally change the rate or to take legal action with respect to any dispute over what the rate should be until it has complied, in good faith, with the procedures set forth in Section 4.4b and 4.4c.

(b) Negotiation. Company and the Commission shall first attempt, promptly and in good faith, to resolve any dispute arising out of or relating to the rate to be charged, through unassisted negotiations between appointed representatives who have the authority to settle the controversy. All negotiations between these representatives shall be confidential and shall be treated as compromise and settlement negotiations for purposes of Federal and State Rules of Evidence.

(c) Settlement Conferences. Either Company or the Commission may give the other written notice of any dispute that has not been resolved pursuant to Section 4.4b and demand a settlement conference. As soon as mutually agreeable after delivery of the notice, appointed representatives of the parties shall meet in a settlement conference at a mutually acceptable time and place (or by telephone), and thereafter as often as they reasonably may deem necessary to attempt to resolve the dispute. Unless the representatives agree otherwise, these negotiations shall not be deemed at an impasse by either party until thirty days after the date of the first settlement conference.

(d) Attorneys. If the representatives of either party desire to be accompanied at the settlement conference by an attorney, they shall provide the other party at least three working days notice in advance of the settlement conference. Once such notice has been given, the representatives of the other party may also be accompanied by an attorney.

(e) Alternative Dispute Resolution Procedure. If an impasse is reached under Section 4.4c, either party may suggest the use of Alternative Dispute Resolution (ADR) procedures to resolve the

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dispute. Except as may be mandated by law, however, neither party is obligated to participate in ADR after reaching an impasse, and may resort to litigation to resolve the dispute. The parties are free to mutually select any ADR method that appears suitable to them at the time including: binding arbitration, non-binding arbitration, or mediation. The ADR method and procedures shall be agreed to in writing as expeditiously as possible. If the parties are unable to promptly agree on an appropriate ADR method or procedures, either party may resort to litigation.

(f) Discovery and access to records. The parties shall be entitled to utilize discovery prior to the submission of any dispute to ADR consistent with the Federal Rules of Civil Procedure. The books and papers of both parties relating to any matter submitted to ADR shall be open to examination by any mediator or arbitrator, as the case may be."

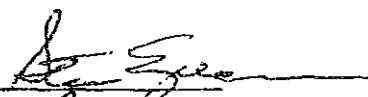
4. OTHER PROVISIONS UNCHANGED. Except as specifically modified herein all other provisions of the Agreement remain unchanged and in full force and effect.

5. CONDITION PRECEDENT. If for any reason, the PUC fails to approve the proposed settlement of Docket EL95-003 that includes the Industrial Contract Service rate tariff attached as Exhibit A on or prior to August 1, 1995, this Amendment shall become null and void, and the current Agreement between the parties shall be thereupon reinstated as it existed prior to this Amendment and shall continue to govern the relationship of the parties until it is amended or terminated. This reinstatement will include a reinstatement of the notice of cancellation given by the Commission on October 30, 1992.

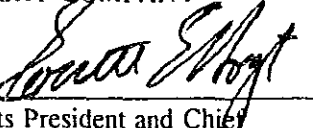
6. REGULATORY APPROVAL. This Amendment is subject to approval by the PUC.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in the first paragraph hereof.

THE SOUTH DAKOTA STATE CEMENT
COMMISSION

By 
Its President
Steve Zellmer, President

BLACK HILLS POWER AND PLANT
LIGHT COMPANY

By 
Its President and Chief
Operating Officer

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 31

SECTION NO. 3
NINTH REVISED SHEET NO. 14
REPLACES EIGHTH REVISED SHEET NO. 14

INDUSTRIAL CONTRACT SERVICE

RATE NO. IC-14 (T)
Page 1 of 2

AVAILABLE

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

APPLICABLE

To large industrial power users receiving transmission service or distribution service supplied at one point of delivery. Service is by Industrial Contract Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's transmission voltage (69,000 volts and above) or distribution voltage (less than 69,000 volts) stated in the Industrial Service Agreement.

NET MONTHLY BILL

Rate

Capacity Charge - On-Peak

Transmission Service @ \$5.10 per kVA of Billing Capacity
Distribution Service @ \$5.36 per kVA of Billing Capacity (N)

Capacity Charge - Off-Peak

Customer may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above their On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

Transmission Service @ 3.450 ¢ per kWh (N)
Distribution Service @ 3.622 ¢ per kWh |

Minimum

The charge for the Billing Capacity

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum On-Peak use during the billing period; or the maximum Off-Peak use less fifty percent of the maximum On-Peak use, whichever is higher; or

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White

Kyle D. White
Director Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
 RAPID CITY, SOUTH DAKOTA
 BILLING CODE 31

SECTION NO. 3
 NINTH REVISED SHEET NO. 15
 REPLACES EIGHTH REVISED SHEET NO. 15

INDUSTRIAL CONTRACT SERVICE

RATE NO. IC-14 (T)
 Page 2 of 2

- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months; or
 c. Eighty percent of the Contract Capacity as defined in the following paragraph; or
 d. Transmission Service 10,000kVA or Distribution Service 6,000kVA

(D)

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 apply to delinquent accounts. A non-sufficient funds check charge of \$15.00 shall apply to delinquent accounts. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

As a condition to be eligible for this tariff, the customer is required to enter into an Industrial Contract Service Agreement for an initial term of at least five years with the right of the customer to be exercised from time to time as of a date two years prior to the end of any term or extended term to extend the contract for one additional year. Failure of the customer to extend the contract so as to allow the remaining term to be less than three years shall allow the Company to charge a System Planning Surcharge equal to \$.50/kVA of measured demand per month for the first two years of a new contract or extended contract less any remaining unexpired existing contract term at the time of the extension. The Company and customer by agreement may modify the provision concerning the extension of the term and the amount of the System Planning Surcharge.

(N)

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Notice will be provided defining On-Peak hours and thirty (30) days written notice will be provided of any change in On-Peak hours.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

(C)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White
 Kyle D. White
 Director Rates and Demand-Side Management

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Contract No.

**AMENDMENT NO. 1 TO
INDUSTRIAL CONTRACT SERVICE AGREEMENT**

HOMESTAKE MINING COMPANY

This Amendment No. 1 ("Amendment") to the Industrial Contract Service Agreement, dated June 1, 1993, is made and entered into by and between BLACK HILLS CORPORATION, which operates its electric utility division under the assumed name of Black Hills Power and Light Company ("Company") and HOMESTAKE MINING COMPANY OF CALIFORNIA ("Homestake").

1. **RECITALS.** In connection with a settlement of PUC Docket EL95-003 the parties have agreed to certain modifications of their Electric Power Service Agreement dated June 1, 1993 ("Agreement"). These modifications are contingent upon approval of the settlement by the PUC.

2. Section 2 of the Agreement is deleted and the following substituted therefor:

*2. TERM.

2.1 Initial Term. The initial term of this Agreement shall be 9 years commencing on June 18, 1993 and ending September 9, 2002.

2.2 Right to Extend Term. Homestake shall have an automatic right to extend the term of the Agreement or any extended term of the Agreement for an additional three (3) years from the date the extension option is exercised. This option may be exercised at any time, but for computation of the 3 year period, the date of exercise shall be deemed to be no earlier than September 8, 2000 in the case of the first exercise of the option and no earlier than the first anniversary of the effective date of any prior exercise of this extension option in the case of any subsequent exercise of the option. Not earlier than 120 days and not later than 60 days prior to the deemed date of exercise of each option to extend the Term under this Section 2.2, the Company shall give Homestake written notice of Homestake's right to extend the Term. Failure to exercise an extension option by the end of this Agreement's term will require Homestake to either execute a new service agreement with a minimum 5 year term or cease taking service at the end of the Agreement's term. Homestake acknowledges that in the event it allows its remaining Agreement term to decline to less than 2 years after the Company has given the required notice of the Homestake's right to extend the Term prior thereto, there will be a System Planning Surcharge for the first 2 years of the new service agreement term or extended service agreement term, less any remaining unexpired existing Agreement term at the time of an extension. The surcharge will be

\$.50/kVA per month of Measured Demand. The Company may, in its sole discretion, waive the System Planning Surcharge in those circumstances that it deems the surcharge to be inconsistent with the best interests of the Company or its ratepayers.

2.3 Failure to Extend Agreement. Failure to exercise an extension option by the end of the Agreement's term, including any extension thereof, and failure of Homestake to immediately execute a new service agreement with Black Hills with a minimum five-year term will result in either of the following:

(a) If Regulated. If as of the date of the termination of the Agreement, Homestake is obligated by law to take its electric service from Black Hills, Black Hills shall continue to serve Homestake, and Homestake shall continue to purchase all of its electric requirements from Black Hills under other applicable tariff schedules not requiring a contract or, upon application of either party, such tariff schedules as the South Dakota Public Utilities Commission directs .

(b) If Unregulated. If as of the date of the termination of the Agreement, Homestake has the legal right to choose its electric power supplier, and absent any other agreement of Black Hills and Homestake to the contrary, Black Hills shall have no further obligation to serve Homestake, and Homestake shall have no further obligation to purchase electric service from Black Hills.

2.4 Black Hills' Rights in Event of Customer Choice. If at the time Homestake exercises an option to extend the term of the Agreement, Homestake has the legal right to choose its electric power supplier, Black Hills shall have the option, to be exercised within thirty (30) days thereafter, to reject the extension and allow the Agreement to terminate at the end of its term.

3. Section 4.4 of the Agreement shall be renumbered as Section 4.5 and a new Section 4.4 shall be inserted in the Agreement and shall read as follows:

"4.4. Rate Setting in the Event of Deregulation. In the event that during the term of this Agreement, the current PUC regulation of retail electric rates is eliminated, either by a change in South Dakota laws or by federal preemption of those laws, the parties agree that for the remainder of the contract term, either party may use the following procedure in order to obtain a change in the rates that are in effect on the date that such regulation ends:

a. Request. Either the Company or Homestake may make a request that the rates be adjusted to conform the rates being charged to the cost of serving Homestake as those costs would have been calculated by the PUC under the

laws and regulations that existed at the time this Amendment was executed. The request will be in writing. If the request is from the Company, it will provide sufficient explanation and data regarding changes in its cost of providing service to Homestake to justify the proposed adjustment. If from Homestake, the request will contain an explanation of why Homestake believes that the costs have changed and a demand that the Company provide the necessary data and/or explanation to confirm or dispute Homestake's claim. Neither Company nor Homestake shall be entitled to either unilaterally change the rate or to take legal action with respect to any dispute over what the rate should be until it has complied, in good faith, with the procedures set forth in Section 4.4b and 4.4c.

b. Negotiation. Company and Homestake shall first attempt, promptly and in good faith, to resolve any dispute arising out of or relating to the rate to be charged, through unassisted negotiations between appointed representatives who have the authority to settle the controversy. All negotiations between these representatives shall be confidential and shall be treated as compromise and settlement negotiations for purposes of Federal and State Rules of Evidence.

c. Settlement Conferences. Either Company or Homestake may give the other written notice of any dispute that has not been resolved pursuant to Section 4.4b and demand a settlement conference. As soon as mutually agreeable after delivery of the notice, appointed representatives of the parties shall meet in a settlement conference at a mutually acceptable time and place (or by telephone), and thereafter as often as they reasonably may deem necessary to attempt to resolve the dispute. Unless the representatives agree otherwise, these negotiations shall not be deemed at an impasse by either party until thirty days after the date of the first settlement conference.

d. Attorneys. If the representatives of either party desire to be accompanied at the settlement conference by an attorney, they shall provide the other party at least three working days notice in advance of the settlement conference. Once such notice has been given, the representatives of the other party may also be accompanied by an attorney.

e. Alternative Dispute Resolution Procedure. If an impasse is reached under Section 4.4c, either party may suggest the use of Alternative Dispute Resolution (ADR) procedures to resolve the dispute. Except as may be mandated by law, however, neither party is obligated to participate in ADR after reaching an impasse, and may resort to litigation to resolve the dispute. The parties are free to mutually select any ADR method that appears suitable to them at the time including: binding arbitration, non-binding arbitration, or mediation. The ADR method and procedures shall be agreed to in writing as expeditiously as possible. If the parties are unable to promptly agree on an appropriate ADR method or procedures, either party may resort to litigation.

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f. Discovery and access to records. The parties shall be entitled to utilize discovery prior to the submission of any dispute to ADR consistent with the Federal Rules of Civil Procedure. The books and papers of both parties relating to any matter submitted to ADR shall be open to examination by any mediator or arbitrator, as the case may be."

4. The following language shall be added to the end of Section 5.1 of the Agreement:

"The parties recognize that only 55% of Homestake's load is served at 69kv. The rest is served through the Kirk substation at distribution voltages. Homestake, however, is in the process of constructing facilities that will eventually allow Company to serve all or substantially all of Homestake's load at a transmission delivery of 69 kV. This involves building a new substation and rebuilding portions of the distribution system that is currently attached to the Kirk substation. Homestake represents that its planning, design and construction program ("Program") is underway and is expected to be completed in phases. Phase 1 is the construction of the new substation. This phase will be complete by March 1, 1996. At this point approximately 60% of the load will be at 69 kV. In phase 2, Homestake will reroute and rebuild the distribution system. The program calls for about 68% at 69,000 by January 1, 1997 and essentially 100% by December 31, 1998. Conditioned upon Homestake continuing to carry out this Program and substantially comply with the timetables set forth above, all of Homestake's load (other than small isolated loads) shall be considered to be delivered at transmission voltage (69 kV) for the purpose of applying the charges of the Industrial Contract Service rate tariff (IC-14(T)). The parties agree to continue to work together and to inform each other as to Homestake's progress in completing the Program. During the period until the Program is complete the Company will continue to perform routine maintenance on the Kirk Substation at its expense. If, however, due to some unusual event, such as fire, tornado, flood or transformer failure, Company would be required to incur a capital investment in order to continue delivering service to Homestake at the various distribution voltages currently provided through the Kirk substation until such time as the Program is complete, Homestake and Company shall confer with each other to try to come up with a solution to totally avoid or to minimize the cost of temporary repairs to this facility pending completion of the Program. In the event, however, that a capital investment is necessary to continue to provide service at less than 69 kV, Homestake and Company agree to split the cost of this capital investment between them, with each party paying 50%. For this purpose "cost" shall mean all direct costs such as labor, materials and equipment as well as indirect costs such as general and administrative expenses. In the event that the equipment or materials so purchased can be salvaged upon completion of the Program, the salvage proceeds will be split with 50% going to each party.

5. OTHER PROVISIONS UNCHANGED. Except as specifically modified herein all other provisions of the Agreement remain unchanged and in full force and effect.

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6. CONDITION PRECEDENT. If for any reason, the PUC fails to approve the proposed settlement of Docket EL95-003 that includes the Industrial Contract Service rate tariff attached as Exhibit A on or prior to August 1, 1995, this Amendment shall become null and void, and the current Agreement between the parties shall be thereupon reinstated as it existed prior to this Amendment and shall continue to govern the relationship of the parties until it is amended or terminated. This reinstatement will include a reinstatement of the notice of cancellation given by Homestake on October 30, 1992.

7. REGULATORY APPROVAL.

This Amendment is subject to approval by the PUC.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in the first paragraph hereof.

HOMESTAKE MINING COMPANY
OF CALIFORNIA

By Stil A. D.
Its General Manager

BLACK HILLS POWER AND PLANT
LIGHT COMPANY

By Lois E. Hoyt
Its President and Chief
Operating Officer

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 31

SECTION NO. 3
NINTH REVISED SHEET NO. 14
REPLACES EIGHTH REVISED SHEET NO. 14

INDUSTRIAL CONTRACT SERVICE

RATE NO. IC-14 (T)
Page 1 of 2

AVAILABLE

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

APPLICABLE

To large industrial power users receiving transmission service or distribution service supplied at one point of delivery. Service is by Industrial Contract Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's transmission voltage (69,000 volts and above) or distribution voltage (less than 69,000 volts) stated in the Industrial Service Agreement.

NET MONTHLY BILL

Rate

Capacity Charge - On-Peak

Transmission Service @ \$5.10 per kVA of Billing Capacity
Distribution Service @ \$5.36 per kVA of Billing Capacity (N)

Capacity Charge - Off-Peak

Customer may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above their On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

Transmission Service @ 3.450 ¢ per kWh (N)
Distribution Service @ 3.622 ¢ per kWh |

Minimum

The charge for the Billing Capacity

DETERMINATION OF BILLING CAPACITY

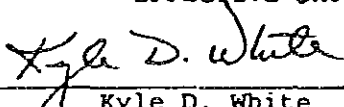
The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum On-Peak use during the billing period; or the maximum Off-Peak use less fifty percent of the maximum On-Peak use, whichever is higher; or

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 31

SECTION NO. 3
NINTH REVISED SHEET NO. 15
REPLACES EIGHTH REVISED SHEET NO. 15

INDUSTRIAL CONTRACT SERVICE

RATE NO. IC-14 (T)
Page 2 of 2

- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months; or
- c. Eighty percent of the Contract Capacity as defined in the following paragraph; or
- d. Transmission Service 10,000kVA or Distribution Service 6,000kVA

(D)

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 apply to delinquent accounts. A non-sufficient funds check charge of \$15.00 shall apply to delinquent accounts. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

As a condition to be eligible for this tariff, the customer is required to enter into an Industrial Contract Service Agreement for an initial term of at least five years with the right of the customer to be exercised from time to time as of a date two years prior to the end of any term or extended term to extend the contract for one additional year. Failure of the customer to extend the contract so as to allow the remaining term to be less than three years shall allow the Company to charge a System Planning Surcharge equal to \$.50/kVA of measured demand per month for the first two years of a new contract or extended contract less any remaining unexpired existing contract term at the time of the extension. The Company and customer by agreement may modify the provision concerning the extension of the term and the amount of the System Planning Surcharge.

(N)

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Notice will be provided defining On-Peak hours and thirty (30) days written notice will be provided of any change in On-Peak hours.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

(C)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White
Director, Rates and Demand-Side Management

Contract No.

INDUSTRIAL CONTRACT SERVICE AGREEMENT

POPE & TALBOT, INC.

This Industrial Contract Service Agreement, dated as of ^{June 26} ~~July~~ __, 1995, is made and entered into by and between BLACK HILLS CORPORATION, which operates its electric utility division under the assumed name of Black Hills Power and Light Company ("Company") and POPE & TALBOT, INC., of Portland, Oregon ("Pope & Talbot") which operates a sawmill in Lawrence County, South Dakota.

1. DEFINITIONS AND RECITALS.

1.1 Definitions. The following capitalized words and phrases when used in this Agreement shall have the respective meanings as follows:

"Agreement" is this Industrial Contract Service Agreement.

"Best Efforts" are a party's best efforts to accomplish the intent of this Agreement in accordance with reasonable commercial practice and without the incurring of unreasonable expense.

"Billing Capacity" is defined in the tariff at Exhibit A.

"Billing Period" is the calendar month for which the Company renders a bill to Pope & Talbot for power and energy delivered during such period.

"Company" is Black Hills Corporation which operates its electric utility division under the assumed name of Black Hills Power and Light Company.

"Company's Assigned Service Area" is the Company's assigned service area in which the Company has the exclusive right to provide electric service at retail as provided by South Dakota Codified Laws § 49-34A-42.

"Contract Capacity" is 6,000 kVA.

"Measured Demand" is the Kilovolt-ampere (kVA) load during the 15-minute period of maximum use during a Billing Period.

"PUC" is the Public Utilities Commission, a commission of the State of South Dakota, or such other regulatory commission or agency which may hereafter have jurisdiction to determine the rates charged by the Company for the sale of electric power and energy to Pope & Talbot.

"Reasonable Notice" and "Reasonable Time" is, when applied to a notice of increased power and energy needs, sufficient notice to the Company to allow it to construct any

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necessary facilities required to furnish the electric needs of Pope & Talbot. When applied to a notice of less need for power and energy, Reasonable Notice and Reasonable Time is notice to the Company as soon as practicable after Pope & Talbot is aware of the events which cause the reduced electric needs.

"Term" is that period of time set forth in Section 2 of this Agreement.

1.2 Recitals. Pope & Talbot owns and operates a sawmill and related operations in Lawrence County, South Dakota, within the Company's Assigned Service Area. The Company provides electric service to Pope & Talbot for these operations. Pope & Talbot desires to have a dependable electric power supply available for its needs at reasonable rates, and the Company desires to have sufficient notice of changing power needs and assurances of stability in the payment of rates from this large customer to be able to prudently plan for and construct the necessary facilities to provide for the electric services and to mitigate the impact on the Company's other customers that may be brought about by major variations in Pope & Talbot's electric power requirements.

2. TERM.

2.1 Initial Term. The initial term of this Agreement shall commence on August 1, 1995 and terminate on July 31, 2000.

2.2 Right to Extend Term. Pope & Talbot shall have an automatic right to extend the term of the Agreement or any extended term of the Agreement for an additional three (3) years from the date the extension option is exercised. This option may be exercised at any time, but for computation of the 3 year period, the date of exercise shall be deemed to be no earlier than July 31, 1998 in the case of the first exercise of the option and no earlier than the first anniversary of the effective date of any prior exercise of this extension option in the case of any subsequent exercise of the option. Not earlier than 120 days and not later than 60 days prior to the deemed date of exercise of each option to extend the Term under this Section 2.2, the Company shall give Pope & Talbot written notice of Pope & Talbot's right to extend the Term. Failure to exercise an extension option by the end of this Agreement's term will require Pope & Talbot to either execute a new service agreement with a minimum 5 year term or cease taking service at the end of the Agreement's term. Pope & Talbot acknowledges that in the event it allows its remaining Agreement term to decline to less than 2 years after the Company has given the required notice of Pope & Talbot's right to extend the Term prior thereto, there will be a System Planning Surcharge for the first 2 years of the new service agreement term or extended service agreement term, less any remaining unexpired existing Agreement term at the time of an extension. The surcharge will be \$.50/kVA per month of Measured Demand. The Company may, in its sole discretion, waive the System Planning Surcharge in those circumstances that it deems the surcharge to be inconsistent with the best interests of the Company or its ratepayers.

2.3 Failure to Extend Agreement. Failure to exercise an extension option by the end of the Agreement's term, including any extension thereof, and failure of Pope & Talbot to immediately execute a new service agreement with Black Hills with a minimum five-year term will result in either of the following:

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(a) If Regulated. If as of the date of the termination of the Agreement, Pope & Talbot is obligated by law to take its electric service from Black Hills, Black Hills shall continue to serve Pope & Talbot, and Pope & Talbot shall continue to purchase all of its electric requirements from Black Hills under other applicable tariff schedules not requiring a contract or, upon application of either party, such tariff schedules as the South Dakota Public Utilities Commission directs .

(b) If Unregulated. If as of the date of the termination of the Agreement, Pope & Talbot has the legal right to choose its electric power supplier, and absent any other agreement of Black Hills and Pope & Talbot to the contrary, Black Hills shall have no further obligation to serve Pope & Talbot, and Pope & Talbot shall have no further obligation to purchase electric service from Black Hills.

2.4 Black Hills' Rights in Event of Customer Choice. If at the time Pope & Talbot exercises an option to extend the term of the Agreement, Pope & Talbot has the legal right to choose its electric power supplier, Black Hills shall have the option, to be exercised within thirty (30) days thereafter, to reject the extension and allow the Agreement to terminate at the end of its term.

3. SALE AND PURCHASE OF POWER AND ENERGY.

3.1 All Requirements. The Company agrees to sell and Pope & Talbot agrees to buy all of Pope & Talbot's electric power and energy requirements during the Term for all electric use and loads within the Company's Assigned Service Area. During the Term, Pope & Talbot agrees to choose the Company as its electric supplier and otherwise use Best Efforts to support the Company in establishing a right to serve Pope & Talbot's load. However, nothing herein restricts Pope & Talbot's rights to undertake all actions and legal procedures including petitioning the PUC or other regulatory bodies having jurisdiction to attempt to obtain an alternate supply of electric power if the Company is not furnishing Pope & Talbot adequate electric service.

