

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

IN THE MATTER OF THE APPLICATION OF BLACK HILLS POWER, INC. FOR AUTHORITY TO INCREASE ITS ELECTRIC RATES.))))	ORDER FOR AND NOTICE OF PROCEDURAL SCHEDULE AND HEARING EL09-018
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On September 30, 2009, Black Hills Power, Inc. (BHP), filed with the Public Utilities Commission (Commission) for approval to increase rates for electric service to customers in its South Dakota service territory. BHP states that it proposes to increase rates by approximately \$32 million annually or approximately 26.6% based on BHP's test year ending June 30, 2009. The company states a typical residential electric customer using 600 kWh per month would see a net increase of \$17.99 per month. The proposed rates may potentially affect approximately 64,100 customers in BHP's service territory.

At its regularly scheduled meeting of October 20, 2009, the Commission found that pursuant to SDCL 49-1 A-8, BHP shall be assessed a filing fee as requested by the deputy executive director up to the statutory limit of \$100,000. The Commission further established an intervention deadline of November 20, 2009. Pursuant to SDCL 49-34A-14, the Commission suspended the operation of the schedule of rates proposed by BHP for 180 days beyond September 30, 2009. On December 3, 2009, the Commission issued its Order Granting Intervention, which granted intervention to Countertops, Inc., d/b/a Dakota Panel South Dakota, GCC Dacotah, Inc., Rushmore Forest Products, Inc., Sanford Underground Laboratory, Spearfish Forest Products, Inc. and Rapid City Regional Hospital, Inc. (collectively, Black Hills Industrial Intervenors) and Liliias Jarding, Bobbie Handley, Carla Kock, and the South Dakota Peace and Justice Center (collectively, Residential Consumers Coalition).

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-34A, specifically 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-10, 49-34A-11, 49-34A-12, 49-34A-13, 49-34A13.1, 49-34A-17, 49-34A-19 and 49-34A-21.

The procedural schedule shall be as follows:

DATE	PROCEDURAL SCHEDULE
February 9, 2010	Staff and Intervenor Testimony Due
February 16, 2010	BHP Rebuttal Testimony Due
February 23-26, 2010	Hearing

PLEASE TAKE NOTICE that a hearing shall be held commencing at 1:00 p.m., with marking of exhibits to begin after the commission meeting, on Tuesday, February 23, 2010, and continuing at 9:00 a.m., on February 24, 25 and 26, 2010, in the Floyd Matthew Training Center, Foss Bldg, 523 East Capitol, Pierre, South Dakota. The hearing is open to the public. All persons testifying shall be subject to cross-examination.

The issue at the hearing is whether the Commission shall grant BHP's request to implement revised electric rate schedules designed to produce additional revenues of \$32 million.

The hearing shall be an adversary proceeding conducted pursuant to SDCL Chapter 1-26. All parties have the right to be present and to be represented by an attorney. These rights and other due process rights shall be forfeited if not exercised at the hearing. If you or your representative fail to appear at the time and place set for the hearing, the Final Decision will be based solely on the testimony and evidence provided, if any, during the hearing or a Final Decision may be issued by default pursuant to SDCL 1-26-20. After the hearing the Commission will consider all evidence and testimony that was presented at the hearing. The Commission will then enter Findings of Fact, Conclusions of Law, and a Final Decision regarding this matter. As a result of this hearing, the Commission shall determine whether it shall grant BHP's request to implement revised rate schedules. The Commission's Final Decision may be appealed by the parties to the state Circuit Court and the state Supreme Court as provided by law. It is therefore

ORDERED, that the procedural schedule set forth above shall be followed by all parties to these proceedings. It is further

ORDERED, that the hearing shall commence at 1:00 p.m., with marking of exhibits to begin after the commission meeting, on Tuesday, February 23, 2010, and continuing at 9:00 a.m., on February 24, 25 and 26, 2010 in the Floyd Matthew Training Center, Foss Bldg, 523 East Capitol, Pierre, South Dakota.

Pursuant to the Americans with Disabilities Act, this hearing is being held in a physically accessible location. Please contact the Public Utilities Commission at 1-800-332-1782 at least 48 hours prior to the hearing if you have special needs so arrangements can be made to accommodate you.

Dated at Pierre, South Dakota, this 7th day of December, 2009.

CERTIFICATE OF SERVICE
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>Tina Douglas</u>
Date: <u>12-2-09</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Dustin M. Johnson
DUSTIN M. JOHNSON, Chairman (TO)

Steve Kolbeck
STEVE KOLBECK, Commissioner

Gary Hanson
GARY HANSON, Commissioner