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March 16, 2007

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Ms. Patricia Van Gerpen, Executive Director
Public Utilities Commission
Capital Building 1st Floor
500 East Capitol Ave.
Pierre, SD 57501-5070

**Re: Request for Approval of an Electric Service Territory Agreement Jointly
Submitted by West River Electric and Black Hills Power, Inc.**

Dear Ms. Van Gerpen:

Black Hills Power, Inc. (BHP) and West River Electric Association (WREA) are proposing to submit a joint request to the South Dakota Public Utilities Commission to consider approval for relocation of an electric service territory line located in Section 29, Township 2N, Range 8E, Black Hills Meridian, Pennington County, South Dakota. The property where this will take place is owned by FMLC, Inc. The reasons for the request are as follows:

- Due to the alignment of the future Mall Drive, the existing territory line is situated in such a way that it could create a problem identifying a service provider for future development in this area.
- Relocating this boundary will help eliminate a possible problem of duplicate service within the same development.
- Relocating this boundary will also make it easier to determine who the service provider should be. Please find the attached exhibits provided for your reference.

Rob Usera, Construction Representative Supervisor of BHP, and David Semerad, Branch Manager of WREA have reviewed this alternative and are jointly submitting a request for the Commission to consider relocation of the electric service territory line in the area as referenced above. Key components of this proposal:

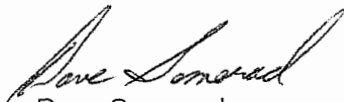
- No existing customers are impacted by the proposal.
- No existing electric facilities are impacted by the proposal.
- FMLC, Inc has been involved in our discussion and have approved of the territory boundary change. A letter of concurrence from FMLC, Inc. is attached.

We have attached the following information for your review.

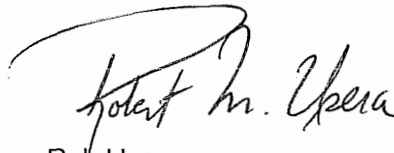
- Exhibit 1.1: Location and description of the existing electric service territory line
- Exhibit 1.2: Drawing of the existing electric service territory line
- Exhibit 2.1: Location and description of the proposed electric service territory line
- Exhibit 2.2: Drawing of the proposed electric service territory line
- Exhibit 3: A letter of concurrence from the owner of the property

If you require additional information or have questions, please do not hesitate to contact us. Also please advise us as to what we can expect for a timeline moving forward. Thank you for your consideration of this request.

Sincerely,



Dave Semerad
Branch Manager
West River Electric Association



Rob Usera
Construction Representative Supervisor
Black Hills Power, Inc.

Enclosures: