From: Juan Harrington [redacted]
Sent: Wednesday, August 26, 2026 11:55 AM
To: PUC <PUCPF@state.sd.us>
Subject: Re: [EXT] Formal Objection to Proposed Black Hills Energy Rate Increase, Docket #EL26-003

To the South Dakota Public Utilities Commission:

RE: Docket No. EL26-024 — Black Hills Energy's Request for a 15% Rate Increase

My name is Juan Harrington, residing at 3402 Red Rock Canyon Rd, Rapid City, SD. I am a residential electric customer of Black Hills Energy, and I previously submitted comments objecting to the company's rate increase request in Docket EL26-003. I am writing again — this time in the strongest possible terms — to object to Black Hills Energy's second rate increase request in a matter of months, filed under Docket EL26-024.

This is not an isolated request — it is a second increase stacked on top of the first.

According to Black Hills Energy's own filing, this new request would add $19.70 per month for the average residential customer, amounting to more than a 15% increase. The company states this is intended to help cover the cost of its Lange II facility, a 99-megawatt, $320 million natural gas plant being built in northwestern Rapid City, and it is asking for Commission approval by December 1.

This request comes on top of a separate general rate increase Black Hills Energy requested in February, which carried an average monthly hike of around $25. Combined, the two increases amount to a roughly 45% rate hike for the average residential customer. It is also worth noting that prior to these two filings, the utility had not requested a rate increase since 2014 — meaning South Dakota ratepayers are now being asked to absorb over a decade's worth of increases within a single calendar year.

This is not sustainable, and I do not consent to it.

For my household, the combined effect of both requests would mean an increase of roughly $45 per month, or over $500 per year, on top of already-rising costs for groceries, housing, insurance, and healthcare. For my elderly parents living on a fixed income, the combined impact would be even more severe — pushing their annual electric costs up by well over $1,000. Fixed-income seniors cannot simply "find" that money. It comes directly out of budgets for medication, food, and heating in the winter months.

A new powerplant does not justify passing the full capital cost onto residential ratepayers all at once.

Black Hills Energy chose to build the Lange II facility. Financing decisions for a $320 million capital project belong to the company and its shareholders — not to be dumped wholesale onto residential customers in a single rate case filed the same year as a separate 25% increase. Utilities routinely finance major infrastructure through long-term debt, phased rate recovery, and shareholder equity, precisely so that costs don't hit ratepayers as one-time shocks. I ask the Commission to scrutinize whether Black Hills Energy has pursued reasonable cost mitigation, phased implementation, and prudent financing before shifting this burden onto customers who have no ability to switch providers.

Black Hills Corp.'s financial position does not support the urgency of this request.

As I noted in my prior comment, Black Hills Corp. reported net income available for common stock of approximately $134 million in the first quarter of 2025 alone and reaffirmed its earnings guidance. The company has also received substantial government subsidies and tax incentives — publicly tracked at more than $54 million across its entities. A financially healthy company requesting two rate increases from residential customers within the same year, while reporting solid profitability, deserves rigorous scrutiny, not rubber-stamp approval.

As a regulated monopoly, Black Hills Energy's customers have no alternative.

We cannot shop around, switch providers, or negotiate rates. That absence of market discipline is exactly why the Commission's oversight role is so critical here. Approving back-to-back double-digit rate increases within the same year, without demanding significant justification, cost mitigation, and consideration of ratepayer hardship, would leave South Dakota families with no recourse.

I formally and strenuously object to Docket EL26-024, and I urge the Commission to:

1. Deny the proposed 15% increase, or at minimum substantially reduce it and require a phased implementation over multiple years;
2. Require Black Hills Energy to demonstrate that all reasonable alternative financing mechanisms for the Lange II facility have been exhausted before shifting costs to residential ratepayers;
3. Evaluate the cumulative impact of this request alongside Docket EL26-003, rather than reviewing each filing in isolation; and
4. Weigh the documented financial hardship this combined increase would impose on fixed- and low-income South Dakota households, including seniors, against Black Hills Corp.'s reported profitability.

If approved, what recourse do ratepayers have?

Should the Commission approve this increase, either in whole or in part, I respectfully request that you inform me of what avenues, if any, exist for South Dakota ratepayers to challenge, appeal, or seek reconsideration of that decision. Specifically, I would like to understand:

1. Whether a formal request for reconsideration or rehearing before the Commission is available, and the applicable deadline to file one;
2. Whether the decision can be appealed to state circuit court, and under what procedure and timeline; and
3. Whether ratepayers or ratepayer advocacy groups (such as intervenors already party to this docket) have any additional standing or mechanisms to contest the outcome.

I would appreciate a clear explanation of this process, either in your response to this letter or in materials made publicly available on the docket page, so that ratepayers are not left without recourse after a decision is made.

Please include this correspondence in the official docket record for EL26-024 and notify me of any hearings, comment deadlines, or decisions related to this matter.

Thank you for your time and consideration.

Respectfully,
Juan Harrington
[redacted]
Rapid City, SD