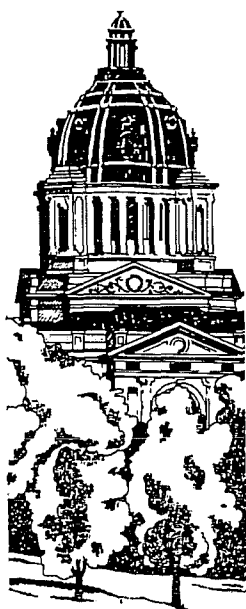


1995 Annual Report

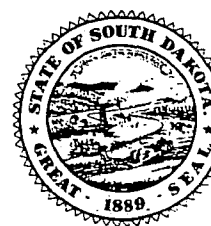
South Dakota Public Utilities Commission





South Dakota Public Utilities Commission

State Capitol Building, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070



April 11, 1996

The Honorable William J. Janklow
Governor of South Dakota
State Capitol Building
Pierre, SD 57501


Dear Governor Janklow:

From our humble beginnings to our advanced state, the South Dakota Public Utilities Commission is proud of its contributions toward our state's remarkable achievements. To provide contrast between our past and present activities, I do hereby respectfully submit the Commission's annual report for the 1995 calendar year under the theme of "Yesterday and Today."

This report describes the activities, functions and accomplishments of the Commission during the year. Included are facts, statements and explanations necessary to fully disclose its transactions and conduct. Also included is a listing of applications, subjects and disposition of each docket number assessed by the Commission; a complete financial report of receipts and expenditures; and a list of the regulated utilities and the total amount of fees and assessments paid by each. In addition, interspersed throughout this report are historical reminders of this Commission's evolution, progression, and statewide contribution.

The Commissioners and Commission Staff are available to discuss the various topics contained in this report.

Sincerely,


Kenneth D. Stofferahn
Chairman

Capitol Office
Telephone (605) 773-3201
FAX (605) 773-3809

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Warehouse Division
Telephone (605) 773-5280
FAX (605) 773-3225

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1-800-332-1782

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◆
Ken Stofferahn
Chairman
Jim Burg
Vice-Chairman
Laska Schoenfelder
Commissioner

William Bullard Jr.
Executive Director

Edward R. Anderson
Harlan Best
Martin C. Bettmann
Charlie Bolle
Sue Cichos
Karen E. Cremer
Marlette Fischbach
Shirleen Fugitt
Richard Gallup
Lewis Hammond
Tammi Hendrix
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Terry Norum
Gregory A. Rislov
Steven M. Wegman
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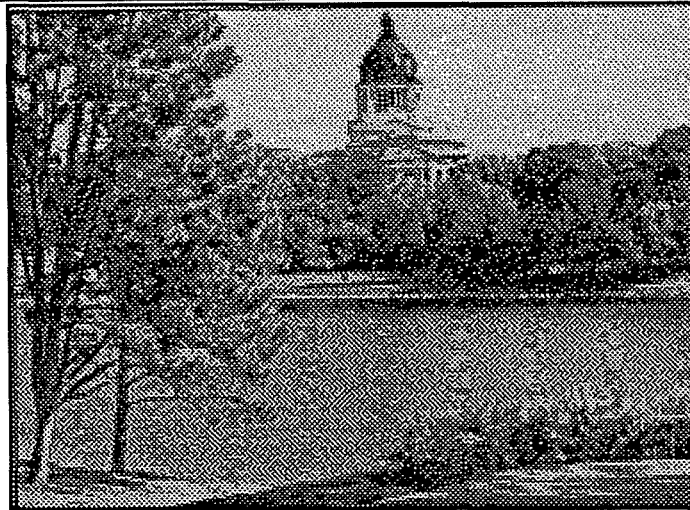
◆Yesterday & Today◆

PUC: 111 Years of Public Service

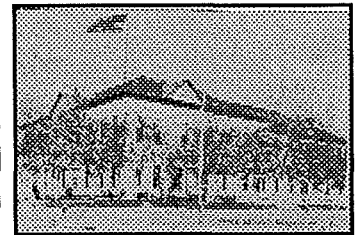
The regulatory roots of the South Dakota Public Utilities Commission originated before statehood, before the earlier wooden and later, granite and stone capitol, and indeed, long before the establishment of the present-day utilities operating in South Dakota. With tremendous foresight, South Dakota legislators established and continually maintained the legal framework for the Commission enabling it to not only share the industry's evolution, but also to help shape it.



In 1861 Dakota Territory was created from the Louisiana Purchase. President Lincoln sent his family's doctor, William Jayne, to be the first Territorial Governor. The Territorial Capitol was located in Yankton, the "Mother City of the Dakotas."



Today, the primary Capitol campus includes 12 buildings, 200 acres of land, a 10-acre lake, over 6,000 trees, 80 acres of cultured grass and more than 25,000 flowers. Replacement value of the Capitol building is approximately \$53,000,000.



In 1889 President Harrison proclaimed North & South Dakota "twin states," giving neither the distinction of joining the Union first. Later both states agreed to an alphabetical listing of the states making North Dakota the 39th state and South Dakota the 40th state.

Pierre became the unofficial South Dakota Capitol pending the ballot outcome of 1889. The ballot named Pierre the permanent capitol; however, bitter battles from Huron in 1890 and Mitchell in 1904 unsuccessfully contested the earlier decision.

From 1889 to 1910, South Dakota had the only wooden state capitol building which was located just west of the present building.



Work began on the Capitol building in 1908 and was completed in 1910. South Dakota construction companies were outbid for the Capitol's general contract. Boulders from South Dakota were used in the foundation but the building was built with mostly Ortonville granite and Indiana Bedford stone. The total cost for the structure was \$951,000.



1995 Annual Report

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♦Public Utilities Commissioners♦

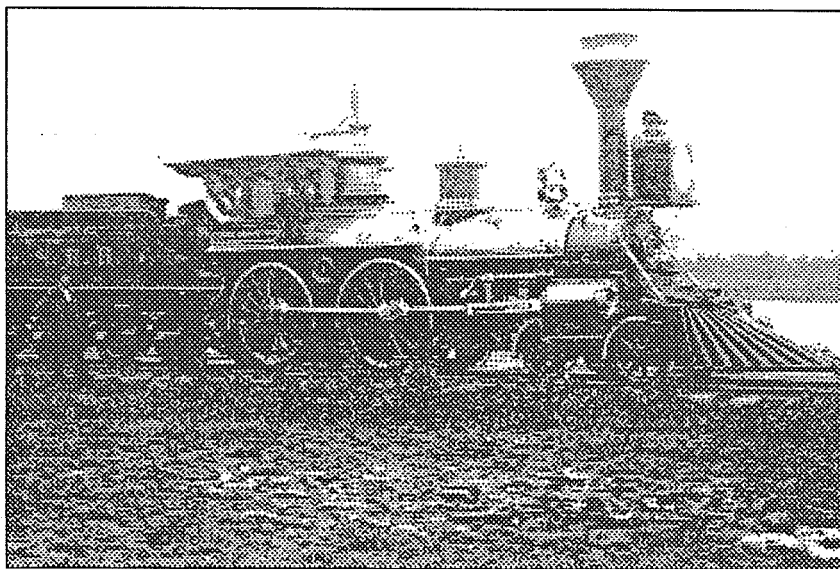
Yesterday...

"In no state or territory in the Union is the railroad problem - the question of policy, the powers of the legislature to control or restrict, - of greater importance than in Dakota, for she is not only a young and growing territory, but the most productive agricultural district on the continent. She is going through the process of development, and the relation of the railroad to the producer is the one paramount question which her legislators and official representatives must solve. Nowhere can the power of the railroads by a generous and public-spirited policy be of greater good to the people, and nowhere can it be more dangerous and discouraging should the corporations be left unchecked in a policy of greed."

-taken from the 1887 Annual Report

In 1886, the Board of Railroad Commissioners comprised three members who were each appointed by the Governor for two-year terms. In 1897 the law changed to require one commission position to be elected every two years for six-year terms. The Commissioners represented three districts within the state with one Commissioner representing each district.

The Board of Railroad Commissioners was renamed the Public Utilities Commission in 1939. The election process remained the same until 1992 when the Commissioners were elected at-large.



In 1873 the "Judge Brookings" ran on the Dakota Southern Railway, the first operating line in the Dakota Territory.



List of Commissioners

Board of Railroad Commissioners

TERRITORIAL GOVERNMENT

(Appointed)

William Evans, Milbank	1886
W.H. McVay, Yankton	1886
Alex Griggs, Grand Forks	1886-1888
A. Boynton, Lennox	1887-1888
N.T. Smith, Huron	1887-1888
Judson LaMoure, Pembina	1889
John H. King, Rapid City	1889
Harvey Rice, Huron	1889

STATE OF SOUTH DAKOTA

(Appointed)

Harvey Rice, Huron	1890
John King, Rapid City	1890-1892
Albion Chase, Watertown	1890-1892
Charles E. McKinney, Sioux Falls	1892
Frank Phillips, Watertown	1892

(Elected)

E.F. Conklin	1895-1898
J.R. Brennan	1895-1898
George Johnston	1895-1897
W.T. LaFollette	1897-1901
W.H. Tompkins	1898-1900
Alex Kirkpatrick, Wessington	1899-1903
Wm. G. Smith, Sturgis	1900-1917
Frank LeCocq, Jr., Harrison	1901-1907
D.H. Smith, Miller	1903-1909
George Rice, Flandreau	1907-1913
F.C. Robinson, Groton	1909-1915
J.J. Murphy, Parker	1913-1943
P.W. Dougherty, Webster	1915-1919
F.E. Wells, Bonesteel	1917-1919
J.W. Raish, Aberdeen	1919-1933
D.E. Brisbane, Faith	1919-1935
F.S. Pickart, Hoven	1933-1939
Windsor Dougherty, Winner	1935-1936
Fred B. Ray, Rapid City	1936-1937
C.L. "Roy" Doherty, Rapid City	1937-1971

Public Utilities Commissioners

C.A. Merkle, Leola	1939-1969
F.L. Lindekugel, Madison	1943-1967
Harvey Scharn, Sioux Falls	1967-1973
Winston Barness, Redfield	1969-1975
Jack Weiland, Rapid City	1971-1977
P.K. Ecker, Sioux Falls	1973-1979
Norma Klinkel, Brookings	1975-1981
Charlotte Fischer, Wall	1977-1983
Ken Stofferahn, Humboldt	1979-present
Jeff Solem, Aberdeen	1981-1987
Dennis Eisnach, Pierre	1983-1989
Jim Burg, Wessington Springs	1987-present
Laska Schoenfelder, Pierre	1989-present

Today...

Chairman Ken Stofferahn



Chairman Ken Stofferahn (Democrat) is serving his third term on the Public Utilities Commission. He was first elected to the PUC in 1978, after serving in the SD House of Representatives from 1975-1976. He graduated from Humboldt High School in 1952 and earned a BS degree in Agriculture from SDSU in 1957. From 1957-1963 he served in the Air National Guard. Ken attended the National Judicial College in 1981, and the Annual Regulatory Studies Program at Michigan State University in 1981, 1982, and 1987. He served on the National Association of Regulatory Utility Commissioners and as a board member of the National Regulatory Institute at Ohio State University from 1985-1992, achieving record tenure. Ken and his wife, Diane, have four children: Michael, Stacey, Stuart, and Steven.

Not in recent memory has this Commission faced so many new issues as we did last year. My previous role has been to apply tried and proven regulatory standards to utility rate cases, consumer complaints, and utility proposals to arrive at responsible decisions. This has now changed. We are now in uncharted waters. Who would have guessed that technological advancements and a movement toward deregulation would have such an immediate impact on the telecommunications, electric and gas utilities? Never before have we seen such rapid utility restructuring, company centralization, and new service deployment—all this at almost a blink of an eye.

This has been a real challenge for this Commission. And for me, personally, in helping to formulate new policies and in establishing new priorities. It is again necessary for me to become a student of the process—to learn of all the new opportunities and to actually make them happen. And we have.

When Congress tried to sell the Western Area Power Administration which controls the power generation from our Missouri River, we convinced them that it was the wrong thing to do. When 19 of our state's independent and cooperative telephone companies said they wanted to purchase 63 rural telephone exchanges from U S WEST, we approved the sale on the grounds that these local companies were better positioned to provide quality rural services in the years to come. When 5 major utilities, representing telecommunications, electric, and gas companies, filed for a total consumer rate increase of over \$33 million, we granted them new, more competitive-oriented regulatory tools and reduced their rate increase by half, resulting in a total savings to South Dakotans of approximately \$16.6 million.

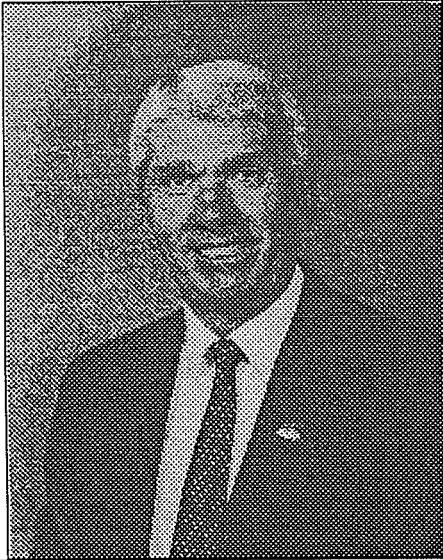


While these are highly visible issues, they represent only the tip of the iceberg when considering the recent accomplishments of this Commission and the entire breadth of our jurisdiction. For example, the escalation of mergers and acquisitions experienced in the telecommunications, electric and natural gas industries did not bypass the grain warehouse industry. Last year alone, 17 grain warehouses were involved in some type of ownership restructuring. And, the Commission intervened in the operation of 14 facilities to protect producer assets.

My vision for the future embodies this precept: **"Expect the unexpected."** Expect that our sparsely populated state will become the envy of all others as we continually upgrade our already advanced telecommunications infrastructure. Expect that every community that wants advanced telecommunications services can access them at affordable prices. Expect that our rural school children will soon receive otherwise unavailable instruction via interactive video. Expect that our rural health care facilities, regardless of their remoteness, will have immediate diagnostic access to health care experts, again through interactive video. Expect that South Dakotans will continually obtain reliable electric power at prices below national averages. Expect that more communities will enjoy the choice between electric and natural gas as the state's pipeline network continues to expand. Expect that citizens can continually rely on state safety inspections of natural gas pipelines, rather than having to rely upon the federal government's remote safety program. And, expect that our producers can continue marketing their grain in our state's facilities with the utmost in confidence.

I look forward to continuing my service as your Public Utilities Commissioner.

Vice-Chairman Jim Burg



Vice-chairman Jim Burg (Democrat) was elected to the Public Utilities Commission in 1986 and won his second term in 1992. He was elected to the SD Senate for one term in 1984. Jim graduated from Lane High School in 1959 and earned a BS in Animal Science from SDSU in 1963. From 1964-1967, he was a fieldman for the Federal Land Bank and then returned to Wessington Springs to operate the family farm. Jim served in the SD National Guard from 1963-1990, retiring as a Lt. Colonel. He is Chairman of the Administration Committee for the National Association of Regulatory Utility Commissioners. Jim and his wife, Bernice, have five children: Jeff, Cory, Julie, Casey, and Lisa.

If you think your telephone system has become complicated, **you ain't seen nothin' yet!** With the passage of the 1996 Federal Telecommunications Act and the explosion of telecommunications technology, communication as we know it will be a thing of the past. South Dakota had a lot of influence in the final outcome of the Federal legislation with Senator Pressler serving as chair of the Senate Committee responsible for communications legislation and Senator Daschle as minority leader of the entire US Senate.

It was a struggle to assure that rural states like South Dakota received equal treatment with more populated urban areas. Telecommunication companies wanted deregulation to allow competition and efficiencies that are assured when multiple companies go head-to-head. I want that also. The marketplace can determine the right price better than we can by regulating monopolies. However, I am fearful that companies may not want to compete in all of our high cost remote areas. We must have the ability to protect the consumers living in those areas from being taken advantage of where no competition exists.

I feel through the efforts of this Commission, South Dakota telecommunication companies, and Senators Pressler and Daschle, as well as Congressman Johnson, adequate protection has been written into the bill. Competing companies and emerging technologies will bring services to all parts of South Dakota which we can't even imagine. It will take the efforts of all South Dakotans to implement distance learning in our schools, telemedicine in all communities and economic development everywhere, but the tools are there through the 1996 Telecommunications Act.

The work explosion has not just been in telecommunications. Electricity deregulation and competition are moving to the front burner as well. Open wheeling, which will allow any electric company to compete in any other electric company's territory is the next challenge. This will bring the benefits of competition and lower prices to consumers who have been tied to the monopoly which serves their franchised territory.



The safeguarding of farmers as they deal with their grain elevators and grain dealers is becoming much more complicated as innovative marketing strategies are developed and new strategies are used which are not protected by the grain dealer bonds. The escalating and volatile grain prices have challenged even the best elevator manager to show a profit and the PUC inspectors to assure farmers that their grain sales are protected.

Lest you think all of this deregulation will put the PUC out of business, I can assure you that it has had quite the opposite affect. During these times of transition, the necessity of the PUC as an arbiter, referee, and interpreter assures that we will all be very busy. I enjoy the challenge, appreciate the public support and assure the people of South Dakota that I will do my best to guarantee that you will get the best service possible from your utilities.



The South Dakota Public Utilities Commission frequently finds itself on the road, holding public input meetings and hearings across the state as issues arise which affect the public. This hearing was held in Alcester to discuss U S WEST's proposal to sell the Alcester telephone exchange to Baltic Telecom Cooperative. Pictured above from left to right are: Dave Jacobson, PUC analyst; Vice-chairman Jim Burg; Chairman Ken Stofferahn; Commissioner Laska Schoenfelder; and Executive Director Bill Bullard.

Commissioner Laska Schoenfelder



Commissioner Laska Schoenfelder (Republican) was first elected to the Public Utilities Commission in 1988. She graduated from Lemmon High School and attended Dakota Wesleyan University. Laska was Davison County Register of Deeds from 1973-1982, and has also been employed with the Department of Commerce, the Bureau of Personnel, and the office of Highway Safety. She is a member of the National Association of Regulatory Utility Commissioners and was appointed to NARUC's Committee on Communications in 1991. Laska is one of the four state members of the Federal Communications Commission's Federal/State Joint Board. Laska and her husband, Mike, are the parents of five children and operate a family farm near Mt. Vernon.

It is difficult for me to review the year 1995 in a vacuum because so many serious issues were considered by the Commission. Many of those issues either began in the prior year, were brought to a final resolution in 1995, or carried over into 1996.

