#### BLACK HILLS POWER, INC COMPARISON OF REVENUE FROM SALES UNDER PRESENT AND PROPOSED RATES FOR THE TEST YEAR ENDED JUNE 30, 2009

REVENUE FROM SALES TARIFF PROPOSED RATE PRESENT PROPOSED INCREASE NUMBER OF NO. RESIDENTIAL SERVICE SCHEDULE DESIGNATION kWh RATES RATES AMOUNT % INCREASE CUSTOMERS Residential Sect 3, 1-2 326,363,364 31,435,153 42,169,212 10,734,059 41,782 Residential Total Electric Sect 3, 3-4 RTE 87,776,203 \$ 6,762,917 \$ 9,067,368 \$ 2,304,451 34.1% 6,287 Residential Demand Metered Sect 3A, 1-3 RD 93,339,318 \$ 5,944,853 \$ 7,971,368 \$ 2,026,515 34.1% 3,867 Utility Controlled Residential Sect 3A, 4-5 UCR 117,906 5,521 7,410 1,889 34.2% TOTAL Residential Service 507,596,791 44,148,444 59,215,358 34.1% 51,939 SMALL GENERAL SERVICE General Service Sect 3, 7-8 GS 43,722,140 34.1% 10,659 346,694,545 \$ 32,596,374 11,125,766 General Service - Total Electric Sect 3, 9-10 GTE 2,952,999 1,007,953 34.1% 36,390,118 3,960,952 850 \$ \$ \$ Sect 3, 19-20 IΡ 15,422 34.2% Irrigation Pumping 517,039 \$ 45,158 \$ 60,580 \$ 22 Utility Controlled General Service Sect 3A, 11-12 UCG 2,214,620 \$ 101,757 \$ 136,574 \$ 34,817 34.2% 31 2,442,600 45,888 34.1% 20 Energy Storage Service Sect 3A, 6-10 ES \$ 134,653 \$ 180,541 \$ Municipal Pumping Service Sect 3, 24-25 MP 23,687,117 1,489,340 507,354 34.1% 101 \$ \$ 1,996,694 \$ Small Interruptable General Service Sect 3A, 18-20 SIGS 516,423 25,627 34,384 8,757 34.2% 12 6 TOTAL Small General Service 412,462,462 37,345,908 50,091,865 12,745,957 34.1% 11,689 LIGHTING SERVICE 14 Public or Private Area Lighting Sect 3, 16-18 PAL 4.350.613 \$ 581,709 \$ 769,217 \$ 187,508 32.2% 15 Street Lighting Service-Company Owned Sect 3, 21-23 SL 3,550,353 \$ 697,814 \$ 930,383 \$ 232,569 33.3% Street Lighting Service-Customer Owned Sect 3, 21-23 SL 5,403,783 \$ 351,550 \$ 471,467 \$ 119,917 34.1% Traffic Signals Sect 3, 26-27 TS 597,942 56,880 76,284 19,405 34.1% 196 18 TOTAL Lighting Service 13,902,691 1,687,952 2,247,350 559,398 33.1% LARGE GENERAL SERVICE & INDUSTRIAL 19 General Service - Large Sect 3, 11-13 GL 178,424,980 11,048,470 14,815,942 3,767,472 34.1% 228 \$ \$ 20 General Service - Large (Optional Combined Account Billing) Sect 3, 33-35 GLC 177,354,960 \$ 11,159,959 14,965,162 3,805,203 34.1% 43 21 Large Demand Curtailable Service Sect 3A, 13-17 LDC 856,240 \$ 42,996 57,648 14,652 34.1% Industrial Contract Service Sect 3, 14-15 IC 89,151,244 \$ 4,017,700 \$ 5,438,195 \$ 1,420,495 35.4% Forest Products Service - Primiary Sect 3, 36-39 FPS 58,372,457 \$ 3,313,069 \$ 4,476,940 \$ 1,163,871 35.1% 24 Forest Products Service - Secondary Sect 3, 36-39 FPS 11,488,769 726,171 981,583 255,412 35.2% TOTAL Large General Service & Industrial 515,648,650 30,308,365 40,735,470 10,427,105 34.4% 276 26 TOTAL SOUTH DAKOTA REVENUE FROM SALES 1,449,610,594 113,490,669 152,290,043 38,799,374 34.2% 64,100

# 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 June 30, 2009

## BLACK HILLS POWER, INC. REPORT OF TARIFF SCHEDULE CHANGE

### Item Requested

### Response

1.	Name and address of the
	public utility;

Black Hills Power, Inc.

PO Box 1400

Rapid City, SD 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 Stuart A. Wevik, Jacqueline A. Sargent and Christopher J.

Kilpatrick

4. Reason for the change;

Increase in Cost of Service for Wygen III

5. Present rates;

Included in Volume 1, Section 2 of the

Application

6. Proposed rates;

Included in Volume 1, Section 2 of the

Application

7. Proposed effective date of modified rates;

In service date of Wygen III but no earlier

than March 1, 2010

8. Approximation of annual amount of increase in revenue:

Included in Section 4, Schedule I-1, page 1 of the Application

9. Points affected;

All points of service located in South Dakota

 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; 64,100 customers; see Section 4, Schedule I-1, page 1 of the Application and see testimony of Richard C. Loomis.

11. Statement of facts, expert opinions, documents, and exhibits to support the proposed changes.

Included in Volumes 1 and 2 of the Application