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December 14, 2018

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1<sup>st</sup> floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

## RE: COMPLIANCE FILING – STIPULATION SETTLEMENT DOCKET NO. EL18-029

## Dear Patricia:

Per the Stipulation Settlement in Docket No. EL18-029, Black Hills Power, Inc. d/b/a Black Hills Energy hereby submits it compliance filing of its 2019 Base Rate reduction amount and necessary tariff changes.

Final 2019 Base Rate reduction for Tax Cuts and Jobs Act is made up of the following:

Tax Expense Reduction	\$7,671,339
2018 Protected EDFIT	\$ 849,631
Total January 2019 Rate Reduction	\$8,520,970

## Compliance Filing Attachments:

- 1) Attachment 1, a proof of revenue to validate that our existing base rates revenue is reduced by \$8,520,970;
- 2) Attachment 2, shows the development of base rates with the new revenue requirement using Commission approved rate review billing determinants in Docket No. EL14-026; and
- 3) Attachment 3, tariffs incorporating base rate changes in both legislative and clean form.

Please contact me if you have any questions.

sla

Sincerely,

Jason S. Keil

Manager - Regulatory