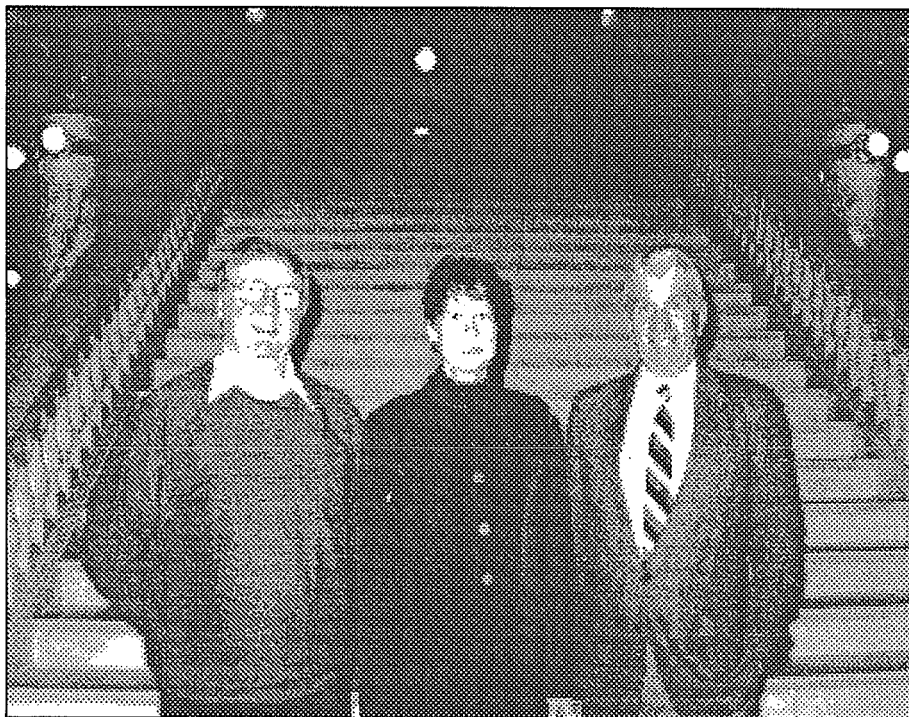
The impact of 1995 will hopefully be felt by South Dakota citizens for a long time into the future. The rate case infrastructure development stipulation with U S WEST Communications will impact the future growth of business and promote distance learning in this state.

Although final passage of the telecommunications act took place in 1996, I spent much time and effort lobbying for South Dakota's interests all during 1995. I feel that we were very successful in providing input from a rural state's perspective. South Dakota has had a large impact on the bill which came out of Senator Pressler's committee.



Charlie Bolle, telecommunications analyst for the Commission, and I have been appointed to serve on the new Joint Board which will implement the Universal Service section of the new law. Rolayne Wiest, Commission Counsel, was selected as a core staff person to work with the Federal Communication Commission to implement the interconnection portion of the law. We are very fortunate to be able to bring South Dakota experience to these hard working boards.

Just as many 1995 issues overlap into 1996, so do electricity and natural gas issues intertwine with communications issues. As the electric industry readies itself for competition, it will be my hope that our Commission will be better prepared because of our experience in fostering telecommunications competition.



It was quite a challenge to get the three Commissioners to take time out of their busy schedules to pose for this picture. The Commissioners are from left to right: Ken Stofferahn, Chairman; Laska Schoenfelder, Commissioner; and Jim Burg, Vice-Chairman.

Executive Director Bill Bullard



Executive Director Bill Bullard was named to his position by the SDPUC on February 6, 1995. He was Director of the Oklahoma Department of Agriculture's Comprehensive Farm Stress Program in 1994; Director of Cooperative Programs for the Oklahoma Farmers Union from 1992-1994; and Northwest Regional Coordinator for the National Farmers Union and Executive Director of the Northwest Farmers Union from 1989-1992. Bill owned and operated a cattle ranch in Northwestern South Dakota from 1979-1985 and a horse training and breeding operation from 1985-1989. He graduated from Black Hills State College in 1989 with Summa Cum Laude Honors and a BS degree in political science. Bill and his wife, Jeanne have three children and reside in Pierre.

The age-old maxim of lead, follow, or get out of the way was constantly tried and tested during my first year as the Commission's executive director. Few opportunities could bring greater challenges or rewards than working with the outstanding individuals who comprise this Commission. Melding the distinct leadership styles of three uniquely qualified Commissioners so as to maintain momentum toward the fulfillment of our mission is perhaps this position's greatest challenge. Fulfilling that mission, by way of facilitating Commission work products generated by a fine-tuned team of dedicated, professional staff, all of whom possess technically interdependent skills, is perhaps this position's greatest reward.

The preponderance of work performed by this Commission can be described as issue analysis and policy identification. In essence, regardless of the vehicle delivering the issue, be it a new law, rate filing, complaint, application, or an idea, staff dissects each issue through careful analysis of its implicit components and then identifies specific policy determinations needed to effect a resolution. Upon this refinement, staff brings the matter before the esteemed Commissioners for their adjudication. This oversimplification at least describes what this Commission does on a day-to-day basis. However, it does nothing to describe how this Commission performs its duties in the timely, responsible, and professional manner which has earned it the reputation of being among the most efficient and effective Commissions in the nation.

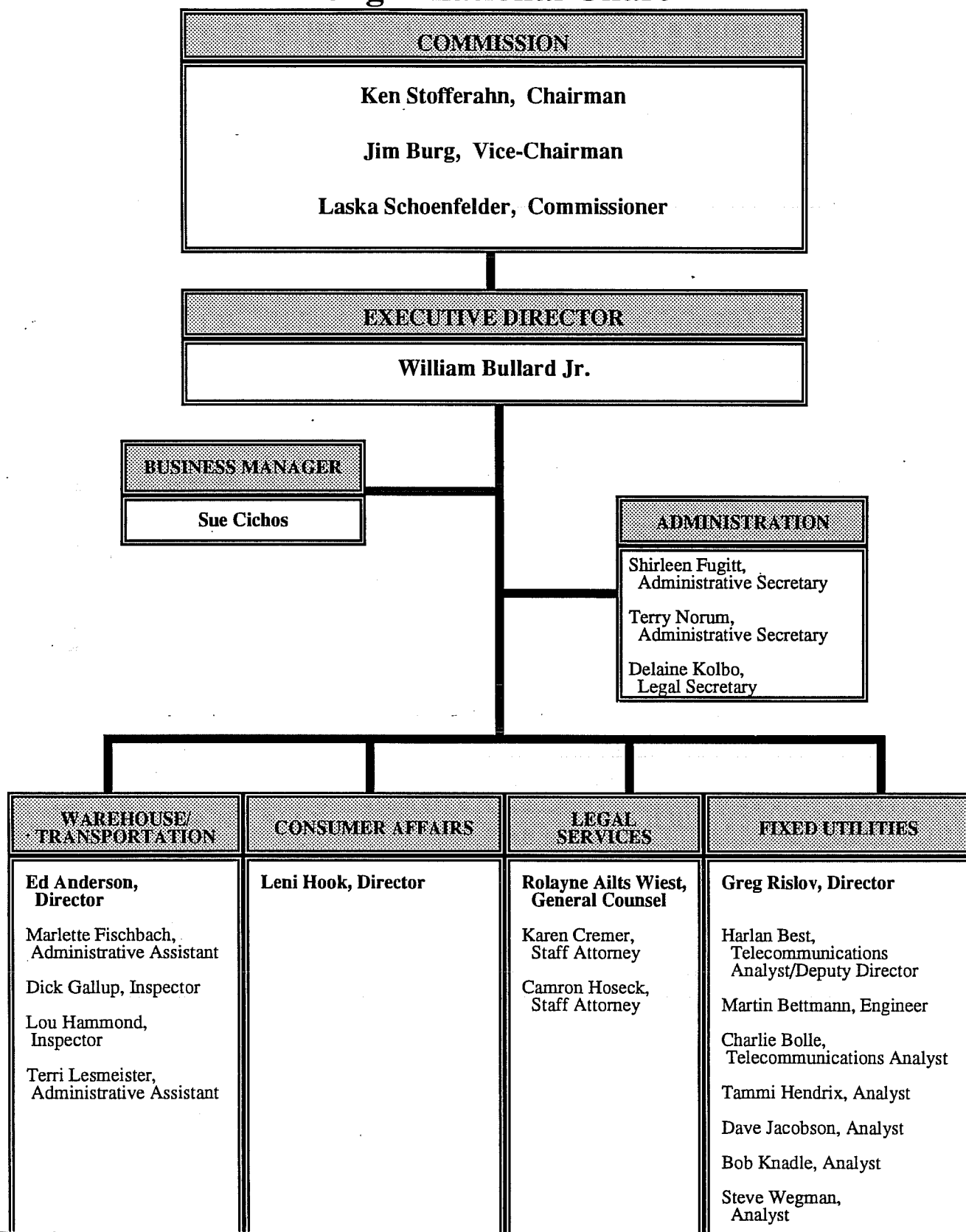
So how does the nation's second smallest Commission earn such a reputation? The answer lies in the caliber of its people, their work ethic, and the intrinsic desire among them to achieve the highest possible performance standards. Organizational excellence is achieved when individual members are constantly growing, constantly training, constantly learning, and constantly considering new ideas from both within and without. Provided, when these efforts are expended, whether triumphant or not, they are commonly shared, supported and experienced by the entire organizational team. Because we follow this tenet, this Commission is uniquely positioned to address the phenomenal changes occurring within the regulatory industry. We welcome new challenges and face them knowing that we have the faculty to address them expediently, responsibly and professionally.

I look forward to serving this Commission as its executive director this coming year because, like last year, I have the opportunity to lead when conditions require, to follow when conditions allow, and to get out of the way when conditions suggest that someone simply had a better idea.



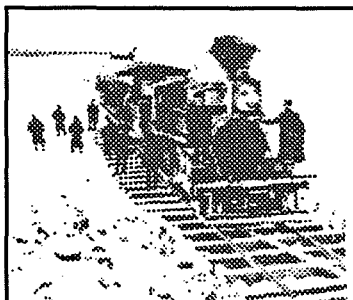
SD Public Utilities Commission

Organizational Chart



Brief History

With great pride the Dakota Territory settlers awaited the arrival of the railroad which would provide desperately needed transportation to the remote plains area. Excitement for the new service was sometimes overshadowed with disappointment; there was only one railroad - a monopoly - so it could charge whatever the farmers,



Before bridges crossed the Missouri River, enterprising railroad workers laid rails across the frozen ice.

ranchers, business people, and travelers could pay. The settlers felt they were being cheated, so they took their complaints to the Territorial Government.

In 1882, the Territorial Legislature created an ad hoc committee to deal with railroad issues. Each year the committee became more burdened with the impact the railroad was having on people and businesses in the Dakota Territory. Committee members felt there was no authority to enforce the decisions made by the committee and there was no consistency in membership or decisions.

Laws (Chapter 126, General Laws of 1885) were passed in the 1885 Legislature to establish the Board of Railroad Commissioners.

The powers and duties of the Board of Railroad Commissioners were outlined and implemented in 1886.

The first session of the South Dakota Legislature in 1889 amended the 1885 territorial law, establishing the South Dakota Railroad Commissioners and greatly increased its powers and duties. The Board consisted of three members, each appointed for a term of two years, or at the pleasure of the Governor.

Chapter 99 of the Session Laws of 1890 placed regulation of grain warehouses with the Board of Railroad Commissioners since most grain facilities were adjacent to railroads.

In 1897 the laws were amended to make the Commissioner offices elected positions, accountable to the South Dakota public. Each term of office was defined as a six-year term, with one Commissioner position to be elected each two years during the general elections. The amendments also increased the powers of the Commission to establish and enforce railroad rates.

The 1907 legislature created a Telephone Commission composed of the State Treasurer, the State Auditor, and a Telephone Commissioner who was appointed by the Governor for a two-year term.



The Commission had jurisdiction over telephone and telegraph companies. In 1909, the legislature abolished the Telephone Commission, placing that authority with the Board of Railroad Commissioners since telephone and telegraph poles were placed along railroad lines.

In 1925, South Dakota became the first state to regulate for-hire motor carriers to ensure public safety and reasonable rates. The Board was authorized to develop facts for presentation to the Interstate Commerce Commission and to various courts. Later, in 1937, the Commission was given jurisdiction for the testing and inspection of heavy scales. This responsibility was later assigned to the Commerce division.

To more accurately reflect the wide range of responsibilities under the Board of Railroad Commissioners, the division's name was changed to the Public Utilities Commission in 1939.

In 1975, the State Legislature granted the Public Utilities Commission regulatory jurisdiction over gas and electric utilities. In 1976, the legislature exempted the Rural Electric Association facilities from Public Utilities rate regulation.

Deregulation has impacted the Commission's authority over the telecommunication industry. In 1979, the Rural Telephone Association Cooperatives became rate deregulated.

Municipal telephone companies were rate deregulated in 1980. Small independent telephone companies with less than 7,000 access lines were rate deregulated in 1982 and amendments in 1987 changed the definition of small independent companies to those serving fewer than 10,000 local exchange subscribers.

Railroads were removed from the Commission's jurisdiction in 1980 and placed with the Department of Transportation. In 1981 the Record Carrier Competition Act removed telegraph companies from PUC regulation.

In 1988 telecommunication services were classified into three categories. Today, noncompetitive services (local service) are fully regulated; emerging competitive services (long distance service for U S WEST) are price-regulated; and fully competitive services (call waiting, call forwarding, and long distance service for companies other than U S WEST) are not price-regulated because there is sufficient competition in the provisioning of those services or because they are optional services.

In 1995, the intrastate trucking industry was wholly deregulated.

The mission of the Public Utilities Commission remains the same: ensuring that public utilities provide reliable service at fair and reasonable rates.

♦ 1995 in Review ♦

The Year's Highlights:

In future years, a retrospective account of 1995 will reveal momentum building toward basic structural change in South Dakota's utility environment. More utility rate cases were processed in 1995 than in any previous year; more utility ownership changes and mergers were initiated in 1995 than in recent years; more consumers interacted with the Commission in 1995 than in recent years; the Commission began a deliberate departure from traditional rate-making and began formalizing overtures toward incentive-based regulation; the state's intrastate trucking industry was wholly deregulated; and the number of grain warehouse failures and mergers increased substantially.

The Year's Issues:

Seemingly repetitious issues took on new dimensions in 1995. A phenomenon perhaps explained by the rapid emergence of new technologies, or perhaps by a heightened dependency on the technology itself. While recent memories recall a time when certain utility products were considered amenities, today these same products, at least fundamentally, represent a community's economic

and social lifeblood. Just a few of the issues reflecting this transition are reported below under their respective utility categories:

Electricity

1. **Proposed WAPA Sale:**

Nestled just downriver from the western hemisphere's largest earth-rolled dam, which happens to harness a great share of WAPA power, the Commission responded to the proposal to sell WAPA assets. It issued a resolution opposing the sale.

2. **Power Quality:** Power quality issues including interruptions, Electric and Magnetic Fields (EMFs), and stray voltage launched the Commission into roles of both student and teacher. The Commission both sponsored and taught workshops on power quality in and outside the state. Without authority to award damages in power quality matters, the Commission considered complaints with an eye toward resolving electrical problems and prevention, hence its educational efforts. One EMF docket remains open while a particularly contentious stray voltage matter was closed.

3. **BHP&L Rate Case:** Black Hills Power and Light Company filed a rate case which was settled by stipulation. The settlement



eliminated the company's fuel adjustment clause in return for establishing a rate ceiling below allowable rates and a 4 1/2-year moratorium on rate increases.

4. Siting and Territory: Several service territory trades between cooperatives and investor-owned utilities were accomplished within the state with tremendous cooperation between companies. However, transmission line sitings in the majestic Black Hills continues to prove challenging as virtually every proposed route disrupts the pristine view enjoyed by new or existing homeowners.

5. NSP Merger: The proposed merger of NSP Wisconsin Energy is not subject to the Commission's jurisdiction, but the Commission is monitoring the application process.

6. MidAmerican Merger/Rate Case: Midwest Energy filed for its first rate increase since the mid-80s, but no sooner had the ink dried on its application than did Midwest Energy merge to become Mid-American Energy. The rate case was settled.

7. Economic Development: There was a tripling of Commission-approved and utility-sponsored economic development plans. The plans and funds are designed to supplement current local efforts.

8. New Ratemaking: The Commission and investor-owned utilities are supporting legislation specifically allowing performance-

based ratemaking.

9. Assignment of Service Territories: Our law allows new customers needing 2000 kw or more to bypass the territorial law and select an electrical supplier. Only one customer ever has, and that was in 1977. The business eventually closed and a new tenant bought the property. The new tenant wanted to return to the franchised electrical supplier, and the Commission ordered so. The state circuit court ordered otherwise. An appeal is expected.

10. Consumer Contacts: A total of 136 consumer contacts were made in 1995 involving such electrical issues as disconnections, billings, service outages, delays in requests for service, safety matters, territory transfers, and deposits.

Natural Gas

1. MidAmerican Rate Case: Mid-American Energy, which was Midwest Gas at the time of filing, filed for a rate increase. The rate case was settled. This case marked our Commission's first attempt at developing comprehensive transportation tariffs for a distribution company.

2. New PGA laws: The Commission and jurisdictional utilities have a bill in the legislature to specifically allow both the PGA and the fuel clause to include incentives.

3. Transmission Rate Case: The first and longest of South Dakota's three intrastate transmission pipelines, which serves a single, non-affiliated distributor, filed for and received a rate increase. The pipeline is in its second year of operation but anticipated markets have not developed and volumes remain well below initial projections.

4. Transmission Regulation: The state's newest intrastate transmission pipeline is operated by and for a milk processing plant; therefore, the operator has no customers other than itself. However, state statute did not clearly grant or exclude the Commission's rate regulation authority. The Commission did not assert rate-regulation authority over this pipeline but the matter prompted Commission-sponsored legislation clarifying authority over transmission pipelines serving one or more customers other than itself.

5. Competitive Tariffs: The Commission continued its case-by-case consideration of numerous tariff revisions filed for competitive preparedness and with the expectation of direct competition.

6. Pipeline Safety: 1995 marked the first full year of operation for the South Dakota Pipeline Safety Program. Personnel responsible for program inspections and investigations have completed over half of their 3-year training program. No major incidences occurred during the year.

7. Consumer Contacts: A total of 298 consumer complaints were made in 1995 involving such natural gas issues as disconnections, rate increases, office closings, requests for service, deposits, billings, rude employees, metering problems, and requests for service improvements.

