

SERVICE TERRITORY EXCEPTION AGREEMENT

BETWEEN

BLACK HILLS ELECTRIC COOPERATIVE WEST RIVER ELECTRIC ASSOCIATION INC.

Black Hills Electric Cooperative (BHEC) and West River Electric Association Inc. (WREA) jointly agree to allow WREA to provide electric service to 23605 Bradsky Rd. The location of the 2 new single phase services, house and shop will be in the NW1/4 of the NE1/4, Section 9, T1S, R9E, B.H.M., in Pennington County, South Dakota.

While the parcel of land resides within the existing BHEC territory established in PUC territory boundary docket between BHEC and WREA, EL12-053, WREA's electric facilities are more conveniently located relative to providing service to this customer. Further, the Parties agree these territory exceptions will be limited to such a time when the rightful holder of electric service territory rights extends facilities allowing such Party to assume service obligations to said location/s. At such time, the rightful holder of service rights shall purchase any existing facilities at their depreciated value with no exchange or credit for energy purchased.

A drawing of the service site is attached to this agreement as Exhibit A.

BHEC and WREA have concluded that, in this instance, the customers interests will be best served by receiving service from WREA and have agreed to the exception to the existing territorial agreement.

This consent on the part of WREA is limited to the said services described in this agreement and this territory exception will automatically terminate upon removal or abandonment of such services. BHEC shall retain the right of service to any new commercial or residential facility or service that may be developed on any portion of the parcel as described.

This exception is not to be construed as having any impact upon or indicating a desire to change the service areas assigned by the South Dakota Public Utilities Commission.

Black Hills Electric Cooperative

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By: Walker Witt

CEO/General Manager

Date \_\_\_\_\_

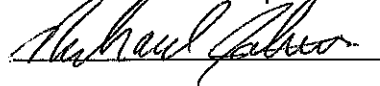
I consent to this agreement

OWNER  \_\_\_\_\_

By: Brent Kragnes

Date: JUNE 5 2017

West River Electric Cooperative

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By: Richard Johnson

CEO/General Manager

Date 6-2-17