3.2 Notice of Change in Power Requirements. Pope & Talbot shall give Reasonable Notice to the company of any increased electric power requirements within a Reasonable Time prior to its actual demand therefore to enable the Company to be prepared to furnish such power requirements. Pope & Talbot shall further give Reasonable Notice to Black Hills within a Reasonable Time of any substantial decrease in power requirements.

3.3 Subject to Service Area Regulation. This Agreement is subject to and will be consistent with applicable law regulating service areas. However, in recognition of the long-term commitment of the Company to supply power and energy to Pope & Talbot, the possibilities of major deviations in the need for electric power and the need of Pope & Talbot to be assured of adequate power and energy, this Agreement providing for the obligation of the Company to sell and the obligation of Pope & Talbot to buy electric service shall continue to be binding on the parties for the Term and any extensions thereof notwithstanding any subsequent modification of the Company's Assigned Service Area or the laws relating thereto or interpretation thereof. If the Company's right and duty to serve Pope

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& Talbot granted in this Agreement is contested in whole or in part by any party or governmental body, both parties agree to use their Best Efforts to uphold the rights and obligations of the parties as set forth herein, including participation at the sole cost of the requesting party in all administrative and judicial proceedings, including all appeals from any rulings not upholding the right or duty to serve as provided herein. If the right and duty to serve is not upheld as to any portion thereof, this Agreement shall be binding and enforceable as to the remaining portion of the right and duty to serve.

3.4 Right to Serve After Term. Nothing herein shall operate to cancel or modify the Company's legal rights and duties to provide electric power and energy to Pope & Talbot following the Term, whatever those legal rights and duties may be at the time.

4. RATES TO BE CHARGED FOR POWER AND ENERGY.

4.1 Regulated Rates. Subject to Section 4.2, the Company shall bill and Pope & Talbot shall pay for all electric power and energy supplied hereunder at the rates and charges due and payable therefor, pursuant to the appropriate and applicable rate tariffs as approved and allowed from time to time by the PUC for the type of service furnished. Attached hereto as Exhibit A is the Industrial Contract Service rate tariff (IC-14 T) that the parties to this Agreement anticipate will be approved by the PUC as part of a settlement of PUC Docket No. EL95-003 and is applicable to this Agreement. Approval of this tariff is a condition precedent to this Agreement becoming effective pursuant to Section 10. The parties agree, however, that this tariff is subject to change from time to time by the PUC as provided by law.

4.2 Substantial Decrease in Load. If Pope & Talbot's Measured Demand falls to less than 2000 kVA during any 3 consecutive months during the term of this Agreement neither the Contract Capacity set forth in this Agreement nor the Industrial Contract Service rate tariff shall continue to be applicable to Pope & Talbot. If Pope & Talbot continues to have any need for electric service, it shall be subject to whatever tariff is then in effect which is applicable to that smaller size load. If, however, at any time during the remaining Agreement term, Pope & Talbot's Measured Demand for any month is higher than 2000 kVA, the Contract Capacity and the Industrial Contract Service tariff shall again become applicable to Pope & Talbot. This provision shall continue to be applicable to any subsequent 3-month consecutive period of less than 2000 kVA of Measured Demand.

4.3 Rates and Service Subject to Regulation. It is understood that the initial basis for charges pursuant to this Agreement as referred to herein and conditions of service may be revised by the Company from time to time, and Pope & Talbot agrees that should the Company during the Term revise such rate schedules, such revised rate schedules as authorized by the PUC shall be the basis of charges thereafter. The Company shall promptly provide Pope & Talbot with copies of any filings by the Company with the PUC affecting rates hereunder and notify Pope & Talbot promptly of any such revision. All rules and regulations of the Company governing the furnishing of electric service and its tariff schedules under which service is furnished to the customers, as such rules and regulations and tariff schedules exist from time to time, are made a part of this Agreement by reference. Notwithstanding, the provisions of this Agreement shall govern in the event of any conflict

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between the rules and regulations of the Company and the provisions of this Agreement. Pope & Talbot reserves all rights as any customer of the Company to petition the PUC and propose and/or contest changes in the rate tariffs and rules and regulations under which the Company operates except that Pope & Talbot agrees not to contest its obligation to purchase electric power and energy as provided in Section 3.

4.4 Rate Setting in the Event of Deregulation. In the event that during the term of this Agreement, the current PUC regulation of retail electric rates is eliminated, either by a change in South Dakota laws or by federal preemption of those laws, the parties agree that for the remainder of the contract term, either party may use the following procedure in order to obtain a change in the rates that are in effect on the date that such regulation ends:

a. Request. Either the Company or Pope & Talbot may make a request that the rates be adjusted to conform the rates being charged to the cost of serving Pope & Talbot as those costs would have been calculated by the PUC under the laws and regulations that existed at the time this Agreement was executed. The request will be in writing. If the request is from the Company, it will provide sufficient explanation and data regarding changes in its cost of providing service to Pope & Talbot to justify the proposed adjustment. If from Pope & Talbot, the request will contain an explanation of why Pope & Talbot believes that the costs have changed and a demand that the Company provide the necessary data and/or explanation to confirm or dispute Pope & Talbot's claim. Neither Company nor Pope & Talbot shall be entitled to either unilaterally change the rate or to take legal action with respect to any dispute over what the rate should be until it has complied, in good faith, with the procedures set forth in Section 4.4b and 4.4c.

b. Negotiation. Company and Pope & Talbot shall first attempt, promptly and in good faith, to resolve any dispute arising out of or relating to the rate to be charged, through unassisted negotiations between appointed representatives who have the authority to settle the controversy. All negotiations between these representatives shall be confidential and shall be treated as compromise and settlement negotiations for purposes of Federal and State Rules of Evidence.

c. Settlement Conferences. Either Company or Pope & Talbot may give the other written notice of any dispute that has not been resolved pursuant to Section 4.4b and demand a settlement conference. As soon as mutually agreeable after delivery of the notice, appointed representatives of the parties shall meet in a settlement conference at a mutually acceptable time and place (or by telephone), and thereafter as often as they reasonably may deem necessary to attempt to resolve the dispute. Unless the representatives agree otherwise, these negotiations shall not be deemed at an impasse by either party until thirty days after the date of the first settlement conference.

d. Attorneys. If the representatives of either party desire to be accompanied at the settlement conference by an attorney, they shall provide the other party at least three working days notice in advance of the settlement conference. Once such notice has been given, the representatives of the other party may also be accompanied by an attorney.

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e. Alternative Dispute Resolution Procedure. If an impasse is reached under Section 4.4c, either party may suggest the use of Alternative Dispute Resolution (ADR) procedures to resolve the dispute. Except as may be mandated by law, however, neither party is obligated to participate in ADR after reaching an impasse, and may resort to litigation to resolve the dispute. The parties are free to mutually select any ADR method that appears suitable to them at the time including: binding arbitration, non-binding arbitration, or mediation. The ADR method and procedures shall be agreed to in writing as expeditiously as possible. If the parties are unable to promptly agree on an appropriate ADR method or procedures, either party may resort to litigation.

f. Discovery and access to records. The parties shall be entitled to utilize discovery prior to the submission of any dispute to ADR consistent with the Federal Rules of Civil Procedure. The books and papers of both parties relating to any matter submitted to ADR shall be open to examination by any mediator or arbitrator, as the case may be.

4.5 Suspension of Service for Nonpayment. In the event that any bill for service is not paid in accordance with payment provisions set forth herein and under the rules and regulations adopted from time to time by the PUC, the Company may suspend the supply of electric power and energy hereunder, but such action shall not release Pope & Talbot from the obligation to pay for service furnished and the minimum charges under the rate schedules applicable thereto for the unexpired Term of the Agreement or from liability for damages because of such breach hereof.

5. FACILITIES AND DELIVERY POINTS.

5.1 Delivery of Power and Energy and Facilities to be Furnished. The Company will deliver three phase, alternating current power and energy, at approximately 60 cycles and at a nominal phase to phase voltage of 12,470 volts.

5.2 Facilities to be Furnished by Pope & Talbot. Pope & Talbot shall install and maintain, at its cost, and under approved standards of construction, all other facilities on Pope & Talbot's side of the point of delivery as set forth in Section 5.1 and which are necessary for the proper reception of electric power and energy for its use beyond such point. Such facilities in Pope & Talbot's plant equipment shall be of types which will not interfere with other service rendered by the Company. Pope & Talbot accepts full responsibility for the operation, maintenance and replacement of all electric facilities on the load side of the points of delivery and acknowledges that the Company has no responsibility therefor.

5.3 Rights-of-Way. Pope & Talbot agrees to provide the Company, without cost, suitable location and rights-of-way on Pope & Talbot's premises for necessary lines and apparatus installed to provide the electric power and energy required by Pope & Talbot. All facilities installed by and at the cost of the Company shall remain the Company's property, and it shall have the right and obligation to maintain, inspect, repair or remove the same.

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6. FORCE MAJEURE.

The Company will endeavor to maintain adequate and continuous electric service but does not guarantee that the supply of power and energy will at all times be constant. In case service should be interrupted or fail by reason of force majeure, including acts of nature or public enemy, fire, explosion, flood, strike or other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery, transmission lines or other facilities, extraordinary repairs, or other accident, or other causes not reasonably within its control, the Company shall promptly notify Pope & Talbot of any such occurrence, and the Company shall not be liable for damages on account of interruption of service. Upon the occurrence of any such interruption or failure, the Company shall use due diligence to promptly restore such service.

7. INDEMNIFICATION.

The Company shall not be liable for any loss or damage to property or injury to or death of persons whether suffered by Pope & Talbot, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Pope & Talbot's side of the points of delivery, or from electric energy present therein or escaping therefrom, and Pope & Talbot agrees to indemnify and save the Company harmless from all such loss, damages, injuries or death.

Pope & Talbot shall not be liable for any loss or damage to property or injury to or death of persons whether suffered by the Company, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on the Company's side of the points of delivery, or from electric energy present therein or escaping therefrom, and the Company agrees to indemnify and save Pope & Talbot harmless from all such loss, damages, injuries or death.

8. MISCELLANEOUS.

8.1 Waivers. Any waiver at any time by either party hereto of its rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter.

8.2 Notice. Any notice, demand or request required or authorized by this Agreement shall be deemed properly given if mailed, postage-prepaid, certified mail, return receipt requested, on behalf of Pope & Talbot, to:

Pope & Talbot, Inc.
P.O. Box 850
Spearfish, SD 57783

and on behalf of the Company, to:

Black Hills Power and Light Company

Attention: Chief operating officer
P. O. Box 1400
Rapid City, SD 57709

The designation of persons to be notified or the address of such persons may be changed at any time by a similar notice.

8.3 Complete Agreement. This Agreement shall be considered the complete agreement of the parties pertaining to the matters set forth herein and replaces any other previous contract, agreement, written or oral, pertaining thereto. The provisions of this Agreement shall not be changed except in writing duly executed by the Company and Pope & Talbot.

8.4 Severability If any portion of this Agreement is determined by any court or regulatory body having jurisdiction to be void and not enforceable, the parties agree that the balance of the Agreement shall remain binding on the parties.

8.5 Binding on Successors. This Agreement shall enure to and be binding and enforceable upon Pope & Talbot and its assigns, lessees and successors in interest to its sawmill properties in Lawrence County, South Dakota, and upon the Company's assigns, lessees and successors in interest.

9. AGREEMENT CONDITIONAL.

If for any reason, the PUC fails to approve the proposed settlement of Docket EL95-003 that includes the Industrial Contract Service rate tariff attached as Exhibit A on or prior to August 1, 1995, this Agreement shall become null and void, and the current October 1, 1992 Agreement between the parties shall be thereupon reinstated and survive and continue to govern the relationship of the parties until it is amended or terminated.

10. REGULATORY APPROVAL.

This Agreement is subject to approval by the PUC.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth in the first paragraph hereof.

POPE & TALBOT, INC.

By Jan Raich
Its Black Hills Contract Mgr

BLACK HILLS POWER AND LIGHT
COMPANY

By Ernest Hoyt
Its President and Chief
Operating Officer

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PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 31

SECTION NO. 3
NINTH REVISED SHEET NO. 14
REPLACES EIGHTH REVISED SHEET NO. 14

INDUSTRIAL CONTRACT SERVICE

RATE NO. IC-14 (T)
Page 1 of 2

AVAILABLE

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

APPLICABLE

To large industrial power users receiving transmission service or distribution service supplied at one point of delivery. Service is by Industrial Contract Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's transmission voltage (69,000 volts and above) or distribution voltage (less than 69,000 volts) stated in the Industrial Service Agreement.

NET MONTHLY BILL

Rate

Capacity Charge - On-Peak

Transmission Service @ \$5.10 per kVA of Billing Capacity
Distribution Service @ \$5.36 per kVA of Billing Capacity (N)

Capacity Charge - Off-Peak

Customer may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above their On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

Transmission Service @ 3.450 ¢ per kWh (N)
Distribution Service @ 3.622 ¢ per kWh |

Minimum

The charge for the Billing Capacity

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum On-Peak use during the billing period; or the maximum Off-Peak use less fifty percent of the maximum On-Peak use, whichever is higher; or

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White

Kyle D. White
Director Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
 RAPID CITY, SOUTH DAKOTA
 BILLING CODE 31

SECTION NO. 3
 NINTH REVISED SHEET NO. 15
 REPLACES EIGHTH REVISED SHEET NO. 15

INDUSTRIAL CONTRACT SERVICE

RATE NO. IC-14(T)
 Page 2 of 2

- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months; or
- c. Eighty percent of the Contract Capacity as defined in the following paragraph; or
- d. Transmission Service 10,000kVA or Distribution Service 6,000kVA

(D)

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 apply to (T) delinquent accounts. A non-sufficient funds check charge of \$15.00 (I) shall apply to delinquent accounts. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

As a condition to be eligible for this tariff, the customer is required to enter into an Industrial Contract Service Agreement for an initial term of at least five years with the right of the customer to be exercised from time to time as of a date two years prior to the end of any term or extended term to extend the contract for one additional year. Failure of the customer to extend the contract so as to allow the remaining term to be less than three years shall allow the Company to charge a System Planning Surcharge equal to \$.50/kVA of measured demand per month for the first two years of a new contract or extended contract less any remaining unexpired existing contract term at the time of the extension. The Company and customer by agreement may modify the provision concerning the extension of the term and the amount of the System Planning Surcharge.

(N)

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Notice will be provided defining On-Peak hours and thirty (30) days written notice will be provided of any change in On-Peak hours.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

(C)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White
 Kyle D. White
 Director, Rates and Demand-Side Management

Contract No.

LARGE DEMAND CURTAILABLE SERVICE AGREEMENT

WHARF RESOURCES

This Large Demand Curtailable Service Agreement, dated as of July __, 1995, is made and entered into by and between BLACK HILLS CORPORATION, which operates its electric utility division under the assumed name of Black Hills Power and Light Company ("Company") and WHARF RESOURCES, a Montana General Partnership ("Wharf").

1. DEFINITIONS AND RECITALS.

1.1 Definitions. The following capitalized words and phrases when used in this Agreement shall have the respective meanings as follows:

"Agreement" is this Large Demand Curtailable Service Agreement.

"Best Efforts" are a party's best efforts to accomplish the intent of this Agreement in accordance with reasonable commercial practice and without the incurring of unreasonable expense.

"Billing Capacity" is defined in the tariff at Exhibit A.

"Billing Period" is the calendar month for which the Company renders a bill to Wharf Resources for power and energy delivered during such period.

"Company" is Black Hills Corporation which operates its electric utility division under the assumed name of Black Hills Power and Light Company.

"Company's Assigned Service Area" is the Company's assigned service area in which the Company has the exclusive right to provide electric service at retail as provided by South Dakota Codified Laws § 49-34A-42.

"Firm Service Capacity" is 1,500 kVA.

"Measured Demand" is the Kilovolt-ampere (kVA) load during the 15-minute period of maximum use during a Billing Period.

"PUC" is the Public Utilities Commission, a commission of the State of South Dakota, or such other regulatory commission or agency which may hereafter have jurisdiction to determine the rates charged by the Company for the sale of electric power and energy to Wharf Resources.

"Reasonable Notice" and "Reasonable Time" is, when applied to a notice of increased power and energy needs, sufficient notice to the Company to allow it to construct any necessary facilities required to furnish the electric needs of Wharf Resources. When

applied to a notice of less need for power and energy, Reasonable Notice and Reasonable Time is notice to the Company as soon as practicable after Wharf Resources is aware of the events which cause the reduced electric needs.

"Term" is that period of time set forth in Section 2 of this Agreement.

1.2 Recitals. Wharf Resources owns and operates gold mining and milling and other operations in Lawrence County, South Dakota, within the Company's Assigned Service Area. The Company provides electric service to Wharf Resources for these operations. Wharf Resources desires to have a dependable electric power supply available for its needs at reasonable rates, and the Company desires to have sufficient notice of changing power needs and assurances of stability in the payment of rates from this large customer to be able to prudently plan for and construct the necessary facilities to provide for the electric services and to mitigate the impact on the Company's other customers that may be brought about by major variations in Wharf Resources's electric power requirements.

2. TERM.

2.1 Initial Term. The initial term of this Agreement shall commence on August 1, 1995 and terminate on July 31, 2000.

2.2 Right to Extend Term. Wharf shall have an automatic right to extend the term of the Agreement or any extended term of the Agreement for an additional three (3) years from the date the extension option is exercised. This option may be exercised at any time, but for computation of the 3 year period, the date of exercise shall be deemed to be no earlier than July 31, 1998 in the case of the first exercise of the option and no earlier than the first anniversary of the effective date of any prior exercise of this extension option in the case of any subsequent exercise of the option. Not earlier than 120 days and not later than 60 days prior to the deemed date of exercise of each option to extend the Term under this Section 2.2, the Company shall give Wharf written notice of Wharf's right to extend the Term. Failure to exercise an extension option by the end of this Agreement's term will require Wharf to either execute a new service agreement with a minimum 5 year term or cease taking service at the end of the Agreement's term. Wharf acknowledges that in the event it allows its remaining Agreement term to decline to less than 2 years after the Company has given the required notice of Wharf's right to extend the Term prior thereto, there will be a System Planning Surcharge for the first 2 years of the new service agreement term or extended service agreement term, less any remaining unexpired existing Agreement term at the time of an extension. The surcharge will be \$.50/kVA per month of Measured Demand. The Company may, in its sole discretion, waive the System Planning Surcharge in those circumstances that it deems the surcharge to be inconsistent with the best interests of the Company or its ratepayers.

2.3 Failure to Extend Agreement. Failure to exercise an extension option by the end of the Agreement's term, including any extension thereof, and failure of Wharf to immediately execute a new service agreement with Black Hills with a minimum five-year term will result in either of the following:

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(a) If Regulated. If as of the date of the termination of the Agreement, Wharf is obligated by law to take its electric service from Black Hills, Black Hills shall continue to serve Wharf, and Wharf shall continue to purchase all of its electric requirements from Black Hills under other applicable tariff schedules not requiring a contract or, upon application of either party, such tariff schedules as the South Dakota Public Utilities Commission directs .

(b) If Unregulated. If as of the date of the termination of the Agreement, Wharf has the legal right to choose its electric power supplier, and absent any other agreement of Black Hills and Wharf to the contrary, Black Hills shall have no further obligation to serve Wharf, and Wharf shall have no further obligation to purchase electric service from Black Hills.

2.4 Black Hills' Rights in Event of Customer Choice. If at the time Wharf exercises an option to extend the term of the Agreement, Wharf has the legal right to choose its electric power supplier, Black Hills shall have the option, to be exercised within thirty (30) days thereafter, to reject the extension and allow the Agreement to terminate at the end of its term.

3. SALE AND PURCHASE OF POWER AND ENERGY.

3.1 All Requirements. The Company agrees to sell and Wharf Resources agrees to buy all of Wharf Resources's electric power and energy requirements during the Term for all electric use and loads within the Company's Assigned Service Area, except to the extent that Black Hills shall be entitled to curtail the supply of electric power and energy as set forth in this Agreement and the tariff filed with the South Dakota Public Utilities Commission, at which time Wharf Resources shall curtail and/or generate electric power and energy required to meet its needs. During the Term, Wharf Resources agrees to choose the Company as its electric supplier and otherwise use Best Efforts to support the Company in establishing a right to serve Wharf Resources's loads. However, nothing herein restricts Wharf Resources's rights to undertake all actions and legal procedures including petitioning the PUC or other regulatory bodies having jurisdiction to attempt to obtain an alternate supply of electric power if the Company is not furnishing Wharf Resources adequate electric service.

3.2 Notice of Change in Power Requirements. Wharf Resources shall give Reasonable Notice to the company of any increased electric power requirements within a Reasonable Time prior to its actual demand therefore to enable the Company to be prepared to furnish such power requirements. Wharf Resources shall further give Reasonable Notice to Black Hills within a Reasonable Time of any substantial decrease in power requirements.

3.3 Subject to Service Area Regulation. This Agreement is subject to and will be consistent with applicable law regulating service areas. However, in recognition of the long-term commitment of the Company to supply power and energy to Wharf Resources, the possibilities of major deviations in the need for electric power and the need of Wharf Resources to be assured of adequate power and energy, this Agreement providing for the

obligation of the Company to sell and the obligation of Wharf Resources to buy electric service shall continue to be binding on the parties for the Term and any extensions thereof notwithstanding any subsequent modification of the Company's Assigned Service Area or the laws relating thereto or interpretation thereof. If the Company's right and duty to serve Wharf Resources granted in this Agreement is contested in whole or in part by any party or governmental body, both parties agree to use their Best Efforts to uphold the rights and obligations of the parties as set forth herein, including participation at the sole cost of the requesting party in all administrative and judicial proceedings, including all appeals from any rulings not upholding the right or duty to serve as provided herein. If the right and duty to serve is not upheld as to any portion thereof, this Agreement shall be binding and enforceable as to the remaining portion of the right and duty to serve.

3.4 Right to Serve After Term. Nothing herein shall operate to cancel or modify the Company's legal rights and duties to provide electric power and energy to Wharf Resources following the Term, whatever those legal rights and duties may be at the time.

4. RATES TO BE CHARGED FOR POWER AND ENERGY.

4.1 Regulated Rates. Subject to Section 4.2, the Company shall bill and Wharf Resources shall pay for all electric power and energy supplied hereunder at the rates and charges due and payable therefor, pursuant to the appropriate and applicable rate tariffs as approved and allowed from time to time by the PUC for the type of service furnished. Attached hereto as Exhibit A is the Large Demand Curtailable Service rate tariff (LDC-2) that the parties to this Agreement anticipate will be approved by the PUC as part of a settlement of PUC Docket No. EL95-003 and is applicable to this Agreement. Approval of this tariff is a condition precedent to this Agreement becoming effective pursuant to Section 10. The parties agree, however, that this tariff is subject to change from time to time by the PUC as provided by law. Wharf Resources has elected notice option A with the corresponding Curtailable Load Credit of rate tariff LDC-2. In addition, however, Wharf shall receive a credit equal to \$1.50 per kVA against the net monthly billing rate as set forth in rate tariff LDC-2. This credit is in addition to that credit granted under the curtailable Load Credit Option A as set forth in rate tariff LDC-2. Option A allows for no prior notification. Wharf Resources shall curtail its load to within a range of 50 kVA of its Firm Service Capacity upon 10 minutes notice or pay the penalty set out in LDC-2.

4.2 Substantial Decrease in Load. If Wharf Resources's Measured Demand falls to less than 1000 kVA during any 3 consecutive months during the term of this Agreement, the Large Demand Curtailable Service rate tariff shall no longer be applicable to Wharf Resources. If Wharf Resources continues to have any need for electric service, it shall be subject to whatever tariff is then in effect which is applicable to that smaller size load. If, however, at any time during the remaining Agreement term, Wharf Resources's Measured Demand for any month is higher than 1000 kVA, the Large Demand Curtailable Service rate tariff shall be deemed to have been reinstated and Wharf Resources shall again be subject to the Large Demand Curtailable Service tariff then in effect. This provision shall continue to be applicable to any subsequent 3-month consecutive period of less than 1000 kVA of Measured Demand.

