#### BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

APPLICATION OF BLACK HILLS	)	
POWER, INC. d/b/a BLACK HILLS	)	DOCUMENO EL 44
ENERGY FOR APPROVAL TO	)	DOCKET NO. EL22
PROVIDE AN LIGHT EMITTING		
DIODE (LED) OPTION FOR STREET	)	
LIGHTING SERVICE CUSTOMERS	ĺ	

#### INTRODUCTION

Black Hills Power, Inc. d/b/a Black Hills Energy ("Black Hills Power" or the "Company"), a South Dakota corporation, respectfully requests approval from the South Dakota Public Utilities Commission (the "Commission") for changes to the Company's Street Lighting tariffs to provide a company owned Light Emitting Diode ("LED") rate.

The current Company lighting tariffs provide for company or customer owned High Pressure Sodium Vapor ("HPSV") or Metal Halide ("MH"). Black Hills Power is planning to transition from HPSV to LED lighting, which is consistent current practices within the electric utility industry. Without a tariff change to include LED rates, the Company has no mechanism in which to facilitate the transition. The Company is requesting to utilize its existing HPSV 9,500 Lumen (100 Watt) rate for customers taking service with new LED fixtures.

#### SUMMARY OF COMPANY'S PROPOSAL

Currently, Black Hills Power's street light portfolio consists of HPSV or MH street lights in multiple fixture designs, served by an overhead or underground feed and either on a wood or ornamental pole. To keep up with the latest technology within the electric utility industry, the Company is proposing to transition its existing HPSV street lighting fixtures to LED lighting fixtures. Black Hills Power has had discussions with the city of Rapid City, Deadwood, Lead

and Spearfish concerning a transition to LEDs. LEDs use approximately 50% the electricity to provide the same lumens as HPSV lights and produce a higher quality of light.

The Company plans to transition its HPSV lighting fixtures under the Street Lighting 9,500 Lumen (100 Watt) category with a 5,000 Lumen (40 Watt) LED lighting fixture. The conversion will be a mass approach where the Company will replace multiple fixtures in specific areas in a short time frame. All future fixture installations will also be provided by LED fixtures. The Company is still in the process of developing a plan for conversion of its HPSV Street Lighting under the 27,500 Lumen (250 Watt) and 50,000 Lumen (400 Watt) category.

The Company is requesting to utilize its existing HPSV 9,500 Lumen (100 Watt) rate for customers taking service under the new LED 5,000 Lumen (40 Watt) rate. The rate will not be changed until either it's next filed rate review or an extraordinary event such as a change in the corporate tax rate.

#### **EXHIBITS THAT SUPPORT THE APPLICATION**

- Exhibit 1 Legislative and Redlined Tariff
- Exhibit 2 Direct Testimony of Michael Pogany, Director of Operations

#### REPORT OF PROPOSED TARIFF CHANGES

# (1) Name and Address of the Public Utility:

Black Hills Power, Inc. d/b/a Black Hills Energy 7001 Mount Rushmore Rd. Rapid City, SD 57702

# (2) Section and Sheet Number of Tariff Schedule:

The Company's rate(s) set forth in its Commission approved tariff stated below will change.

Rate Schedule	Tariff Section No.	Tariff Sheet No.
Street Lighting	Section No. 3	Eighteenth Revised Sheet No. 22

# (3) Description of the Change:

Black Hills is requesting a change to its Street Lighting Service rate(s) to allow for the conversion of HPSV lighting fixtures to LED lighting fixtures. Section No. 3 Sheet No 22 will be modified to include an LED rate.

# (4) Reason for the Change:

Black Hills' customers have indicated interest in converting HPSV lighting fixtures to LED lighting fixtures and HPSV lighting fixtures are becoming harder to procure. New rates are necessary to reflect the change from HPSV lights to LED lights.

# (5) Present Rate(s):

No Change

# (6) Proposed Rate(s):

Light Emitting Diode (LED) 5,000 Lumen (40 Watt) - \$10.74 for Company Owned Street Lighting Service.

# (7) Proposed Effective Date of Modified Rate(s):

Black Hills requests that the Commission approve the following new LED rates beginning on March 1, 2022.

# (8) Approximation of annual amount of increase or decrease in revenue:

Total base annual Street Lighting revenue will be unchanged.

# (9) Points affected:

All customer delivery points receiving service under the applicable tariff will be affected.

# (10) Estimation of the number of customers whose cost of service will be affected and annual amounts of either increases or decrease, or both, in cost of service to those customers:

Approximately 49 South Dakota Lighting customers will be affected.

#### **COMPANY REPRESENTATIVES**

Mr. Jason Keil Mr. Kyle Komata

Manager – Regulatory & Finance Analyst – Regulatory & Finance

7001 Mount Rushmore Rd. 7001 Mount Rushmore Rd.

Rapid City, SD 57702 Rapid City, SD 57702

Phone: (605) 721-1502 Phone: (605) 399-5055

jason.keil@blackhillscorp.com kyle.komata@blackhillscorp.com

Mr. Michael Pogany
Director – Electric Operations
7001 Mount Rushmore Rd.
Rapid City, SD 57702

Phone: (605) 390-3657

mike.pogany@blackhillscorp.com

Ms. Kyra Coyle
Director – Regulatory & Finance
7001 Mount Rushmore Rd.
Rapid City, SD 57702

Phone: (307) 778-2173

kyra.coyle@blackhillscorp.com

Mr. Todd Brink Associate General Counsel 7001 Mount Rushmore Rd. Rapid City, SD 57702

Phone: (605) 721-2516

todd.brink@blackhillscorp.com

#### **VERIFICATION**

Attached is the Verification signed by Jason S. Keil, who is authorized to act on behalf of Black Hills Power, Inc. d/b/a Black Hills Energy, affirming that the contents of the Application are true, accurate and correct to the best of his understanding, knowledge and belief.

#### **CONCLUSION**

Based on this application and exhibits, Black Hills Power respectfully requests that the Commission issue an order approving the proposed Customer and Company owned LED lighting rates, effective March 1, 2022.

BLACK HILLS POWER, INC.

Jason S. Keil

Manager, Regulatory & Finance

2/a Slw

STATE OF SOUTH DAKOTA	)
	) SS
COUNTY OF PENNINGTON	)

I, Jason S. Keil, being duly sworn, do hereby depose and say that I am Manager - Regulatory & Finance for Black Hills Power, Inc. d/b/a Black Hills Energy, that I have read such Application, and that the facts set forth therein are true and correct to the best of my knowledge, information and belief.

Jason S. Keil, Manager – Regulatory & Finance

Signed and sworn to me on this 1 st day of February, 2022.



Notary Public

My Commission Expires June 22, 2023

My commission expires: