

**From:** Bryan Mitchell <[REDACTED]>

**Date:** April 9, 2021 at 2:59:42 PM CDT

**To:** PUC-PUC <[PUC@state.sd.us](mailto:PUC@state.sd.us)>

**Subject:** [EXT] Public comment regarding EL21-011 – In the Matter of the Application of Black Hills Power, Inc., dba

Good Afternoon,

My name is Bryan Mitchell, I am a Small Business owner, Electrical Contractor, and Program Director for the Electrical Program at Western Dakota Technical College. I am also a member of the Rapid City Standing Committee on sustainability, and a member of the board of the South Dakota Electrical Council.

I am emailing today to comment on Black Hill's Energy's (BHE) Solar Tariff proposal to the PUC. These are my opinions and do not represent anyone other than Bryan Mitchell and Sprout Industries.

First, let me state that I understand BHE's reasons for looking to maintain their ability to cover their fixed costs, but I oppose the purposed "Qualified Facilities Service Tariff" for the following reasons.

1. This tariff is being sold to the Public Utilities Commission (PUC) under the guise the reason the current customers are looking toward behind meter generation is because of a current lack of BHE having "Green Energy" offerings.
  - a. My small Business, Sprout Industries, has recently merged with one of the only companies in South Dakota's BHE utility areas that install after meter generation, Black Hills Solar, and I can say a very good quantity of our customers are primarily focused on reducing the amount of money they are paying BHE for their utility bills. The fact that it is green energy is secondary to the cost savings.
2. This tariff states that a qualified facility would be required to sell 100% of their energy to BHE at the rate they currently offer, but they then can sell that energy to another customer at the normal rate they sell for. So BHE is making a profit off power off a system they do not have to maintain, eliminating a portion of the fixed costs they were originally claiming they were losing.
3. This tariff is targeting customers who choose to generate their own energy, there are no provisions for customers who reduce their energy consumption through "non-generation" means such as energy efficient lighting, appliances, or simply residential design for energy efficiency.
  - a. This seems to be overlooked because the target seems to be energy production competition.
4. This proposal does not seem to state what qualifies a facility other than a facility can "bank and excess generation." What would then prevent a BHE customer from purchasing a natural gas generator and then have an unlimited "bank" excess energy? Would they then be required to sell 100% of their energy to BHE?

5. From an Electrical Contractor, who currently installs “behind the meter” generation, the utility should have no say and has no authority to regulate what happens after the meter. The regulating body for everything on the consumer, side is governed by the National Electrical Code and the more stringent municipal building codes.
6. This tariff would essentially kill the residential solar market in the BHE service area and sets a precedent for all other utilities to follow suit. Potential residential solar customers now have only the “green energy” motivation to pursue a solar system, but now will have to deal with the added expense of installation due to the additional meter, and the responsibility to maintain what would basically be a BHE generation plant on their property, that the homeowner bought.
  - a. Black Hills Solar would be disproportionately effected and would likely be forced out of business.

Honestly, this email/comment could go on and on but to me, this purposed tariff boils down to Socialized Capitalism. BHE, a major corporation is trying to mandate their customers pay, or else there will be governmental (legal) prices to pay.

Say I want to cut cost I pay for food so I decide to plant a garden, With my garden, I am able to possibly provide all the food I need, and maybe if the weather ( sun=solar) is good enough I would be able to sell some of my food at a farmers market to make a very small amount back on the original investment I put into my garden, but my needs are met. Now, along comes Walmart, they noticed that 80 of their customers are now gardening and see that this could possibly have an impact on their ability to keep their store heated/cooled, and pay their shelf stockers (Fixed costs) so they purpose a Qualified Farm Tariff to the USDA that now requires me to sell all my produce to Walmart at a cost they can buy it from their “industrialized plant factories” and now I am forced to purchase the tomato that I grew from Walmart at a cost high enough to keep their fixed costs covered.

I have spoken to a representative from West River Electric, my utility provider, who has also seen an increase in solar installation and they currently achieve the maintenance of their fixed costs by increasing their service fee to around 25 dollars and is built directly into their billing, perhaps BHE could look to an increase like this. My contact seemed to think that BHE was charging about 9 dollars for a similar fee.

I am strongly encouraging the members of the public utilities commission to deny this purposed tariff.

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