Telecommunications:

1. Sale of Exchanges/Alternative Regulation: Two major dockets initiated by U S WEST Communications, Inc. (U S WEST) were decided in 1995. The first was U S WEST's proposed sale of 67 rural telephone exchanges. The Commission approved all but four exchanges, three of which are now under appeal. The sale of the approved exchanges is awaiting FCC approval.

The second was U S WEST's alternative regulation filing. While the Commission's final order was not issued until January 1996, its decision was announced in late December. This docket was settled by stipulation and includes a \$25 million investment in infrastructure, a competition-oriented pricing structure, elimination of all touch-tone charges, elimination of all outside the base rate area (OBRA) charges, and a rate increase phased in over a 36-month period. The second and third planned increases are contingent upon the Commission's favorable review of U S WEST's service quality performance.



2. Debit Cards: The Commission opened 140 new telecommunications dockets in 1995. Of these, 64 were applications for certificates of authority to operate as telecommunications companies. A new public risk was identified in a complaint filed this past year by a customer who purchased over \$2,000 of worthless telecommunications debit cards. In response, the Commission strengthened its resolve to carefully scrutinize applicants' financial and managerial qualifications. Several applicants were denied based on the Commission's belief that their financial standing and/or managerial ability was too precarious to withstand the public interest test.

3. Fiber Cuts: The state experienced two major telecommunications outages, each lasting several hours. The first was caused by a contractor severing a U S WEST fiber cable, the second by a landslide which stretched another U S WEST fiber cable to the point of breaking. The public's dependency on reliable telecommunications systems was poignantly established by these outages. In response, the Commission hired a consultant to assist in a docketed investigation of the redundancy capabilities of U S WEST's network. The matter is still pending and was expanded to include other telecommunications providers. In the meantime, U S WEST claims to have gained proficiency in handling future outages through advanced switching techniques.

4. EAS: Several requests for Extended Area Service (EAS) came before the Commission. Most notable is the request to provide EAS throughout the northern regions of the Black Hills, all in U S WEST territory. The issue remains contentious. Many residents of Rapid City object to what they consider a subsidy benefiting their rural neighbors. Their rural neighbors argue it will consolidate many communities into one, thereby enhancing their mutual economic and social opportunities. The Commission is intent upon exploring all available options before deciding. The Commission departed from tradition in another EAS matter by rendering a decision from the bench, as opposed to conducting a ballot.

5. Hidden Fees: What would you do if you purchased a lot with the understanding that your telephone hook-up fee would be less than \$40, but then, after you built your home, you are told that there could not be a hook-up until you paid a developer fee ranging from \$750 to \$1,800? The Commission is working to resolve this very situation common to 7 complainants in 1995, with more expected in 1996. One preventive measure under consideration is to pass legislation requiring full disclosure in real estate transactions of any such developer fees.

6. Equal Access: AT&T formally requested the Commission to adopt rules to provide equal access presubscription for intraLATA

telecommunications. Based upon evidence submitted at the hearing on the matter, and due to the uncertainty surrounding the federal telecommunications legislation, the Commission decided 1995 was not the year to adopt such equal access rules.

7. MEGATEL: The Commission issued a Notice of Inquiry (NOI) soliciting comments from virtually anyone who had ideas about South Dakota's future telecommunications needs and opportunities. The public commented on issues ranging from infrastructure to service. The Commission is awaiting the outcome of federal legislation before proceeding to refine its position on universal service and other pertinent matters. Meanwhile, the Commission continues to provide respondents with a monthly forum for which to make a presentation to the Commission and other interested state agencies on various telecommunications technologies and their application in South Dakota.

8. Competitive Challenge: U S WEST began offering CLASS services in selected communities within the state and promised to expand these services throughout its territory by the end of 1996. In addition, U S WEST proposed, and the Commission approved, numerous promotional offerings for second lines and other services. Another service U S WEST has promised to provide has outraged a few South Dakota entrepreneurs who are currently offering internet access throughout the state. They

believe their investment in equipment will become nonessential when U S WEST enters the internet market, thereby giving a competitive advantage to U S WEST. The Commission will fully consider this issue in 1996.

9. Interconnection Project: The Commission was instrumental in assisting a community-wide coalition to obtain a grant from the National Telecommunications and Information Administration (NTIA). The grant is being used to fund a futuristic, community-based educational and economic development program called "Dakota Interconnect."

10. State Legislation: The 1995 Legislative session included one bill that had two significant effects on telecommunications. The bill included "conditions" on any sale of U S WEST property. The Commission had to take these conditions into account before approving any sale of U S WEST property to another entity. The second gave this Commission, in order to benefit the public interest, the right to deviate from strict cost pricing when establishing special access rates.

11. Consumer Contacts: A total of 1,999 consumer contacts were made in 1995 involving such telecommunications issues as EAS proposals, sale of exchanges, delayed requests for service, non-disclosure of fees, unauthorized changes in long distance service, disconnections, and deposits.



Transportation/Warehouse:

1. Elevator Insolvencies: At year's end, the warehouse division was monitoring 17 grain elevators which were in various stages of financial difficulties. A number of mergers either occurred or are still in the process in the state. The Commission formally intervened in 4 elevator operations in an attempt to restore the elevators' financial stability, limit additional losses, and protect producer assets. In one elevator bankruptcy, the available assets and bonds were insufficient to make all producers whole. This marks the first year since 1990 that producers were financially harmed by an elevator failure. Contributing factors to this marked increase in elevator difficulties include a prolonged period of low commodity prices, widespread flooding, rail-car shortages, and higher transportation costs.

2. Deregulation: On July 1, 1995, the state law which deregulated intrastate trucking went into effect. The Commission's remaining jurisdiction involves interstate truckers' authority and liability insurance.

3. State Legislation: The 1995 legislature reduced the Transportation/Warehouse Division's budget by about \$100,000. The Commission is considering legislation which would recoup a portion of this shortfall by raising grain dealer and grain warehouse license fees from \$15 to \$160.

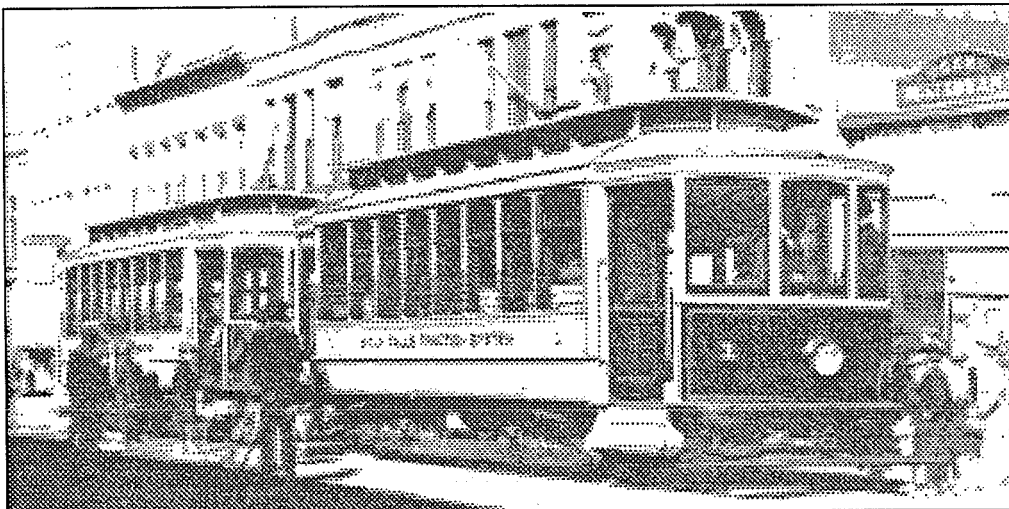
Miscellaneous

1. Emergency Notificaton: The vagaries of weather and other factors prevalent on the South Dakota plains makes total reliability of utility service impossible. Large scale outages of both telecommunications and electric service occurred during the past year. In addition to the previously discussed telecommunications outages, two widespread storms destroyed thousands of electric poles affecting thousands of customers. In an attempt to ensure that such disasters are accompanied by a rapid response, especially for those whose utility services are deemed critical, i.e., life supporting, the Commission opened an investigative docket to determine the types of emergency notification procedures employed by the various utilities when faced with an unexpected disaster. A report was compiled and the Commission is expected to take additional action in this matter in 1996.

2. One-Call Notification: 1995 marked the first year of operations for the South Dakota One-Call, a state-wide notification center for excavation in South Dakota. The Commission's involvement is limited to administrative oversight of the One-Call Board, with the Board reporting to the Commission. As with any new program, the One-Call Board experienced numerous challenges. Among these were delays in providing access to the center, confusion as to when a locate call must be made, difficulties in

pinpointing excavation sites, and resistance from contractors who believe the old system of merely calling the affected utility was better.

3. Computerization: The Commission administers its own Local Area Network and is connected to the South Dakota State Government's Wide Area Network. All Commissioners and Staff have 386 or faster personal computers. The Commission's internet home page went on line in 1995 and agendas, minutes, and orders are expected to be distributed via the internet in 1996. Reducing paper by further utilizing the electronic medium for filings and other correspondence continues to be a goal of the Commission.



In 1890 the South Dakota Rapid Transit and Railroad Company introduced the state's first electric trolleys in Sioux Falls. The Sioux Falls Traction Company operated a fleet of cars on five lines before the system was discontinued in 1929. Photo courtesy of Center for Western Studies.



Today...



From left to right: Delaine Kolbo, Legal Secretary; and Terry Norum, Administrative Secretary.



Shirleen Fugitt, Administrative Secretary

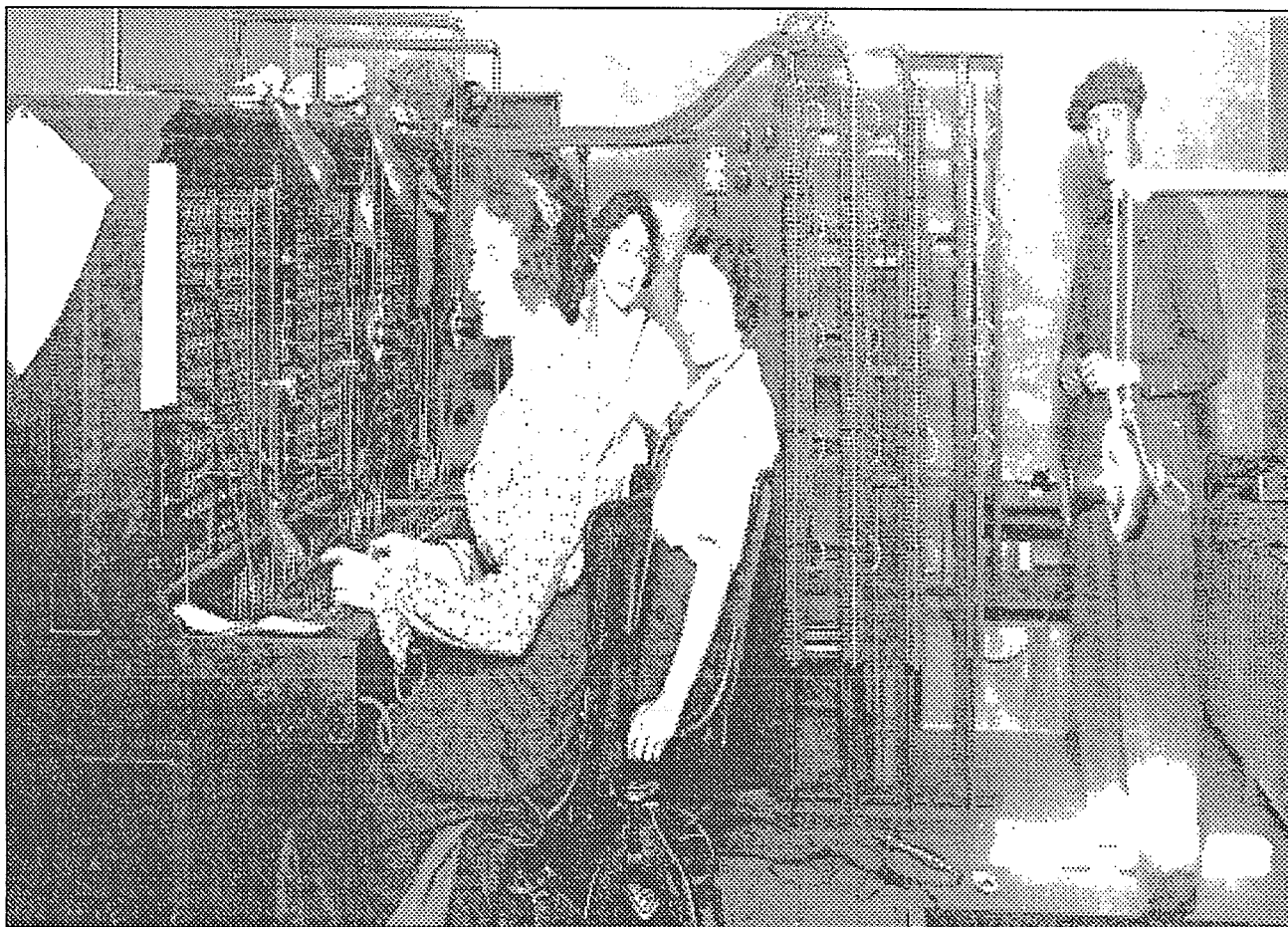
Generally speaking, the public's first contact and, therefore, the public's first impression of the Commission emanates from the Commission's Administrative Staff. Not surprisingly, the public's lasting impression of the Commission also depends on the Administrative Staff's performance.

Performing such important functions as receiving and directing calls, distributing both incoming and outgoing mail, receiving and recording applicable fees, docketing and filing applications, making travel arrangements, and responding to information requests, the Administrative Staff is responsible for managing Commission information and for ensuring its smooth operations. The Administrative Staff continues to do all of this and more in an exemplary manner.



♦Administrative Staff♦

Yesterday...



There was a time when Shirleen, Terry, Delaine, and Bill did not deal with misdirected 800 # calls.

PUC Fiscal Report

Yesterday...

The following was taken from

***"THE THIRD ANNUAL REPORT OF THE
RAILROAD COMMISSIONERS OF THE TERRITORY OF DAKOTA,
YEAR ENDING JUNE 30, 1887."***

"....A point of much interest to the people is the amount of taxes paid into Dakota's (Territory) treasury by the various (rail)roads under the "gross earnings tax" law. The following shows the amount paid by each company for the fiscal year ending June 30, 1887:

Burlington, Cedar Rapids & Northern	\$1,517.85
Black Hills & Fort Pierre	1,433.19
Chicago, St. Paul, Minneapolis, & Omaha	1,364.71
Wisconsin, Minnesota & Pacific	377.88
Chicago & Northwestern	29,851.71
Chicago, Milwaukee, St. Paul	30,895.57
Fremont, Elkhorn & Missouri Valley	2,425.82
Minneapolis & Pacific	95.79
Northern Pacific*	75,284.54
St. Paul, Minneapolis, & Manitoba	<u>50,999.20</u>
	\$194,246.26

*In this connection it may be well to state that one-half of the gross earnings tax of the Northern Pacific railroad, as reported above, has not been paid, owing to litigation which is the result of a controversy as to whether or not the company's lands can be taxed. Pending the decision in this case the Northern Pacific company refuses to pay its gross earnings tax. The Northern Pacific representatives state that the company is willing to pay a tax either on its gross earnings or on its land, but will not pay both. One of the questions involved is the validity of the gross earnings law, and a decision will be awaited with much interest."



THREE TRAINS AT LEAD. Deadwood Central engine #497 is pulling one car on the lowest level; a Fremont, Elkhorn & Missouri Valley train is on the bridge; and a Homestake Mining Company ore train is on the high trestle. The engine on the trestle is the "J.B. Haggin," the first locomotive in the Black Hills which was hauled to Deadwood from Bismarck by a bull team in 1879 and was in use until 1900.

FISCAL REPORT FOR YEAR ENDED JUNE 30, 1995

	BUDGET	ACTUAL EXPENDITURES		ENCUMBRANCE	BALANCE
		by fund group			
		GENERAL FUNDS	OTHER FUNDS		
ADMINISTRATION					
Personal Services	\$ 222,118	217,999	0	0	4,119
Operating Expenses	0	0	0	0	0
TOTAL PROGRAM	\$ 222,118	217,999	0	0	4,119
TRANSPORTATION/WAREHOUSE					
Personal Services	\$ 226,167	218,473	0	0	7,694
Operating Expenses	69,627	53,133	0	9,170	7,325
TOTAL PROGRAM	\$ 295,794	271,606	0	9,170	15,018
FIXED UTILITY					
Personal Services	\$ 769,867	0	625,974	0	143,893
Operating Expenses	341,938	0	139,170	0	202,768
TOTAL PROGRAM	\$ 1,111,805	0	765,144	0	346,661
FILING FEES (Informational Budget)					
Personal Services	\$ 0	0	88,901	0	(88,901)
Operating Expenses	475,000	0	109,798	0	365,202
TOTAL PROGRAM	\$ 475,000	0	198,699	0	276,301
PIPELINE SAFETY (Informational Budget)					
Personal Services	\$ 84,768	0	44,724	0	40,044
Operating Expenses	39,444	0	18,870	0	20,574
TOTAL PROGRAM	\$ 124,212	0	63,594	0	60,618



Sue Cichos
Business Manager

Statement of General Fund Revenue

ICC Registration	\$ 13,160
MC-A Permit	0
MC-B Permit	1,000
MC-C Permit	2,600
Transfer/Leases	2,500
Identification Stamps	23,960
Cab Cards	407
Bus Permits	4,580
Non Storage Licenses	448
Federal Storage Licenses	630
Grain Storage Warehouse	1,455
Public Storage License	420
Truck Decals	770
Grain Dealers Licenses	2,565
SSRS Registrations	972,174
Total General Fund Revenue	\$ 1,026,669

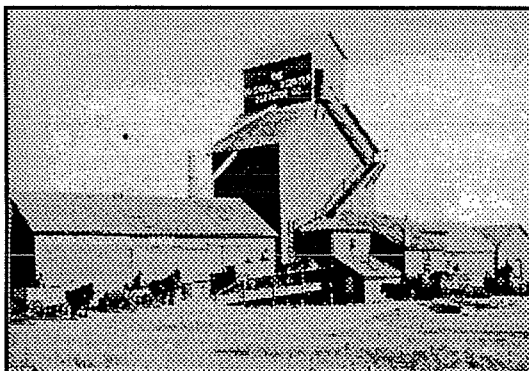
Gross Receipts Tax Fund Revenues

Gross Receipts Tax	\$ 1,535,998
Application Fees	11,750
Williston Basin Reimbursement	22,086
Interest Earned	37,156
TOTAL REVENUE	1,606,990

The Statement of General Fund Revenue represents the collections related to the issuance of licenses and permits in the Transportation/Warehouse Division. The Gross Receipts Tax Fund Revenues fund entirely and exclusively the Commission's Fixed Utility Division. Because the due date changed to June 1st, the tax revenues shown are for FY95 and FY96.

