

Sent:

Monday, January 13, 2014 3:28 PM

To:

[REDACTED]

Subject:

FW: NO to BHP's request

Ross and Toni:

Thank you for expressing your comments and concerns regarding Black Hills Power's storm costs. Last week, the Public Utilities Commission approved BHP's request to use deferred accounting for costs related to winter storm Atlas that occurred in October 2013. This approval references only the interim handling of these expenses, i.e. allowing the storm-recovery-related costs to be set aside for BHP's accounting purposes so that the costs can be reviewed for possible recovery at a later date. The commission's approval of the accounting method does not mean approval of the costs. The commission will review the recovery of expenses to determine whether any of them are reasonable and therefore, allowable for rate recovery in a future BHP rate filing.

When BHP files their next rate case, which is expected this spring, the commission will then fully investigate and analyze whether passing on any of these costs to BHP's customers is appropriate and thus are required to be allowed under state law. I appreciate your comments and encourage you to follow BHP's future filings regarding this issue. You can do so via www.puc.sd.gov and clicking on Commission Actions, Commission Dockets, Electric Dockets, 2014, and then scrolling the list of electric dockets filed to find the one you are seeking. Your comments will be added to the current EL13-036 docket in which this accounting method was considered by the commission: <http://www.puc.sd.gov/Dockets/Electric/2013/EL13-036.aspx>

Chairman Gary Hanson

South Dakota Public Utilities Commission

www.puc.sd.gov