

BLACKHILLS POWER, INC
COMPARISON OF REVENUE FROM SALES
UNDER PRESENT AND PROPOSED RATES
TEST YEAR ENDED DECEMBER 31, 2005

LINE NO.	RESIDENTIAL SERVICE	TARIFF SCHEDULE	PROPOSED RATE DESIGNATION	KWH	REVENUE FROM SALES		PROPOSED INCREASE % INCREASE	NUMBER OF CUSTOMERS
					PRESENT RATES	PROPOSED RATES		
1	Residential	Sect 3, 1-2	R-14	308,327,538	\$ 27,609,381	\$ 30,215,427	9.4%	40,292
2	Residential Total Electric	Sect 3, 3-4	RTE-14	74,371,072	\$ 5,351,453.00	\$ 5,862,637.00	9.6%	5,675
3	Residential Demand Metered	Sect 3A, 1-3	RD-5	79,168,405	\$ 4,759,372.00	\$ 5,213,137.00	9.5%	3,350
4	Utility Controlled Residential	Sect 3A, 4-5	UCR-4	116,683	\$ 5,117.00	\$ 5,609.00	9.6%	4
5	TOTAL Residential Service			461,983,698	\$ 37,725,323	\$ 41,296,810	9.5%	49,320
SMALL GENERAL SERVICE								
6	General Service	Sect 3, 7-8	GS-15	320,463,763	\$ 28,105,682	\$ 30,776,951	9.5%	9,975
7	General Service - Total Electric	Sect 3, 9-10	GTE-17	31,039,323	\$ 2,333,739	\$ 2,555,533	9.5%	696
8	Small Interruptible General Service	Sect 3, 18-20	SIGS-3	429,005	\$ 20,613	\$ 22,636	9.8%	6
9	Energy Storage Service	Sect 3A, 6-10	ES-5	963,072	\$ 48,763	\$ 53,440	9.6%	6
10	Irrigation Pumping	Sect 3, 19-20	IP-12	844,592	\$ 61,441	\$ 67,309	9.6%	6
11	Utility Controlled General Service	Sect 3A, 10-11	UCG-5	2,636,541	\$ 112,006	\$ 122,712	9.6%	24
12	Municipal Pumping Service	Sect 3, 24-25	MP-14	19,232,237	\$ 1,141,795	\$ 1,252,615	9.7%	94
13	TOTAL Small General Service			375,608,533	\$ 31,824,039	\$ 34,851,196	9.5%	10,801
LIGHTING SERVICE								
14	Public or Private Area Lighting	Sect 3, 16-18	PAL-17	4,343,973	\$ 520,778	\$ 568,148	9.1%	
15	Street Lighting Service-Company Owned	Sect 3, 21-23	SL-14	3,548,778	\$ 643,849	\$ 704,012	9.3%	
16	Street Lighting Service-Customer Owned	Sect 3, 21-23	SL-14	4,884,199	\$ 288,097	\$ 315,499	9.5%	
17	Traffic Signals	Sect 3, 26-27	TS-14	1,404,461	\$ 106,690	\$ 120,065	12.5%	142
18	TOTAL Lighting Service			14,181,411	\$ 1,559,413	\$ 1,707,725	9.5%	142
LARGE GENERAL SERVICE								
19	General Service - Large	Sect 3, 11-13	GL-14	146,426,214	\$ 9,012,599	\$ 9,868,187	9.5%	123
20	General Service - Large (Optional Combined Account Billing)	Sect 3, 33-35	GLC-2	185,364,361	\$ 10,796,974	\$ 11,838,544	9.6%	42
21	Large Demand Curtailable Service	Sect 3A, 13-17	LDC-3	25,647,312	\$ 1,196,546	\$ 1,318,851	10.2%	5
22	TOTAL Large General Service			357,437,887	\$ 21,006,119	\$ 23,025,582	9.6%	170
INDUSTRIAL CONTRACT SERVICE								
23	Industrial Contract Service	Sect 3, 14-15	IC-15	208,237,474	\$ 8,677,751	\$ 9,505,021	9.5%	2
24	TOTAL Industrial Service			208,237,474	\$ 8,677,751	\$ 9,505,021	9.5%	2
25	TOTAL SOUTH DAKOTA REVENUE FROM SALES			1,417,449,003	\$ 100,792,645	\$ 110,386,334	9.5%	60,434

BLACK HILLS POWER, INC.
Comparison of Rates
With Other Rates for Similar Service

Black Hills Power, Inc. provides similar retail electric service to customers located in Wyoming and Montana. The rates charged for retail electric service in Wyoming and Montana are not directly comparable with existing South Dakota retail rates because of differing rate schedules and blocks. In addition, the proposed South Dakota retail rates are not comparable with existing Wyoming and Montana rates because they reflect the cost of providing electric service for different test years. The proposed South Dakota rates reflect the adjusted cost of providing service for the year ended December 31, 2005.

BLACK HILLS POWER, INC
REPORT OF TARIFF SCHEDULE CHANGE

<u>Item Requested</u>	<u>Response</u>
1. Name and address of the public utility;	Black Hills Power, Inc PO Box 1400 Rapid City, South Dakota 57709-1400
2. Section and sheet number of tariff schedule;	Included in Volume 1, Section 3, page 1, of the Application
3. Description of the change;	Described in Testimony of Linden R. Evans, Kyle D. White, and Jacqueline A. Sargent
4. Reason for the change;	Increase in cost of service
5. Present rates;	Included in Volume1, Section 2 of the Application
6. Proposed rates;	Included in Volume1, Section 2 of the Application
7. Proposed effective date of modified rates;	January 1, 2007
8. Approximation of annual amount of increase in revenue;	Included in Section 3, page 1 of the Application
9. Points affected;	All points of service located in South Dakota
10. Estimate of the number of customers whose cost of service will be affected and annual amounts of increase in cost of service to those customers;	Included in Section 3, page 1 of the Application
11. Statement of facts, expert opinions, documents, and exhibits to support the proposed changes.	Included in Volumes 1 and 2 of the Application