4.3 Rates and Service Subject to Regulation. It is understood that the initial basis for charges pursuant to this Agreement as referred to herein and conditions of service may be revised by the Company from time to time, and Wharf Resources agrees that should the Company during the Term revise such rate schedules, such revised rate schedules as authorized by the PUC shall be the basis of charges thereafter. The Company shall promptly provide Wharf Resources with copies of any filings by the Company with the PUC affecting rates hereunder and notify Wharf Resources promptly of any such revision. All rules and regulations of the Company governing the furnishing of electric service and its tariff schedules under which service is furnished to the customers, as such rules and regulations and tariff schedules exist from time to time, are made a part of this Agreement by reference. Notwithstanding, the provisions of this Agreement shall govern in the event of any conflict between the rules and regulations of the Company and the provisions of this Agreement. Wharf Resources reserves all rights as any customer of the Company to petition the PUC and propose and/or contest changes in the rate tariffs and rules and regulations under which the Company operates except that Wharf Resources agrees not to contest its obligation to purchase electric power and energy as provided at Section 3.

4.4 Rate Setting in the Event of Deregulation. In the event that during the term of this Agreement, the current PUC regulation of retail electric rates is eliminated, either by a change in South Dakota laws or by federal preemption of those laws, the parties agree that for the remainder of the contract term, either party may use the following procedure in order to obtain a change in the rates that are in effect on the date that such regulation ends:

a. Request. Either the Company or Wharf Resources may make a request that the rates be adjusted to conform the rates being charged to the cost of serving Wharf Resources as those costs would have been calculated by the PUC under the laws and regulations that existed at the time this Agreement was executed. The request will be in writing. If the request is from the Company, it will provide sufficient explanation and data regarding changes in its cost of providing service to Wharf Resources to justify the proposed adjustment. If from Wharf Resources, the request will contain an explanation of why Wharf Resources believes that the costs have changed and a demand that the Company provide the necessary data and/or explanation to confirm or dispute Wharf Resources's claim. Neither Company nor Wharf Resources shall be entitled to either unilaterally change the rate or to take legal action with respect to any dispute over what the rate should be until it has complied, in good faith, with the procedures set forth in Section 4.4b and 4.4c.

b. Negotiation. Company and Wharf Resources shall first attempt, promptly and in good faith, to resolve any dispute arising out of or relating to the rate to be charged, through unassisted negotiations between appointed representatives who have the authority to settle the controversy. All negotiations between these representatives shall be confidential and shall be treated as compromise and settlement negotiations for purposes of Federal and State Rules of Evidence.

c. Settlement Conferences. Either Company or Wharf Resources may give the other written notice of any dispute that has not been resolved pursuant to Section 4.4b and demand a settlement conference. As soon as mutually agreeable after

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delivery of the notice, appointed representatives of the parties shall meet in a settlement conference at a mutually acceptable time and place (or by telephone), and thereafter as often as they reasonably may deem necessary to attempt to resolve the dispute. Unless the representatives agree otherwise, these negotiations shall not be deemed at an impasse by either party until thirty days after the date of the first settlement conference.

d. Attorneys. If the representatives of either party desire to be accompanied at the settlement conference by an attorney, they shall provide the other party at least three working days notice in advance of the settlement conference. Once such notice has been given, the representatives of the other party may also be accompanied by an attorney.

e. Alternative Dispute Resolution Procedure. If an impasse is reached under Section 4.4c, either party may suggest the use of Alternative Dispute Resolution (ADR) procedures to resolve the dispute. Except as may be mandated by law, however, neither party is obligated to participate in ADR after reaching an impasse, and may resort to litigation to resolve the dispute. The parties are free to mutually select any ADR method that appears suitable to them at the time including: binding arbitration, non-binding arbitration, or mediation. The ADR method and procedures shall be agreed to in writing as expeditiously as possible. If the parties are unable to promptly agree on an appropriate ADR method or procedures, either party may resort to litigation.

f. Discovery and access to records. The parties shall be entitled to utilize discovery prior to the submission of any dispute to ADR consistent with the Federal Rules of Civil Procedure. The books and papers of both parties relating to any matter submitted to ADR shall be open to examination by any mediator or arbitrator, as the case may be.

4.5 Suspension of Service for Nonpayment. In the event that any bill for service is not paid in accordance with payment provisions set forth herein and under the rules and regulations adopted from time to time by the PUC, the Company may suspend the supply of electric power and energy hereunder, but such action shall not release Wharf Resources from the obligation to pay for service furnished and the minimum charges under the rate schedules applicable thereto for the unexpired Term of the Agreement or from liability for damages because of such breach hereof.

4.6 Penalty for Noncompliance. Wharf Resources shall not be subject to the Penalty in rate tariff LDC-2 as a result of the first generation related failure during each year of this Agreement. The penalty for noncompliance, when imposed, shall be equal to three times the Capacity Charge per kVA. Wharf shall be allowed a grace period of 14 days in which to restore its generation capabilities without incurring any additional penalty when such generator failure is the result of catastrophic failure and inability to generate electricity.

5. FACILITIES AND DELIVERY POINTS.

5.1 Delivery of Power and Energy and Facilities to be Furnished. The Company will deliver three phase, alternating current power and energy, at approximately 60 cycles and at a nominal phase to phase voltage of 12,470 volts.

5.2 Facilities to be Furnished by Wharf Resources. Wharf Resources shall install and maintain, at its cost, and under approved standards of construction, all other facilities on Wharf Resources's side of the point of delivery as set forth in Section 5.1 and which are necessary for the proper reception of electric power and energy for its use beyond such point. Such facilities in Wharf Resources's plant equipment shall be of types which will not interfere with other service rendered by the Company. Wharf Resources accepts full responsibility for the operation, maintenance and replacement of all electric facilities on the load side of the points of delivery and acknowledges that the Company has no responsibility therefor.

5.3 Rights-of-Way. Wharf Resources agrees to provide the Company, without cost, suitable location and rights-of-way on Wharf Resources's premises for necessary lines and apparatus installed to provide the electric power and energy required by Wharf Resources. All facilities installed by and at the cost of the Company shall remain the Company's property, and it shall have the right and obligation to maintain, inspect, repair or remove the same.

5.4 Generating Equipment. Wharf Resources shall also be responsible at its own risk and expense to furnish, install and maintain in good safe working condition any generation equipment, machinery, or other apparatus that it deems necessary on its side of the point of delivery, sufficient to replace electric power and energy as provided to Wharf Resources under this Agreement consistent with its election of curtailable service. This equipment will be capable of running without any interconnection to the Company's distribution system. The Company shall have no responsibility for testing or inspecting of this equipment and Wharf Resources releases the Company from any responsibility for any failure in this equipment. The equipment will be tested by Wharf Resources as frequently and as thoroughly as Wharf Resources elects, but that these tests will at a minimum comply with the manufacturer's recommended full load exercising time frame for such equipment. Wharf Resources shall endeavor to coordinate the maintenance of this equipment to ensure that the maintenance occurs during off peak periods on Company's system.

5.5 Limitation to Generation. Wharf Resources agrees and acknowledges that the generation equipment, machinery and apparatus which it has installed for purposes of providing electric energy and power during periods of curtailment shall be utilized only for purposes of providing power and energy in the event that Company curtails service or during an interruption or suspension of service by the Company or during a failure in the Company's distribution system or instability in its power supply. This equipment shall not be used to provide electric power and energy during any other time period, without the consent of the Company.

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6. BILLING INFORMATION.

The Company shall provide to Wharf Resources in each billing period monthly data relative to kVA, kwh and power factors with respect to its curtailable load.

7. COMMUNICATION. Wharf Resources shall provide a telephone extension from one of their existing commercial lines so that the Company may notify them in the event of a curtailment request and/or reconnect signal. Wharf Resources shall be allowed to use an existing phone line and not be required to install a designated line for this purpose.

8. FORCE MAJEURE.

The Company will endeavor to maintain adequate and continuous electric service but does not guarantee that the supply of power and energy will at all times be constant. In case service should be interrupted or fail by reason of force majeure, including acts of nature or public enemy, fire, explosion, flood, strike or other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery, transmission lines or other facilities, extraordinary repairs, or other accident, or other causes not reasonably within its control, the Company shall promptly notify Wharf Resources of any such occurrence, and the Company shall not be liable for damages on account of interruption of service. Upon the occurrence of any such interruption or failure, the Company shall use due diligence to promptly restore such service.

9. INDEMNIFICATION.

The Company shall not be liable for any loss or damage to property or injury to or death of persons whether suffered by Wharf Resources, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Wharf Resources's side of the points of delivery, or from electric energy present therein or escaping therefrom, and Wharf Resources agrees to indemnify and save the Company harmless from all such loss, damages, injuries or death.

Wharf Resources shall not be liable for any loss or damage to property or injury to or death of persons whether suffered by the Company, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on the Company's side of the points of delivery, or from electric energy present therein or escaping therefrom, and the Company agrees to indemnify and save Wharf Resources harmless from all such loss, damages, injuries or death.

10. MISCELLANEOUS.

10.1 Waivers. Any waiver at any time by either party hereto of its rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter.

10.2 Notice. Any notice, demand or request required or authorized by this Agreement shall be deemed properly given if mailed, postage-prepaid, certified mail, return receipt requested, on behalf of Wharf Resources, to:

Wharf Resources, a Montana General Partnership
HC37 Box 811
Lead, SD 57754-9710

and on behalf of the Company, to:

Black Hills Power and Light Company
Attention: Chief operating officer
P. O. Box 1400
Rapid City, SD 57709

The designation of persons to be notified or the address of such persons may be changed at any time by a similar notice.

10.3 Complete Agreement. This Agreement shall be considered the complete agreement of the parties pertaining to the matters set forth herein and replaces the October 1, 1992 contract and any other previous contract, agreement, written or oral, pertaining thereto. The provisions of this Agreement shall not be changed except in writing duly executed by the Company and Wharf Resources.

10.4 Severability If any portion of this Agreement is determined by any court or regulatory body having jurisdiction to be void and not enforceable, the parties agree that the balance of the Agreement shall remain binding on the parties.

10.5 Binding on Successors. This Agreement shall enure to and be binding and enforceable upon Wharf Resources and its assigns, lessees and successors in interest to its mining and milling properties in Lawrence County, South Dakota, and upon the Company's assigns, lessees and successors in interest.

11. AGREEMENT CONDITIONAL. If for any reason, the PUC fails to approve the proposed settlement of Docket EL95-003 that includes the Large Demand Curtailable Service rate tariff attached as Exhibit A on or prior to August 1, 1995, this Agreement shall become null and void, and the current October 1, 1992 Agreement between the parties shall be thereupon reinstated and survive and continue to govern the relationship of the parties until it is amended or terminated.

12. REGULATORY APPROVAL. This Agreement is subject to approval by the PUC.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth in the first paragraph hereof.

WHARF RESOURCES, a Montana
General Partnership

By Robert B Barnes
Its Mine Manager

BLACK HILLS POWER AND LIGHT
COMPANY

By Robert E. Hoyt
Its President and Chief
Operating Officer

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PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
THIRD REVISED SHEET NO. 13
REPLACES SECOND REVISED SHEET NO. 13

BILLING CODES 22, 28, 32, AND 38

LARGE DEMAND CURTAILABLE SERVICE (LDC) RATE No. LDC-2
Page 1 of 5

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to any General Service-Large customer's entire service requirements supplied at one point of delivery when the customer agrees to curtail a minimum designated load under the conditions of one of the following options:

	<u>Minimum Prior Notification</u>	<u>Minimum Curtailment Length</u>	<u>Maximum Curtailment Length</u>
Option A	None	6 hours	16 hours
Option B	1 hour	6 hours	16 hours
Option C	4 hours	6 hours	16 hours

Service is by Large Demand Curtailable Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared, or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a single standard utilization voltage most available to the location of the customer.

NET MONTHLY BILL

Rate

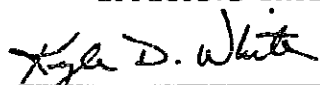
Capacity Charge
\$9.29 per kVA of Billing Capacity (I)

Energy Charge
All usage at 3.4¢ per kWh

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
THIRD REVISED SHEET NO. 14
REPLACES SECOND REVISED SHEET NO. 14

BILLING CODES 22, 28, 32, and 38

LARGE DEMAND CURTAILABLE SERVICE

RATE NO. LDC-2
Page 2 of 5

Minimum

The Capacity Charge less Curtailable Load Credit

Curtailable Load Credit

The monthly bill shall be reduced according to the following schedule for the excess, if any, that Billing Capacity exceeds Firm Service Capacity.

Option A	-	\$5.17 per kVA	(I)
Option B	-	\$4.75 per kVA	
Option C	-	\$4.25 per kVA	

Penalty for Non-Compliance

If at any time a customer fails to curtail as requested by the Company, a penalty equal to five (5) times the Capacity Charge per kVA for the maximum difference in kVA that the maximum load during any curtailment period within the billing period exceeds the Firm Service Capacity. If more than one curtailment occurs during a billing period and the customer fully complies with at least one curtailment request and does not fully comply with at least one other curtailment request, the penalty for non-compliance will be reduced by multiplying it by the proportion of the total number of curtailments with which the customer failed to comply fully to the number of curtailments ordered.

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the billing period; or
- Eighty percent (80%) of the highest Billing Capacity in any of the preceding eleven (11) months; or
- The Firm Service Capacity.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
THIRD REVISED SHEET NO. 15
REPLACES SECOND REVISED SHEET NO. 15

BILLING CODES 22, 28, 32, AND 38

LARGE DEMAND CURTAILABLE SERVICE

RATE No. LDC-2
Page 3 of 5

FIRM SERVICE CAPACITY

The customer shall initially designate by Electric Service Agreement a Firm Service Capacity of at least 200 kVA (C) less than: (a) the customer's maximum actual Billing Capacity during the twelve billing periods immediately preceding the election of this rate for existing customers, or (b) maximum estimated Billing Capacity during the twelve billing periods following the election of this rate for new customers.

The Customer shall agree to reduce electric demand to or below the Firm Service Capacity at or before the time specified by the Company in any notice of curtailment. The Customer shall further agree not to create demands in excess of Firm Service Capacity for the duration of each curtailment period. The customer may increase electric demand after the end of the curtailment period as specified by the Company.

SUBSTATION OWNERSHIP DISCOUNT

Customers who furnish and maintain a transformer substation with controlling and protective equipment, with the exception of metering equipment, for the purpose of transforming service from the Company's transmission voltage (47,000 volts, and above) or primary distribution voltage (2,400 volts to 24,900 volts) to the customer's utilization voltages, shall receive a monthly credit of \$0.25 per kVA of Billing Capacity for transmission service and \$0.15 per kVA of Billing Capacity for primary distribution service.

(D)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
THIRD REVISED SHEET NO. 16
REPLACES SECOND REVISED SHEET NO. 16

BILLING CODES 22, 28, 32, AND 38

LARGE DEMAND CURTAILABLE SERVICE

RATE NO. LDC-2
Page 4 of 5

PAYMENT

Net monthly bills are due and payable twenty (20) 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 apply to delinquent accounts. A nonsufficient funds check charge of \$15.00 shall apply for returned checks. If a (I) 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.

CONTRACT PERIOD

A period of not less than five (5) years and if not then terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

(C)

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve (12) months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
3. Curtailment periods will typically be for a minimum of six consecutive hours with the duration and frequency to be at the discretion of the Company. Daily curtailments will not exceed 16 hours total and total curtailment in any calendar year will not exceed 400 hours.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
ORIGINAL SHEET NO. 17

BILLING CODES 22, 28, 32, AND 38

LARGE DEMAND CURTAILABLE SERVICE

RATE No. LDC-2
Page 5 of 5

TERMS AND CONDITIONS (continued)

4. The Company at its option may terminate the Large Demand Curtailable Service Agreement if the Customer has demonstrated an inability to curtail its loads to the Firm Service Capacity when requested by the Company.
5. General Service - Large customers with Billing Capacities which are not large enough to provide 200 KVA of curtail- (C)
able load will be considered by the Company for LDC service on a case-by-case basis.
6. Curtailable service for Industrial Contract Service customers is available, however, the rates and conditions of service will be determined on a case-by-case basis and filed with the South Dakota Public Utilities Commission for review and approval.
7. Federal medical facilities owning an emergency standby (N)
generator of 1,000 kVA or more may receive 100% curtailable LDC service with or without a contract under the provisions provided herein, except the Curtailable Load Credit shall be set at \$0.35 per kVA of the standby generator, but not in excess of the annual peak demand. The initial service term shall be one year, with a one year written notice of termination.


TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C)
applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

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Contract No. _____

ELECTRIC SERVICE AGREEMENT

**STATE OF SOUTH DAKOTA—SOUTH DAKOTA SCHOOL OF MINES &
TECHNOLOGY**

This Electric Service Agreement, dated as of June 20, 1995, is made and entered into by and between the STATE OF SOUTH DAKOTA and BLACK HILLS CORPORATION, which operates its electric utility division under the assumed name of Black Hills Power and Light Company.

1. DEFINITIONS AND RECITALS.

1.1 Definitions. The following capitalized words and phrases when used in this Agreement shall have the respective meanings as follows:

"Agreement" is this Electric Service Agreement.

"Company" is Black Hills Corporation, doing business as Black Hills Power and Light Company, a party to this Agreement.

"FERC" is the Federal Energy Regulatory Commission, an agency of the United States of America.

"PUC" is the South Dakota Public Utilities Commission.

"School of Mines" is the South Dakota School of Mines & Technology which is located at a contiguous campus at St. Joe Street, Rapid City, South Dakota. A campus divided by roads, alleys, highways or public rights-of-way shall be considered a contiguous campus. The School of Mines is owned and operated by the State. For the purpose of this Agreement, the School of Mines does not include any state facilities not located as a part of the contiguous campus above described.

"State" is the State of South Dakota, a party to this Agreement.

"Term" is the term of this Agreement or any renewal thereof as provided at Section 2.

"WAPA" is the Western Area Power Administration of the United States of America.

1.2 Recitals. The State desires to have the right to purchase its electric supply for the School of Mines from WAPA and to have such electric supply delivered to the School of Mines by the Company. The Company desires to furnish transmission and

distribution services to the State for the School of Mines and any electric power supply required by the School of Mines not otherwise supplied by WAPA. Such services are being furnished at this time under the terms of an agreement between the parties dated as of February 13, 1973 and amended under date of July 6, 1976. This Agreement replaces the existing agreement.

2. TERM.

2.1 Initial Term. The initial term of this Agreement shall be five years commencing August 1, 1995 and ending July 31, 2000, and includes any extension thereof.

2.2 Right to Extend Term. The Term of the Agreement shall continue beyond July 31, 2000 until terminated by either party, giving the other party a 24-month written notice, but in no event may the Agreement be terminated prior to July 31, 2000. The State shall not have the right to transfer or assign its right to acquire WAPA power for the School of Mines to any other State customer located within the Company's service territory. However, nothing herein shall prevent the State from transferring its WAPA allocated power to State loads outside of the Company's service territory.

3. POWER SUPPLY FOR SCHOOL OF MINES.

3.1 Supplied by WAPA. During the Term, the State shall have the right to purchase all of the electric capacity and energy supply that is required by the School of Mines from WAPA up to but not exceeding a capacity of 3,000 KW. The State shall have the full responsibility of purchasing such capacity and energy from WAPA and shall cause WAPA to deliver such capacity and energy to the Company's transmission system at Stegall, Nebraska west of the east-west ties.

3.2 Standby and Excess Power Supplied by Black Hills. To the extent that the State fails to acquire capacity and energy from WAPA to serve the electric needs of the School of Mines, the Company shall sell and the State shall purchase during the Term such electric service under the most favorable applicable rate schedule or such other tariff as approved from time to time by the PUC. However, the billing capacity shall be measured on a thirty-minute period to conform to WAPA standards.

3.3 Shared Service. At such time that the electric capacity and energy requirements of the School of Mines are being served both by WAPA and the Company, such required capacity and energy shall be deemed to be supplied from both suppliers in accordance with the accepted X/Y formula set forth in Exhibit A as attached hereto.

3.4 Scheduling of Capacity and Energy Deliveries from WAPA. All deliveries of firm WAPA electric capacity and energy hereunder shall be from schedules supplied to the Company by WAPA in accordance with procedures agreed upon by the

Company and WAPA. Such procedures may provide for reasonable variation from scheduled deliveries to meet the needs of day-to-day operation.

3.5 Power Factors. The State shall select and use its apparatus and equipment so as to maintain a 90 percent minimum power factor as nearly as possible. If the power factor shall fall below this minimum to where it becomes detrimental to the operation of the Company, the Company shall notify the State in writing, and the State shall correct the power factor to a level acceptable to the Company within 30 days after receiving the Company's written notice.

4. FACILITIES AND OPERATING PROCEDURE.

4.1 Facilities to be Furnished by Company. The Company shall maintain such electric transmission and distribution lines to the premises of the School of Mines that are necessary to deliver the WAPA electric capacity and energy at the existing points of delivery at the voltages as those facilities exist on the date of this Agreement. The facilities of the Company shall be of sufficient capacity to satisfy the demand of the School of Mines.

4.2 Facilities and Rights-of-Way to be Furnished by State. The State shall install and maintain, at its own expense, in compliance with approved standards of construction, all other facilities on the State's side of the point of delivery at the School of Mines which is necessary for the proper reception of the firm WAPA electric capacity and energy for its use beyond such point for the School of Mines. Such facilities and State's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.

State agrees to provide Company, without cost, suitable location and rights-of-way on State's premises for necessary lines, apparatus and metering equipment. All such facilities installed by and at the cost of Company shall remain its property, and it shall have the right to inspect, repair or remove same.

State agrees to furnish and install (or WAPA shall furnish and install for the State) all instrument transformers, meters, recording devices and other apparatus necessary for measuring the firm WAPA electric capacity and energy through the metering point. Such metering equipment and its location shall meet with the approval of all parties. The Company shall have the right to install and check meters if it so desires.

5. TRANSMISSION AND DISTRIBUTION SERVICE FOR THE STATE.

5.1 Transmission Service. The Company shall be obligated to accept delivery of the firm WAPA electric capacity and energy not in excess of 3,000 KW, including losses as hereinafter provided, that WAPA will deliver to the Company's transmission system at Stegall, Nebraska west of the east-west ties, and the Company

deliver an equivalent amount of electric capacity and energy (adjusted for losses as herein provided) to the School of Mines at the point of delivery as now maintained. Such capacity and energy shall be three-phase, alternating current, 60 cycles per second.

5.2 Compensation for Transmission Service. The State shall pay to the Company for the delivery of WAPA capacity and energy over the Company's transmission and distribution system an amount of 4 mills (\$0.004) per kilowatt hour for each kilowatt hour of energy as metered and adjusted for losses and billed to the State by WAPA.

5.3 Losses. To compensate the Company for losses incurred in delivering firm WAPA capacity and energy over its transmission and distribution systems and through various transformations, the registration of the meters and recording devices shall be increased 4 percent.

5.4 Transmission and Distribution Rates Subject to Regulation. The parties understand and agree that the rates charged by the Company for the transmission and distribution of electric capacity and energy are subject to regulation either by the FERC or by the PUC. At such time that the Company files open access transmission tariffs and such tariffs are approved by the FERC, the wheeling rate and losses set forth in Sections 5.2 and 5.3 for the delivery of electric capacity and energy shall be established to be consistent with such FERC-approved tariffs. At such time, if ever, that open access retail wheeling distribution tariffs are determined either by the FERC under federal jurisdiction or the PUC under state jurisdiction, the wheeling rate for distribution services and losses set forth in Sections 5.2 and 5.3 shall be modified to be consistent with such tariffs determined by federal or state regulation. The 4 mills/KWH wheeling rate in Section 5.2 shall be considered 2 mills/KWH for transmission and 2 mills/KWH for distribution for the purpose of regulation. The State reserves its full rights to intervene as a customer and contest the reasonableness of any modifications to transmission or wheeling rates in the federal or state proceedings established for the purposes of determining such rates.

