

**From:** Sheila (null) [REDACTED]

**Sent:** Tuesday, April 27, 2021 11:01 AM

**To:** PUC-PUC <PUC@state.sd.us>

**Subject:** [EXT] Comment: Black Hills Energy Rate Proposal Docket # EL21-11

Please see attached file:

Comment on the rate change proposed by Black Hills Energy regarding homes with residential solar power: docket Number EL 21-11. Black Hills Energy appears to be trying to stifle installation of residential solar energy by seizing residential solar power production and charging the homeowner for electricity produced by their own unit. The homeowner has/would have a large investment in the hardware involved in residential solar power, and it is counterintuitive that BHE would have any right to seize the proceeds of a customer's investment. We are former customers of Black Hills Energy (BHE), but we recently built a house in Rapid Valley, and West River Electric (WRE) is now our electric energy provider. When we built our house, we added solar panels. The installer worked with West River Electric, and as a result, we sell the power we generate in excess of what we use to WRE at the market rate of about 2.5¢ per Kwh. We pay about 5 times that much per Kwh for the power we need to buy from WRE. In addition, we pay \$25/month for our meter. I assume BHE residential solar customers have similar arrangements. If that is the case, BHE is benefiting from discounted (market rate) power produced by residential solar installations, as well as the amount every customer pays for their meter each month. These sources of income should cover the costs of the infrastructure. (I'm not sure it will pay for their lovely and massive new administration building on US 16, maybe that is the problem?) Many states (but not South Dakota) have net metering, where the utility is required to pay the residential solar user retail (not market) price for excess power they sell to the company. If this were the case in South Dakota, possibly BHE would have a legitimate issue. (How do utility companies in net metering states make sure their rates are "fair"?) In the filing, the claim is made that their proposal is similar to the situation where a person owns a car, but rides a bike frequently, and still have expenses related to the car when they aren't driving it. They admit in the filing that the person would save on gas when they ride a bike. However, what they are proposing is more like the gas station insisting you pay for the gas you don't use when you are riding a bike (the gas station has fixed costs too, and the same argument could be made that people buying more gas have to pay more toward infrastructure than the person riding a bike). Another example, if you paid for city water for your house, but dug a well in your backyard and attached a pump for watering the garden and lawn, and the city decided you needed to pay them for the water you got out of your well, because you aren't using and paying for city water for your outdoor watering, so "not supporting the infrastructure". If BHE wants to be part of the solution instead of part of the problem, perhaps they could offer to install residential solar power to individual customers. In that case, BHE would own the hardware/ infrastructure. In that case, it would make sense that they could charge the regular rate for it, but so long as the customer makes the investment, the customer should be able to reap the rewards. In the name of fairness, BHE proposes being unfair to those people who would like to be good stewards of the environment, who would make the substantial purchase of equipment to make some of their own electricity, and yet would be denied the benefits of their investment. I hope the PUC will rule against this proposal. BHE needs to go back to the drawing board if they are really concerned about being fair about their rates, and not just stifling residential solar power generation. Sincerely, Sheila M. Hillberry [REDACTED] Rapid City, SD 57703 [REDACTED]