





West River Electric Association, Inc.

Your Touchstone Energy Partner

Home Office 1200 West Fourth Ave. PO Box 412 Wall, SD 57790-0412 Telephone: (605) 279-2135 Toll Free: 1-888-279-2135 **Branch Office**

3250 E. Hwy. 44 PO Box 3486 Rapid City, SD 57709-3486 Telephone: (605) 393-1500 Toll Free: 1-888-393-1500

June 10, 2011

Mr. Alan Van Bochove Black Hills Power PO Box 1400 Rapid City, SD 57709

Dear Alan:

The City of Rapid City has requested electric service to a water reservoir for the Northridge housing area. The service will be located in Section 23, T2N, R7E. Given that Black Hills Power (BHP) has facilities in close proximity to the reservoir, it appears to be in the best interest of all parties to allow BHP to serve this load.

To avoid unnecessary duplication of facilities, West River Electric Association (WREA) authorizes BHP to provide service to this water reservoir with the understanding that if sometime in the future, WREA decides to take over this service, WREA may do so and purchase the BHP facilities at their depreciated value. No KWH's would be given in exchange for this service. This authorization is contingent on the South Dakota Public Utilities Commission approval of our Joint Request for Approval of an Electric Service Rights Exception.

Sincerely,

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Richard Johnson CEO-General Manager

RJ:bja



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June 10, 2011

Mr. Richard Johnson West River Electric Association PO Box 412 Wall, SD 57790

Dear Mr. Johnson:

The City of Rapid City hereby gives consent for the Electric Service Rights Exception jointly submitted by West River Electric Association (WREA) and Black Hills Power (BHP). We understand that this request would allow for BHP to provide electrical service to the City of Rapid City water reservoir located in WREA service territory. The reservoir is located in Section 23, T2N, R7E, Pennington County.

BHP has a distribution line in close proximity to the water reservoir. WREA's nearest distribution facilities are several hundred feet away and would require a significant investment for the City of Rapid City to procure electric service from WREA.

By allowing BHP to provide service to this location, unnecessary duplication of facilities would be avoided.

This authorization by WREA is given with the understanding that if at some time in the future WREA has facilities near this location and choose to take over this service, WREA can purchase BHP facilities at their depreciated value and no KWH's would be exchanged for this service.

City of Rapid City 300 6th St Rapid City SD 57701

CC: Alan AVB:bja