

Chris Kilpatrick

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April 11, 2014

Ms. Patricia Van Gerpen, Executive Director South Dakota Public Utilities Commission 500 East Capitol Avenue Pierre, SD 57501

RE:

SD PUC Docket EL14-026

Update to the Black Hills Power Inc. South Dakota Rate Case

Dear Ms. Van Gerpen:

With this letter, Black Hills Power, Inc. ("Black Hills Power" or "Company") hereby files with the Commission updates to certain pages that were filed in the Company's Application in Docket EL14-026 ("Rate Case"). These updated pages will replace in their entirety, certain pages previously filed on March 31, 2014.

1. The documents submitted include:

Exhibit A - Revised Tariff Section No. 3, Sheet No. 11, No. 12 and No. 33 in clean and tracked changes to the present tariffs.

Exhibit B - Revised Section 3, page 1 of 3 in Volume I

Exhibit C - Revised pages 39, 40 and 41 of the Direct Testimony of Charles R. Gray

Exhibit D - Revised Exhibit CRG-8

All of the above Exhibits shall replace those same pages that were included in the Company's Rate Case Application.

- 2. The proposed effective date of updated tariffs shall not change, and shall be October 1, 2014, which is the date proposed in the Company's Rate Case Application.
- 3. A brief description of the proposed updates and the reasons for them are as follows:

The updated tariffs set forth in this filing represent a revision from the rates in the tariffs initially proposed for three rate IDs (SD721, SD731 and SD752). When Black Hills Power was preparing customer communication information using the initially proposed tariffs it was determined that at the three specific customer rate ID levels, the as-filed rate design resulted in unintended consequences for the limited number of customers within the identified rate IDs. The Company has determined that the tariffs for those three rate IDs should be revised so those rates are more consistent with the other proposed tariff rates included in the Company's Rate Case Application. Approximately 250 of the Company's 65,487 South Dakota customers fall within the three identified rate IDs. No other customers or rate IDs are affected by the revisions set forth in this filing.

The updated tariffs set forth in this filing are in-line with the Direct Testimony of Kyle White filed in the Company's Rate Case, and specifically, the updates are consistent with the principles of fair and consistent rates.

Page 2 Chris Kilpatrick April 11, 2014

4. Other information:

Notice of the Rate Case filing will be included in the customer bills that will be mailed commencing April 14, 2014. Accordingly, the documents on file in the Rate Case, including the updates set forth herein, will allow Customers the ability to analyze the impact of the Rate Case on their respective bills.

Sincerely,

Chris Kilpatrick

Director of Regulatory