6. METERING AND PAYMENT OF COMPENSATION.

6.1 Billing Month and Meter Reading. The billing month shall be a period of approximately 30 days, and the date on which meters are read shall be determined by mutual agreement between the Company and WAPA. Meters shall be sealed, and the seal shall be broken only upon occasion when the meters are to be inspected, tested or adjusted, and representatives of the Company shall be afforded reasonable opportunity to be present under such occasions. Metering equipment shall be inspected and tested at least once each year by the owner. Special meter tests shall be made at any time at the request of the Company. The costs of all tests shall be borne by the owners; provided, if any special meter test made by the owner at the request of the Company discloses that the meters and recording devices are recording accurately, the Company shall reimburse the owner for the cost of such test. The owner will calibrate the

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meters and recording devices as closely as practicable to the condition of 100 percent accuracy (0 error), but if any meter or recording device tested is found to be more than 2 percent in error, either fast or slow, proper correction shall be made of previous readings for the period of time the meter was in service since last tested or from the time that it can be ascertained the meter was in error. Any metering equipment found to be defective or inaccurate shall be repaired and readjusted or replaced. Should any meter fail to register, the electric power and energy delivered during such period of failure to register shall, for billing purposes, be estimated from the best information available.

6.2 Billing and Payment. The Company shall render monthly bills for transmission service and for any capacity and energy sold to the School of Mines under this Agreement. In the event that any bill for service is not paid in accordance with payment provisions set forth herein, the Company may suspend the services, but such action shall not release the State from the obligation to pay for service furnished or from liability for damages because of any breach hereof, nor shall such action prevent the Company from insisting upon enforcing specific performance of this Agreement by the State.

7. CONTINUITY OF SERVICE AND GENERAL LIABILITY.

7.1 Force Majeure and Continuous Service Exceptions. The Company will endeavor to maintain adequate and continuous service but does not guarantee that the supply of capacity and energy will at all times be constant. In case service should be interrupted or fail by an act of nature or public enemy, fire, explosion, flood, strike, or other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or electric facilities, extraordinary repairs, or other accident, or other causes not reasonably within its control, the Company shall not be liable for damages on account of interruption of services.

7.2 Indemnification. The Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by the State, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on the State's side of the points of delivery, or from electric energy present therein or escaping therefrom, and the State agrees to indemnify and save the Company harmless from all such loss, damages, injuries or death.

The State shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by the Company, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on the Company's side of the points of delivery, or from electrical energy present therein or escaping therefrom, and the Company agrees to indemnify and save the State harmless from all such loss, damages, injuries or death.

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8. MISCELLANEOUS.

8.1 Waivers. Any waiver at any time by either party hereto of its rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter.

8.2 Notice. Any notice, demand or request required or authorized by this Agreement shall be deemed properly given if mailed, postage prepaid, certified mail, return receipt requested, on behalf of the State, to:

Bureau of Administration
State of South Dakota
500 East Capitol Avenue
Pierre, SD 57501

and on behalf of the Company, to:

Black Hills Power and Light Company
Attention: Chief Operating Officer
P. O. Box 1400
Rapid City, SD 57709

The designation of persons to be notified with the address of such persons may be changed at any time by a similar notice.

8.3 Complete Agreement. This Agreement shall be considered the complete agreement of the parties pertaining to the matters set forth herein and replaces the February 13, 1973 agreement as amended by the July 6, 1976 amendment thereto, and any other previous contract, agreement, written or oral, pertaining to the matters set forth herein. The provisions of this Agreement shall not be changed except in writing duly executed by the Company and the State.

8.4 Severability. If any portion of this Agreement is determined by any court or regulatory body having jurisdiction to be void and not enforceable, the parties agree that the balance of the Agreement shall remain binding on the parties.

8.5 Assignability. Neither this Agreement nor any benefit herein may be assigned by the State. The Agreement shall inure to and be binding and enforceable upon the State and its assigns, lessees and successors in interest.

9. REGULATORY APPROVAL.

9.1 PUC. This Agreement is subject to approval by the PUC. If for any reason, the PUC fails to approve the proposed settlement of Docket EL95-003 on or prior

to August 1, 1995, this Agreement shall become null and void, and the current agreement between the parties shall thereupon be reinstated and survive and continue to govern the relationship of the parties until it is amended or terminated.

9.2 FERC. The wheeling rates to be charged the State herein are subject to the approval or acceptance of this Agreement by the FERC. If the FERC should fail to approve or accept this Agreement for filing, the Company shall use its best efforts to establish transmission rates which the FERC will approve for the purposes herein contained. Failure of the FERC to approve or accept this Agreement shall not void the Stipulation of the parties settling PUC Docket EL95-003 or the order of the PUC approving such Stipulation.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth in the first paragraph hereof.

BLACK HILLS POWER AND LIGHT
COMPANY

By *Gene Hoyt*
Its President and Chief Operating Officer

STATE OF SOUTH DAKOTA THROUGH
ITS BUREAU OF ADMINISTRATION

By *Tom Lewis*
Its Commissioner of the Bureau of Administration

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EXHIBIT A

$\frac{X}{Y}$ FORMULAE

($\frac{X}{Y}$ shall never be taken as greater than one)

Maximum Rate of Firm Power Obligation of the WAPA per current billing period =

$\frac{X}{Y} \times D.$

Firm Energy Obligation of the WAPA per current billing period = $\frac{X}{Y} \times E.$

Where X = The State's contract rate of delivery for firm power from WAPA.

Y = The highest System Demand of the State during the twelve billing periods ended with the current billing period. System Demand is defined as the highest 30-minute integrated demand (whether or not coincident) established during the billing period at the point of delivery, as adjusted for losses, when and where applicable.

D = The State's System Demand in the current billing period.

E = The State's System Energy Requirements in the current billing period. System Energy Requirements are defined as the total energy delivered during the billing period at the point of delivery, as measured and adjusted, for losses, when and where applicable.

Maximum rate of Firm Power Obligation of the Company per current billing period = D - Maximum rate of Firm Power Obligation of the Bureau per current billing period.

Firm Energy Obligation of the Company per current billing period = E - Firm Energy Obligation of the WAPA per current billing period.

EXHIBIT A

$\frac{X}{Y}$ FORMULAE

($\frac{X}{Y}$ shall never be taken as greater than one)

Maximum Rate of Firm Power Obligation of the WAPA per current billing period =

$$\frac{X}{Y} \times D.$$

Firm Energy Obligation of the WAPA per current billing period = $\frac{X}{Y} \times E$.

Where X = The State's contract rate of delivery for firm power from WAPA.

Y = The highest System Demand of the State during the twelve billing periods ended with the current billing period. System Demand is defined as the highest 30-minute integrated demand (whether or not coincident) established during the billing period at the point of delivery, as adjusted for losses, when and where applicable.

D = The State's System Demand in the current billing period.

E = The State's System Energy Requirements in the current billing period.

System Energy Requirements are defined as the total energy delivered during the billing period at the point of delivery, as measured and adjusted, for losses, when and where applicable.

Maximum rate of Firm Power Obligation of the Company per current billing period = D - Maximum rate of Firm Power Obligation of WAPA per current billing period.

Firm Energy Obligation of the Company per current billing period =

E - Firm Energy Obligation of the WAPA per current billing period.

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EXHIBIT A

$\frac{X}{Y}$ FORMULAE

($\frac{X}{Y}$ shall never be taken as greater than one)

Maximum Rate of Firm Power Obligation of the WAPA per current billing period = $\frac{X}{Y} \times D$.

Firm Energy Obligation of the WAPA per current billing period = $\frac{X}{Y} \times E$.

Where X = The State's contract rate of delivery for firm power from WAPA.

Y = The highest System Demand of the State during the twelve billing periods ended with the current billing period. System Demand is defined as the highest 30-minute integrated demand (whether or not coincident) established during the billing period at the point of delivery, as adjusted for losses, when and where applicable.

D = The State's System Demand in the current billing period.

E = The State's System Energy Requirements in the current billing period. System Energy Requirements are defined as the total energy delivered during the billing period at the point of delivery, as measured and adjusted, for losses, when and where applicable.

Maximum rate of Firm Power Obligation of the Company per current billing period = D - Maximum rate of Firm Power Obligation of WAPA per current billing period.

Firm Energy Obligation of the Company per current billing period = E - Firm Energy Obligation of the WAPA per current billing period.

Contract No. _____

ELECTRIC SERVICE AGREEMENT

STATE OF SOUTH DAKOTA FOR BLACK HILLS STATE UNIVERSITY

This Electric Service Agreement, dated as of June 20, 1995, is made and entered into by and between BLACK HILLS CORPORATION, which operates its electric utility division under the assumed name of Black Hills Power and Light Company ("Company") and the STATE OF SOUTH DAKOTA.

1. DEFINITIONS AND RECITALS.

1.1 Definitions. The following capitalized words and phrases when used in this Agreement shall have the respective meanings as follows:

"Agreement" is this Electric Service Agreement.

"Best Efforts" are a party's best efforts to accomplish the intent of this Agreement in accordance with the reasonable commercial practice and without the incurring of unreasonable expense.

"Billing Capacity" is defined in the tariff at Exhibit A.

"Billing Period" is the calendar month for which the Company renders a bill to the State for capacity and energy delivered to the University during such period.

"Company" is Black Hills Corporation, which operates its electric utility division under the assumed name of Black Hills Power and Light Company.

"Company's Assigned Service Area" is the Company's assigned service area in which the Company has the exclusive right to provide electric service at retail as provided by South Dakota Codified Laws § 49-34A-42.

"Measured Demand" is the kilowatt ampere/KVA load during the 15-minute period of maximum use during a Billing Period.

"PUC" is the Public Utilities Commission, a commission of the State of South Dakota, or such other regulatory commission or agency which may hereafter have jurisdiction to determine the rates charged by the Company for the sale of electric capacity and energy to the State.

"Reasonable Notice" and "Reasonable Time" is, when applied to a notice of increased power and energy needs, sufficient notice to the Company to allow it to construct any necessary facilities required to furnish the electric needs of the University. When applied to a notice of less need for power and energy, Reasonable Notice and Reasonable Time is notice to the Company as soon as is practicable after the State is aware of the events which caused the reduced electric needs of the University.

"State" is the State of South Dakota, a party to this Agreement.

"Term" is that period of time set forth in Section 2 of this Agreement. The Term includes any extension of the initial term or any other extension.

"University" is the Black Hills State University which is located at a contiguous campus in Lawrence County, South Dakota. A campus divided by roads, alleys, highways or public rights-of-way shall be considered a contiguous campus. The University is owned and operated by the State. For the purpose of this Agreement, University does not include any State facilities not located as a part of the contiguous campus above described.

1.2 Recitals. The State owns and operates the University in Lawrence County, South Dakota, within the Company's assigned service area. The Company provides electric service as required by the University to the State. The University desires to have a dependable electric power supply available for its needs at reasonable rates, and the Company desires to continue to provide all electric services required by the University.

2. TERM.

2.1 Initial Term. The initial term of this Agreement shall be five years and shall commence August 1, 1995 and shall terminate July 31, 2000 unless extended pursuant to the provisions of Section 2.2.

2.2 Right to Extend Term. The State shall have an automatic right to extend the Term of the Agreement or any extended Term of the Agreement for an additional three (3) years from the date the extension option is exercised. This option may be exercised at any time, but for computation of the 3-year period, the date of exercise shall be deemed to be no earlier than July 31, 1998 or in the case of the first exercise of the option and no earlier than the first anniversary of the effective date of any prior exercise of this extension option in the case of any subsequent exercise of the option. Not earlier than 120 days and not later than 60 days prior to the deemed date of exercise of each option to extend the Term under this Section 2.2, the Company shall give the State

and University written notice of the State's right to extend the Term. Failure to exercise an extension option by the end of this Agreement's Term will require the State to either execute a new service agreement with a minimum 5-year term or cease taking service at the end of the Agreement's Term. The State acknowledges that in the event it allows its remaining Agreement Term to decline to less than 2 years after the Company has given the required notice of the State's right to extend the Term prior thereto, there will be a System Planning Surcharge for the first 2 years of the new service agreement term or extended service agreement term, less any remaining unexpired existing Agreement Term at the time of an extension. The surcharge will be \$.50/KVA per month of Measured Demand. The Company may, in its sole discretion, waive the System Planning Surcharge in those circumstances that it deems the surcharge to be inconsistent with the best interests of the Company or its ratepayers.

2.3 Failure to Extend Agreement. Failure to exercise an extension option by the end of the Agreement Term, including any extension thereof, and failure of the State to immediately execute a new service agreement with Black Hills with a minimum 5-year term will result in either of the following:

- (a) If Regulated. If as of the date of the termination of the Agreement, the State is obligated by law to take its electric service from Black Hills, Black Hills shall continue to serve the State, and the State shall continue to purchase all of its electric requirements from Black Hills under other applicable tariff schedules not requiring a contract or, upon application of either party, such tariff schedules as the South Dakota Public Utilities Commission directs.
- (b) If Unregulated. If as of the date of the termination of the Agreement, the State has the legal right to choose its electric power supplier, and absent any other agreement of Black Hills and the State to the contrary, Black Hills shall have no further obligation to serve the State, and the State shall have no further obligation to purchase electric service from Black Hills.

2.4 Black Hills' Rights in Event of Customer Choice. If at the time the State exercises an option to extend the term of the Agreement, the State has the legal right to choose its electric power supplier, Black Hills shall have the option, to be exercised within 30 days thereafter, to reject the extension and allow the Agreement to terminate at the end of its term.

3. SALE AND PURCHASE OF POWER AND ENERGY.

3.1 All Requirements. The Company agrees to sell and the State agrees to buy all of the University's electric power and energy requirements during the Term for all of the University's use and loads within the Company's assigned service area. During the Term, the State agrees to choose the Company as its electric supplier for the electric capacity and energy requirements of the University. However, nothing herein restricts the State's rights to undertake all action and legal procedures, including petitioning the PUC or other regulatory bodies having jurisdiction to attempt to obtain an alternate supply of electric power if the Company is not furnishing the University adequate electric service.

3.2 Subject to Service Area Regulation. This Agreement is subject to and will be consistent with applicable law regulating service areas. However, in recognition of the long-term commitment of the Company to supply power and energy to the State for the University's needs, the possibilities of major deviations in the need for electric power and the need of the University to be assured of adequate power and energy, this Agreement providing for the obligation of the Company to sell and the obligation of the State to buy electric service for the University shall continue to be binding on the parties for the Term and any extensions thereof, notwithstanding any subsequent modification of the Company's assigned service area or the laws relating thereto or interpretation thereof.

3.3 Right to Serve After Term. Nothing herein shall operate to cancel or modify the Company's legal rights and duties to provide electric power and energy to the University following the Term, whatever those legal rights and duties may be at the time.

4. RATES TO BE CHARGED FOR POWER AND ENERGY.

4.1 Regulated Rates. Subject to Section 4.2, the Company shall bill and the State shall pay for all electric power and energy supplied to the University hereunder at the rates and charges due and payable therefor, pursuant to the appropriate and applicable rate tariffs as approved and allowed from time to time by the PUC for the type of service furnished. Attached hereto as Exhibit A is the State University rate tariff that the parties to this Agreement anticipate will be approved by the PUC as part of a settlement of PUC Docket No. EL95-003 and is applicable to this Agreement. Approval of this tariff is a condition precedent to this Agreement becoming effective pursuant to Section 10. The parties agree, however, that this tariff is subject to change from time to time by the PUC as provided by law.

4.2 Rates and Service Subject to Regulation. It is understood that the initial basis for charges pursuant to this Agreement as referred to herein and conditions of service may be revised by the Company from time to time, and the State agrees that

should the Company during the Term revise such rate schedules, such revised rate schedules as authorized by the PUC shall be the basis of charges thereafter. The Company shall promptly provide the State with copies of any filings by the Company with the PUC affecting rates hereunder and notify the State promptly of any such revision. All rules and regulations of the Company governing the furnishing of electric service in its tariff schedules under which service is furnished to the customers, as such rules and regulations and tariff schedules exist from time to time, are made a part of this Agreement by reference. Notwithstanding, the provisions of this Agreement shall govern in the event of any conflict between the rules and regulations of the Company and the provisions of this Agreement. The State reserves all rights as any customer of the Company to petition the PUC and propose and/or contest changes in the rate tariffs and rules and regulations under which the Company operates except that the State agrees not to contest its obligation to purchase electric power and energy as provided at Section 3 for the Term as provided at Section 2.

4.3 Rate Setting in the Event of Deregulation. In the event that during the term of this Agreement, the current PUC regulation of retail electric rates is eliminated, either by a change in South Dakota laws or by federal preemption of those laws, the parties agree that for the remainder of the contract term, either party may use the following procedure in order to obtain a change in the rates that are in effect on the date that such regulation ends:

- (a) Request. Either the Company or the State may make a request that the rates be adjusted to conform the rates being charged to the cost of serving the State as those costs would have been calculated by the PUC under the laws and regulation that existed at the time this Agreement was executed. The request will be in writing. If the request is from the Company, it will provide sufficient explanation and data regarding changes in its cost of providing service to the State to justify the proposed adjustment. If from the State, the request will contain an explanation of why the State believes that the costs have changed and a demand that the Company provide the necessary data and/or explanation to confirm or dispute the State's claim. Neither Company nor the State shall be entitled to either unilaterally change the rate or to take legal action with respect to any dispute over what the rate should be until it has complied, in good faith, with the procedures set forth in Section 4.3(b) and 4.3(c).
- (b) Negotiation. Company and the State shall first attempt, promptly and in good faith, to resolve any dispute arising out of or relating to the rate to be charged, through unassisted negotiations between appointed representatives who have the authority to settle the controversy. All

negotiations between these representatives shall be confidential and shall be treated as compromise and settlement negotiations for purposes of Federal and State Rules of Evidence.

- (c) Settlement Conferences. Either Company or the State may give the other written notice of any dispute that has not been resolved pursuant to Section 4.3(b) and demand a settlement conference. As soon as mutually agreeable after delivery of the notice, appointed representatives of the parties shall meet in a settlement conference at a mutually acceptable time and place (or by telephone), and thereafter as often as they reasonably may deem necessary to attempt to resolve the dispute. Unless the representatives agree otherwise, these negotiations shall not be deemed at an impasse by either party until thirty days after the date of the first settlement conference.
- (d) Attorneys. If the representatives of either party desire to be accompanied at the settlement conference by an attorney, they shall provide the other party at least three working days' notice in advance of the settlement conference. Once such notice has been given, the representatives of the other party may also be accompanied by an attorney.
- (e) Alternative Dispute Resolution Procedure. If an impasse is reached under Section 4.3(c), either party may suggest the use of Alternative Dispute Resolution (ADR) procedures to resolve the dispute. Except as may be mandated by law, however, neither party is obligated to participate in ADR after reaching an impasse and may resort to litigation to resolve the dispute. The parties are free to mutually select any ADR method that appears suitable to them at the time, including binding arbitration, nonbinding arbitration or mediation. The ADR method and procedures shall be agreed to in writing as expeditiously as possible. If the parties are unable to promptly agree on an appropriate ADR method or procedures, either party may resort to litigation.
- (f) Discovery and Access to Records. The parties shall be entitled to utilize discovery prior to the submission of any dispute to ADR consistent with the Federal Rules of Civil Procedure. The books and papers of both parties relating to any matter submitted to ADR shall be open to examination by any mediator or arbitrator, as the case may be.

4.4 Suspension of Service for Nonpayment. In the event that any bill for service is not paid in accordance with payment provisions set forth herein and under the rules and regulations adopted from time to time by the PUC, the Company may suspend the supply of electric power and energy hereunder but such action shall not release the State from the obligation to pay for service furnished and the minimum charges under the rate schedules applicable thereto for the unexpired Term of the Agreement or from liability for damages because of such breach hereof.

5. FACILITIES AND DELIVERY POINTS.

5.1 Delivery of Power and Energy and Facilities to be Furnished. The Company will deliver three phase, alternating current power and energy, at approximately 60 cycles and at a nominal phase to phase voltage as now being provided.

5.2 Facilities to be Furnished by the State. The State shall install and maintain, at its cost, and under approved standards of construction, all other facilities on the State's side of the point of delivery as set forth in Section 5.1 and which are necessary for the proper reception of electric power and energy for its use beyond such point. Such facilities in the State's plant equipment shall be of types which will not interfere with other service rendered by the Company. The State accepts full responsibility for the operation, maintenance and replacement of all electric facilities on the load side of the points of delivery and acknowledges that the Company has no responsibility therefor.

5.3 Rights-of-Way. The State agrees to provide the Company, without cost, suitable location and rights-of-way on the State's premises for necessary lines and apparatus installed to provide the electric power and energy required by the State. All facilities installed by and at the cost of the Company shall remain the Company's property, and it shall have the right and obligation to maintain, inspect, repair or remove the same.

6. FORCE MAJEURE.

The Company will endeavor to maintain adequate and continuous electric service but does not guarantee that the supply of power and energy will at all times be constant. In case service should be interrupted or fail by reason of force majeure, including acts of nature or public enemy, fire, explosion, flood, strike or other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery, transmission lines or other facilities, extraordinary repairs or other accident, or other causes not reasonably within its control, the Company shall promptly notify the State of any such occurrence, and the Company shall not be liable for damages on account of interruption of service. Upon the occurrence of any such interruption or failure, the Company shall use due diligence to promptly restore such service.

7. INDEMNIFICATION.

The Company shall not be liable for any loss or damage to property or injury to or death of persons whether suffered by the State, its agent or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on the State's side of the points of delivery, or from electric energy present therein or escaping therefrom, and the State agrees to indemnify and save the Company harmless from all such loss, damages, injuries or death.

The State shall not be liable for any loss or damage to property or injury to or death of persons whether suffered by the Company, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on the company's side of the points of delivery, or from electric energy present therein or escaping therefrom, and the Company agrees to indemnify and save the State harmless from all such loss, damages, injuries or death.

8. MISCELLANEOUS.

8.1 Waivers. Any waiver at any time by either party hereto of its rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter.

8.2 Notice. Any notice, demand or request required or authorized by this Agreement shall be deemed properly given if mailed, postage-prepaid, certified mail, return receipt requested, on behalf of the State, to each of the following:

State of South Dakota
Bureau of Administration
500 East Capitol Avenue
Pierre, SD 57501

President
Black Hills State University
1200 University
Spearfish, SD 57799-9999

and on behalf of the Company, to:

Black Hills Power and Light Company
Attention: Chief Operating Officer
P. O. Box 1400
Rapid City, SD 57709

The designation of persons to be notified or the address of such persons may be changed at any time by a similar notice.

001 001 001 001

8.3 Complete Agreement. This Agreement shall be considered the complete agreement of the parties pertaining to the matters set forth herein and replaces and any other previous contract, agreement, written or oral, pertaining thereto. The provisions of this Agreement shall not be changed except in writing duly executed by the Company and the State.

8.4 Severability. If any portion of this Agreement is determined by any court or regulatory body having jurisdiction to be void and not enforceable, the parties agree that the balance of the Agreement shall remain binding on the parties.

8.5 Binding on Successors. The State shall not have the right to assign this Agreement. This Agreement shall inure to and be binding and enforceable upon the Company's assigns, lessees and successors in interest.

9. AGREEMENT CONDITIONAL.

If for any reason, the PUC fails to approve the proposed settlement of Docket EL95-003 that includes the State University rate tariff attached as Exhibit A on or prior to August 1, 1995, this Agreement shall become null and void.

