

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING BY BLACK )  
HILLS POWER, INC. FOR APPROVAL OF A )  
CONTRACT WITH DEVIATIONS WITH SOUTH )  
DAKOTA SCIENCE AND TECHNOLOGY )  
AUTHORITY )

ORDER APPROVING )  
CONTRACT WITH )  
DEVIATIONS AND ORDER )  
APPROVING TARIFF )  
REVISIONS )  
EL07-022 )

On July 23, 2007, the Public Utilities Commission (Commission) received a filing by Black Hills Power, Inc. (BHP) requesting approval of a Contract with Deviations with South Dakota Science and Technology Authority (SDS&TA). This contract replaces the previous contract with the Homestake Mining Company effective January 1, 2000, and assumed by SDS&TA in July 2006. This contract will relieve a portion of the demand charges for the Homestake Underground Laboratory Complex for five years. BHP filed the following tariff sheets for Commission approval:

Section No. 1, Twelfth Revised Sheet No. 3, Replaces Eleventh Revised Sheet No. 3  
Section No. 4, Fifth Revised Sheet No. 5, Replaces Fourth Revised Sheet No. 5

At its October 23, 2007, meeting, the Commission considered the request for approval of the Contract with Deviations. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34A, specifically, 49-34A-6, 49-34A-8, 49-34A-8.3, 49-34A-10, and 49-34A-11. Further, the Commission finds that BHP's request for approval of a Contract with Deviations is just and reasonable and shall be approved, with the condition that this approval does not pre-determine a Commission decision at the time of future rate case proceedings regarding rate treatment concerning possible cost recovery shortfalls resulting from rates approved in this docket. As the Commission's final decision in this matter, it is therefore

ORDERED, that the request seeking approval of a Contract with Deviations is in the public interest and is hereby granted, with the condition that this approval does not pre-determine a Commission decision at the time of future rate case proceedings regarding rate treatment concerning possible cost recovery shortfalls resulting from rates approved in this docket; and it is further

ORDERED, that the above-mentioned tariffs are approved and shall be effective for service rendered on and after the date of this order.

Dated at Pierre, South Dakota, this 30<sup>th</sup> day of October, 2007.

<b>CERTIFICATE OF SERVICE</b>
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.
By: <u><i>Delaine Kalbo</i></u>
Date: <u>10/31/07</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

*Dustin M. Johnson*  
DUSTIN M. JOHNSON, Chairman *dk*

*Gary Hanson*  
GARY HANSON, Commissioner

*Steve Kolbeck*  
STEVE KOLBECK, Commissioner