◆Transportation/Warehouse Division◆

Yesterday...

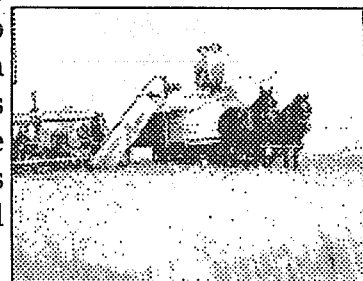


Grain elevators would spring up along railroad tracks to handle the farm produce. Farmers would haul grain to town and would take home loads of feed, seed, coal, and other supplies.

Today...

During calendar year 1995, the Commission licensed 429 grain dealers and grain warehouses. The three inspectors conducted annual inspections at 323 grain warehouse facilities and an additional 150 inspections and investigations of warehouses or other grain dealers to address specific problems or complaints. Based on analysis of financial statements provided at licensing, the Commission placed 35 operations on its financial statement watchlist for closer observation throughout the year. Of the 35 on the watchlist, 16 were also required to provide additional bond coverage beyond the statutory level.

The Commission remains concerned about the increased volume of grain purchased using voluntary credit sale (VCS) contracts. Defined as any sale of grain which calls for payment to be made beyond thirty days of delivery or release of the grain for sale, VCS contracts are not covered by either the grain warehouse or grain dealer bonds. In the right hands VCS contracts can provide producers with some distinct marketing advantages. In the wrong hands, they can expose the grain dealer and patrons to tremendous financial risk. The Commodity Futures Trading Commission is currently taking a closer look at some VCS contracts, and in the end may determine that some of the more complex contracts are actually illegal off-exchange futures contracts. Commission inspectors have received training in the use of futures contracts to hedge grain positions and more training is scheduled for 1996.



After 106 years in the elevator business, the Sexauer Company, Brookings SD, made the decision to liquidate its elevator division. Sexauer has full or half ownership in 11 facilities in eastern South Dakota and one in Nebraska. At the end of 1995 Sexauer was contacting prospective buyers and had found interested parties for most of the facilities. The Commission is

actively involved in the liquidation process to ensure that producers who are awaiting payment for grain sold to Sexauer are protected. Additionally, the Commission is working with Sexauer and the buyers to facilitate a smooth transition and ensure compliance with state statutes and administrative rules. Sexauer has indicated that it will continue to operate its seed division.

On June 27, the Commission received a complaint concerning Roger Napton from Frederick, South Dakota. Mr. Napton was licensed as a grain dealer with the Commission. The individual who filed the complaint had sold grain to Mr. Napton and received two checks for payment. Both of the checks were returned from the bank due to insufficient funds. The Commission initiated an investigation to determine the extent of liability involving grain purchases by Mr. Napton. On July 13, 1995, Mr. Napton filed a petition for bankruptcy in federal court. Fifteen producers and elevators filed claims against Mr. Napton's 1994 and 1995 grain dealer bonds. Claims totalling \$66,696.70 were submitted against a total of \$50,000 in bond coverage. The Commission was appointed as receiver of the bond proceeds and held a hearing to consider the evidence supporting the claims. The Commissioners ultimately approved claims totaling \$61,054.74. The Commission's findings and recommendations were submitted to circuit court for approval in early 1996. The Commission also anticipates the bonding company involved will take the position that the total bond coverage available for distribution should be \$25,000 instead of \$50,000.



Transportation/Warehouse Division Staff: Front row from left to right: Jim Konechne, Accountant/Inspector; Ed Anderson, Division Director. Back row from left to right: Terri Lesmeister, Administrative Assistant; Marlette Fischbach, Administrative Assistant; Lou Hammond, Inspector; Dick Gallup, Inspector.



Federal Storage Registration

Alcester Feed & Grain Company Alcester	Bancroft Grain Terminal Company Bancroft, Erwin, DeSmet & Oseloa	Bernard L. Van Vuuren Inc. Corsica
Cargill Inc. Yankton, Avon, Lennox, Scotland, Trent, Vienna, Colman, Monroe, Parker, Vermillion, & Bowdle	Cenex Supply & Marketing, Inc Eureka	Colton Farmers Elevator Colton & Lyons
Conagra, Inc. Dakota Mill & Grain Rapid City, Belle Fourche, Ft. Pierre, Midland, Philip, Presho, Murdo, Wall, & Sturgis	Continental Grain Company Emery	Coop Inc. Tyndall & Springfield
Dakota Pride Cooperative Winner, Burke, Dallas, & Fairfax	Farmer Elevator Co Hudson	Farmers Coop Grain Company Britton
Farmers Cooperative Association Wagner	Farmers Cooperative Elevator Company Beresford	Farmers Elevator Company Humboldt
Farmers Union Cooperative Elevator Kennebec & Reliance	Green Thumb Commodities Inc Oldham	Hunting Elevator Company Canton & Tea
Richard H. Lunders Tolstoy Feed & Grain Tolstoy	Midwest Cooperatives Pierre, Philip, Blunt, Midland, Onida, & Draper	Mueller's Feed Mill Inc Martin
Oahe Grain Corporation Onida	Petersen Grain Inc. Cresbard	Potter County Coop Gettysburg
Stan's Feed & Grain, Inc Alpena, & Wessington Springs	The Sexauer Company Brookings, Aurora, Clear Lake, Elkton, Gettysburg, Harrold, & Miller	Vermillion Fertilizer & Grain Elevator Vermillion
West Plains Grain Inc Oelrichs	Witten Feed & Grain Co Inc Witten	Yaggie's Inc Yankton & Volin

General Storage Registration

American Freezer Services Inc Sioux Falls	Arlen & Patty Schuh, Schuh Rentals Mitchell	ASP Inc. AACTION Moving & Storage Rapid City
B.N. Transfer & Storage Rapid City	Barkley Truck Lines Watertown	Black Hills Movers Inc Rapid City
Center of the Nation Wool Inc Belle Fourche	City of Edgemont Edgemont	Consumers Supply Corporation Bauer Warehousing Company Sioux Falls
George Perkins Storage & Transfer Co Brookings	Green's Moving & Storage Rapid City	Hammrich, Leonard & Shirley Tobin Transfer & Storage Mitchell
Hansen Maves Company Rapid City	Hardcastle, William Hardcastle Transfer & Storage Mobridge	Hogg Restaurant Service Aberdeen
Honey World Inc Parker & Chancellor	Hook, Robert G. Roush Moving & Storage Rapid City	Jobbers Warehouse Co Inc Aberdeen
Kedney Moving & Storage Sioux Falls	Marlyn Christensen & Allen Schuh C & S Partnership Mitchell	Midtown Storage & Distributing Inc Sioux Falls
Mt. Rushmore Movers Inc D & R Moving & Storage Rapid City	Mueller's Storage Sioux Falls	Nordica Warehouses Inc Sioux Falls
Northwestern Warehouses Inc Sioux Falls	Outback Mohair & Wool of America, Inc Lemmon	Package Delivery Company Burns Moving & Storage Sioux Falls
Parker Transfer & Storage Inc Sioux Falls	SJH Realty Corporation Aberdeen	Steward, Rosmaye & W D BUB's Golf Car Sales Sturgis

General Storage (continued)

Valley Queen Cheese Factory Inc
Milbank

Vanderhule Moving & Storage, Inc
Yankton

Vanderwer, Muriel Pat
Pat's Moving & Storage
Spearfish

World Class Movers Inc
Rapid City

Grain Brokers Registration

Agri Trading Corporation
Hutchinson, MN

Agway Consumer Products Inc
Agway Inc
Syracuse, NY

American Agco Inc
South St. Paul, MN

American Crystal Sugar Company
Progold Grain
Moorhead, MN

Archer Daniels Midland Co
Growmark
Decatur, IL

Atwood-Kellogg Compnay
Minneapolis, MN

Benson Quinn Company
Brandon, SD

Blachowske, Dwane
Fairmont, MN

Bridgeway Trading Corporation
Minneapolis, MN

Britton Durum Corporation
Britton, SD

Britton Grain Management Corporation
Britton, SD

Bush Brothers & Company
Dandridge, TN

Commodity Marketing Co. Inc.
Memphis, TN

Crow, Robert & Bonnie
Dakota Feed & Seed
Bison, SD

Debruce Grain Inc
N Kansas City, MO

Empire Feed & Grain Inc
Lyons, SD

Farmers Grain Dealers Inc
W Des Moines, IA

Farmland Industries Inc Grain Division
Kansas City, KS

Foxley Grain Co
Omaha, NE

Giese & Associate Swiss Imports
Seattle, WA

Hansen Mueller Company
Omaha, NE

Hawkeye Commodities Company
Grimes, IA

Hoffman, Duane W
Rockham, SD

Itochu International Inc.
New York, NY

Kimmel, Kenneth L.
Kimmel Grain
Colome, SD

Knight Seed Company Inc
Burnsville, MN

Koch Agriculture Inc.
Wichita, KS

Lamb, Gary
Commodity Exchange
Sioux Falls, SD

NFO, Inc.
Ames, IA

North Pacific Trading Co
Portland, OR

Pennington Seed Inc
Penn Pak I
Madison, GA

Peterson Grain & Brokerage Co Inc
Meriden, MN

Red River Commodities, Inc
Fargo, ND

Schumacher, Russell S
Zeeland, ND

Schwieger Grain Inc
Fairmont, MN

Specialty Commodities Inc.
Fargo, ND

SVO Specialty Products, Inc.
The Lubrizol Corporation
Breckenridge, MN

Terca, James J.
Presho, SD

The Scoular Company
Omaha, NE

Winsor Grain Inc
Minneapolis, MN

Non-Storage Registration

A.V. Seeds Inc.
Aby's Feed & Seed Company
Rapid City

Aman, Lester & Curtis
Hosmer Elevator
Hosmer

Cenex Supply & Marketing, Inc.
Irene

Clark Nutrition, Inc
Clark

Dakota Best Inc
Redfield

Dakotaland Bird Seed Co
Vivian



Non-Storage (continued)

Farmers Elevator Company Ree Heights	Foothills Seed Inc Sturgis	Hakl, Steve Dante Feed & Grain Dante
Hanten, Oliver & Edmund Hanten Grain White Lake	Hausmann Feed Mill Burke	Herbert Gossel & Sons Kimball Grain Company Kimball
Hesco Inc Watertown	Hofer, Paul Hofer Ag Service Doland	Huffton Grain Accumulation Point Claremont
Interlake Feed Supply Madison	Kermit's Farm Center Inc Watertown	Lee's Feed Supply Inc Beresford
McFleeg of SD, Inc Bowdle	Millerdale Hutterian Brethern Inc Miller	Minnerath, Dean DM Grain Co Hoven
Moeckly Elevator Inc Britton	Moller, Keith A. Splitrock Feeds Rowena	Nenaber, Ronald L. Western Feed Company Belle Fourche
Pearl View Seend Inc Cavour	Pranger's Feed Mill Platte	Putney Grain Inc Putney
Reecy Farm Supply Co Dell Rapids	Richland Ag, Inc. Doland Grain Products Doland	Rodger T. Jensen & Joe Pekron Rancher Feed & Seed Buffalo Gap
RZ Enterprises, Inc Zell	Shutt, Robert Kingsburg Grain & Feed Springfield	Spink County Grain Processors Inc Turton Elevator Turton
Starr Grain & Implement Inc Bison	Summit Elevator Inc Summit	Sunbird Inc Huron
Waugh, Roy Waugh Trucking & Grain Wakonda	Wheetco, Inc. Groton	Wieczorek, John Betts Elevator Mt. Vernon
Zip Feed Mills Inc Sioux Falls & Huron		

Truck Brokers Registration

Allen, Russell Fairfield, MT	Arnall, Ben H. Arnall & Sons Lumber Hartville, MO	Arndt, Paul Glenham, SD
Bigler Farms Inc Dupree, SD	Bob Curtis Trucking Inc Winner, SD	Breen, Patrick J. Seneca, SD
Carlson, Scott Seneca, SD	Central States Non-Stock Cooperative Fremont, NE	Christensen, Douglas Quint-C-Acres Athol, SD
Circle E Grain Inc Belden, NE	Danielski Farms Inc. Crookston, NE	Donnelly Grain, Inc Elk Point, SD
Eich Trucking Inc Colman, SD	Farmer, Lowell Polo, MO	Feist, Dennis & Wendy WD Trucking Herreid, SD
Fordyce Co-op Lumber & Supply Fordyce, NE	Fries, Dan & Linda Fries Trucking Fairfax, MO	Gaylen Petroleum Co Atkinson, NE
Gangestad, Ione H. & I Grain Co. Hetland, SD	Grocott, Glen Humboldt, SD	Hanna, Terry Toronto, SD
Harlow, Kenneth Harlow Trucking Emmet, NE	Hoeper, Terry Hoeper Feed & Grain Rich Hill, MO	Hofer, Daniel A Doland, SD

Truck Brokers Registration

Horner, Carter Horner Grain & Trucking Hudson, SD	Huot, Ronald Centerville, SD	Husker Coop Columbus, NE
Johnson Feed Inc Canton, SD	Jones, Douglas Ipswich, SD	Kaiser Trucking Inc Winner, SD
Knodel, Keith A. Knodel Transportation & Storage Freeman, SD	Kranz, Thomas Clark, SD	Kuecker, David or Paul Kuecker Brothers Farms Webster, SD
Langland, Steven Bruce, SD	Langley, Dallas Sidney, NE	Lechman, Ed L. Merino, CO
Lee Enterprises Inc Volin, SD	McFleeg, Inc Watertown, SD	McGrew, Ted McGrew Wholesale Grain Carrollton, MO
Miller, Renee E. Mills Distributing	Mitzel & Sons, Inc Herreid, SD	Moen, Maynard Peever, SD
Myron, Craig Meckling Fertilizer Company Meckling, SD	Nordling, Dennis Madison, SD	Norton, George Jefferson, SD
Norton, Jon Salix, IA	Olson, Donald Bradley, SD	Payer, Wallace Wagner, SD
Pfaff, Lynn Pfaff Trucking Fairfax, SD	Pierson, Glenn R. Pierson & Sons Columbia, SD	Ristvedt, Paul Ristvedt Trucking & Grain Service Watertown, SD
Sand, Raymond & Genene Sand Trucking Dallas, SD	Schilling Kevin Selby, SD	Schuster Company LeMars, IA
Selland Livestock Inc Woonsocket, SD	Shoemaker Grain Co Inc Belle Fourche, SD	Spanier, Roger Spanier Trucking Groton, SD
Stanton, Howard, Darlene, Ralph & Connie Stanton Feed & Grain St Joseph, MO	Steve Nelson Trucking, Inc Billings, MT	Stevens, Richard Dupree, SD
Swedlund, Jerry Arlington, SD	Teem, Don & Dennis Easton, MO	Thorestenson, Norman Selby, SD
Tinsley Grain Inc Neligh, NE	Tri-Star Inc West Fargo, ND	Van Zee, Jerry Platte, SD
Veal, Francis D. Meadow, SD	Waldner, Ernest & Debra Waldner Trucking Raymond, SD	Weinrich Truck Line Inc Hinton, IA
Welch, Charles Watertown, SD	Wetlaufer, Gary Wetlaufer Trucking O'Neil, NE	Wuebben, Gerald Gayville, SD
Wynn, J. Ben Wynn Brothers Trucking Burlington Jct, MO		



State Licensed Storage

Alexandria Grain & Oil Alexandria	Amkota Coop Wessington Springs	Arlington Farmers Elevator Company Arlington
Ashton Grain Company Ashton	Asmussen Grain Inc Agar	Astoria Farmers Electaor Company Astoria
Badger Farmers Cooperative Badger	Baltic Farmers Elevator Company Baltic	Bartling, Bart Bartling Feed & Grain Burke
Benson-Quinn Company Egan Grain Company Egan	Bison Grain Company Bison	Brandt Grain Company Brandt
Browns Valley Community Elevator Peever	Burbank Grain Co Inc Burbank	Canova Coop Canova
Carthage Farmers Elevator Co Inc Carthage	Castlewood Farmers Elevator Castlewood	Central Dakota Grain, Inc Timber Lake
Clark County Farmers Elevator Co Clark	Corona Grain & Feed Company Corona	Corsica Cooperative Association Corsica
Dakota Ag Coop St. Lawrence, Highmore, Miranda, Rockham & Wessington	Damar Farmers Elevator Langford, Andover, & Pierpont	Dell Rapids Cooperative Grain Co Dell Rapids
Dimock Farmers Elevator Dimock	Discount Farm Center Watertown	Domestic Feed & Supply Madison
Duncan Brothers Elevator Inc Flandreau	Eagle Butte Cooperative Assn Eagle Butte	Eastern Farmers Coop Division of Harvest States Cooperative Garretson, Sherman, Corson, Brandon, & Crooks
Equity Cooperative Association Wilmot	Estelline Cooperative Grain Company Estelline	Faith Grain Company Inc Faith
Farmer's Coop Elevator Division of Harvest State Cooperatives Mitchell, Letcher, & Alexandria	Farmers Coop Elevator Company Rosholt	Farmers Cooper Elevator of Sisseton Sisseton, New Effington, & Hammer
Farmers Cooperative Association Ethan	Farmers Cooperative Company Brookings, Toronto, & White	Farmers Cooperative Elevator Dupree
Farmers Cooperative Elevator Co Cavour	Farmers Elevator Co of Holmquist Holmquist	Farmers Elevator Co of Jefferson Jefferson
Farmers Elevator Co of Mission Hill Mission Hill	Farmers Elevator Co of Mt. Vernon Mount Vernon	Farmers Elevator Company Elk Point
Farmers Elevator Company Forestburg	Farmers Elevator Company of Platte Platte	Farmers Elevator Company of Tripp Tripp & Parkston
Farmers Grain & Stock Company Menno	Farmers Oil Company Orient	Farmers Union Coop Assn of Marshall Co Amherst, Kidder, & Claremont
Farmers Union Coop Oil Co Bryant	Farmers Union Cooperative Assn Salem, Unityville, & Montrose	Faulkton Elevator Company Faulkton
Florence Farmers Elevator Florence	Sam Fousek Trucking Wagner	Fre Mar Farmers Cooperative Marion & Freeman
Freeman Fertilizer Co, Inc Mc Cook Feed & Fertilizer Canistota	Fulton Farmers Elevator Fulton	Gary Vogt Vogt & Sons Trucking Bonesteel
Geddes Farmers Cooperative Geddes	Goodnow, Robert Colome Farm Service Colome	Gregory Farmers Elevator Company Gregory

State Licensed Storage (continued)