10. REGULATORY APPROVAL.

This Agreement is subject to approval by the PUC.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth in the first paragraph hereof.

BLACK HILLS POWER AND LIGHT
COMPANY

By *Robert Hoyt*
Its President and Chief Operating Officer

STATE OF SOUTH DAKOTA

By *Tom Scurt*
Its *Commissioner of the Bureau of Administration*

001020

EXHIBIT A

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 48

SECTION NO. 3
FIRST REVISED SHEET NO. 30
REPLACES ORIGINAL SHEET NO. 30

STATE UNIVERSITY SERVICE

RATE NO. SUS-1
Page 1 of 3

AVAILABLE

At points on the Company's existing transmission and distribution facilities supplied by its interconnected transmission system within Lawrence and Pennington Counties of South Dakota. (N)

APPLICABLE

To State universities for their entire electric service requirements supplied at one point of delivery and who agree to a Billing Capacity of 1,000 kilovolt-amperes (kVA) or more. This schedule is not applicable for temporary, standby, supplementary, emergency, resale, or shared service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a single standard utilization voltage most available to the location of the customer.

NET MONTHLY BILL

Rate

Customer Charge
\$510.00

Capacity Charge - Summer
\$ 7.00 per kVA of Billing Capacity

Capacity Charge - Winter
\$ 5.00 per kVA of Billing Capacity

Energy Charge
All usage at 3.77¢ per kWh

Minimum
Capacity Charge

BILLING CAPACITY

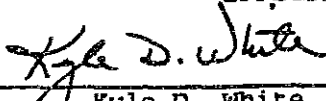
The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the month determined by dividing the maximum capacity in kilowatts (kW) by the power factor.
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months.
- c. Eighty percent of the Contract Capacity as stated in the Electric Service Agreement.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 48

SECTION NO. 3
THIRD REVISED SHEET NO. 31
REPLACES SECOND REVISED SHEET NO. 31

STATE UNIVERSITY SERVICE

RATE NO. SUS-1
Page 2 of 3

The power factor will be determined at the Company's option by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal or by permanent measurement. The power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the test period by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered. (N)

Should the customer's measured Billing Capacity exceed the current Contract Capacity during three (3) or more billing months in any calendar year, a new contract Capacity equal to the average of the three (3) highest measured Billing Capacities during the year will be established and the customer will be notified in writing prior to implementation.

SUBSTATION OWNERSHIP DISCOUNT

Customers who furnish and maintain a transformer substation with controlling and protective equipment, with the exception of metering equipment, for the purpose of transforming service from the Company's most available transmission voltage (47,000 volts and above) or primary distribution voltage (2,400 volts to 24,900 volts) to the customer's utilization voltages, shall receive a monthly credit of \$0.25 per kVA of Billing Capacity for transmission service and \$0.15 per kVA of Billing Capacity for primary distribution service.

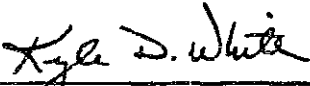
PAYMENT

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 apply to delinquent accounts. A nonsufficient funds check charge of \$15.00 shall apply for returned checks. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 48

SECTION NO. 3
SECOND REVISED SHEET NO. 32
REPLACES FIRST REVISED SHEET NO. 32

STATE UNIVERSITY SERVICE

RATE NO. SUS-1
Page 3 of 3

CONTRACT PERIOD

As a condition to be eligible for this tariff, the customer is required to enter into an Industrial Contract Service Agreement for an initial term of at least five years with the right of the customer to be exercised from time to time as of a date two years prior to the end of any term or extended term to extend the contract for one additional year. Failure of the customer to extend the contract so as to allow the remaining term to be less than three years shall allow the Company to charge a System Planning Surcharge equal to \$.50/kVA of measured demand per month for the first two years of a new contract or extended contract less any remaining unexpired existing contract term at the time of the extension. The Company and customer by agreement may modify the provision concerning the extension of the term and the amount of the System Planning Surcharge. (N)

TERMS AND CONDITIONS

1. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
2. Service will be rendered under the Company's General Rules and Regulations.
3. The Summer Rate shall apply to usage between June 1 through August 31. The Winter Rate shall apply to usage between September 1 and May 31.

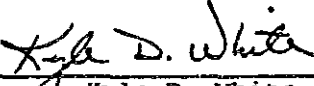
TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

BLACK HILLS CORPORATION

P.O. BOX 1400, 625 NINTH STREET
RAPID CITY, SOUTH DAKOTA 57709
PH. (605) 348-1700 FAX 348-9749
NYSE SYMBOL-BKH

RECEIVED

JUL 03 1995

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

NEWS RELEASE
FOR INFORMATION CONTACT:

RELEASE DATE
June 30, 1995

Dale E. Clement
Senior Vice President - Finance

Rapid City, South Dakota, June 30, 1995

BLACK HILLS CORPORATION'S SOUTH DAKOTA RATE CASE IS SETTLED

Black Hills Corporation's utility operations, Black Hills Power and Light Company (Company) was authorized a 6.75 percent overall increase in its electric rates to be charged to its South Dakota customers beginning August 1, 1995. The Company derives approximately 85 percent of its total electric sales revenues from its South Dakota customers. Based on test year ending September 30, 1994, this increase would result in additional annual revenues from South Dakota customers of approximately \$5,725,000 and represents two-thirds of the Company's requested increase. The increase will become effective August 1, 1995, the anticipated in-service date of Neil Simpson Unit #2, the Company's new 80 MW coal-fired power plant which has been constructed and is now in the testing phase at the site of Wyodak Resources Development Corp.'s coal mine in Wyoming. Wyodak Resources is a subsidiary of the Company.

The rate increase was approved by the South Dakota Public Utilities Commission (Commission) as a part of its approval of a settlement agreement among the Company, all intervenors and the Commission's Staff. The Company filed the application for a rate increase on February 1, 1995.

The settlement further provides that unless a specified extraordinary event occurs, the Company will not file for any increase in rates or invoke any fuel and purchased power automatic adjustment tariff to take effect during a freeze period ending January 1, 2000. The specified extraordinary events are any of the following: material increases in taxes, forced outages of both the Wyodak Plant and Neil Simpson Unit #2 caused by damages and projected to continue at least 60 days, forced outages for any reason to either plant projected to last 9 months, inflation of 10 percent or more and failure of the Federal Energy Regulatory Commission to approve the contract providing for the Company to sell power commencing January 1, 1997 to Montana-Dakota Utilities Co. (MDU) for its 45 MW Sheridan, Wyoming service territory.

The Company recognizes that during the freeze period it is undertaking the risks of machinery failure, load loss caused either by an economic downturn or changes in regulation, increased costs under existing power purchase contracts over which the Company has no control, governmental interferences, acts of nature and many other unexpected events that could cause material losses of income or decreases in costs of doing business with nowhere to seek relief.

However, the agreement will allow the Company to retain during that period of time earnings realized from more efficient operations, sales from load growth and off-system sales of power and energy, including the sale to MDU.

The approved tariffs will also result in the Company obtaining all requirements five-year contracts with its South Dakota industrial customers with an incentive for the customers to continue to renew the contracts on a three-year running term basis. With the new contracts, the Company will have an estimated 35 percent of its entire system's load under term contracts, and after the MDU/Sheridan sale starts, approximately 45 percent. If deregulation in retail electric sales occurs, the contracts will assist the Company to make the transition to full competition, guard against stranded investment and protect other customers from unexpected load loss.

The Commission also authorized the Company to utilize a business development service tariff that will allow the Company to negotiate rates with certain eligible customers. If the opportunity arises, this tariff will allow the Company to compete for new large retail loads where competition is allowed under present law.

The Company agreed to spend \$400,000 during the freeze period in the promotion of industrial development in South Dakota.

0122-276-53

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
TWELFTH REVISED SHEET NO. 1
REPLACES ELEVENTH REVISED SHEET NO. 1

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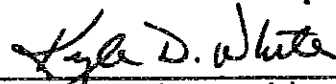
JUN 30 1995

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



 Kyle D. White
 Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
FOURTEENTH REVISED SHEET NO. 2
REPLACES THIRTEENTH REVISED SHEET NO. 2

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(continued)

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Power Production Service--Simultaneous
Net Billing

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
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REPLACES SECOND REVISED SHEET NO. 3

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(continued)

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DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White
Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
SECOND REVISED SHEET NO. 4
REPLACES FIRST REVISED SHEET NO. 4

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(continued)
SAMPLE FORMS

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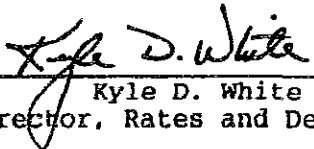
SECTION 6

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DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 2
FIRST REVISED SHEET NO. 1
REPLACES ORIGINAL SHEET NO. 1

PRELIMINARY STATEMENT

Black Hills Power and Light Company serves in an area generally described as the Black Hills area in Butte, Custer, Fall River, Lawrence, Meade and Pennington Counties in South Dakota.

The Company provides electric service for domestic, commercial and industrial service as prescribed in its Rates, Rules and Regulations.

The following symbols are used in conjunction with this tariff:

- (a) "C" shall signify a changed listing, rule or condition which may affect rates or charges;
- (b) "D" shall signify discontinued material, including any listing, rate, rule or condition;
- (c) "I" shall signify an increase;
- (d) "L" shall signify material relocated from or to another part of tariff schedules with no change in text, rate, rule or condition;
- (e) "N" shall signify new material including a listing, rate, rule or condition;
- (f) "R" shall signify a reduction;
- (g) "T" shall signify a change in the wording of text with no change in the rate, rule or condition.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

01322672

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 10

SECTION NO. 3
NINTH REVISED SHEET NO. 1
REPLACES EIGHTH REVISED SHEET NO. 1

RESIDENTIAL SERVICE

RATE NO. R-13 (T)
Page 1 of 2

AVAILABLE

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

APPLICABLE

To a single-family private dwelling unit supplied through one meter for domestic use including lighting, cooking, and other household uses.

This schedule is not applicable to a residence which is used for commercial, professional, or any other gainful enterprise; however, if the domestic use can be separately metered, this schedule is applicable to the metered domestic portion of energy use.

A single-family dwelling in which four sleeping rooms or more are rented or are available for rent, is considered non-domestic and the applicable General Service Rate shall apply.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at nominal voltages of 120 or 120/240 volts.

NET MONTHLY BILL

<u>Rate</u>		
<u>Customer Charge</u>	\$7.50	(I)
<u>Energy Charge</u>		
All usage at 7.78¢ per kWh		(I)
<u>Minimum</u>		
The Customer Charge		

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 10

SECTION NO. 3
NINTH REVISED SHEET NO. 2
REPLACES EIGHTH REVISED SHEET NO. 2

RESIDENTIAL SERVICE

RATE NO. R-13 (T)
Page 2 of 2

(D)

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 apply to delinquent accounts. A nonsufficient funds (T) check charge of \$15.00 shall apply for returned checks. If (I) a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply. (T)

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Customers requesting service for cottages or cabins if discontinued and then resumed within twelve months after service was first discontinued shall pay all charges that would have been billed had service not been discontinued.
3. Company-approved water heaters shall have a tank capacity of not less than 30 gallons and an electric capacity of not more than 4,500 watts at 240 volts. If two elements are used, interlocking controls are required to prevent simultaneous operation.
4. The Company reserves the right to limit electrical demand during time of the Company's peak load.

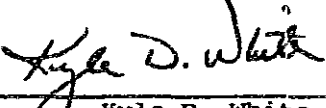
TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 12

SECTION NO. 3
NINTH REVISED SHEET NO. 3
REPLACES EIGHTH REVISED SHEET NO. 3

TOTAL ELECTRIC RESIDENTIAL SERVICE

RATE NO. RTE-13 (T)
Page 1 of 2

AVAILABLE

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

APPLICABLE

To a single-family private dwelling unit supplied through one meter for all domestic use, including lighting, cooking, household electrical appliances, water heating, space heating, and air conditioning, where electric service is the only source of energy for the dwelling unit, except energy provided by wood burning fireplaces used primarily for aesthetic purposes.

This schedule is not applicable to a residence which is used for commercial, professional or any other gainful enterprise; however, if the domestic use can be separately metered, this schedule is applicable to the metered domestic portion of energy use.

A single-family dwelling in which four sleeping rooms or more are rented or are available for rent, is considered non-domestic and the applicable General Service rate shall apply.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at a nominal voltage of 120/240 volts.

NET MONTHLY BILL

<u>Rate</u>		
<u>Customer Charge</u>	\$10.00	(I)
<u>Energy Charge</u>		
All usage at 6.28¢ per kWh		(I)
<u>Minimum</u>		
The Customer Charge		

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 12

SECTION NO. 3
NINTH REVISED SHEET NO. 4
REPLACES EIGHTH REVISED SHEET NO. 4

TOTAL ELECTRICAL RESIDENTIAL SERVICE

RATE NO. RTE-13 (T)
Page 2 of 2

(D)

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 apply to delinquent accounts. An nonsufficient funds (T) check charge of \$15.00 shall apply for returned checks. If (I) a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply. (T)

TERMS AND CONDITIONS

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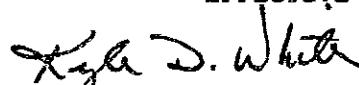
TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3
SEVENTH REVISED SHEET NO. 5
REPLACES SIXTH REVISED SHEET NO. 5

(Reserved)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3
SEVENTH REVISED SHEET NO. 6
REPLACES SIXTH REVISED SHEET NO. 6

(Reserved)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 20

SECTION NO. 3
NINTH REVISED SHEET NO. 7
REPLACES EIGHTH REVISED SHEET NO. 7

GENERAL SERVICE

RATE NO. GS-14 (T)
Page 1 of 2

AVAILABLE

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

APPLICABLE

To customers using electric service supplied at one point of delivery and for which no specific schedule is provided. This schedule is not applicable to standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

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

NET MONTHLY BILL

Rate

Customer Charge \$9.50

(I)

Capacity Charge

No charge for first 5 kw of Billing Capacity
\$5.00 per kw for next 45 kw of Billing Capacity
\$4.70 per kw for all additional kw of Billing Capacity

Energy Charge

8.64¢ per kwh for first 1,000 kwh
7.48¢ per kwh for next 2,000 kwh
6.63¢ per kwh for next 12,000 kwh
5.41¢ per kwh for all additional kwh

Minimum

The Capacity Charge or \$2.25 per kilovolt-ampere (kVA) of required transformer capacity including a special transformer installation provided for the benefit of the customer or to protect the quality of service to other customers, but not less than the Customer Charge.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:

Kyle D. White

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Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 20

SECTION NO. 3
NINTH REVISED SHEET NO. 8
REPLACES EIGHTH REVISED SHEET NO. 8

GENERAL SERVICE

RATE NO. GS-14 (T)
Page 2 of 2

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

Power Factor Adjustment - If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying by eighty-five percent and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

(D)

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 apply to delinquent accounts. A nonsufficient funds (T) check charge of \$15.00 shall apply for returned checks. If (I) a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of (T) a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

Service will be rendered under the Company's General Rules and Regulations.


TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 23

SECTION NO. 3
NINTH REVISED SHEET NO. 9
REPLACES EIGHTH REVISED SHEET NO. 9

GENERAL SERVICE - TOTAL ELECTRIC

RATE NO. GTE-16 (T)
Page 1 of 2

AVAILABLE

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

APPLICABLE

To customers supplied at one point of delivery for general use including space heating and air conditioning, where electric service is the only source of energy at the service location, whose connected space heating load is not less than thirty percent (30%) of the total connected load, and for which no specific schedule is provided. This schedule is not applicable to temporary, standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

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

NET MONTHLY BILL

Rate

Customer Charge \$15.00

(I)

Capacity Charge

No charge for first 5 kW of Billing Capacity
\$4.60 per kW for the next 45 kW of Billing Capacity
\$4.30 per kW for all additional kW of Billing Capacity

Energy Charge

5.78¢ per kWh for the first 6,000 kWh
5.41¢ per kWh for all additional kWh

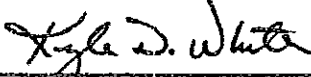
Minimum

The Capacity Charge but not less than \$2.25 per kilovolt-ampere (kVA) of required transformer capacity including a special transformer installation provided for the benefit of the customer or to protect the quality of service to other customers, but not less than the Customer Charge.

DATE FILED: June 20, 1995

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ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

0-1-3-2-26-000
PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA
BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 23

SECTION NO. 3
NINTH REVISED SHEET NO. 10
REPLACES EIGHTH REVISED SHEET NO. 10

GENERAL SERVICE - TOTAL ELECTRIC

RATE NO. GTE-16 (T)
Page 2 of 2

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

Power Factor Adjustment - If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying by eighty-five percent and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

(D)

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 apply to delinquent accounts. A nonsufficient funds (T) check charge of \$15.00 shall apply for returned checks. If (I) a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply. (T)

TERMS AND CONDITIONS

Service will be rendered under the Company's General Rules and Regulations.

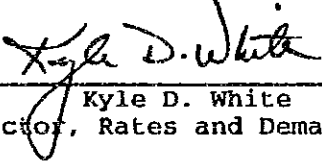
TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODES 21 AND 30

SECTION NO. 3
NINTH REVISED SHEET NO. 11
REPLACES EIGHTH REVISED SHEET NO. 11

GENERAL SERVICE - LARGE

RATE NO. GL-13 (T)
Page 1 of 3

AVAILABLE

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

APPLICABLE

To large power users for their entire electric service requirements supplied at one point of delivery and who agree to a Billing Capacity of 125 kilovolt-amperes (kVA) or more. This schedule is not applicable for temporary, standby, supplementary, emergency, resale, or shared service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a single standard utilization voltage most available to the location of the customer.

NET MONTHLY BILL

Rate

Capacity Charge - On Peak

\$900.00 for the first 125 kVA or less of Billing Capacity (I)
\$ 5.75 for each additional kVA of Billing Capacity |

Capacity Charge - Off Peak

Customers having a Contract Capacity of 250 kVA or greater (C) may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above the On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

4.37¢ per kWh for the first 50,000 kWh (R)
4.27¢ per kWh for the next 450,000 kWh |
3.99¢ per kWh for each additional kWh

Minimum

The Capacity Charge but not less than \$2.00 per kVA times the highest Billing Capacity applicable in the twelve months ending with and including the current month, plus any tax adjustment.

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PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODES 21 AND 30

SECTION NO. 3
NINTH REVISED SHEET NO. 12
REPLACES EIGHTH REVISED SHEET NO. 12

GENERAL SERVICE - LARGE

RATE NO. GL-13 (T)
Page 2 of 3

BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the month determined by dividing the maximum capacity in kilowatts (kW) by the power factor. (T)
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months.
- c. Eighty percent of the Contract Capacity as stated in the Electric Service Agreement.

The power factor will be determined at the Company's option by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal or by permanent measurement. The power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the test period by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

Should the customer's measured Billing Capacity exceed the current Contract Capacity during three (3) or more billing months in any calendar year, a new Contract Capacity equal to the average of the three (3) highest measured Billing Capacities during the year will be established and the customer will be notified in writing prior to implementation. C

SUBSTATION OWNERSHIP DISCOUNT

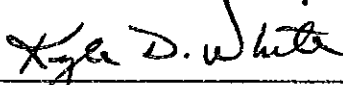
Customers who furnish and maintain a transformer substation with controlling and protective equipment, with the exception of metering equipment, for the purpose of transforming service from the Company's most available transmission voltage (47,000 volts and above) or primary distribution voltage (2,400 volts to 24,900 volts) to the customer's utilization voltages, shall receive a monthly credit of \$0.25 per kVA of Billing Capacity for transmission service and \$0.15 per kVA of Billing Capacity for primary distribution service.

(D)

DATE FILED: June 20, 1995

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Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODES 21 AND 30

SECTION NO. 3
NINTH REVISED SHEET NO. 13
REPLACES EIGHTH REVISED SHEET NO. 13

GENERAL SERVICE - LARGE

RATE NO. GL-13 (T)

Page 3 of 3

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 apply to delinquent accounts. A nonsufficient funds (T) check charge of \$15.00 shall apply for returned checks. If (I) a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply. (T)

CONTRACT PERIOD

A period of not less than three years and if not then (C) terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
2. Service will be rendered under the Company's General Rules and Regulations.
3. Notice will be provided defining On-Peak hours and a thirty days written notice will be provided of any change in On-Peak hours.

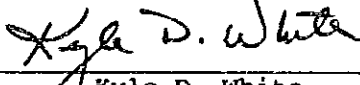
TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

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Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 31

SECTION NO. 3
NINTH REVISED SHEET NO. 14
REPLACES EIGHTH REVISED SHEET NO. 14

INDUSTRIAL CONTRACT SERVICE

RATE NO. IC-14 (T)
Page 1 of 2

AVAILABLE

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

APPLICABLE

To large industrial power users receiving transmission service or distribution service supplied at one point of delivery. Service is by Industrial Contract Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's transmission voltage (69,000 volts and above) or distribution voltage (less than 69,000 volts) stated in the Industrial Service Agreement.

NET MONTHLY BILL

Rate

Capacity Charge - On-Peak

Transmission Service @ \$5.10 per kVA of Billing Capacity
Distribution Service @ \$5.36 per kVA of Billing Capacity (N)

Capacity Charge - Off-Peak

Customer may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above their On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

Transmission Service @ 3.450 ¢ per kWh
Distribution Service @ 3.622 ¢ per kWh (N)

Minimum

The charge for the Billing Capacity

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum On-Peak use during the billing period; or the maximum Off-Peak use less fifty percent of the maximum On-Peak use, whichever is higher; or

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Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
 RAPID CITY, SOUTH DAKOTA
 BILLING CODE 31

SECTION NO. 3
 NINTH REVISED SHEET NO. 15
 REPLACES EIGHTH REVISED SHEET NO. 15

INDUSTRIAL CONTRACT SERVICE

RATE NO. IC-14 (T)
 Page 2 of 2

- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months; or
- c. Eighty percent of the Contract Capacity as defined in the following paragraph; or
- d. Transmission Service 10,000kVA or Distribution Service 6,000kVA

(D)

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 apply to delinquent accounts. A non-sufficient funds check charge of \$15.00 shall apply to delinquent accounts. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

As a condition to be eligible for this tariff, the customer is required to enter into an Industrial Contract Service Agreement for an initial term of at least five years with the right of the customer to be exercised from time to time as of a date two years prior to the end of any term or extended term to extend the contract for one additional year. Failure of the customer to extend the contract so as to allow the remaining term to be less than three years shall allow the Company to charge a System Planning Surcharge equal to \$.50/kVA of measured demand per month for the first two years of a new contract or extended contract less any remaining unexpired existing contract term at the time of the extension. The Company and customer by agreement may modify the provision concerning the extension of the term and the amount of the System Planning Surcharge.

(N)

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Notice will be provided defining On-Peak hours and thirty (30) days written notice will be provided of any change in On-Peak hours.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

(C)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White

 Kyle D. White
 Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 24

SECTION NO. 3
ELEVENTH REVISED SHEET NO. 16
REPLACES TENTH REVISED SHEET NO. 16

PRIVATE OR PUBLIC AREA LIGHTING SERVICE

RATE NO. PAL-16 (T)
Page 1 of 3

AVAILABLE

At points on the Company's existing secondary distribution facilities where unmetered 120/240 volt service is available within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To any customer who contracts for the illumination of outdoor areas of private or public property.

NATURE OF SERVICE

The Company will install, own and operate the necessary Mercury Vapor (MV) or High-Pressure Sodium Vapor (HPSV) Fixture(s). Energy-only service is also available for customer-owned Mercury Vapor and High-Pressure Sodium Vapor installations.

