



May 30, 2024

**South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre, South Dakota 57501-5070**

RE: Rushmore Crossing Shopping Center
Rushmore Crossing Associates, LLC
1721 Eglin Street
Rapid City, SD

On behalf of Rushmore Crossing Shopping Center, we are requesting a variance to the Administrative Rule of South Dakota 20:10:26:03 (1) per 20:10:26:05.

Rushmore Crossing Associates renovated an 8,000 square foot retail space by building a demising wall to turn the single space into two equal spaces of 4,000 square feet each. The original single space received power from a 400-amp electrical service with its own disconnect and meter. We designed and budgeted for splitting the existing 400-amp service to provide 200-amps per 4,000 square foot space. We currently have a tenant in one of the spaces, but the vacant space does not currently have electrical service. Each existing tenant currently has their own individual meter and that will not change.

Our plan to split the service is based on being able to tie into and pull 200-amps from the existing 400-amp service by way of sub-metering, which would require a separate disconnect and individual meter for the vacant space. This would allow Rushmore Crossing Associates to monitor the electrical usage of the future tenant per the lease language regarding electrical usage in the lease agreement.

The plans that were submitted to the city were reviewed and approved, however at an onsite meeting Black Hills Energy expressed their preference for pulling a new electrical service from a nearby transformer to the vacant space. We later had a call with Black Hills Energy and Malone Engineering (electrical engineer of record) to discuss our initial plan for sub-metering, and by the end of the call everyone agreed that this option would be acceptable and much more cost effective. Black Hills Energy then mentioned that this may fall under master metering, which had not been allowed since 1980, and suggested that we request a variance.

Our current plan of sub-metering the power from the adjacent tenant relieves the Owner from a significant and unforeseen cost because the sub-metering option was included in the renovation project cost. If the Owner is required to pull a new service to the vacant space it will cost an additional \$60k, and that would be a significant financial burden based on the terms of the deal.



A hearing is not required. Please contact me with any questions or comments you have regarding this, or if any additional information is needed.

Sincerely,

A handwritten signature in blue ink that reads 'Kevin Abram'.

Kevin Abram
Sr. Construction Manager, Fidelis, Agent to Owner
Owner: Rushmore Crossing Associates LLC

cc: Travis Powrie – Black Hills Energy