Hansmeier & Son Inc Bristol	Hartford Farmers Elevator Co Hartford	Harvest States Cooperative Canton, Claire City, Fairview, Harrisburg, Milbank, Selby, Wentworth, Worthing, Winner, Groton, Conde, Ferney, Gettysburg, Mayville, & Ellis
Hayti Farmers Elevator Company Hayti	Hazel Farmers Elevator Hazel	Hefty, Ronald Hefty Seed Company Centerville
Herreid Equity Exchange Herreid	Hoelsing, Lyle and Linda Tabor Feed and Grain Tabor	Hoven Equity Exchange Hoven
Howard Farmers Coop Howard	Hurley Elevator Hurley & Davis	Isabel Cooperative Inc Isabel
Kadoka Equity Union Exchange Kadoka & Belvidere	Kaylor Grain Company Kaylor	L & O Acres Inc Ipswich
Labolt Farmers Grain Company Labolt & Stockholm	Lake Andes Farmers Cooperative Co Lake Andes	Lake Norden Farmers Elevator Company Lake Norden
Lake Preston Coop Assn Lake Preston & Oldham	Land O' Lakes Inc Volga	Lebanon Equity Exchange Lebanon & Gettysburg
Lowry Farmers Exchange Lowry	Madison Farmers Elevator Company Madison, Nunda & Ramona	Mansfield Grain Exchange Inc Mansfield, Hecla, & Stratford
McIntosh Watauga Equity McIntosh	North Central Farmers Elevator Ipswich, Java, Craven, Leola, Northville, Chelsea, Wecota, & Onaka	Northeast Terminal Inc Watertown
Olson, Dennis C Bradley	Parkston Grain Company Parkston	Pollock Farmers Elevator Pollock & Glenham
Purina Mills Inc Aberdeen	Raba, Thomas New Underwood Grain Co New Underwood	Revillo Farmers Elevator Revillo
Ridgeview Grain Inc Ridgeview	Riley Company Inc Irene	Roslyn Elevator Roslyn
Schroeder Elevator In Bridgewater	SD Wheat Growers Association Aberdeen, Andover, Athol, Brentford, Bristol, Chamberlain, Columbia, Cresbard, Frankfort, Huron, McLaughlin, Mellette, Redfield, Roscoe, Stratford, Tulare, & Frederick	Sinai Cooperative Elevator Company Sinai
South Shore Elevator Company South Shore, Waubay, & Waverly	Southwest Grain Farm Marketing Supply Lemmon, Thunder Hawk, Belle Fourche	Spencer Grain Company Inc Spencer
Stickney Cooperative Elevator Assn Stickney	Swenson Brothers Investments LLC Sioux Nation Ag Center Lesterville	Tschetter, Rodney Bridgewater
Utica Grain & Feed, Inc Utica	Valley Springs Farmers Coop Valley Springs	Viborg Cooperative Association Viborg
Wallace Farmers Elevator Company Wallace & Garden City	Warner Cooperative Elevator Company Warner	Watertown Coop Elevator Assn Watertown, Bruce, Grover, Henry, Kranzburg, Webster, & Waubay
White Lake Grain & Feed Inc White Lake & Faulkton	Willow Lake Farmers Elevator Willow Lake	Wolff Company Inc Eureka
	Yale Farmers Cooperative Yale	

♦ Consumer Affairs ♦

Yesterday...

The following chart depicts the total number of consumer contacts received by the Commission over the past 19 years.

Year	Electric	Natural Gas	Telecommunications	Other	Total
1976	119	25	115		259
1977	296	38	273		607
1978	357	97	210		664
1979	326	155	173		654
1980	459	177	117		753
1981	323	165	188		676
1982	138	84	323		545
1983	776	135	981		1,892
1984	443	382	5207		6,032
1985	385	232	906		1,523
1986	335	175	683		1,193
1987	269	455	1240		1,964
1988	276	154	374		804
1989	315	98	430		843
1990	117	37	189	4	347
1991	225	83	434		742
1992	193	63	508	34	798
1993	196	72	369		637
1994	178	112	512	50	852

Today...

The primary function of the consumer affairs division of the Public Utilities Commission is to resolve complaints between individual customers and their respective utilities. However, the division is far more



Leni Hook
Consumer Affairs

dynamic than one would typically expect. For example, the division also raises consumer awareness about important utility matters and promotes consumer involvement in Commission proceedings affecting their utility service.

The consumer affairs division is the direct link between utility customers and the Commission. It is here that the Commission learns of utility related problems affecting consumers; identifies trends; and obtains consumer feed-back regarding utility rate changes and changes in industry practices. It is also here that consumers learn of upcoming Commission actions and of new state and federal rules that impact consumers.

This past year was a busy one for consumer interaction with the Commission. Perhaps this is a testimonial to the sweeping changes in utility technologies and to the expanded scope of highly visible issues which came before the Commission.

When U S WEST announced its

intention to sell 67 local telephone exchanges, the public became acutely aware of the Commission's role in telecommunications. When extreme weather conditions caused extensive damage to power lines and when Congress proposed selling WAPA assets, the public became more aware of the Commission's involvement in electric matters. When mergers and rate increases affected natural gas consumers, they, too, became more aware of the Commission's authority over gas utilities.

As aggressive marketing efforts by telecommunications providers intensified, the public became aware of the Commission's willingness to referee the marketplace. When some of the state's grain elevators suffered financial losses, producers realized the protections afforded by the Commission's inspection program. The Commission's influence on the everyday lives of South Dakotans is becoming increasingly apparent to consumers.

A total of 2,433 consumer-initiated contacts were recorded during 1995. Over 98 percent of the issues raised through these contacts were handled informally. The remaining issues were handled through a formal complaint process and the matter was brought before the Commissioners for their adjudication.

Eighty-two percent (or 1,999 contacts) involved telecommunications. Leading the list of concerns were various extended area service proposals,

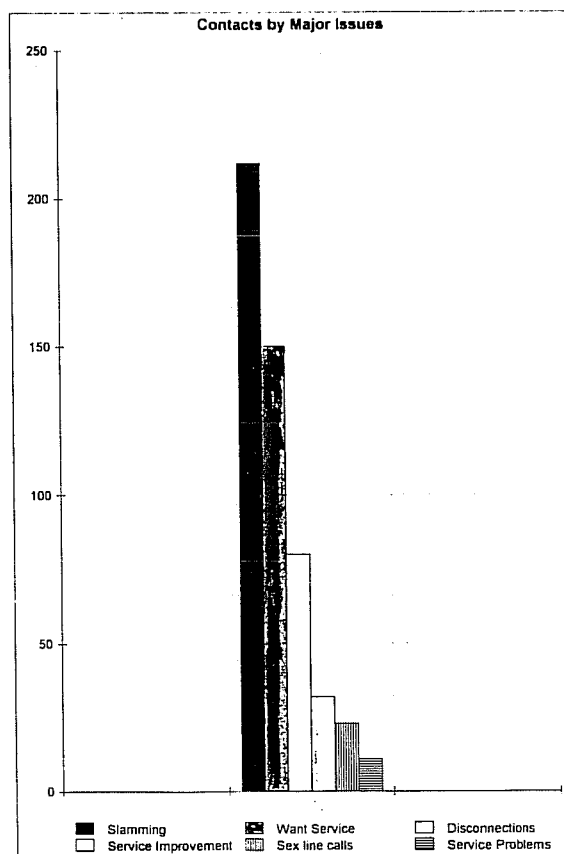
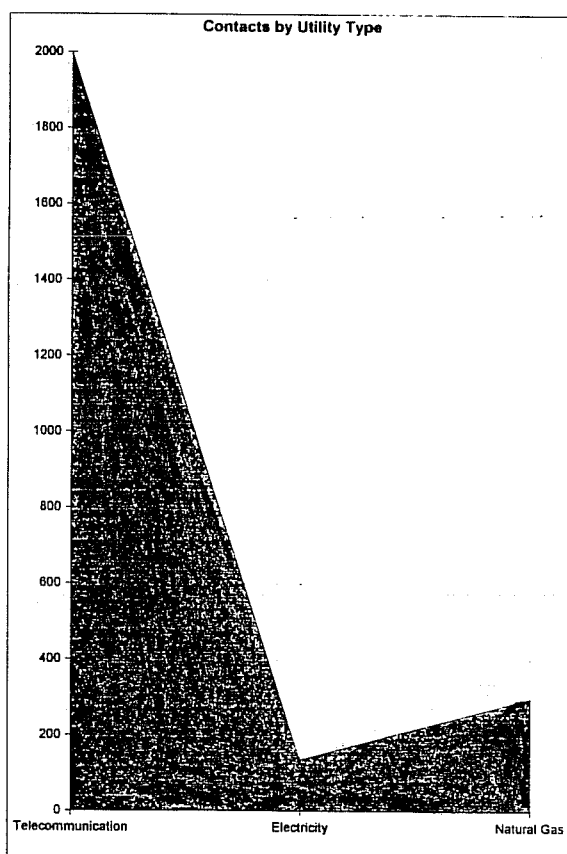


consumers who did not get telephone service when promised, and slamming (the unauthorized changing of a long distance company). Other concerns addressed were sex line calls, disconnections, service problems, rates, service improvements, rude employees, service territory assignments, service outages, and deposits.

Twelve per cent (or 298 contacts) were natural gas issues. Disconnections, meter problems, deposits, high bills, rude employees, service improvement requests, and the inability to get service were the issues identified.

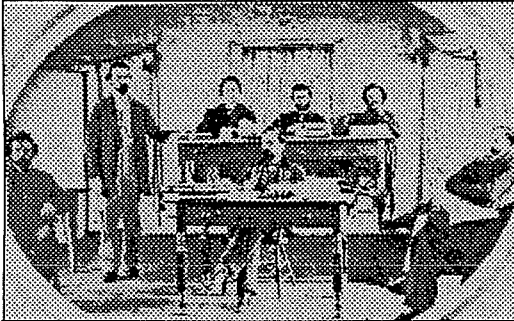
Six percent (or 136 contacts) involved electricity. Placement of power lines, service outages/problems, disconnections, deposits, faulty meters, high bills, and stray voltage concerns were brought to the division's attention.

The Commission has expanded its communications capabilities and looks forward to interacting with consumers and utility companies through the internet. The consumer affairs division can be reached at lenih@puc.state.sd.us.



Legal Services

Yesterday...



The 1867 Territorial Supreme Court conducted its first meeting as an appeals bench in Yankton. The members of that court were Jefferson P. Kidder, Ara Bartlett, and John W. Boyle. Photo courtesy of South Dakota Supreme Court.

Today...

As shown by the Commission's summary of its court cases, 1995 was a busy year for the Commission's attorneys. Four of its administrative decisions were appealed to circuit court. In addition, the Commission acted as a receiver to distribute the bond proceeds of a grain dealer who declared bankruptcy. The Commission also chose to join with other states and state commissions in a review of a Department of Energy (DOE) decision concerning when the DOE would begin to accept radioactive waste and spent nuclear fuel.

In 1995, the Commission opened one rulemaking docket, RM95-001. This docket was opened at the request of AT&T. The Commission proposed rules concerning the provisioning of 1+ intraLATA equal access. After the hearing, the Commission decided not to go forward with the 1+ rules due to

the uncertainty caused by the then pending federal legislation. The Commission did adopt some revisions to existing rules concerning certificates of authority.

In addition to the more routine dockets in 1995, there were a number of rate cases filed by our regulated utilities. The legal staff worked on two rate cases from our electric utilities, three rate cases from our natural gas utilities, and one from a telecommunications company.

We anticipate that 1996 will be a challenging year for our legal division due to the rapidly changing legal structure surrounding the regulation of public utilities. Changes in state and federal laws will inevitably present legal questions concerning the interpretation of the new or revised statutes. We look forward to meeting the challenges ahead of us.



PUC Legal Services Staff from left to right: Rolayne Ailts Wiest, General Counsel; Camron Hoseck, Staff Attorney, and Karen Cremer, Staff Attorney.



♦Fixed Utilities Division♦

Yesterday...



Lineworkers for South Dakota's early electric companies used horse-drawn pole boom wagons to haul their equipment to transmission construction sites. Photo courtesy of NWPS.

Today...



Part of the Fixed Utilities Staff: From left to right: Greg Rislov, Division Director; Steve Wegman, Analyst; Tammi Hendrix, Pipeline Safety Inspector; Harlan Best, Telecommunications Analyst/Deputy Director; Bob Knadle, Analyst; Charlie Bolle, Telecommunications Analyst.

Today...

DIVISION YEAR IN REVIEW

1995 combined a heavy dose of traditional ratemaking with consideration of fundamental industry changes. Telecommunications began industry restructuring with the break-up of AT&T in 1984. Steps taken since, and pending Congressional action (at the end of 1995) continue and accelerate the process. The natural gas industry began moving toward competition with the National Energy Act of 1978. We are now at a point where competitors for the local market have appeared. The electric industry is now debating issues raised by the Federal Energy Regulatory Commission (FERC) with its March 29, 1995, issuance of a notice of proposed rulemaking (NOPR). This NOPR, which has been coined as the Mega-NOPR, considers issues related to open access transmission. Open access transmission would effectively open the electric generation market to competition.

1995 activities included processing of six major rate case filings, the most recorded in one year since 1975 when the Commission began regulating electric and natural gas utilities. These filings were complicated by consideration of deregulatory issues. We had one new company, AMPI Pipeline, Inc. start a natural gas transmission business. The Commission approved a settlement (TC94-121) between U S WEST and Commission staff which will make state-of-the-art telecommunications

services available to all South Dakota U S WEST customers. The Commission also approved the sale of sixty-three U S WEST exchanges to various South Dakota independent and cooperative telephone companies. 1995 was indeed remarkable for the PUC, the utilities, and the citizens both serve. Some of the more notable dockets are further highlighted below:

TELECOMMUNICATIONS

GENERAL

The South Dakota PUC became more visible in national telecommunications policy as Commissioner Schoenfelder was appointed to the Federal-State Joint Board. Fixed Utilities Division member Charlie Bolle is serving as her staff for Board-related matters. Our watershed year was further marked by U S WEST's sale of exchanges (Docket TC94-122), a transaction which was subject to PUC hearings and decision. The year concluded with Commission approval of a multi-faceted settlement between U S WEST and staff. The settlement, Docket TC94-121, resolved a rate increase filing, a three-stage phase-in of the increase, a change in regulatory method, a major investment program, and other technical matters designed to hasten technology deployment in South Dakota.

EXTENDED AREA SERVICE

Extended Area Service (EAS) issues have often made appearances, but none ever were more prominent than those filed or resolved in 1995. Docket TC94-092 was a request made



by residents of Volga who wished to have EAS to Brookings. The petition was complicated by the fact that there were three different service providers, and helped because of the shared community interests. Through the efforts of USWC, the City of Brookings, Interstate Telephone Cooperative, and interested parties in both towns, EAS became a reality. An EAS petition of unprecedented scope appears in Docket TC95-034. This EAS request would make virtually all of the USWC Black Hills exchanges a local calling area. Hearings on the matter are expected in the Spring of 1996.

RATE CASES

As mentioned above, USWC filed for rate relief in Docket TC94-121. This was the first such filing in ten years. USWC filed a limited-adjustment case purporting to support local rates in excess of \$21.00 per month for residential service. Staff's case derived a revenue requirement in excess of \$20.00 per month. The case was finally settled at a revenue requirement of \$19.35 per month, with the increases phased-in over three years in three installments. As discussed below, this case addressed additional, unprecedented issues in an unprecedented manner.

INDUSTRY CHANGE

Dockets TC94-121, TC94-122, and TC95-044 were exemplary signals of industry change. Why? TC94-121 established new ratemaking standards, i.e., a price ceiling with flexibility to lower prices to meet competition, an investment plan that will make South Dakota technology the national standard, distance learning models

and funding, elimination of rural rate differences, new services, and more. TC94-122 is the sale of USWC exchanges docket. Over one-half of USWC South Dakota exchanges are scheduled to be transferred to other local exchange companies. These exchanges on average contain fewer subscribers than those exchanges retained by USWC. Even so, this provides a glimpse of the future where "change will likely be a constant." Docket TC95-044 was initiated in response to two major outages. Both outages resulted from a severed buried cable. While it's reasonable to expect occasional occurrence of "incidents," it is also reasonable to expect timely correction of the problem. As we move closer to a more communications-intensive society, "timely" correction moves ever closer to equating to virtually "instantaneous" correction. Virtual instantaneous correction can be achieved through several means. This docket explores those means.

COMPLAINTS

Fundamental industry change seldom comes easy. The difficulty seems multiplied when the industry has been franchised as a legal monopoly, and served every customer within its territory. New marketers emphasizing price over service may ignore what had been regulated industry norms. The expected effect of the changes is increased and unique customer complaints. While it is arguable that TC95-100 et.al., a series of complaints regarding the appropriate costs of providing service to a new housing development are

unique, the frequent appearance of these complaints is a harbinger of the future. Why? Because utilities in a competitive market have less assurance of cost recovery. Competitors will attempt to erode markets and trim profit margins. Utilities are motivated to limit their financial exposure.

Another complaint (with an unusual twist) arose because of changing technology. TC95-026 concerned a customer complaining about erroneous billing. The customer's service had been limited to local calls as the customer had left previous long distance bills unpaid. The customer then allegedly used his computer to bypass the "toll blocker." As a result, the customer was sent a bill for the unexpected usage. The customer complained the bill was too high, that he had not made all the calls assigned to him. Special equipment registered that he had. The Commission issued its decision on the filing. A short time later the complainant was arrested on kidnapping and other felony charges. He is now serving time for these crimes.

ELECTRICITY

GENERAL

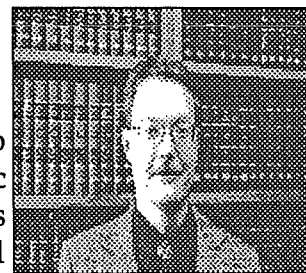
The electric industry is rumbling toward the competition starting gate. The Federal Energy Regulatory Commission (FERC) last summer issued the so-called MegaNOPR (Notice of Proposed Rulemaking) in FERC Docket RM95-8-000. The MegaNOPR outlined FERC's preliminary view of which steps are necessary to assure transmission system open access. What could this

mean? It means that any wholesaler can generate or purchase electricity and have it transported at a nondiscriminatory cost through the nationwide electrical grid. Utilities would no longer control access to their transmission systems. Is this good for the consumer? Consumer benefit is predicted, but the path to achieve benefits is far from clear. It does follow the natural gas and telecommunications industries' deregulatory trend. Electrical service is generally categorized into three main components: 1. generation, 2. transmission, and 3. distribution. Open transmission access essentially deregulates the first two categories. If this happens, electricity wholesalers (the utilities that now serve us) will be able to deal in a competitive market. Retail customers will still be tied to the local distribution monopoly. If distribution service, or "retail wheeling" becomes competitive, we all will theoretically deal in a competitive market.