NET MONTHLY BILL
Rate

- a. For Luminaries in fixtures supported by a bracket not exceeding four feet in length, mounted on existing wood poles and connected to an existing secondary circuit:

<u>Nominal Lamp Rating</u>			
9,500 Lumen HPSV Luminaire	(100 Watt)	\$ 7.90 per unit	I
27,500 Lumen HPSV Luminaire	(250 Watt)	\$13.90 per unit	
7,000 Lumen MV Luminaire	(175 Watt)	\$ 7.90 per unit	
20,000 Lumen MV Luminaire	(400 Watt)	\$13.90 per unit	

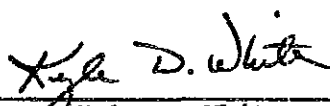
- b. For standard floodlight fixtures consisting of enclosed Mercury Vapor or High-Pressure Sodium Vapor Lamps supported by a bracket not exceeding two feet in length,

<u>Nominal Lamp Rating</u>			
27,500 Lumen HPSV Floodlight	(250 Watt)	\$18.80 per unit	I
50,000 Lumen HPSV Floodlight	(400 Watt)	\$34.40 per unit	
20,000 Lumen MV Floodlight	(400 Watt)	\$18.80 per unit	
55,000 Lumen MV Floodlight	(1000 Watt)	\$34.40 per unit	

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

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Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
 RAPID CITY, SOUTH DAKOTA
 BILLING CODE 24

SECTION NO. 3
 ELEVENTH REVISED SHEET NO. 17
 REPLACES TENTH REVISED SHEET NO. 17

PRIVATE OR PUBLIC AREA LIGHTING SERVICE RATE NO. PAL-16(T)
 Page 2 of 3

c. For customer installations connected to an existing secondary circuit:

<u>Nominal Lamp Rating</u>			
2,200 Lumen HPSV Luminaire	(35 Watt)	\$1.60 per unit	(I)
4,000 Lumen HPSV Luminaire	(50 Watt)	\$1.75 per unit	
6,400 Lumen HPSV Luminaire	(70 Watt)	\$2.10 per unit	
9,500 Lumen HPSV Luminaire	(100 Watt)	\$3.00 per unit	
27,500 Lumen HPSV Luminaire	(250 Watt)	\$6.15 per unit	
127,000 Lumen HPSV Luminaire	(1000 Watt)	\$23.00 per unit	(N)
7,000 Lumen MV Luminaire	(175 Watt)	\$4.55 per unit	(I)
11,000 Lumen MV Luminaire	(250 Watt)	\$6.15 per unit	
20,000 Lumen MV Luminaire	(400 Watt)	\$10.00 per unit	

d. For special installations involving material and equipment not included in "a" and "b" above, the charge per month shall be as follows:

Charge for Luminaires same as "a" above; or for Floodlights same as "b" above, plus 1.0% of Company's actual investment (R) in such installation (which shall include poles, wire and all other materials and installation costs).

(D)

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 apply to delinquent accounts. A nonsufficient funds check charge (T) of \$15.00 shall apply for returned checks. If a bill is not (I) paid the Company shall have the right to suspend service, providing ten days' written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply. (T)

TERMS AND CONDITIONS

1. Standard fixtures available for installation hereunder shall be determined by the Company on the basis of quality, capital and maintenance costs, long-term availability and other factors.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White

 Kyle D. White
 Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 24

SECTION NO. 3
ELEVENTH REVISED SHEET NO. 18
REPLACES TENTH REVISED SHEET NO. 18

PRIVATE OR PUBLIC AREA LIGHTING SERVICE

RATE NO. PAL-16 (T)
Page 3 of 3

2. Company will install fixtures only on poles having available space.
3. Fixtures shall be operated by photo-electric control to provide service from approximately one-half hour after sunset to one-half hour before sunrise.
4. Customer shall assume responsibility for notifying Company when Company's fixtures are inoperative.
5. Replacement of lamps due to ordinary burnout shall be made at Company expense during regularly scheduled working hours. Replacement because of breakage for any reason shall be charged to customer at Company's cost.
6. Customer shall provide or secure all necessary right-of-way permits and/or easements needed to provide service under this schedule.
7. Company may refuse to install or may remove from service upon notice to customer any fixture provided for herein for any reason, including but not limited to the following: relocation of distribution facilities and where such fixture or its operation could cause an unsatisfactory condition affecting the quality of life in the immediate area, or public safety, or could be in violation of any local ordinance or development restriction.
8. Energy-only service is available only to customers who install, own and maintain all required electric and lighting facilities past the Company's existing secondary circuit at which electric service is provided.
9. Service will be rendered under the Company's General Rules and Regulations.
10. This schedule is predicated on continuous service of 12 months (N) per year.

CONTRACT PERIOD

Service under this schedule shall be by written agreement for a minimum period of years as specified:

Service under Rate "a", Rate "b" and Rate "c" - two years
Special installation under Rate "d" - ten years

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold and/or the volume of energy generated and sold.

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ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 26

SECTION NO. 3
NINTH REVISED SHEET NO. 19
REPLACES EIGHTH REVISED SHEET NO. 19

IRRIGATION PUMPING

RATE NO IP-11 (T)
Page 1 of 2

AVAILABLE

To parties who own and/or operate irrigation pumping stations located at or near the Company's existing distribution lines supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To customers using electric service supplied at one point of delivery for irrigation pumping. Service is by Irrigation Pumping Contract (IPC) only and is not applicable for temporary, standby, supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase and at the voltage stated in the IPC.

RATE

Capacity Charge

\$17.50 per season per horsepower of connected load.

(I)

Energy Charge

5.99¢ per kWh for all energy used.

METHOD OF BILLING


One-third of the Capacity Charge will be billed for each of (T) the months of April, May, and June. The Energy Charge will be billed monthly based on usage.

(D)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 26

SECTION NO. 3
NINTH REVISED SHEET NO. 20
REPLACES EIGHTH REVISED SHEET NO. 20

IRRIGATION PUMPING

RATE NO IP-11 (T)

Page 2 of 2

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 apply to delinquent accounts. A nonsufficient funds (T) check charge of \$15.00 shall apply for returned checks. If (I) a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply. (T)

TERMS AND CONDITIONS

1. Service is by IPC.
2. Determination of connected load: the Company shall determine the connected horsepower by nameplate rating of the motors, or at its option by test under conditions of maximum operating load.
3. Customer shall maintain a power factor at the point of delivery of not less than 85% lagging.
4. Service will be rendered under the Company's General Rules and Regulations.

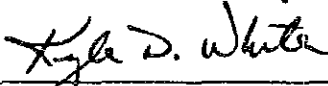
TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODES 40 AND 41

SECTION NO. 3
TENTH REVISED SHEET NO. 21
REPLACES NINTH REVISED SHEET NO. 21

STREET LIGHTING

RATE NO. SL-13 (T)
Page 1 of 3

AVAILABLE

At points within 200 feet of the Company's existing secondary (C) distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties in South Dakota.

APPLICABLE

To incorporated municipalities, townships, counties, or governmental agencies for the lighting of public streets, highways, alleys, and thoroughfares. Company owned lighting service is not available for floodlighting of swimming pools, athletic fields, parking lots, and other similar projects, public or private. Customer-owned systems must be complete with standards or towers, luminaries with glassware, lamps, and other appurtenances, together with all necessary cables extending between standards or towers and to points of connection to Company's facilities as designated by the Company.

SERVICE PROVIDED

The following three types of service are available under this rate schedule:

1. Energy Service

The Company shall furnish all electrical energy necessary to operate the street lighting system.

2. Energy and Maintenance Service

The Company shall furnish all electric energy necessary to operate the street lighting system. The Company shall also make lamp, glassware, and photo-electric cell renewals and shall periodically clean the glassware. Maintenance for damages caused by malicious mischief shall be the responsibility of the customer.

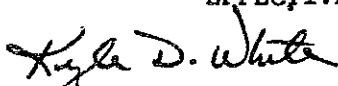
3. Total Street Lighting Service

The Company shall provide the energy maintenance service described in (2) above, and the Company shall install, own, and operate the street lighting system. The type and kind of luminaires and supports will be in accordance with Company specifications.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:



Kyle D. White
Director Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
 RAPID CITY, SOUTH DAKOTA
 BILLING CODES 40 AND 41

SECTION NO. 3
 TENTH REVISED SHEET NO. 22
 REPLACES NINTH REVISED SHEET NO. 22

NET MONTHLY BILL Rate	STREET LIGHTING		RATE NO. SL-13 (T) Page 2 of 3
	Lamp Type and Nominal Rating	Customer Owned Energy and Maintenance Service	Company Owned Total Street Lighting Service
<u>Mercury Vapor*</u>			
7,000 Lumen (175 Watt)	\$ 4.55		\$11.77 (I)
11,000 Lumen (250 Watt)	6.15		15.77
20,000 Lumen (400 Watt)	10.00		18.95
37,000 Lumen (700 Watt)	16.20		34.28
55,000 Lumen (1000 Watt)	23.00		42.08
<u>High-Pressure Sodium Vapor*</u>			
2,200 Lumen (35 Watt)	\$ 1.60 (N)		
4,000 Lumen (50 Watt)	\$ 1.75 (N)		
5,500 Lumen (70 Watt)	\$ 2.10		(I)
9,500 Lumen (100 Watt)	3.00	\$ 5.40	\$10.00
14,000 Lumen (150 Watt)	4.20	(D)	14.50
27,500 Lumen (250 Watt)	6.15	9.05	15.00
50,000 Lumen (400 Watt)	10.00	12.80	23.95
127,000 Lumen (1000 Watt)	23.00		

*The Company Owned Total Street Lighting rates are not available for new mercury vapor or 150 watt high-pressure sodium vapor street lighting installations.

- a. For fixtures only supported by distribution type wood poles and served aerially within 200 feet of existing secondary distribution. (C)
- b. For luminaries requiring the installation of standard metal poles and served aerially, the charge shall be \$5.20 per month per pole in addition to the applicable monthly rate per luminaire under (a) above.
- c. For special installations involving material and equipment not included in (a) and (b) above, the charge per month shall be as follows:
 - Charge for luminaries and fixtures same as (a) above plus 1.0 percent of the difference between Company's actual investment in such installations and the investment cost of a normal overhead street lighting installation. (R)

(D)

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BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODES 40 AND 41

SECTION NO. 3
TENTH REVISED SHEET NO. 23
REPLACES NINTH REVISED SHEET NO. 23

STREET LIGHTING

RATE NO. SL-13 (T)
Page 3 of 3

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 apply to delinquent accounts. A nonsufficient funds check charge of \$15.00 (I) shall apply for returned checks. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply. (T)

TERMS AND CONDITIONS

1. Luminaries shall be turned on and off automatically by a photo-electric control, and the nightly hours of burning shall be from approximately one-half hour after sunset until one-half hour before sunrise.
2. If illumination from any lamp is interrupted and said illumination is not resumed within 48 hours from the time Company receives notice thereof from customer, one-thirtieth (1/30th) of the monthly rate for such lamp shall be deducted for each night of non-illumination after such notice is received.
3. Customer shall pay all costs for relocation and/or removal of luminaries when requested by customer.
4. The Company will, if requested by the customer, furnish personnel, materials, tools and equipment for the purpose of maintaining, repairing, or replacement of the customer's street lighting system. The customer shall reimburse the Company for all costs properly and reasonably incurred by it in such performance, including not to exceed fifteen percent (15%) thereof for administrative and general expenses, such costs to be determined on the basis of current charges or rates used by the Company in its own operations. Performance by the Company contemplated hereunder includes, but is not limited to, the replacement of lamps and glassware, the replacement of ballast and the periodic painting of standards.
5. Service will be rendered under the Company's General Rules and Regulations.

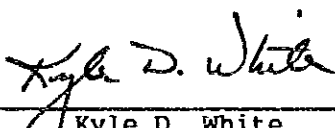
TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated or sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY: _____



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
 RAPID CITY, SOUTH DAKOTA
 BILLING CODE 43

SECTION NO. 3
 NINTH REVISED SHEET NO. 24
 REPLACES EIGHTH REVISED SHEET NO. 24

MUNICIPAL PUMPING

RATE NO. MP-13 (T)
 Page 1 of 2

AVAILABLE

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

APPLICABLE

To incorporated municipalities for electric service which is needed for and used in connection with the year-round operation of water utility pumping and treatment and sewage disposal facilities. This schedule is not applicable to temporary, standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

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

NET MONTHLY RATE

<u>Rate</u>	<u>Summer Rate</u>	<u>Winter Rate</u>	
<u>Customer Charge</u>	\$15.00	\$15.00	(I)
<u>Capacity Charge</u>	\$3.50 per kW of Billing Capacity	\$3.20 per kW of Billing Capacity	(I)
<u>Energy Charge</u>	All usage at 4.74¢ per kwh	All usage at 4.74¢ per kwh	(I)

Minimum

The Capacity Charge but not less than the applicable Customer Charge.

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

POWER FACTOR ADJUSTMENT-If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying the eighty-five percent and dividing the power factor expressed in percent.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White

 Kyle D. White
 Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 43

SECTION NO. 3
NINTH REVISED SHEET NO. 25
REPLACES EIGHTH REVISED SHEET NO. 25

MUNICIPAL PUMPING

RATE NO. MP-13 (T)
Page 2 of 2

The power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatts used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

(D)

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 apply to delinquent accounts. A nonsufficient funds check charge of \$15.00 (I) shall apply for returned checks. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for non-payment of a bill, a Customer Service Charge will apply. (T)

TERMS AND CONDITIONS

1. This schedule is predicated on continuous service of twelve months per year. If the customer desires only seasonal service, such service will be provided under the Company's applicable General Service schedule.
2. This schedule is not applicable for the pumping of water from streams, ponds, or lakes and applied directly to public parks and grounds for irrigation purposes or for other similar projects.
3. The Summer Rate shall apply to usage between June 1 through October 31. The Winter Rate shall apply to usage between November 1 through May 31. The Company reserves the right to modify the months applicable to the summer-winter billing periods.
4. Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

(N)

DATE FILED: June 20, 1995

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Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 42

SECTION NO. 3
NINTH REVISED SHEET NO. 26
REPLACES EIGHTH REVISED SHEET NO. 26

TRAFFIC SIGNALS

RATE NO. TS-13 (T)
Page 1 of 2

AVAILABLE

At points within 200 feet of the Company's existing secondary (T)
distribution lines supplied by its interconnected transmission system
within Butte, Custer, Fall River, Lawrence, Meade, and Pennington
Counties of South Dakota.

APPLICABLE

To municipal, state, and federal governments, their agencies and sub-
divisions, for the operation of customer-owned traffic signals and
caution lights on public streets and highways for traffic regulation.
This schedule is not applicable to standby, supplementary, emergency,
resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase at nominal voltage of 120
volts.

NET MONTHLY BILL

Rate

Customer Charge \$7.00 (I)

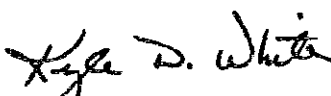
Energy Charge
All energy used at 6.75¢ per kWh (I)

Minimum
The Customer Charge (D)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 42

SECTION NO. 3
NINTH REVISED SHEET NO. 27
REPLACES EIGHTH REVISED SHEET NO. 27

TRAFFIC SIGNALS

RATE NO. TS-13 (T)
Page 2 of 2

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 apply to delinquent accounts. A nonsufficient funds check charge of \$15.00 (I) shall apply for returned checks. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply. (T)

TERMS AND CONDITIONS

1. The customer at its own expense shall install, operate, and maintain the traffic signals and caution lights. Such equipment shall be of types which will not interfere with other service rendered by the Company and shall be subject to inspection by the Company at reasonable times.
2. The customer shall extend its service leads to the point of connection at the Company's meter, such point to be designated by the Company.
3. Service will be rendered under the Company's General Rules and Regulations.

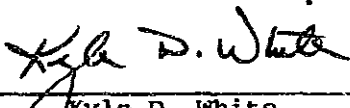
TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

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ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

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PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3
EIGHTH REVISED SHEET NO. 28
REPLACES SEVENTH REVISED SHEET NO. 28

CUSTOMER SERVICE CHARGE

RATE NO. C-8 (T)
Page 1 of 2

APPLICABLE

This schedule applies to all customers requesting service under any of the following rate schedules:

- R-13 Regular Residential Service
- RD- 4 Residential Demand Service
- UCR- 3 Utility Controlled Residential Service
- RTE-13 Total Electric Residential Service
- GS-14 General Service
- GTE-16 General Service - Total Electric
- UCG- 4 Utility Controlled General Service
- ES- 3 Energy Storage Service
- SIGS-1 Small Interruptible General Service
- GL-13 General Service - Large
- IC-14 Industrial Contract Service
- PAL-14 Private or Public Area Lighting
- IP-11 Irrigation Pumping
- MP-13 Municipal Pumping
- TS-13 Traffic Signals

RATE

Customer Service Charge - \$10.00 (I)

TERMS AND CONDITIONS

1. The charge shall be billed to all customers applying for electric service under the applicable rate schedule in the first regular billing.
2. For re-establishment of service as the result of disconnection for non-payment of a bill the charge shall be paid in advance of customer receiving power and energy from the Company.
3. The Company shall make customer connections during normal business hours defined as 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding legal holidays. If the Company is required to make connection other than during normal business hours, appropriate overtime fees shall be assessed.

PAYMENT

Customer Service Charge is due and payable upon presentation. If a bill is not paid, the Company shall have the right to refuse service, and assess a late payment charge of 1.5% of the current unpaid balance. A nonsufficient funds check charge of \$15.00 shall apply for returned (I) checks.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

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Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3
FIRST REVISED SHEET NO. 29
REPLACES ORIGINAL SHEET NO. 29

METER TEST DEPOSITS

RATE NO. MT-2 (T)

Any customer may request that the Company test the electric meters by which their electric service is measured. The Company will make the test as soon as possible after receipt of the customer's request.

RESIDENTIAL METER TEST DEPOSIT

If a residential meter test request is made within one year after a previous request, the Company will receive the appropriate deposit from the customer prior to conducting the meter test. The residential meter types and meter test deposits are:

<u>Meter Type</u>	<u>Meter Test Deposit</u>
Single Phase	\$10
Single Phase Demand	\$10

NON-RESIDENTIAL METER TEST DEPOSIT

If a non-residential meter test request is made within one year after a previous request, the Company will receive the appropriate deposit from the customer prior to conducting the meter test. The non-residential meter types and their associated meter test deposits are:

<u>Meter Type</u>	<u>Meter Test Deposit</u>
Single Phase	\$10
Single Phase Demand and Self-Contained Three Phase	\$20
All Others	\$30

The meter test deposit of a residential or non-residential customer will be refunded only if the meter is found to have an average recording error of at least 2 percent slow or fast. If the meter is found to be in error, the previous electric billings of the customer will be adjusted as provided for in Section 703.1 of the Company's Rules and Regulations for South Dakota electric service.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 48

SECTION NO. 3
FIRST REVISED SHEET NO. 30
REPLACES ORIGINAL SHEET NO. 30

STATE UNIVERSITY SERVICE

RATE NO. SUS-1
Page 1 of 3

AVAILABLE

At points on the Company's existing transmission and distribution facilities supplied by its interconnected transmission system within Lawrence and Pennington Counties of South Dakota. (N)

APPLICABLE

To State universities for their entire electric service requirements supplied at one point of delivery and who agree to a Billing Capacity of 1,000 kilovolt-amperes (kVA) or more. This schedule is not applicable for temporary, standby, supplementary, emergency, resale, or shared service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a single standard utilization voltage most available to the location of the customer.

NET MONTHLY BILL

Rate

Customer Charge
\$510.00

Capacity Charge - Summer
\$ 7.00 per kVA of Billing Capacity

Capacity Charge - Winter
\$ 5.00 per kVA of Billing Capacity

Energy Charge
All usage at 3.77¢ per kWh

Minimum
Capacity Charge

BILLING CAPACITY

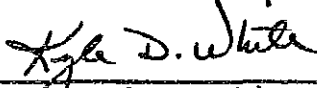
The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the month determined by dividing the maximum capacity in kilowatts (kW) by the power factor.
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months.
- c. Eighty percent of the Contract Capacity as stated in the Electric Service Agreement.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 48

SECTION NO. 3
THIRD REVISED SHEET NO. 31
REPLACES SECOND REVISED SHEET NO. 31

STATE UNIVERSITY SERVICE

RATE NO. SUS-1
Page 2 of 3

The power factor will be determined at the Company's option by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal or by permanent measurement. The power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the test period by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered. (N)

Should the customer's measured Billing Capacity exceed the current Contract Capacity during three (3) or more billing months in any calendar year, a new contract Capacity equal to the average of the three (3) highest measured Billing Capacities during the year will be established and the customer will be notified in writing prior to implementation.

SUBSTATION OWNERSHIP DISCOUNT

Customers who furnish and maintain a transformer substation with controlling and protective equipment, with the exception of metering equipment, for the purpose of transforming service from the Company's most available transmission voltage (47,000 volts and above) or primary distribution voltage (2,400 volts to 24,900 volts) to the customer's utilization voltages, shall receive a monthly credit of \$0.25 per kVA of Billing Capacity for transmission service and \$0.15 per kVA of Billing Capacity for primary distribution service.

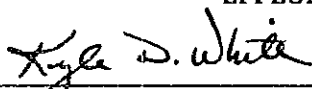
PAYMENT

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 apply to delinquent accounts. A nonsufficient funds check charge of \$15.00 shall apply for returned checks. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

DATE FILED: June 20, 1995

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PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 48

SECTION NO. 3
SECOND REVISED SHEET NO. 32
REPLACES FIRST REVISED SHEET NO. 32-42

STATE UNIVERSITY SERVICE

RATE NO. SUS-1
Page 3 of 3

CONTRACT PERIOD

As a condition to be eligible for this tariff, the customer is required to enter into an Industrial Contract Service Agreement for an initial term of at least five years with the right of the customer to be exercised from time to time as of a date two years prior to the end of any term or extended term to extend the contract for one additional year. Failure of the customer to extend the contract so as to allow the remaining term to be less than three years shall allow the Company to charge a System Planning Surcharge equal to \$.50/kVA of measured demand per month for the first two years of a new contract or extended contract less any remaining unexpired existing contract term at the time of the extension. The Company and customer by agreement may modify the provision concerning the extension of the term and the amount of the System Planning Surcharge. (N)

TERMS AND CONDITIONS

1. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
2. Service will be rendered under the Company's General Rules and Regulations.
3. The Summer Rate shall apply to usage between June 1 through August 31. The Winter Rate shall apply to usage between September 1 and May 31.

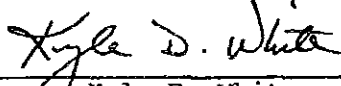
TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 14

SECTION NO. 3A
THIRD REVISED SHEET NO. 1
REPLACES SECOND REVISED SHEET NO. 1

RESIDENTIAL DEMAND SERVICE (OPTIONAL) RATE NO. RD-4 (T)
Page 1 of 3

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to any single-family private dwelling unit supplied through one meter with qualifying minimum usage of 1,000 kWh per month on average. This rate will be applicable for service provided during the first complete billing period following the installation of appropriate metering equipment.

This schedule is not applicable to a residence which is used for commercial, professional, or any other gainful enterprise; however, if the domestic use can be separately metered, this schedule is applicable to the metered domestic portion of energy use.

A single family dwelling in which four sleeping rooms or more are rented or are available for rent is considered non-domestic and the applicable General Service Rate shall apply.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at nominal voltages of 120/240 volts.

NET MONTHLY BILL

Rate

Customer Charge \$11.00

Energy Charge
All usage at 3.00¢ per kWh

Demand Charge
All kW of Billing Demand at \$5.25 per kW

Minimum
The Customer Charge

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

013226195

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 14

SECTION NO. 3A
THIRD REVISED SHEET NO. 2
REPLACES SECOND REVISED SHEET NO. 2

RESIDENTIAL DEMAND SERVICE (OPTIONAL) RATE NO. RD-4 (T)
Page 2 of 3

BILLING DEMAND

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

MAXIMUM VALUE OPTION

Optional time-of-use metering is available for customers owning demand controllers ready to receive a control signal. When a residential time-of-use meter is used for billing purposes, the Billing Demand is the customer's average kilowatt load during the fifteen minute period of maximum on-peak use during the month. The ON-PEAK periods are Monday through Friday, 7:00 a.m. to 11:00 p.m. from November 1st through March 31st and Monday through Friday, 10:00 a.m. to 10:00 p.m. from April 1st through October 31st. In addition to the normal OFF-PEAK periods, the following holidays are considered OFF-PEAK: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day.

