From: Ben & Laura DeRuyter [redacted]
Sent: Thursday, October 29, 2026 1:05 PM
To: PUC-PUC <PUC@state.sd.us>
Subject: [EXT] unchecked rate increases

Re: Black Hills Power Rate Increase – Docket EL26-003
and Lange II Phase-in Plan Rate – Docket EL26-024

Dear Commissioners,

I am writing to ask why Black Hills Power is being allowed to raise rates so sharply in such a short period. A gradual increase of around 5% per year over the next five years would be understandable. What is on the table instead is roughly a 45% increase in less than two years.

In Docket EL26-003, Black Hills Power is seeking its first base rate increase since 2014. The company says this recovers approximately $523 million in investments and would raise a typical residential bill (650 kWh) by about $25 per month, or roughly 25%. Interim rates have already taken effect. On top of that, in Docket EL26-024 the company is asking for a Phase-in Plan Rate surcharge of about $19.70 per month for the average residential customer to recover the costs of the new Lange II peaking plant—a roughly $320 million facility with dual-fuel engines being built in Rapid City. Combined, that is a jump from roughly $99 to nearly $144 a month.

I do not understand why customers have to fund the entire peaking-plant infrastructure build-out while the company collects the ongoing return on that investment. Black Hills Power will place the plant in rate base and has requested a 10.5% return on equity. We pay for the capital; they earn the profit.

For comparison, West River Electric's increases over a similar period appear to be in the range of 12% (perhaps reaching 17%). Rapid City's water and sewer rates are also rising significantly for infrastructure, but at a more measured pace. Montana-Dakota Utilities has been the only utility in recent years whose approach still feels reasonably restrained.

I urge the Commission to closely examine the cumulative impact of these two dockets together, reject or substantially reduce the combined increase, and ensure any final rates are just and reasonable for South Dakota customers.

Thank you for your consideration.

Sincerely,

Ben DeRuyter

[redacted]

Rapid City, SD 57702

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