RATE CASES

Two major electric service rate cases were filed and processed in 1995. Black Hills Power & Light

(BHP) filed its first general revenue increase request since the early 1980s. The BHP request (Docket EL95-003) was tied to the construction of a new 80 megawatt base load power plant, Neil Simpson II, which was placed into operation in late summer. A unique feature of the filing was the co-filing of



*Dave Jacobson
Analyst*



an Integrated Resource Plan (IRP). The IRP was a complex study designed to estimate the costs of various power supply alternatives. Over 100 alternatives were evaluated. Neil Simpson II was determined to be the best option. This was the first in-depth examination made by the Commission of an IRP analysis.

The rate case was resolved by a settlement among BHP, several intervening parties, and Commission staff. The Settlement included unprecedented conditions, including a combination rate increase moratorium and elimination of the fuel adjustment clause until January 1, 2000. BHP was given a significant degree of price freedom for sales made to qualifying customers. BHP in 1992 predicted a Neil Simpson II-related increase of approximately 25%. BHP eventually filed for a 9.96% increase, and settled for a 6.76% increase.

Midwest Power (formerly known as IPS Electric, and now known as MidAmerican Energy) filed Docket EL95-011 in May requesting an increase of \$346,176 or 8.4%. Midwest once again filed a cost of service which supported a much larger increase (over \$800,000), but asked for only a fraction of that amount. Midwest's two previous filings (in the early and mid-1980s) were similarly constructed. Why? One can speculate several reasons, the first being to avoid rate shock. A second is the relative insignificance of the revenue stream to the total corporate operation. Another is the desire to maintain attractiveness of the North Sioux City area business environment. Still another is maintaining similar rates between Iowa and South Dakota service

territories.

Staff's analysis yielded a required revenue increase below the \$800,000, but above the \$346,000. The Commission approved the increase.

INDUSTRY CHANGE

Docket EL94-022 was initiated to consider standards as required by the federal Energy Policy Act of 1992. The docket was processed and decided in 1995. In a nutshell, the Commission rejected establishment of the standards, the cornerstone of which was mandatory Integrated Resource Plans. The Commission's decision was opposite of virtually every other state. The Commissioners generally considered adoption of the standards unnecessary in light of the costs v. the benefit of required studies, and the coming of age of competition.

COMPLAINTS

From time-to-time a complaint centers around service instead of monetary issues. Docket EL95-005 concerns one of those complaints. The customer claimed substandard company facilities induced stray voltage in the customer's milking barn. The company claimed the stray voltage was caused by the customer's substandard wiring. Although there was a monetary claim related to lost milk production, this Commission has no authority to award damages. The Commission does have authority to prescribe correctional steps for a technological problem. Commission action therefore focused on unmasking and correcting whatever problem existed. The Commission staff retained a consultant with extensive

experience. Both staff's consultant and the complainant's consultant investigated. The utility also had technicians attending the examinations. The complaint was answered with a solution that met with approval for curing immediate concerns. The complainant's request for damages was not, and could not be ruled upon by the Commission.

NATURAL GAS

There were three requests for general increases in natural gas rates. Midwest Gas (MWG, now known as MidAmerican Energy) filed Docket NG95-006 in May. MWG filed for an increase of \$3,309,000 or 6.84%. MWG serves approximately 57,000 customers in southeast South Dakota, including Sioux Falls and Yankton.

Pam Natural Gas, a newly organized natural gas marketer operating from Sioux Falls headquarters, filed for late intervention. While the Commission has allowed late interventions in many dockets, Pam's attempted intervention was so late (coming very near the end of the statutory suspension period and after MWG and staff had reached settlement) the Commission denied the intervention. Even so, the Settlement established a new body of natural gas transportation tariffing conditions. Pam Gas is now operating under these tariffs.

The Settlement resulted in an annual increase in revenues of \$1,897,000 or 3.92%.

NG95-008 was a filing by an intrastate natural gas pipeline, South Dakota Intrastate Pipeline Company (SDIPC), for an annual rate increase of \$108,000. SDIPC serves one customer, Montana-Dakota Utilities Co., Inc. (MDU). MDU is the local distribution company for several towns being served along the SDIPC pipeline, the largest being Pierre. The requested increase was limited to less than the cost of providing service due to a contractual arrangement between MDU and SDIPC. MDU intervened and opposed any increase. Commission staff's analysis supported the increase. The Commission held a hearing and approved the increase on the basis of the evidence.

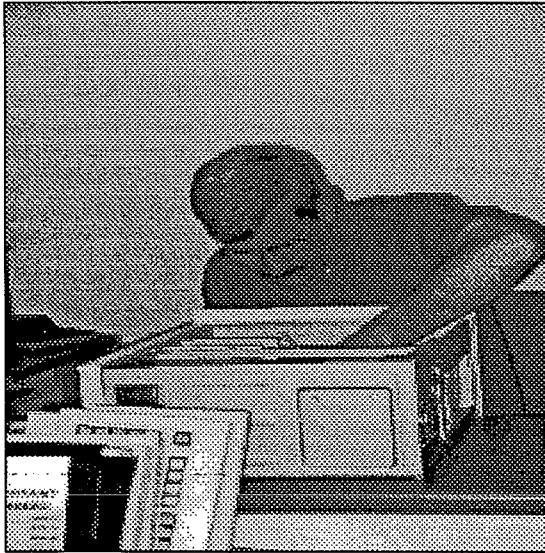
A third natural gas revenue increase request (of sorts) was filed by AMPI Pipeline Company, Inc. (AMPIP). This company was newly formed to begin offering service. The Commission delayed (Docket NG95-017) formal review of the revenue requirements pending further development of the customer base.

INDUSTRY CHANGE

Dockets NG95-006 and NG95-017 deliver "the natural gas industry future is now" message. NG95-006 called for conditioning transportation service from the ground up. Transportation service allows an entity other than the local distribution utility to provide service. How? By forcing the local utility to offer their pipeline to any shipper wanting to provide service. The shipper then pays an approved cost to do so. We have little



experience in establishing these types of tariffs. The future promises we will gain experience out of necessity. NG95-017 demonstrates the ease of establishing new entrants into the market. AMPIP is a start-up pipeline seeking to attract new markets. AMPIP was constructed through the efforts of several players, all of which used newly established market freedom to put the deal together.



Martin Bettmann, engineer, also acts as our computer repairman and caretaker for the Commission's plants and fish.

◆ 1995 Legislative Action ◆

- SB 48** This bill amended federal citations to the pipeline safety inspection program administered by the Commission. The bill was signed by the Governor on February 1, 1995.
- SB 49** This legislation was introduced by the Commission to eliminate the Commission's authority to regulate public storage warehouses. It was amended to transfer the Commission's grain and warehouse authority to the Department of Agriculture. It failed to pass.
- SB 104** This legislation was introduced to repeal all regulation of motor carriers by the Commission and to require liability insurance for motor vehicles over a certain weight. It failed to pass.
- SB 240** This legislation was introduced to allow the Commission to use an alternative cost allocation method when regulating telecommunication services if the Commission finds the alternative method is in the public interest. The bill was amended to prescribe specific criteria for the Commission to consider when making a decision on whether to approve the sale of a telephone exchange. The bill was signed by the Governor on March 30, 1995.
- HB 1083** This bill was introduced by the Commission to repeal certain provisions regarding the regulation of motor carriers by the Commission due to federal pre-emption on this issue. It was signed by the Governor on February 22, 1995.
- HB 1090** The bill raised the fees charged by different state agencies. Part of the bill would have raised the Commission's grain and warehouse fees. The bill failed to pass the House.
- HB 1128** This bill extended the 911 emergency surcharge to cellular telephones. It was signed by the Governor on February 24, 1995.
- HB 1218** This bill revised the 911 administrative fees which may be retained by a local exchange company. It was signed by the Governor on February 22, 1995.
- HB 1256** This legislation would have allowed municipal telephone companies to purchase and operate telephone exchanges outside the municipal boundaries. It was deferred to the 41st day by the House State Affairs Committee.



♦1995 Court Cases♦

U S WEST COMMUNICATIONS v. STATE OF SOUTH DAKOTA, CIV.94-50

On February 1, 1994, U S WEST Communications, Inc. (U S WEST) filed a claim against the State of South Dakota arising from the decision of U S WEST Communications, Inc. v. Public Utilities Commission of the State of South Dakota, 505 N.W.2d 115 (S.D. 1993). In that decision the South Dakota Supreme Court held that U S WEST is entitled to compensation for inverse condemnation arising from decisions of the Commission ordering the construction of terminating monopoly services in Docket Nos. F-3860, F-3866, and F-3699. U S WEST filed the action pursuant to SDCL Chapter 21-32, the Commissioner of Claims Act. U S WEST requested compensation for payments made by U S WEST for terminating access payments to the South Dakota Network (SDN). U S WEST later amended its complaint. On November 16, 1994, the Commission filed a motion to dismiss the complaint on the grounds that the Commissioner of Claims lacked subject matter jurisdiction to hear the complaint and that the procedural prerequisite of a jury trial could not be met under the Commissioner of Claims Act. Circuit Judge Steven L. Zinter dismissed the complaint on January 26, 1995. In February of 1995, U S WEST filed a complaint against the Commission and SDN concerning this same matter in Circuit Court. The Commission has answered the complaint and filed a cross claim against SDN.

CHEYENNE RIVER SIOUX TRIBE TELEPHONE AUTHORITY AND U S WEST COMMUNICATIONS v. PUBLIC UTILITIES COMMISSION, CIV.95-288

U S WEST Communications, Inc. (U S WEST) filed an appeal in Circuit Court of the Commission's decision that disapproved of the sale of the U S WEST exchanges of Timber Lake, McIntosh, and Morristown to the Cheyenne River Sioux Tribe Telephone Authority (CRSTTA). CRSTTA was granted intervention in the appeal. The issues in the appeal are as follows: (1) whether the Commission has jurisdiction over the sale of the three exchanges to CRSTTA; (2) whether the application of SDCL 49-31-59 to the proposed sales violates equal protection rights; (3) whether the application of SDCL 49-31-59 to the proposed sales is an unconstitutional impairment of contract; (4) whether the proposed sales would result in an improper delegation of authority under SDCL 49-1-17; and (5) whether the Commission's findings that the sales would result in the loss of significant tax revenue for the cities, counties, and school districts are clearly erroneous. The parties have filed their briefs in this matter. Oral arguments were heard on February 2, 1996.

CHEYENNE RIVER SIOUX TRIBE TELEPHONE AUTHORITY v.
PUBLIC UTILITIES COMMISSION, CIV. 95-295

Cheyenne River Sioux Tribe Telephone Authority (CRSTTA) filed an appeal in Circuit Court of the Commission's decision that disapproved of the sale of the U S WEST exchanges of Timber Lake, McIntosh, and Morristown to CRSTTA. The appeal was dismissed on jurisdictional grounds due to the failure of CRSTTA to serve the Commission with the notice of appeal.

CHEYENNE RIVER SIOUX TRIBE TELEPHONE AUTHORITY v.
PUBLIC UTILITIES COMMISSION, ET. AL, CIV 95-3035

On October 27, 1995, the Cheyenne River Sioux Tribe Telephone Authority (CRSTTA) filed a civil action in the United States District Court seeking declaratory, injunctive and 1983 relief against the Public Utilities Commission and the Commissioners concerning their decision to deny the sale of the U S WEST exchanges of McIntosh, Timber Lake, and Morristown to CRSTTA. The Commission's answer to the complaint was served on December 12, 1995.

IN THE MATTER OF THE PETITION FOR DECLARATORY RULING OF
NORTHWESTERN PUBLIC SERVICE COMPANY WITH REGARD TO ELECTRIC
SERVICE OF HUB CITY, INC., CIV. 95-043

Northern Electric Cooperative (NEC) appealed the Commission's declaratory ruling concerning the interpretation of SDCL 49-34A-56. The Commission had ruled that an assignment of a large load customer made pursuant to SDCL 49-34A-56 was not a permanent assignment. In a 1977 decision, the Commission allowed a foundry owned by Safeguard Metal Castings Division (SCD) which was located in the assigned service territory of Northwestern Public Service (NWPS) to be served by NEC pursuant to SDCL 49-34A-56. SCD later sold the foundry to Hub City, Inc. The Commission's 1995 declaratory ruling would have allowed Hub City, Inc. to receive electric service from NWPS instead of NEC. The Circuit Court reversed the Commission's decision and ordered that NEC would continue to serve Hub City at the foundry. The Court found that an assignment pursuant to SDCL 49-34A-56 could only be changed if the current supplier of service provided inadequate service. The Court further found that the Commission did not have the jurisdiction over a contract dispute between NEC and Hub City. The Commission and NWPS have appealed the circuit court's decision to the South Dakota Supreme Court.



IN THE MATTER OF THE GRAIN DEALER BONDS OF ROGER LEE NAPTON
a/k/a FREDERICK GRAIN d/b/a RINGNECK RANCH, CIV. 95-901

The Commission petitioned the Circuit Court to be appointed as a receiver to take possession of grain dealer bond proceeds of Roger Napton, a/k/a Frederick Grain, d/b/a Ringneck Ranch (Napton). Napton was a grain dealer who filed for Chapter 7 bankruptcy. The Bankruptcy Court abandoned its claim to the grain dealer bonds and the Circuit Court appointed the Commission as receiver to collect the bond proceeds and hold a hearing to make a proposed decision to the Circuit Court regarding which claims are valid under the bonds and the amount of each valid claim. The Commission held hearings to allow claimants to present evidence of their claims. Based on the evidence presented at the hearings, the Commission, as receiver, has filed a proposed decision with the Circuit Court.

STATE OF MICHIGAN v. DEPARTMENT OF ENERGY, CIV. 95-1321

The Commission joined in a Petition for Declaratory Judgment and Review of Final Decision of the Department of Energy (DOE). The issue is whether DOE's decision that it is not required to begin acceptance of radioactive waste and spent nuclear fuel by January 31, 1998, is contrary to law. The case has been briefed by the parties and is before the U S District Court of Appeals, D.C. Circuit.

◆ Docket Status Register ◆

ELECTRICITY

EL95-001	IN THE MATTER OF THE REQUEST FOR APPROVAL OF A HEAT PUMP TARIFF BY NORTHERN STATES POWER COMPANY. Filed 1-9-95; Approved 3-7-95.
EL95-002	IN THE MATTER OF THE REQUEST OF BLACK HILLS POWER AND LIGHT FOR APPROVAL OF A REVISED RESIDENTIAL DEMAND SERVICE TARIFF WITH AN EFFECTIVE DATE OF 2-1-95. Filed 1-17-95; Approved 2-21-95.
EL95-003	IN THE MATTER OF THE APPLICATION OF BLACK HILLS POWER AND LIGHT FOR AUTHORITY TO MAKE CERTAIN CHANGES IN ITS CHARGES FOR RETAIL ELECTRIC SERVICE PROVIDED TO SOUTH DAKOTA CUSTOMERS. Filed 2-1-95; Approved 7-19-95.
EL95-004	IN THE MATTER OF THE COMPLAINT FILED BY STACEY AND MICHAEL DANNAH, SIOUX FALLS SD, AGAINST NORTHERN STATES POWER COMPANY. Filed 1-27-95; Dismissed 3-23-95.
EL95-005	IN THE MATTER OF THE COMPLAINT FILED BY BRAD AND DIANN MOREHOUSE AGAINST LAKE REGION ELECTRIC ASSOCIATION FOR STRAY VOLTAGE. Filed 2-8-95; No Probable Cause Found 1-11-96.
EL95-006	IN THE MATTER OF THE APPLICATION BY PRIMROSE RETIREMENT HOME FOR A MASTER METER VARIANCE. Filed 3-9-95; Granted 4-6-95.
EL95-007	IN THE MATTER OF THE FILING BY NORTHERN STATES POWER COMPANY FOR APPROVAL OF AN ECONOMIC DEVELOPMENT PLAN. Filed 4-26-95; Approved 6-22-95.
EL95-008	IN THE MATTER OF THE COMPLAINT FILED BY JIM AND PATTY WATKINS AGAINST BLACK HILLS POWER & LIGHT. Filed 5-8-95; Dismissed 6-29-95.
EL95-009	IN THE MATTER OF THE COMPLAINT FILED BY MARVIN BUEHNER, MD AGAINST BLACK HILLS POWER AND LIGHT. Filed 5-8-95; Dismissed 6-29-95.
EL95-010	IN THE MATTER OF THE APPLICATION BY NORTHERN STATES POWER CO FOR A STATEMENT TO THE SECURITIES AND EXCHANGE COMMISSION REGARDING INVESTMENT IN A FOREIGN UTILITY. Filed 5-12-95; Approved 5-30-95.
EL95-011	IN THE MATTER OF THE APPLICATION OF MIDWEST POWER FOR AUTHORITY TO INCREASE ELECTRIC RATES IN SOUTH DAKOTA. Filed 5-16-95; Settlement Approved 11-29-95.
EL95-012	IN THE MATTER OF THE COMPLAINT FILED BY PETER RAGNONE OF RAPID CITY SD, AGAINST BLACK HILLS POWER AND LIGHT. Filed 5-26-95; Dismissed 6-29-95.
EL95-013	IN THE MATTER OF THE COMPLAINT FILED BY DALE K. SNYDER OF HARTFORD SD, AGAINST SIOUX VALLEY ELECTRIC COOPERATIVE. Filed 5-31-95; Dismissed 7-20-95.
EL95-014	IN THE MATTER OF THE COMPLAINT OF RODNEY LIMMER, WENTWORTH SD, AGAINST OTTERTAIL POWER FOR DISCONNECTION. Filed 6-13-95; Dismissed 6-30-95.
EL95-015	IN THE MATTER OF THE COMPLAINT FILED BY ROSE SULIVERES, RAPID CITY SD, AGAINST BLACK HILLS POWER & LIGHT FOR PAYMENT ARRANGEMENTS. Filed 6-15-95; Dismissed 6-29-95.
EL95-016	IN THE MATTER OF THE APPLICATION OF BLACK HILLS POWER AND LIGHT COMPANY AND BLACK HILLS COOPERATIVE, INC. FOR APPROVAL OF SERVICE TERRITORY FOR JAMES F. AND PATTY WATKINS. Filed 6-7-95; Approved 6-29-95.
EL95-017	IN THE MATTER OF THE APPLICATION BY PANACEA PROPERTY MANAGEMENT, INC. FOR AN ELECTRIC MASTER METER VARIANCE. Filed 6-15-95; Approved 9-18-95.
EL95-018	IN THE MATTER OF THE FILING BY MONTANA-DAKOTA UTILITIES FOR APPROVAL OF UPDATED COGENERATION RATES. Filed 7-3-95; Approved 11-8-95.
EL95-019	IN THE MATTER OF THE COMPLAINT BY NEW ELM SPRING COLONY AGAINST NORTHWESTERN PUBLIC SERVICE TO PROVIDE STANDBY REMOTE CONTROL POWER FOR THEIR GENERATOR. Filed 7-20-95; Dismissed 3-21-96.