(D)

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 apply to delinquent accounts. A nonsufficient funds check charge of \$15.00 shall apply for returned checks. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

(I)


TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under other applicable residential service rates.
3. Company-approved water heaters shall have a tank capacity of not less than 30 gallons and an electric capacity of not more than 4,500 watts at 240 volts. If two elements are used, interlocking controls are required to prevent simultaneous operation.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 14

SECTION NO. 3A
SECOND REVISED SHEET NO. 3
REPLACES FIRST REVISED SHEET NO. 3

RESIDENTIAL DEMAND SERVICE (OPTIONAL)

RATE NO. RD-4 (T)
Page 3 of 3

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C)
applicable proportionate part of any impost, assessment or charge
imposed or levied by any governmental authority as a result of laws
or ordinances enacted, which is assessed or levied on the basis of
revenue for electric energy or service sold, and/or the volume of
energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:

Kyle D. White
Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 17

SECTION NO. 3A
SECOND REVISED SHEET NO. 4
REPLACES FIRST REVISED SHEET NO. 4

UTILITY CONTROLLED RESIDENTIAL SERVICE (OPTIONAL) RATE NO. UCR-3(T)
Page 1 of 2

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to any single-family dwelling unit where the energy use meets minimum usage qualifications in any monthly billing period; provided, the customer agrees to allow the Company to interrupt, at any time, a minimum of 4 kW of Company approved permanently connected customer designated loads separately metered from the residential service. Company approved loads will (C) include, but are not limited to, water heating and dual fuel heating systems. Utility controlled service is limited to use which, if interrupted, would not in the opinion of the Company endanger health or safety.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at nominal voltages of 120 or 120/240 volts except that an interruptible circuit of at least 4 kW will be controlled by the Company.

NET MONTHLY BILL

Rate

Customer Charge
\$4.50 per month (I)

Energy Charge
All usage at 4.20¢ per kWh (I)

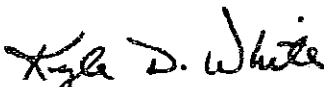
Minimum
The Customer Charge

(D)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 17

SECTION NO. 3A
SECOND REVISED SHEET NO. 5
REPLACES FIRST REVISED SHEET NO. 5

UTILITY CONTROLLED RESIDENTIAL SERVICE (OPTIONAL) RATE NO. UCR-3(T)
Page 2 of 2

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 apply to delinquent accounts. A nonsufficient funds check charge (T) of \$15.00 shall apply for returned checks. If a bill is not (I) paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply. (T)

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under other applicable residential service rates.
3. Company will supply and maintain the necessary metering and controls. Wiring by the customer shall be such that meters and controls are located outside the building; where the meters and controls are separate, they shall be located as close together as possible. Where necessary, the customer shall supply and maintain the necessary low voltage relay in a Company approved sealable enclosure to enable Company to control customer's loads. For large controlled loads, the customer's controllable load interrupting device may, with Company approval, be located inside the building adjacent to customer's main disconnects.
4. Customer's interruptible loads will be controlled by the Company's control equipment and the maximum hours of interruption will not exceed 700 hours per year.


TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 25

SECTION NO. 3A
THIRD REVISED SHEET NO. 6
REPLACES SECOND REVISED SHEET NO. 6

ENERGY STORAGE SERVICE

RATE NO. ES-4 (T)
Page 1 of 5

AVAILABLE

To customers installing certain energy efficient electrical equipment that will increase off-peak electrical use and reduce the Company's on-peak demand, at points on the Company's existing secondary distribution lines supplied by its interconnected transmission system. The rate has been developed as part of the Company's Demand-side Management strategy.

APPLICABLE

At the customer's election, to General Service customers who operate Company approved energy storage facilities for the purpose of utilizing off-peak electric energy for space conditioning and/or battery charging. Electric energy will be supplied through a separately metered circuit utilizing the same transformer and service used to serve the balance of the customer's electrical load.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer. Energy Storage Service will be provided on a TIME OF USE schedule for qualified PARTIAL STORAGE and GEOTHERMAL systems. The number of off-peak hours available will amount to eight hours each day during the winter season, twelve hours each day during the summer season and 24 hours a day on weekends and major holidays during both summer and winter seasons.

NET MONTHLY BILL

Rate

Customer Charge

\$10.00 per month

(I)

Energy Charge

OFF-PEAK: 2.50 ¢ per kWh

ON-PEAK: 4.00 ¢ per kWh

(N)

Capacity Charge

OFF-PEAK: no charge

ON-PEAK: \$6.00 per kW of Billing Capacity

Minimum

The Customer Charge.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 25

SECTION NO. 3A
THIRD REVISED SHEET NO. 7
REPLACES SECOND REVISED SHEET NO. 7

ENERGY STORAGE SERVICE

RATE NO. ES-4 (T)
Page 2 of 5

Billing Capacity

Customer's average kilowatt load during the fifteen minute period of maximum ON-PEAK use during the month.

Power Factor Adjustment - If the power factor for the month (determined at the company's option by permanent measurement or by a test of not less than fifteen minute duration under conditions which the company determines to be normal) is less than eighty-five percent (85%) at the point of delivery, the Billing Capacity will be increased by multiplying by eighty five percent (85%) and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

Penalty for Non-Compliance

If a PARTIAL STORAGE customer exceeds their partial storage limit (expressed in kW) during peak time periods, a penalty of five (5) times the Capacity Charge per kW will be assessed for the difference in kW that the maximum billing capacity exceeds the partial storage limit. The partial storage limit will be determined using design day load profiles from standard industry load calculation methods. A conversion factor of .75 kW per ton will be used for Cool Storage applications.

(D)

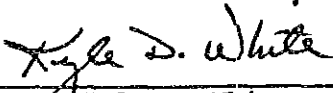
PAYMENT

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 apply to delinquent accounts. A nonsufficient funds check charge of \$15.00 (I)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 25

SECTION NO. 3A
THIRD REVISED SHEET NO. 8
REPLACES SECOND REVISED SHEET NO. 8

ENERGY STORAGE SERVICE

RATE NO. ES-4 (T)
Page 3 of 5

PAYMENT (continued)

shall apply for returned checks. If a bill is not paid, the Company (I) shall have the right to suspend service, provided ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations where not inconsistent with any specific provisions of this rate schedule or the contract.
2. Service will be provided under this rate schedule only to customers who have contracted for service for an initial term of not less than three years. The contract may be terminated at any time on or after the expiration date of the initial term by twelve months written notice.
3. Company will supply and maintain metering to provide off-peak energy to FULL STORAGE systems and the Company will supply and maintain TIME OF USE metering to provide ON-PEAK and OFF-PEAK energy for PARTIAL STORAGE and GEOTHERMAL systems.
4. The Company shall have the right to inspect all wiring and equipment connected to the storage circuit. In the event the Company finds that the customer's wiring has been altered or arranged in any manner so that energy is used in any equipment other than Company approved energy storage facilities, the contract for service under this rate schedule may be canceled.
5. The Company may, at its option, install in the energy storage circuit, load limiting devices to limit the total load to be served through the energy storage circuit.
6. OFF-PEAK Hours: Monday - Friday

Summer Months (April 1 - October 31)
10:00 p.m. - 10:00 a.m.

Winter Months (November 1 - March 31)
11:00 p.m. - 7:00 a.m.

OFF-PEAK Hours: Saturdays, Sundays, and major holidays.
Available all hours during both seasons.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

013225112

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 25

SECTION NO. 3A
SECOND REVISED SHEET NO. 9
REPLACES FIRST REVISED SHEET NO. 9

ENERGY STORAGE SERVICE

RATE NO. ES-4 (T)
Page 4 of 5

7. MEANS OF CONTROL:

ON FULL STORAGE systems, the customer must install a contacting device on the line side of the main disconnect which will interrupt power when signals are received from Company's time clock. The contacting device shall be placed outside the building adjacent to the Company's metering equipment.

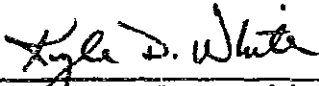
8. QUALIFIED SYSTEMS:

- A. Full Storage - Available to heating and cooling systems that are able to store energy during off-peak periods for use during on-peak periods.
- B. Partial Storage - COOLING: - Partial storage equipment size must be at least 25% less than conventional equipment size during on-peak time periods. Chiller equipment, cooling tower pumps and fans, and cool water circulating pumps qualify for the rate. Air handling equipment and hot water circulating pumps do not qualify. A penalty for non-compliance will be assessed if the partial storage limit is exceeded.
- C. Partial Storage - Heating - An Electric Boiler with off-peak storage capability qualifies when used in combination with water-loop heat pumps. The Electric Boiler size must be 25% less than conventional equipment during on-peak time periods. Water-loop heat pumps, air handling equipment, and circulating pumps do not qualify. A penalty for non-compliance will be assessed if the partial storage limit is exceeded.
- D. Geothermal Applications - Geothermal heat pumps, associated air handling equipment and circulating pumps qualify for the rate. Supplementary resistance heat associated with each heat pump or supplementary electric boiler heat associated with the geothermal system also qualify for the rate.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 25

SECTION NO. 3A
SECOND REVISED SHEET NO. 10
REPLACES FIRST REVISED SHEET NO. 10

ENERGY STORAGE SERVICE

RATE NO. ES-4 (T)
Page 5 of 5

9. DESIGN REVIEW:

Detailed design information must accompany each Energy Storage Application including:

- A. A 24-hour design day cooling and/or heating load profile using standard industry load calculation methods.
- B. A system description with operating Strategy.

The Demand-Side Management Department shall review and approve the Energy Storage Application and proposed contract.

TAX ADJUSTMENT

Bills computed under the rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 27

SECTION NO. 3A
SECOND REVISED SHEET NO. 11
REPLACES FIRST REVISED SHEET NO. 11

UTILITY CONTROLLED GENERAL SERVICE (CLOSED)

RATE NO. UCG-4 (T)
Page 1 of 2

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to customers receiving firm service under provisions of the General Service rate; provided, the customer agrees to allow the Company to interrupt, at any time, a minimum of 4 kW of Company approved permanently connected customer designated load which can be separately metered. Company approved loads include, but are not limited to, water heating and dual fuel heating systems. Utility controlled service is limited to use which, if interrupted, would not in the opinion of the Company endanger health or safety.

CHARACTER OF SERVICE

Company controlled interruptible alternating current, 60 hertz, at the voltage and phase of the Company's established firm service for each customer.

NET MONTHLY BILL

Customer Charge

\$4.50 per month

(I)

Energy Charge

All usage at 4.20¢ per kWh

(I)

Minimum

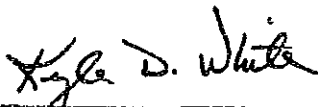
The Customer Charge

(D)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

0132261166

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA
BILLING CODE 27

SECTION NO. 3A
THIRD REVISED SHEET NO. 12
REPLACES SECOND REVISED SHEET NO. 12

UTILITY CONTROLLED GENERAL SERVICE (CLOSED)

RATE NO. UCG-4(T)
Page 2 of 2

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 apply to delinquent accounts. An nonsufficient fund check charge of \$15.00 shall apply for returned checks. If a bill (I) is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under other applicable General Service rates.
3. Company will supply and maintain the necessary metering and controls. Wiring by the customer shall be such that meters and controls are located outside the building; where the meter and controls are separate, they shall be located as close together as possible. Where necessary, the customer shall supply and maintain the necessary low voltage relay in a Company approved sealable enclosure to enable Company to control customer's load. For large controlled loads, the customer's controllable load interrupting device may, with Company approval, be located inside the building adjacent to customer's main disconnects.
4. Customer's interruptible loads will be controlled by the Company's control equipment and the maximum hours of interruption will not exceed 700 hours per year.

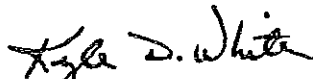
TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment, or charge imposed or levied by an governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTASECTION NO. 3A
THIRD REVISED SHEET NO. 13
REPLACES SECOND REVISED SHEET NO. 13

BILLING CODES 22, 28, 32, AND 38

LARGE DEMAND CURTAILABLE SERVICE (LDC) RATE No. LDC-2
Page 1 of 5AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to any General Service-Large customer's entire service requirements supplied at one point of delivery when the customer agrees to curtail a minimum designated load under the conditions of one of the following options:

	<u>Minimum Prior Notification</u>	<u>Minimum Curtailment Length</u>	<u>Maximum Curtailment Length</u>
Option A	None	6 hours	16 hours
Option B	1 hour	6 hours	16 hours
Option C	4 hours	6 hours	16 hours

Service is by Large Demand Curtailable Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared, or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a single standard utilization voltage most available to the location of the customer.

NET MONTHLY BILLRateCapacity Charge
\$9.29 per kVA of Billing Capacity (I)Energy Charge
All usage at 3.4¢ per kWh

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White
Kyle D. White
Director Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
THIRD REVISED SHEET NO. 14
REPLACES SECOND REVISED SHEET NO. 14

BILLING CODES 22, 28, 32, and 38

LARGE DEMAND CURTAILABLE SERVICE

RATE NO. LDC-2
Page 2 of 5

Minimum

The Capacity Charge less Curtailable Load Credit

Curtailable Load Credit

The monthly bill shall be reduced according to the following schedule for the excess, if any, that Billing Capacity exceeds Firm Service Capacity.

Option A	-	\$5.17 per kVA	(I)
Option B	-	\$4.75 per kVA	
Option C	-	\$4.25 per kVA	

Penalty for Non-Compliance

If at any time a customer fails to curtail as requested by the Company, a penalty equal to five (5) times the Capacity Charge per kVA for the maximum difference in kVA that the maximum load during any curtailment period within the billing period exceeds the Firm Service Capacity. If more than one curtailment occurs during a billing period and the customer fully complies with at least one curtailment request and does not fully comply with at least one other curtailment request, the penalty for non-compliance will be reduced by multiplying it by the proportion of the total number of curtailments with which the customer failed to comply fully to the number of curtailments ordered.

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the billing period;
OR
- Eighty percent (80%) of the highest Billing Capacity in any of the preceding eleven (11) months; or
- The Firm Service Capacity.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

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PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
THIRD REVISED SHEET NO. 15
REPLACES SECOND REVISED SHEET NO. 15

BILLING CODES 22, 28, 32, AND 38

LARGE DEMAND CURTAILABLE SERVICE

RATE No. LDC-2
Page 3 of 5

FIRM SERVICE CAPACITY

The customer shall initially designate by Electric Service Agreement a Firm Service Capacity of at least 200 kVA (C) less than: (a) the customer's maximum actual Billing Capacity during the twelve billing periods immediately preceding the election of this rate for existing customers, or (b) maximum estimated Billing Capacity during the twelve billing periods following the election of this rate for new customers.

The Customer shall agree to reduce electric demand to or below the Firm Service Capacity at or before the time specified by the Company in any notice of curtailment. The Customer shall further agree not to create demands in excess of Firm Service Capacity for the duration of each curtailment period. The customer may increase electric demand after the end of the curtailment period as specified by the Company.

SUBSTATION OWNERSHIP DISCOUNT

Customers who furnish and maintain a transformer substation with controlling and protective equipment, with the exception of metering equipment, for the purpose of transforming service from the Company's transmission voltage (47,000 volts, and above) or primary distribution voltage (2,400 volts to 24,900 volts) to the customer's utilization voltages, shall receive a monthly credit of \$0.25 per kVA of Billing Capacity for transmission service and \$0.15 per kVA of Billing Capacity for primary distribution service.

(D)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
THIRD REVISED SHEET NO. 16
REPLACES SECOND REVISED SHEET NO. 16

BILLING CODES 22, 28, 32, AND 38

LARGE DEMAND CURTAILABLE SERVICE

RATE NO. LDC-2
Page 4 of 5

PAYMENT

Net monthly bills are due and payable twenty (20) 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 apply to delinquent accounts. A nonsufficient funds check charge of \$15.00 shall apply for returned checks. If a (I) 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.

CONTRACT PERIOD

A period of not less than five (5) years and if not then terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

(C)

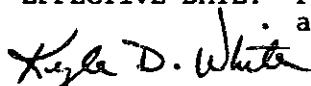
TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve (12) months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
3. Curtailment periods will typically be for a minimum of six consecutive hours with the duration and frequency to be at the discretion of the Company. Daily curtailments will not exceed 16 hours total and total curtailment in any calendar year will not exceed 400 hours.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
ORIGINAL SHEET NO. 17

BILLING CODES 22, 28, 32, AND 38

LARGE DEMAND CURTAILABLE SERVICE

RATE No. LDC-2
Page 5 of 5

TERMS AND CONDITIONS (continued)

4. The Company at its option may terminate the Large Demand Curtailable Service Agreement if the Customer has demonstrated an inability to curtail its loads to the Firm Service Capacity when requested by the Company.
5. General Service - Large customers with Billing Capacities which are not large enough to provide 200 KVA of curtail- (C)
able load will be considered by the Company for LDC service on a case-by-case basis.
6. Curtailable service for Industrial Contract Service customers is available, however, the rates and conditions of service will be determined on a case-by-case basis and filed with the South Dakota Public Utilities Commission for review and approval.
7. Federal medical facilities owning an emergency standby generator of 1,000 kVA or more may receive 100% curtailable LDC service with or without a contract under the provisions provided herein, except the Curtailable Load Credit shall be set at \$0.35 per kVA of the standby generator, but not in excess of the annual peak demand. The initial service term shall be one year, with a one year written notice of termination. (N)

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold. (C)

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

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Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
ORIGINAL SHEET NO. 18

BILLING CODE 50

SMALL INTERRUPTIBLE GENERAL SERVICE (optional)

Rate No. SIGS-1
Page 1 of 3

AVAILABLE

To customers installing electrical equipment that can be interrupted to reduce the Company's On-Peak demand, at points on the Company's existing secondary distribution lines supplied by its interconnected transmission system. The rate has been developed as part of the Company's Demand-side Management strategy.

APPLICABLE

At the customer's election, to commercial customers with interruptible electric loads, provided, the customer agrees to allow the Company to interrupt, at any time, a minimum of 4 kW of Company approved permanently connected customer designated load which can be separately metered. Company approved loads include, but are not limited to, water heating, deferrable electric loads, and energy storage equipment. Small Interruptible General Service is limited to use which, if interrupted, would not in the opinion of the Company endanger health or safety.

CHARACTER OF SERVICE

Company interruptible, alternating current, 60 Hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer. Interruptions will occur when conditions exist that are conducive to a Company-wide system peak. No interruptions will occur during weekends and major holidays.

NET MONTHLY BILL

Customer Charge

\$8.75 per month

Energy Charge

All usage at 4.00 ¢ per kWh

Capacity Charge

\$ 0.50 per kW of Billing Capacity

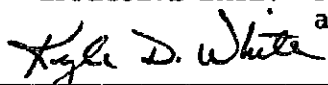
Minimum

The Customer Charge plus the minimum Capacity Charge.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

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Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
ORIGINAL SHEET NO. 19

BILLING CODE 50

SMALL INTERRUPTIBLE GENERAL SERVICE (optional)

Rate No. SIGS-1
Page 2 of 3

Billing Capacity

The customer's Billing Capacity will be the highest of the following:

- a. The customer's average kilowatt load during the fifteen-minute period of maximum use during the month; or
- b. The customer's highest Billing Capacity in any of the preceding eleven months; or
- c. 25 kW

(D)

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 apply to delinquent accounts. A nonsufficient funds check charge of \$15.00 (I) shall apply for returned checks. If a bill is not paid, the Company shall have the right to suspend service, providing ten days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations where not inconsistent with any specific provisions of this rate schedule.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under other applicable General Service rates.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3A
ORIGINAL SHEET NO. 20

BILLING CODE 50

SMALL INTERRUPTIBLE GENERAL SERVICE (optional) Rate No. SIGS-1
Page 3 of 3

TERMS AND CONDITIONS

3. Company will supply and maintain the necessary metering and controls. Wiring by the customer shall be such that meters and controls are located outside the building; where the meter and controls are separate, they shall be located as close together as possible. Where necessary, the customer shall supply and maintain the necessary low voltage relay in a Company approved sealable enclosure to enable Company to interrupt customer's usage.
4. The customer's load interrupting device must be located outside adjacent to the Company's metering equipment, and must be wired on the line side of the main disconnect. The load interrupting device shall be capable of interrupting power when signals are received from the Company's control equipment.
5. Customer's interruptible loads will be interrupted by the Company's control equipment and the maximum hours of interruption will not exceed 700 hours per year. Interruptions will occur when conditions exist which are conducive to a Company-wide system peak. No interruptions will occur during weekends and major holidays.
6. An associated firm service account is not necessary to be eligible for Small Interruptible General Service.
7. Service provided hereunder is applicable only for customer interruptible loads that are not backed up by generation located on the customer's electrical distribution system.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3B
SECOND REVISED SHEET NO. 1
REPLACES FIRST REVISED SHEET NO. 1

BILLING CODE 44

SCHEDULE 1 RATE NO. SP-2B(T)
COGENERATION AND SMALL POWER PRODUCTION SERVICE Page 1 of 5
SIMULTANEOUS NET BILLING

AVAILABLE

In all territory served by Company in the State of South Dakota to customers who operate cogeneration or small power production facilities with a design capacity of 100 kilowatts or less and who meet the requirements of qualifying facilities as defined under Title 18 of the Code of Federal Regulations, Part 292, and who execute a contract for service hereunder with the Company for a term of not less than one year.

APPLICABLE

To customers who purchase from the Company all electric load requirements which are in excess of the simultaneous output from their own generation and sell to the Company all output which is in excess of the simultaneous load. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company.

EMERGENCY POWER AND ENERGY

Emergency power and energy is that power and energy required by the customer to meet a temporary need due to an emergency breakdown of its generating facilities. Company shall supply emergency energy subject to the availability of such power and energy and further subject to the condition that such supply will not result in impairment of or serious jeopardy of service within the Company's system. Customer agrees to notify the Company by telephone as soon as possible when emergency conditions exist and when able to restore to normal service operations. In addition, customer will confirm notices in writing within 48 hours. Emergency power and energy is not available during periods when the Company has requested that customer limit service to its Firm Contract Demand level unless customer is receiving emergency power and energy at the time of Company's request for customer to limit service to the Firm Contract Demand level.

RATE

8.17¢ per kWh

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

01326.26.126

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3B
SECOND REVISED SHEET NO. 2
REPLACES FIRST REVISED SHEET NO. 2

BILLING CODE 44

SCHEDULE 1 RATE NO. SP-2B(T)
COGENERATION AND SMALL POWER PRODUCTION SERVICE Page 2 of 5
SIMULTANEOUS NET BILLING

The kWh shall be determined by multiplying the contract demand for emergency energy (as set forth in customer's contract) by the total elapsed time of such emergency. In no event, however, shall the total kWh billed under this provision exceed the total kWh delivered for all purposes during the period of emergency.

MAINTENANCE POWER AND ENERGY

Maintenance power and energy is that power and energy requested by customer to meet a temporary need due to prearranged maintenance of its generating facilities. Maintenance power and energy shall be limited to a total of 60 days per contract year, and shall be scheduled by mutual agreement between customer and the Company. If customer desires maintenance power and energy, customer shall advise Company of the maximum kW required, probable load factor, period required, and estimate of hourly amounts. The quantity once agreed upon shall not be subject to adjustments during said period, except by mutual agreement.

Rate

Daily charge of 24.00¢ per maximum kW agreed to plus 2.92¢ per kWh provided.