ELECTRICITY (Continued)

EL95-020	IN THE MATTER OF THE REQUEST OF NORTHERN STATES POWER TO MOVE TO A SURCHARGE METHOD OF RECOVERING STREET LIGHT COSTS FOR THE TOWNSHIP OF WINFRED SD. Filed 8-7-95; Approved 10-25-95.
EL95-021	IN THE MATTER OF THE PROPOSED MERGER BETWEEN NORTHERN STATES POWER AND WISCONSIN ENERGY CORPORATION. Filed 8-7-95; No Jurisdiction Ruling 9-8-95.
EL95-022	IN THE MATTER OF THE COMPLAINT FILED BY WALTER AND GAIL MOONEY, RAPID CITY SD, AGAINST BLACK HILLS POWER AND LIGHT FOR INCORRECT BILLING. Filed 8-25-95; Dismissed 9-18-95.
EL95-023	IN THE MATTER OF THE APPLICATION OF BLACK HILLS CORPORATION FOR AUTHORITY TO ISSUE AND SELL SHARES OF COMMON STOCK. Filed 8-25-95; Approved 9-22-95.
EL95-024	IN THE MATTER OF THE FILING BY THE CITY OF FT. PIERRE FOR A CHANGE IN SERVICE TERRITORY TO WEST CENTRAL ELECTRIC COOPERATIVE. Filed 9-5-95; Approved 10-31-95.
EL95-025	IN THE MATTER OF THE FILING BY BLACK HILLS POWER AND LIGHT FOR APPROVAL OF AN ELECTRIC SERVICE AGREEMENT. Filed 9-18-95; Approved 12-26-95.
EL95-026	IN THE MATTER OF THE COMPLAINT FILED BY LARRY SCHNABEL OF EUREKA SD, AGAINST MONTANA-DAKOTA UTILITIES FOR DAMAGES DUE TO SURGES OF ELECTRICITY. Filed 9-19-95; Dismissed 10-25-95.
EL95-027	IN THE MATTER OF THE COMPLAINT FILED BY MARLYS KREIETLOW, GEDDES SD, AGAINST NORTHWESTERN PUBLIC SERVICE FOR LOSS OF SERVICE PROBLEMS. Filed 9-21-95; Dismissed 10-25-95.
EL95-028	IN THE MATTER OF THE FILING BY NORTHERN STATES POWER COMPANY FOR APPROVAL OF A NEW CUSTOMER BILL FORMAT. Filed 9-26-95; Approved 11-21-95.
EL95-029	IN THE MATTER OF THE REQUEST OF SIOUX VALLEY ELECTRIC AND H-D ELECTRIC FOR A SERVICE TERRITORY EXCEPTION. Filed 9-25-95; Approved 10-25-95.
EL95-030	IN THE MATTER OF THE FILING BY BLACK HILLS POWER & LIGHT FOR CONTRACT WITH DEVIATIONS. Filed 9-29-95; Approved 12-26-95..
EL95-031	IN THE MATTER OF THE FILING BY MONTANA-DAKOTA UTILITIES FOR A FUEL ADJUSTMENT WITH FUEL RATE CLAUSE RATE 58. Filed 10-30-95; Denied 11-21-95.
EL95-032	IN THE MATTER OF THE FILING BY BLACK HILLS POWER AND LIGHT FOR APPROVAL OF THE 1996 ECONOMIC DEVELOPMENT PLANS. Filed 11-1-95; Approved 12-05-95.
EL95-033	IN THE MATTER OF THE REQUEST BY BLACK HILL POWER AND LIGHT FOR APPROVAL OF AN EXCHANGE OF CUSTOMERS AND TERRITORY BETWEEN BLACK HILLS POWER & LIGHT AND BLACK HILLS COOPERATIVE, INC. Filed 11-6-95; Approved 12-26-96.
EL95-034	IN THE MATTER OF THE AMENDMENT OF THE TERRITORIAL AGREEMENT OF LINCOLN-UNION ELECTRIC AND MIDAMERICAN ENERGY COMPANY. Filed 11-16-95; Approved 12-19-95.

GRAIN DEALERS

GD95-001	IN THE MATTER OF THE APPLICATION OF BRITTON DURUM CORPORATION FOR A GRAIN DEALER LICENSE. Filed 5-2-95; Approved 5-23-95.
GD95-002	IN THE MATTER OF THE APPLICATION OF RICHARD H. LUNDERS D/B/A TOLSTOY FEED AND GRAIN FOR A GRAIN DEAKER LICENSE AND SETTING THE AMOUNT OF APPLICANT'S BOND. Filed 8-22-95; Approved 8-30-95.
GD95-003	IN THE MATTER OF THE APPLICATION OF HEARTLAND ORGANIC FOODS, INC. FOR A GRAIN DEALERS LICENSE. Filed 10-10-95; Denied 2-16-96.
GD95-004	IN THE MATTER OF GRAIN DEALER BONDS OF ROGER LEE NAPTION A/K/A FREDERICK GRAIN D/B/A RINGNECK RANCH. Filed 10-26-95; Receivership granted 12-01-95.
GD95-005	IN THE MATTER OF THE STIPULATION REGARDING GRAIN DEALER'S AND PUBLIC WAREHOUSE LICENSES OF FARMERS ELEVATOR COMPANY, EDEN SD. Filed 11-8-95; License revoked 2-6-96.

MISCELLANEOUS

MS95-001	IN THE MATTER OF THE REQUEST BY SOUTH DAKOTA RURAL ELECTRIC ASSOCIATION, INC TO PASS A RESOLUTION OPPOSING THE SALE OF THE WESTERN AREA POWER ADMINISTRATION (WAPA). Filed 2-21-95; Granted 2-27-95.
MS95-002	IN THE MATTER OF INVESTIGATION OF EMERGENCY NOTIFICATION PROCEDURES OF SOUTH DAKOTA ELECTRIC, TELEPHONE, AND NATURAL GAS UTILITIES IN EVENT OF AN OUTAGE OF DISASTER. Filed 7-5-95; Pending.

NATURAL GAS

NG95-001	IN THE MATTER OF THE APPLICATION FOR WAIVER AND REQUEST FOR CERTIFICATION LETTER FROM UTILICORP UNITED, INC. Filed 1-31-95; Approved 2-17-95.
NG95-002	IN THE MATTER OF THE FILING BY MIDWEST GAS REQUESTING PURCHASED GAS ADJUSTMENT EFFECTIVE 2-1-95 to 2-6-95. Filed 2-1-95; Approved 3-9-95.
NG95-003	IN THE MATTER OF THE FILING BY NORTHWESTERN PUBLIC SERVICE FOR REVISIONS IN THEIR GAS TARIFF SHEETS. Filed 2-13-95; Approved 3-22-95.
NG95-004	IN THE MATTER OF THE APPLICATION FOR CERTIFICATION LETTER OF UTILICORP UNITED, INC. Filed 3-15-95; Granted 3-28-95.
NG95-005	IN THE MATTER OF THE FILING BY NORTHWESTERN PUBLIC SERVICE TO OFFER NEW CONTRACT DEMAND BILLING OPTIONS FOR RATE 84. Filed 4-24-95; Approved 6-29-95.
NG95-006	IN THE MATTER OF THE APPLICATION BY MIDWEST GAS FOR AUTHORITY TO INCREASE GAS RATES IN SOUTH DAKOTA. Filed 5-1-95; Approved 11-8-95.
NG95-007	IN THE MATTER OF THE APPLICATION OF MIDWEST GAS FOR A WAIVER OF TARIFFED PURCHASED GAS ADJUSTMENT LANGUAGE TO IMPLEMENT REFUND THROUGH THE ANNUAL GAS COST RECONCILIATION INSTEAD OF A BILL CREDIT. Filed 5-8-95; Approved 6-29-95.
NG95-008	IN THE MATTER OF THE APPLICATION BY SOUTH DAKOTA INTRASTATE PIPELINE COMPANY TO INCREASE ITS TRANSPORTATION CHARGES. Filed 5-16-95; Approved 1-16-96.
NG95-009	IN THE MATTER OF THE APPLICATION BY UTILICORP UNITED, INC FOR A CERTIFICATION LETTER. Filed 5-30-95; Approved 6-5-95.
NG95-010	IN THE MATTER OF THE APPLICATION OF NORTHWESTERN PUBLIC SERVICE TO REVISE TARIFF SHEET NO 8. Filed 6-1-95; Approved 7-10-95.
NG95-012	IN THE MATTER OF THE FILING BY NORTHWESTERN PUBLIC SERVICE FOR 2ND REVISED SHEET NO 1 SECTION 4. Filed 6-1-95; Approved 8-11-95
NG95-013	IN THE MATTER OF THE COMPLAINT FILED BY DENNIS AND PENNY EGEMO, LEAD SD, AGAINST MONTANA-DAKOTA UTILITIES FOR EXCESSIVE CHARGES. Filed 9-21-95; Dismissed 11-13-95.

NATURAL GAS (Continued)

NG95-014	IN THE MATTER OF APPLICATION FOR APPROVAL OF MIDAMERICAN ENERGY COMPANY FOR APPROVAL TO CONVERT TO A NEW BILL FORMAT. Filed 9-26-96; Approved 10-5-95.
NG95-015	IN THE MATTER OF THE APPLICATION REQUESTING WAIVER TO DELAY IMPLEMENTATION OF ANNUAL GAS COST RECONCILIATION. Filed 10-16-95; Approved 11-7-95.
NG95-016	IN THE MATTER OF THE COMPLAINT OF STEPHANIE NONNAST OF STURGIS SD, AGAINST MONTANA-DAKOTA UTILITIES FOR BETTER WORKING RELATIONS. Filed 10-25-95; Dismissed 11-8-95.
NG95-017	IN THE MATTER OF THE APPLICATION TO ESTABLISH TRANSPORTATION RATES FOR AMPIP INTRASTATE NATURAL GAS PIPELINE AND REQUEST FOR DECLARATORY ORDER. Filed 11-3-95; Approved 12-11-95.
NG95-018	IN THE MATTER OF NORTHWESTERN PUBLIC SERVICE COMPANY'S REQUEST FOR APPROVAL OF PROPOSED NATURAL GAS TARIFF CHANGES. Filed 12-8-95; Approved 12-19-95.
NG95-019	IN THE MATTER OF THE REQUEST FOR APPROVAL OF A 1996 ECONOMIC DEVELOPMENT PLAN FOR MIDAMERICAN ENERGY. Filed 12-18-95; Approved 1-30-96.

RULEMAKING

RM95-001	IN THE MATTER OF THE PETITION OF AT&T COMMUNICATIONS OF THE MIDWEST REGARDING ADOPTION OF RULES PROVIDING FOR EQUAL ACCESS PRESUBSCRIPTION TO INTRALATA TELECOMMUNICATIONS SERVICES. Filed 8-23-95; Decision 1-4-96.
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TELECOMMUNICATIONS

TC95-001	IN THE MATTER OF THE APPLICATION OF TARGET TELECOM INC. FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS A RESELLER OF TELECOMMUNICATIONS IN SOUTH DAKOTA. Filed 1-3-95; Approved 3-7-95.
TC95-002	IN THE MATTER OF THE APPLICATION OF TELE-MATIC CORPORATION FOR APPROVAL TO PROVIDE AUTOMATED COLLECT-ONLY SERVICE TO INMATES AT CONFINEMENT FACILITIES BETWEEN POINTS WITHIN SOUTH DAKOTA AND REQUEST FOR A WAIVER OF RULES. Filed 1-9-95; Approved 3-28-95.
TC95-003	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS TO OFFER CLASS SERVICES. Filed 1-17-95; Approved 3-7-95.
TC95-004	IN THE MATTER OF THE APPLICATION OF XIEX TELECOMMUNICATIONS, INC FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS A RESELLER OF TELECOMMUNICATIONS IN SOUTH DAKOTA. Filed 1-23-95; Approved 3-24-95.
TC95-005	IN THE MATTER OF THE APPLICATION OF UNIVERSAL NETWORK SERVICES OF SOUTH DAKOTA, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE INTRASTATE INTEREXCHANGE TELECOMMUNICATIONS SERVICES WITHIN SOUTH DAKOTA. Filed 1-30-95; Approved 3-7-95.
TC95-006	IN THE MATTER OF THE APPLICATION OF BOTTOM LINE TELECOMMUNICATIONS OF SOUTH DAKOTA, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE INTRASTATE INTEREXCHANGE TELECOMMUNICATIONS SERVICES WITHIN SOUTH DAKOTA. Filed 1-23-95; Approved 6-29-95.
TC95-007	IN THE MATTER OF THE FILING OF U S WEST COMMUNICATIONS FOR REVISIONS TO THEIR SWITCHED ACCESS SERVICE TARIFF. Filed 2-3-95; Approved 3-23-95.
TC95-008	IN THE MATTER OF THE COMPLAINT FILED BY DARREL R. NELSON AGAINST U S WEST COMMUNICATIONS REQUESTING CALLER ID. Filed 2-9-95; Dismissed 3-23-95.

TELECOMMUNICATIONS (Continued)

TC95-009	IN THE MATTER OF THE APPLICATION FILED BY POLAR COMMUNICATIONS CORPORATION FOR A CERTIFICATE OF AUTHORITY TO PROVIDE RESOLD TELECOMMUNICATION SERVICES, INCLUDING ALTERNATIVE OPERATOR SERVICES WITHIN SOUTH DAKOTA. Filed 2-13-95; Approved 3-22-95.
TC95-010	IN THE MATTER OF THE FILING BY DIAL & SAVE OF SOUTH DAKOTA FOR AUTHORITY TO PROVIDE INTRASTATE INTEREXCHANGE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 2-14-95; Approved 5-19-95.
TC95-011	IN THE MATTER OF THE APPLICATION OF NATIONAL TELEPHONE COMMUNICATIONS, INC. FOR AUTHORITY TO PROVIDE INTRASTATE TELECOMMUNICATIONS SERVICES WITHIN SOUTH DAKOTA. Filed 2-21-95; Approved 5-30-95.
TC95-012	IN THE MATTER OF THE APPLICATION BY IDC LONG DISTANCE, INC. FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS A SWITCHLESS RESELLER. Filed 3-6-95; Approved 5-19-95.
TC95-013	IN THE MATTER OF THE COMPLAINT FILED BY SHERRY D. JOHNSON OF SIOUX FALLS SD, AGAINST TELECOM SOLUTIONS, INC. OF ALLENTOWN PA, FOR RECOVERY OF MONEY. Filed 3-2-95; Dismissed 12-19-95.
TC95-014	IN THE MATTER OF THE COMPLAINT FILED BY JEAN BELL OF ABERDEEN SD, AGAINST AT&T FOR UNAUTHORIZED THIRD PARTY CALLS. Filed 3-6-95; No Probable Cause Found 3-23-95.
TC95-015	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS FOR CHANGES IN THE PAGES OF THE EXCHANGE AND NETWORK SERVICES CATALOG TO INTRODUCE CUSTOM RINGING. Filed 3-6-95; Approved 4-10-95.
TC95-016	IN THE MATTER OF THE REQUEST FROM U S WEST COMMUNICATIONS TO CONDUCT A PROMOTION TO WAIVE THE 800 SERVICELINE NON-RECURRING CHARGES FROM 4-1-95 TO 5-15-95. Filed 3-9-95; Approved 4-10-95.
TC95-017	IN THE MATTER OF THE COMPLAINT FILED BY GARY LOUDNER D/B/A BLACK HILLS SATELLITE AGAINST U S WEST COMMUNICATIONS REQUESTING PERCENTAGE PAID SERVICES REFUND. Filed 3-15-95; No Probable Cause Found 4-10-95.
TC95-018	IN THE MATTER OF THE FILING FROM U S WEST COMMUNICATIONS TO PLACE LANGUAGE IN THE EXCHANGE AND NETWORK SERVICE TARIFF AND THE ACCESS SERVICE TARIFF. Filed 3-16-95; Approved 5-19-95.
TC95-019	IN THE MATTER OF APPLICATION OF SWITCHED SERVICES COMMUNICATIONS, LLC, FOR A CERTIFICATE OF AUTHORITY. Filed 3-15-95; Approved 5-19-95.
TC95-020	IN THE MATTER OF THE COMPLAINT FILED BY LAWRENCE W. PEYTON OF SIOUX FALLS SD, AGAINST U S WEST COMMUNICATIONS TO MAINTAIN UP-TO-DATE INFORMATION ON THEIR CUSTOMER ACCOUNTS. Filed 3-20-95; No Probable Cause Found 4-10-95.
TC95-021	IN THE MATTER OF THE APPLICATION OF PENNSYLVANIA ALTERNATIVE COMMUNICATIONS, INC. (PACE) FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 3-22-95; Approved 5-31-95.
TC95-022	IN THE MATTER OF THE FILING BY U S WEST FOR REVISED PAGES OF THEIR EXCHANGE AND NETWORK SERVICES TARIFF. Filed 3-22-95; Approved 5-19-95.
TC95-023	IN THE MATTER OF THE APPLICATION OF WESTERN UNION COMMUNICATIONS, INC. FOR A CERTIFICATE OF AUTHORITY. Filed 3-24-95; Approved 5-19-95.
TC95-024	IN THE MATTER OF THE APPLICATION OF CARIBBEAN TELEPHONE AND TELEGRAPH FOR A CERTIFICATE OF AUTHORITY. Filed 3-27-95; Approved 7-10-95.
TC95-025	IN THE MATTER OF THE APPLICATION OF NATIONAL TELESERVICE, INC. FOR A CERTIFICATE OF AUTHORITY. Filed 3-29-95; Approved 5-19-95.
TC95-026	IN THE MATTER OF THE COMPLAINT BY JAMES SADLER OF SIOUX FALLS SD, AGAINST U S WEST COMMUNICATIONS. Filed 3-29-95; No Probable Cause Found 4-13-95.