FIRM AND INTERRUPTIBLE POWER AND ENERGY

Firm and interruptible power and energy is a block of power and accompanying energy which customer purchases from the Company, and which is not supplied as emergency or maintenance service.

Monthly Rate

Customer Charge

\$10.00 per month

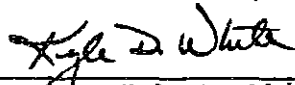
Interconnection Facilities Charge

As set forth in customer's contract.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY: _____



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3B
SECOND REVISED SHEET NO. 3
REPLACES FIRST REVISED SHEET NO. 3

BILLING CODE 44

SCHEDULE 1 RATE NO. SP-2B (T)
COGENERATION AND SMALL POWER PRODUCTION SERVICE Page 3 of 5
SIMULTANEOUS NET BILLING

Demand Charge

\$10.50 per kW of Firm Contract Demand
\$ 5.25 per kW of Interruptible Demand

Energy Charge

All usage at 2.92¢ per kWh

Firm Contract Demand

The Firm Contract Demand, in kW, shall be completed in accordance with customer's contract.

Determination of Interruptible Demand

Interruptible Demand shall be the maximum average load during any fifteen-minute period of use during the month as measured by the Company's meter in excess of Firm Contract Demand, scheduled maintenance and qualifying emergency service during the respective fifteen-minute period. During periods when the generation output from the qualifying facility does not exceed the minimum accredited output all as specified in the contract, any demand which would otherwise be Interruptible Demand shall be subject to the Firm Contract Demand Charge.

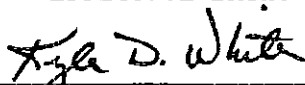
Penalty for Failure to Curtail

The Company in its sole discretion may curtail Interruptible service hereunder upon 15 minutes notice to the customer by telephone. In the event customer fails to limit service upon 15 minutes notice from the Company, customer shall pay in addition to all other charges hereunder a penalty of \$30 per kW. Such penalty shall be applied once during each curtailment period in each billing month the Company has requested customer to curtail Interruptible service and shall be computed by multiplying \$30 times the maximum Interruptible Demand during the curtailment period. A curtailment period begins 15 minutes after Company notifies customer by telephone to curtail Interruptible service and ends upon subsequent telephone notification by Company.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY:



Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3B
SECOND REVISED SHEET NO. 4
REPLACES FIRST REVISED SHEET NO. 4

BILLING CODE 44

SCHEDULE 1 RATE NO. SP-2B(T)
COGENERATION AND SMALL POWER PRODUCTION SERVICE Page 4 of 5
SIMULTANEOUS NET BILLING

GENERATION CREDIT

Company shall purchase all output from customer's own generation which is in excess of customer's simultaneous load and which is delivered to the Company's distribution system. The total generation credit will be netted against other charges to customer on each monthly bill.

Rate

3.32¢ per kwh of cogeneration delivered

PARALLEL OPERATION

Interconnection of the customer's generation with Company's system will be permitted only under the terms of a contract between customer and Company. Such contract shall include but not be limited to the following:

- (1) The customer shall indemnify and hold harmless the Company from any and all liability arising from the installation, interconnection, and operation of the customer's facilities. The amount of such insurance coverage shall be at least \$300,000 per occurrence. Customer shall furnish certification of compliance and provide written 90-day notice of any changes to the Company.
- (2) The customer shall provide a lockable disconnect switch to isolate the customer's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the customer's facilities may adversely affect Company's system.
- (3) The customer shall arrange the electric service wiring to allow the Company to meter (a) the customer's load requirements which are in excess of the simultaneous output from their own generation, and (b) the customer's output which is delivered to the Company. The customer shall pay the Company a monthly charge to cover the fixed costs of the additional metering equipment required to be furnished by the Company.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

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Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3B
SECOND REVISED SHEET NO. 5
REPLACES FIRST REVISED SHEET NO. 5

BILLING CODE 44

SCHEDULE 1 RATE NO. SP-2B (T)
COGENERATION AND SMALL POWER PRODUCTION SERVICE Page 5 of 5
SIMULTANEOUS NET BILLING

RULES AND REGULATIONS

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

(D)

PAYMENT

Net monthly bills are due and payable twenty (20) 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 apply to delinquent accounts. An insufficient check charge of \$15.00 shall apply for returned checks. If a bill (I) 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 for reconnection will apply. (T)

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment, or charge imposed or levied by a governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3B
SECOND REVISED SHEET NO. 6
REPLACES FIRST REVISED SHEET NO. 6

BILLING CODE 45

SCHEDULE 2
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE

RATE NO. SP-3B(T)
Page 1 of 3

AVAILABLE

In all territory served by Company in the State of South Dakota to customers who operate cogeneration or small power production facilities with a design capacity of 100 kilowatts or less and who meet the requirements of qualifying facilities as defined under Title 18 of the Code of Federal Regulations, Part 292, and who execute a contract for service hereunder with the Company for a term of not less than one year.

APPLICABLE

To customers who purchase their entire electric load requirements from the Company and sell the entire output from their own generation to the Company. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company.

ELECTRIC LOAD REQUIREMENT PURCHASES

The customer shall purchase all electric service requirements under the applicable regularly filed and published retail rate schedules of the Company.

COGENERATION SALES TO THE COMPANY

The Company shall purchased all energy generated by customer each month.

Rate

3.32¢ per kwh of cogeneration.

INTERCONNECTION FACILITIES CHARGE

As set forth in customer's contract.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3B
SECOND REVISED SHEET NO. 7
REPLACES FIRST REVISED SHEET NO. 7

BILLING CODE 45

SCHEDULE 2 RATE NO. SP-3B (T)
COGENERATION AND SMALL POWER PRODUCTION SERVICE Page 2 of 3
SIMULTANEOUS PURCHASE AND SALE

MONTHLY BILLING

Monthly bills will be issued by the Company. Each bill will show:
(1) the total amount due from the customer for service under each applicable rate schedule; (2) the total amount due from the Company for purchase of all cogeneration energy; (3) the amount due from the customer for the Interconnection Facilities Charge; and (4) the net amount due from either party.

PARALLEL OPERATION

Interconnection of the customer's generation with Company's system will be permitted only under the terms of a contract between customer and Company. Such contract shall include but not be limited to the following:

- (1) The customer shall indemnify and hold harmless the Company from any and all liability arising from the installation, interconnection, and operation of the customer's facilities. The amount of such insurance coverage shall be at least \$300,000 per occurrence. Customer shall furnish certification of compliance and provide written 90-day notice of any changes to the Company.
- (2) The customer shall provide a lockable disconnect switch to isolate the customer's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the customer's facilities may adversely affect Company's system.
- (3) The customer shall arrange the electric service wiring to allow the Company to meter the customer's total electric load requirements and total output from their own generation through separate and distinct meters. The customer shall pay the Company a monthly charge to cover the fixed costs of the additional metering equipment required to be furnished by the Company.
- (4) Except for the metering, the customer shall own and maintain all facilities on the customer's side of a single point of

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Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3B
SECOND REVISED SHEET NO. 8
REPLACES FIRST REVISED SHEET NO. 8

BILLING CODE 45

SCHEDULE 2 RATE NO. SP-3B (T)
COGENERATION AND SMALL POWER PRODUCTION SERVICE Page 3 of 3
SIMULTANEOUS PURCHASE AND SALE

delivery as specified by Company. The customer's system, including interconnecting equipment, shall meet the requirements of and be inspected and approved by state electrical inspectors and any other public authority having jurisdiction before any connection is made to Company.

RULES AND REGULATIONS

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

(D)

PAYMENT

Net monthly bills are due and payable twenty (20) 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 apply to delinquent accounts. An insufficient check charge of \$15.00 shall apply for returned checks. If a bill (I) 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 for reconnection will apply. (T)

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the (C) applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3B
SECOND REVISED SHEET NO. 9
REPLACES FIRST REVISED SHEET NO. 9

BILLING CODE 46

SCHEDULE 3 RATE NO. SP-4B (T)
COGENERATION AND SMALL POWER PRODUCTION SERVICE Page 1 of 2
SIMULTANEOUS POWER

AVAILABLE

In all territory served by the Company in the State of South Dakota to customers who operate cogeneration or small power production facilities with a design capacity of 100 kilowatts or less and who meet the requirements of qualifying facilities as defined under Title 18 of the Code of Federal Regulations, Part 292, and who execute a contract for service hereunder with the Company for a term of not less than one year.

APPLICABLE

To customers taking service under any other rate schedule of the Company for all electric load requirements which are in excess of the simultaneous output from their own generation and sell to the Company all output which is in excess of the simultaneous load. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company.

GENERATION CREDIT

Company shall purchase all output from customer's own generation which is in excess of customer's simultaneous load and which is delivered to the Company's distribution system. The total generation credit will be netted against other charges to customer on each monthly bill.

Rate

3.32¢ per kWh of cogeneration delivered

PARALLEL OPERATION

Interconnection of the customer's generation with Company's system will be permitted only under the terms of a contract between customer and Company. Such contract shall include but not be limited to the following:

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White
Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 3B
SECOND REVISED SHEET NO. 10
REPLACES FIRST REVISED SHEET NO. 10

BILLING CODE 46

SCHEDULE 3 RATE NO. SP-4B (T)
COGENERATION AND SMALL POWER PRODUCTION SERVICE Page 2 of 2
SIMULTANEOUS RIDER

- (1) The Customer shall indemnify and hold harmless the Company from any and all liability arising from the installation, interconnection, and operation of the customer's facilities. The amount of such insurance coverage shall be at least \$300,000 per occurrence. Customer shall furnish certification of compliance and provide written 90-day notice of any changes to the Company.
- (2) The customer shall provide a lockable disconnect switch to isolate the customer's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the customer's facilities may adversely affect Company's system.
- (3) The customer shall arrange the electric service wiring to allow the Company to meter (a) the customer's load requirements which are in excess of the simultaneous output from their own generation, and (b) the customer's output which is delivered to the Company. The customer shall pay the Company a monthly charge to cover the fixed costs of the additional metering equipment required to be furnished by the Company.

RULES AND REGULATIONS

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

DATE FILED: June 20, 1995

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Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 4
FIFTH REVISED SHEET NO. 1
REPLACES FOURTH REVISED SHEET NO. 1

SUMMARY LIST OF CONTRACTS WITH DEVIATIONS

Contract #2817.8

Homestake Mining Company Industrial Contract Service Agreement. (C)
The agreement was effective September 1, 1993 and has a term of
nine years and continues thereafter until canceled by the six year
written notice of either party. Contract amended effective
August 1, 1995, under Docket No. EL95-003.

Contract #10431

City of Rapid City Large Demand Curtailable Service Agreement. The
agreement was effective June 1, 1993 and has a term of three years and
continues thereafter until canceled by the one year written notice of
either party.

Contract #10432

City of Rapid City Large Demand Curtailable Service Agreement. The
agreement was effective June 1, 1993 and has a term of three years and
continues thereafter until canceled by the one year written notice of
either party.

Contract #7660.3

Wharf Resources Large Demand Curtailable Service Agreement. The (C)
agreement was effective August 1, 1995, under Docket No. EL95-003.

Contract #9032

United States Air Force Electric Power Service Agreement for the
military family housing and related facilities located in the Dakota
Ridge Subdivision in Rapid City. The agreement was effective
January 29, 1990 and has a term of ten years.

DATE FILED: June 20, 1995

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Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 4
ORIGINAL SHEET NO. 2

BUSINESS DEVELOPMENT SERVICE

RATE No. BDS-1
Page 1 of 3

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 location, 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 tariffed rates are material; and

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 4
ORIGINAL SHEET NO. 3

BUSINESS DEVELOPMENT SERVICE

RATE No. BDS-1
Page 2 of 3

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 contract; 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.

DATE FILED: June 20, 1995

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after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 4
ORIGINAL SHEET NO. 4

BUSINESS DEVELOPMENT SERVICE

RATE No. BDS-1
Page 3 of 3

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.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and after August 1, 1995

ISSUED BY:

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 5
THIRD REVISED SHEET NO. 21
REPLACES SECOND REVISED SHEET NO. 21

704 - DELINQUENT BILLS

Bills become delinquent if not paid within twenty (20) days of the date of the bill. Service may be discontinued upon ten (10) days written notice to the customer in the months of April through October and forty (40) days written notice to the customer in the months of November through March and per rules prescribed by the applicable Regulatory Body.

705 - CHARGE FOR RESTORING SERVICE

If service is discontinued for any reason herein mentioned, the customer may be required to reimburse the Company for all costs incurred by the Company in reconnecting service to said customer. Reconnection costs shall include all direct charges incurred while reconnecting service, plus an additional charge to cover the cost of administration and special accounting.

706 - SELECTION OF RATE SCHEDULE

The Company's rate schedules are designed for service supplied to customer on a continuous annual basis. Customer may elect to take service under any of the schedules applicable to such service. For initial service, Company will advise customer of the schedule which in its judgment is best adopted to his needs on an annual basis, but such advice must be based upon customer's statements as to his installation and requirements for service, and Company assumes no responsibility for the selection of the schedule made by customer. Rules applicable to specific schedules shall apply when customer desires service on other than a continuous basis.

707 - PRORATION OF BILLS

For all billings, the charges will be prorated based upon a 30 day billing period when the billing period is outside of the standard billing period of 23 to 40 days.

C

708 - ESTIMATED BILLING DUE TO UNREAD METERS

In the event it is impossible or impracticable to read customer's meter on the scheduled meter reading day, Company may render an "Estimated Bill." Company may render "Estimated Billings" to rural customers on a schedule basis, however, Company will render no more than three (3) estimated bills in consecutive order. Only in unusual cases, or when approval is obtained from a customer, shall more than three (3) consecutive estimated bills be rendered.

DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

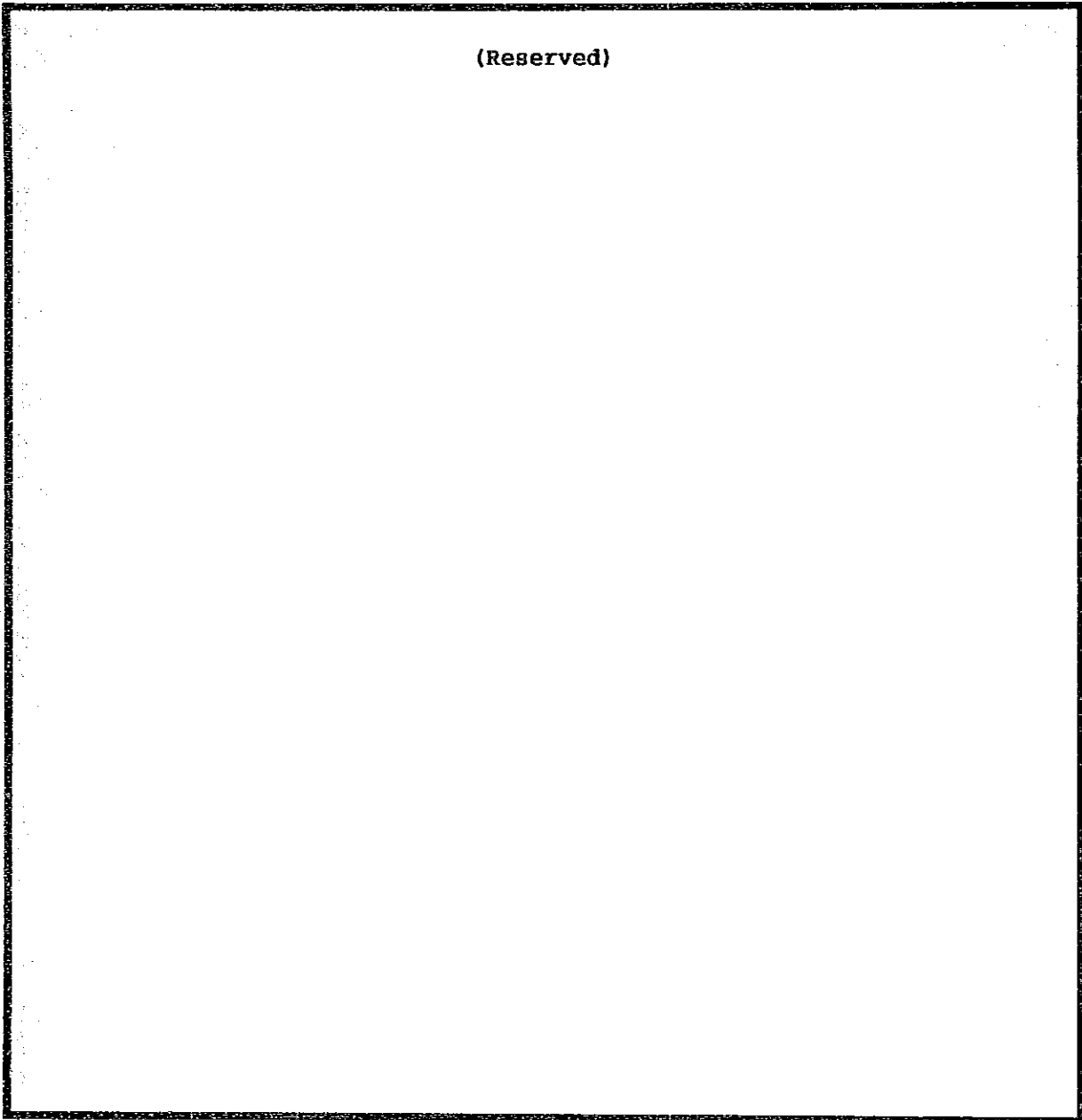
Kyle D. White
Director, Rates and Demand-Side Management

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PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS POWER AND LIGHT COMPANY
RAPID CITY, SOUTH DAKOTA

SECTION NO. 6
FIRST REVISED SHEET NO. 17
REPLACES ORIGINAL SHEET NO. 17



DATE FILED: June 20, 1995

EFFECTIVE DATE: For service on and
after August 1, 1995

ISSUED BY: _____

Kyle D. White

Kyle D. White
Director, Rates and Demand-Side Management

LAW OFFICES
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P. O. Box 8108
RAPID CITY, SOUTH DAKOTA 57709-8108

DAVID E. MORRILL
PORTIA K. BROWN
TIMOTHY L. THOMAS*
JOHN K. NOONEY*
*ALSO ADMITTED IN WYOMING

TELEPHONE
(605) 348-7516
FAX
(605) 348-5852

June 23, 1995

Bruce R. Bogue, Esq.
Bureau of Administration
500 East Capitol Avenue
Pierre, SD 57501

Re: Black Hills Power and Light Company
Docket No. EL95-003

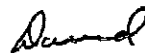
Dear Bruce:

The PUC Staff discovered some errors in Exhibit A to the School of Mines contract. I am enclosing a redlined copy and a clean copy of Exhibit A that changes the errors.

Would you please substitute this Exhibit A on your copies of the contract, and we will do likewise.

If you have any questions, please give me a ring.

Sincerely,



David E. Morrill

DEM:br

Enclosures

cc Bob Knadle

013326.142

EXHIBIT A

$\frac{X}{Y}$ FORMULAE

($\frac{X}{Y}$ shall never be taken as greater than one)

Maximum Rate of Firm Power Obligation of the WAPA per current billing period =

$\frac{X}{Y} \times D.$

Firm Energy Obligation of the WAPA per current billing period = $\frac{X}{Y} \times E.$

Where X = The State's contract rate of delivery for firm power from WAPA.

Y = The highest System Demand of the State during the twelve billing periods ended with the current billing period. System Demand is defined as the highest 30-minute integrated demand (whether or not coincident) established during the billing period at the pointpoint of delivery, as adjusted for losses, when and where applicable.

D = The State's System Demand in the current billing period.

E = The State's System Energy Requirements in the current billing period.

System Energy Requirements are defined as the total energy delivered during the billing period at the point of delivery, as measured and adjusted, for losses, when and where applicable.

Maximum rate of Firm Power Obligation of the Company per current billing period = D - Maximum rate of Firm Power Obligation of the ~~Bureau~~ WAPA per current billing period.

Firm Energy Obligation of the Company per current billing period =

E - Firm Energy Obligation of the WAPA per current billing period.

EXHIBIT A

$\frac{X}{Y}$ FORMULAE

$(\frac{X}{Y})$ shall never be taken as greater than one)

Maximum Rate of Firm Power Obligation of the WAPA per current billing period =

$$\frac{X}{Y} \times D.$$

Firm Energy Obligation of the WAPA per current billing period = $\frac{X}{Y} \times E$.

Where X = The State's contract rate of delivery for firm power from WAPA.

Y = The highest System Demand of the State during the twelve billing periods ended with the current billing period. System Demand is defined as the highest 30-minute integrated demand (whether or not coincident) established during the billing period at the point of delivery, as adjusted for losses, when and where applicable.

D = The State's System Demand in the current billing period.

E = The State's System Energy Requirements in the current billing period. System Energy Requirements are defined as the total energy delivered during the billing period at the point of delivery, as measured and adjusted, for losses, when and where applicable.

Maximum rate of Firm Power Obligation of the Company per current billing period = D - Maximum rate of Firm Power Obligation of WAPA per current billing period.

Firm Energy Obligation of the Company per current billing period =

E - Firm Energy Obligation of the WAPA per current billing period.

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Minneapolis, MN 55402-2859
Telephone: (612) 333-1341
Facsimile: (612) 333-6173

MACKALL
CROUNSE
& MOORE
P L C

Robert S. Lee
Attorney at Law

(612) 375-6280

June 21, 1995

RECEIVED
JUN 22 1995
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

VIA FEDERAL EXPRESS

Mr. Greg Rislov
South Dakota Public
Utilities Commission
State Capitol
Pierre, SD 57501-5070

Re: Black Hills Power and Light Company
Docket No. EL95-003

Dear Mr. Rislov:

Enclosed please find five originals of the Settlement
Stipulation to be executed.

If you have any questions or comments, please don't
hesitate to contact me.

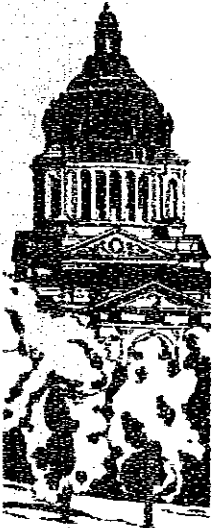
Very truly yours,

MACKALL, CROUNSE & MOORE, PLC

By *Robert S. Lee*

Robert S. Lee

RSL:k1g:289133_1
Enclosure
cc: David E. Morrill



South Dakota Public Utilities Commission



State Capitol Building, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070

June 23, 1995

Mr. William Bullard Jr.
Executive Director
State Capitol Building
500 East Capitol Avenue
Pierre, SD 57501-5070

RECEIVED

JUN 23 1995

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

RE: Black Hills Power and Light Company
Docket No. EL95-003

Dear Mr. Bullard:

Pursuant to the Order For and Notice of Second Amended Procedural Schedule dated June 15, 1995, which required that Commission Staff and Intervenors file their testimony in the above entitled matter on or before June 23, 1995, enclosed please find the executed original Settlement Stipulation with attached Exhibits A and B.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Karen E. Cremer
Staff Attorney

Enclosures

cc David E. Morrill, w/o enclosures
Bruce R. Bogue, w/o enclosures
Robert S. Lee, w/o enclosures

Capitol Office
Telephone (605)773-3201
FAX (605)773-3869

Transportation/
Warehouse Division
Telephone (605)773-5260
FAX (605)773-3225

Consumer Hotline
1-800-332-4732

TDY Through
Relay South Dakota
1-800-377-1113

Ken Stofferahn
Chairman
Jim Burz
Vice-Chairman
Laska Schoenfelder
Commissioner

William Bullard Jr.
Executive Director

Edward R. Anderson
Harlan Best
Martin C. Bettman
Charlie Bolle
Sue Cahan
Karen E. Cremer
Marilyn Fischbach
Shirleen Fugitt
Richard Gallop
Paulette Gates
Lewis Hammond
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Loni Hook
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Steven M. Wegman
Rosalynne Ailts Wiest