TELECOMMUNICATIONS (Continued)

TC95-027	IN THE MATTER OF THE COMPLAINT FILED BY CANDICE HERMANSON OF STURGIS SD, AGAINST U S WEST COMMUNICATIONS. Filed 3-29-95; No Probable Cause 4-27-95.
TC95-028	IN THE MATTER OF THE APPLICATION BY THE FURST GROUP, INC. FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS A RESELLER OF LONG DISTANCE SERVICE. Filed 4-6-95; Denied 2-6-96.
TC95-029	IN THE MATTER OF THE APPLICATION OF OU CONNECTION, INC. FOR A CERTIFICATE OF AUTHORITY. Filed 4-3-95; Approved 9-8-95.
TC95-030	IN THE MATTER OF THE APPLICATION OF NETEL, INC. FOR A CERTIFICATE OF AUTHORITY. Filed 4-3-95; Denied 9-8-95.
TC95-031	IN THE MATTER OF THE APPLICATION OF AMTEL COMMUNICATIONS, INC. FOR A CERTIFICATE OF AUTHORITY. Filed 4-26-95; Withdrawn 7-20-95.
TC95-032	IN THE MATTER OF THE COMPLAINT FILED BY GARY AND JANE DAVIS AGAINST DAKOTA COOPERATIVE TELEPHONE COMPANY. Filed 5-8-95; No Probable Cause Found 7-20-95.
TC95-033	IN THE MATTER OF THE COMPLAINT FILED BY GERALD M. MILLER, FAITH SD, AGAINST FAITH TELEPHONE COMPANY FOR CALLER ID. Filed 5-3-95; Closed 6-29-95.
TC95-034	IN THE MATTER OF THE REQUEST FROM NORTHERN HILLS COMMUNITY DEVELOPMENT FOR EXTENDED AREA SERVICE. Opened 5-2-95; Pending.
TC95-035	IN THE MATTER OF THE APPLICATION BY U S WEST COMMUNICATIONS TO REVISE THEIR EXCHANGE AND NETWORK SERVICES TARIFF. Filed 5-11-95; Closed 6-29-95.
TC95-036	IN THE MATTER OF THE APPLICATION OF GTE CARD SERVICES INC. FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS A RESELLER OF TELECOMMUNICATIONS IN SOUTH DAKOTA. Filed 5-12-95; Approved 9-22-95.
TC95-037	IN THE MATTER OF THE APPLICATION BY SMARTALK TELESERVICES, INC. TO OPERATE AS A RESELLER OF TELECOMMUNICATIONS IN SOUTH DAKOTA. Filed 5-15-95; Approved 6-29-95.
TC95-038	IN THE MATTER OF THE APPLICATION OF SMARTEL COMMUNICATIONS, INC. FOR AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICES WITHIN SOUTH DAKOTA. Filed 5-15-95; Approved 9-8-95.
TC95-039	IN THE MATTER OF THE COMPLAINT FILED BY MARK AND CAROL BRODERSON OF LENNOX SD, AGAINST DAKOTA-COOPERATIVE TELECOM TO SWITCH THEIR LONG DISTANCE COMPANY. Filed 5-16-95; No Probable Cause Found 7-20-95.
TC95-040	IN THE MATTER OF APPLICATION OF KEY COMMUNICATION MANAGEMENT, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE INTRASTATE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 5-22-95; Denied 8-31-95.
TC95-041	IN THE MATTER OF THE APPLICATION OF V.I.P. TELEPHONE NETWORK, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE IN SOUTH DAKOTA. Filed 5-25-95; Approved 7-12-95.
TC95-042	IN THE MATTER OF THE APPLICATION OF CENTRAL PAYPHONE SERVICES, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICE IN SOUTH DAKOTA. Filed 5-25-95; Approved 7-20-95.
TC95-043	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS TO REVISE THEIR LOCALITY SPECIAL RATE AREA MAP FOR HILL CITY SD. Filed 5-25-95; Approved 7-10-95.
TC95-044	IN THE MATTER OF THE INVESTIGATION INTO THE CAPABILITIES OF U S WEST TO PROTECT THE PUBLIC FROM SERVICE DISRUPTIONS. Filed 5-30-95; Pending.
TC95-045	IN THE MATTER OF THE ESTABLISHMENT OF SWITCHED ACCESS RATES FOR LOCAL EXCHANGE CARRIERS ASSOCIATION. Filed 6-1-95; Approved 3-4-96.
TC95-046	IN THE MATTER OF THE APPLICATION BY ACOMM, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 6-2-95; Approved 7-20-95.
TC95-047	IN THE MATTER OF THE APPLICATION BY NETWORK PLUS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 6-6-95; Approved 9-8-95.

TELECOMMUNICATIONS (Continued)

TC95-048	IN THE MATTER OF THE ESTABLISHMENT OF SWITCHED ACCESS RATES FOR THE CHEYENNE RIVER SIOUX TRIBE AUTHORITY. Filed 6-5-95; Approved 3-4-96.
TC95-049	IN THE MATTER OF THE ESTABLISHMENT OF SWITCHED ACCESS RATES FOR BALTIC TELECOM COOPERATIVE. Filed 5-30-95; Approved 3-4-96.
TC95-050	IN THE MATTER OF THE APPLICATION OF SNET AMERICA, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 6-7-95; Denied 9-22-95.
TC95-051	IN THE MATTER OF THE APPLICATION OF NORTH AMERICAN TELECOM, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 6-15-95; Approved 9-8-95.
TC95-052	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS REQUESTING APPROVAL TO CONDUCT A PROMOTIONAL TRIAL FOR INTERNET. Filed 6-12-95; Approved 7-20-95.
TC95-053	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS TO CONDUCT A PROMOTIONAL OFFER TO SMALL BUSINESS CUSTOMERS. Filed 6-7-95; Approved 7-12-95.
TC95-054	IN THE MATTER OF THE U S WEST COMMUNICATIONS SALE OF EXCHANGES IN NORTH DAKOTA. Filed 6-16-95; Letter agreeing with NSPSC 7-13-95.
TC95-055	IN THE MATTER OF THE COMPLAINT FILED BY COCA COLA BOTTLING COMPANY AGAINST U S WEST COMMUNICATIONS FOR LOSS OF SERVICE. Filed 6-21-95; Pending.
TC95-056	IN THE MATTER OF THE APPLICATION FILED BY APPLEBEES NEIGHBORHOOD GRILL AND BAR AGAINST THE FURST GROUP FOR MISREPRESENTATION. Filed 6-21-95; Closed 7-20-95.
TC95-057	IN THE MATTER OF THE APPLICATION BY L.D. SERVICES, INC. FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS A TELECOMMUNICATIONS COMPANY WITHIN SOUTH DAKOTA. Filed 6-16-95; Approved 8-31-95.
TC95-058	IN THE MATTER OF THE APPLICATION BY LCI TELEMAGEMENT CORP. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 6-26-95; Approved 8-31-95.
TC95-059	IN THE MATTER OF THE APPLICATION OF CHERRY COMMUNICATIONS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 6-27-95; Pending.
TC95-060	IN THE MATTER OF THE ESTABLISHMENT OF SWITCHED ACCESS RATES FOR GOLDEN WEST TELECOMMUNICATIONS COOPERATIVE. Filed 6-27-95; Approved 3-4-96.
TC95-061	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS INTRODUCING FAX SERVICES TO CUSTOMERS. Filed 6-29-95; Approved 7-20-95.
TC95-062	IN THE MATTER OF APPLICATION OF BASIN TELECOMMUNICATIONS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE INTRASTATE INTEREXCHANGE TELECOMMUNICATIONS SERVICES WITHIN THE STATE OF SOUTH DAKOTA. Filed 6-30-95; Approved 9-8-95.
TC95-063	IN THE MATTER OF THE APPLICATION OF TW COMMUNICATIONS, INC. FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS A RESELLER OF INTEREXCHANGE TELECOMMUNICATION SERVICES WITHIN THE STATE OF SOUTH DAKOTA AND FOR APPROVAL OF ITS INITIAL TARIFF. Filed 7-6-95; Approved 9-8-95.
TC95-064	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS FOR A REVISION TO CORRECT BOUNDARIES BETWEEN U S WEST AND BALTIC TELECOM, INC. Filed 6-30-95; Approved 8-11-95.
TC95-065	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS SEEKING APPROVAL OF A MESSAGE TOLL SERVICE TOLL PROMOTION. Filed 7-13-95; Approved 8-11-95.
TC95-066	IN THE MATTER OF THE COMPLAINT FILED BY DAKOTA ALLIED LODGING, INC. D/B/A CAPITOL INN OF PIERRE SD, AGAINST AT&T FOR UNAUTHORIZED CALLS. Filed 7-17-95; Dismissed 12-19-95.



TELECOMMUNICATIONS (Continued)

TC95-067	IN THE MATTER OF THE COMPLAINT OF ROBERT W. HENSLEY OF HERMOSA SD, AGAINST U S WEST FOR INSTALLATION OF PHONE SERVICE. Filed 7-18-95; Dismissed 9-11-95.
TC95-068	IN THE MATTER OF THE PETITION OF AT&T COMMUNICATIONS REQUESTING ADOPTION OF RULES PROVIDING FOR EQUAL ACCESS PRESUBSCRIPTION TO INTRALATA TELECOMMUNICATIONS SERVICES. Filed 7-20-95; Open Rulemaking 8-23-95.
TC95-069	IN THE MATTER OF ALTERNATIVE COMMUNICATIONS TECHNOLOGY, INC.'S FAILURE TO SUBMIT AN ANNUAL REPORT. Filed 7-13-95; Withdrawn 9-12-95.
TC95-070	IN THE MATTER OF INTERNATIONAL TELECOMMUNICATIONS EXCHANGE CORPORATION'S FAILURE TO SUBMIT AN ANNUAL REPORT. Filed 7-13-95; Report Received 8-11-95.
TC95-071	IN THE MATTER OF PREMIER BILLING SERVICES, INC.'S FAILURE TO SUBMIT AN ANNUAL REPORT. Filed 7-13-95; Certificate Received 9-5-95.
TC95-072	IN THE MATTER OF TELE-TREND COMMUNICATIONS, INC.'S FAILURE TO SUBMIT AN ANNUAL REPORT. Filed 7-13-95; Report Received 8-15-95.
TC95-073	IN THE MATTER OF TOUCHTONE NETWORK, INC.'S FAILURE TO SUBMIT AN ANNUAL REPORT. Filed 7-13-95; Report Received 8-25-95.
TC95-074	IN THE MATTER OF WCS OPERATORS' FAILURE TO SUBMIT AN ANNUAL REPORT. Filed 7-13-95; Report Received 8-15-95.
TC95-075	IN THE MATTER OF THE DEVELOPMENT OF AN IMPROVED INDUSTRY ENVIRONMENT WHICH BETTER FOSTERS COMPETITION AND ENHANCED SERVICES WITHIN THE TELECOMMUNICATIONS INDUSTRY. Filed 7-28-95; Pending.
TC95-076	IN THE MATTER OF DICKEY RURAL COMMUNICATIONS, INC APPLICATION FOR A CERTIFICATE OF AUTHORITY. Filed 7-28-95;
TC95-077	IN THE MATTER OF DNS COMMUNICATIONS APPLICATION FOR A CERTIFICATE OF AUTHORITY. Filed 8-1-95; Withdrawn 1-29-96.
TC95-078	IN THE MATTER OF THE APPLICATION OF AMERICAN EXPRESS TELECOM, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 8-1-95; Approved 9-8-95.
TC95-079	IN THE MATTER OF THE COMPLAINT FILED BY GARY LOUDNER OF RAPID CITY SD, AGAINST U S WEST COMMUNICATIONS FOR INADEQUATE SERVICE. Filed 8-1-95; No Probable Cause 8-25-95.
TC95-080	IN THE MATTER OF THE APPLICATION BY IDEALDIAL CORPORATION FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 8-3-95; Approved 9-22-95.
TC95-081	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS TO REVISE PAGES FROM EXCHANGE AND NETWORK SERVICES TARIFF. Filed 8-4-95; Approved 9-18-95.
TC95-082	IN THE MATTER OF THE APPLICATION OF INTELICOM SOLUTIONS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 8-4-95; Approved 9-18-95.
TC95-083	IN THE MATTER OF THE APPLICATION OF RED RIVER TELECOM, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 8-15-95; Pending.
TC95-084	IN THE MATTER OF THE COMPLAINT FILED BY ROBERT J. CARL, JR. RAPID CITY SD , AGAINST THE FURST GROUP FOR FRADULENT ADVERTISING. Filed 8-14-94; Closed 2-12-96.
TC95-085	IN THE MATTER OF THE COMPLAINT FILED BY SPINK ELECTRIC CO-OP AGAINST U S WEST COMMUNICATIONS FOR UNETHICAL BILLING PRACTICE. Filed 8-14-95; No Probable Cause 9-08-95.
TC95-086	IN THE MATTER OF THE APPLICATION OF NATIONAL ACCOUNTS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 8-16-95; Approved 2-13-96.

TELECOMMUNICATIONS (Continued)

TC95-087	IN THE MATTER OF THE APPLICATION OF DAKOTA TELECOMMUNICATIONS SYSTEMS, INC FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 8-30-95; Pending.
TC95-088	IN THE MATTER OF THE COMPLAINT FILED BY MS. MARTY GUFFIN, WATERTOWN SD, AGAINST U S WEST COMMUNICATIONS FOR POOR SERVICE. Filed 8-29-95; Closed 11-07-95.
TC95-089	IN THE MATTER OF THE COMPLAINT FILED BY CLETUS MULLOY, MOBRIDGE SD, AGAINST ETI NETWORK SERVICES FOR MISREPRESENTATION. Filed 8-29-95; Closed 9-22-95.
TC95-090	IN THE MATTER OF THE APPLICATION BY CTC COMMUNICATIONS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 8-28-95; Pending.
TC95-091	IN THE MATTER OF THE COMPLAINT FILED BY DON AND DELORES STEVENSON OF VOLGA SD AGAINST U S WEST COMMUNICATIONS. Filed 9-5-95; No Probable Cause Found 10-25-95.
TC95-092	IN THE MATTER OF THE COMPLAINT OF BILL DEMARANVILLE, MITCHELL SD, AGAINST NATIONAL ACCOUNTS FOR BILLING PROBLEMS. Filed 9-7-95; Settlement Approved 10-31-95.
TC95-093	IN THE MATTER OF THE APPLICATION FILED BY MINIMUM RATE PRICING, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 9-12-95; Denied 1-12-96..
TC95-094	IN THE MATTER OF THE APPLICATION OF US TELCOM GROUP, INC. FOR CERTIFICATE OF AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 9-13-95; Withdrawn 11-13-95.
TC95-095	IN THE MATTER OF THE COMPLAINT OF MICHAEL AND TAMARA GOIN AGAINST DIRECT NETWORK SERVICES. Filed 9-13-95; Settlement approved 10-25-95.
TC95-096	IN THE MATTER OF THE PROPOSED PROMOTION BY U S WEST TO OFFER A PROMOTION FOR SMALL BUSINESS CUSTOMERS. Filed 9-13-95; Approved 10-31-95.
TC95-097	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS TO REVISE THE LOCALITY SPECIAL RATE AREA MAP FOR MELETTE AND REDFIELD EXCHANGES. Filed 9-12-95; Approved 10-27-95.
TC95-098	IN THE MATTER OF THE FILING BY J D SERVICES, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 9-18-95; Approved 11-22-95.
TC95-099	IN THE MATTER OF THE COMPLAINT FILED BY JOHN FORESTER, OACOMA SD, AGAINST NATIONAL ACCOUNTS TO INVESTIGATE THE COMPANY. Filed 9-20-95; No Probable Cause Found 10-25-95.
TC95-100	IN THE MATTER OF THE COMPLAINT FILED BY LOREN K. DOBYNS, DEADWOOD SD, AGAINST U S WEST COMMUNICATIONS FOR INSTALLATION AND DEVELOPMENT FEES. Filed 9-21-95; Pending.
TC95-101	IN THE MATTER OF THE APPLICATION OF NETEL, INC. FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS A RESELLER OF INTEREXCHANGE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 9-25-95; Withdrawn 3-21-96.
TC95-102	IN THE MATTER OF THE APPLICATION OF CENTURY TELECOMMUNICATIONS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATION SERVICES IN SOUTH DAKOTA. Filed 9-29-95; Approved 11-29-95.
TC95-103	IN THE MATTER OF THE COMPLAINT FILED BY LAWRENCE M. PEYTON, SIOUX FALLS SD, AGAINST U S WEST COMMUNICATIONS. Filed 10-03-95; Dismissed 11-29-95.
TC95-104	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS FOR PERMISSION TO CONDUCT A RESIDENTIAL ADDITIONAL LINE 1995 HOLIDAY PROMOTION. Filed 10-03-95; Approved 11-08-95.
TC95-105	IN THE MATTER OF QAL, INC. D/B/A LONG DISTANCE BILLING FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 10-5-95; Approved 12-5-95.
TC95-106	IN THE MATTER OF THE APPLICATION OF ATCALL, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 10-6-95; Withdrawn 2-13-96.
TC95-107	IN THE MATTER OF THE APPLICATION OF WESTINGHOUSE COMMUNICATIONS FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 10-10-95; Approved 11-30-95.



TELECOMMUNICATIONS (Continued)

TC95-108	IN THE MATTER OF THE APPLICATION BY BUSINESS TELECOM, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 10-11-95; Approved 12-19-95.
TC95-109	IN THE MATTER OF THE APPLICATION OF LDC TELECOMMUNICATIONS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 10-12-95; Pending.
TC95-110	IN THE MATTER OF THE COMPLAINT OF PRINT SENSATIONS, INC. , CHAMBERLAIN SD, AGAINST MIDCO COMMUNICATIONS. Filed 10-10-95; Pending.
TC95-111	IN THE MATTER OF THE APPLICATION OF TOTAL NATIONAL TELECOMMUNICATIONS, INC. D/B/A TOTAL WORLD TELECOM FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 10-20-95; Approved 11-30-95.
TC95-112	IN THE MATTER OF ULTIMATE COMMUNICATION CORP.'S FAILURE TO SUBMIT A REPORT AND PAY THE GROSS RECEIPTS TAX. Filed 10-17-95; Pending.
TC95-113	IN THE MATTER OF GTE TELECOMMUNICATIONS SERVICES, INC.'S FAILURE TO SUBMIT A REPORT AND PAY THE GROSS RECEIPTS TAX. Filed 10-17-95; Paid 11-02-95.
TC95-114	IN THE MATTER OF THE COMPLAINT FILED BY HELLEN HEEREN, DELL RAPIDS SD, AGAINST SIOUX VALLEY TELEPHONE COMPANY. Filed 10-23-95; No Probable Cause 11-7-95.
TC95-115	IN THE MATTER OF THE INQUIRY REQUESTING COMMENTS REGARDING ISSUES RELATED TO SWITCHED ACCESS RATES. Filed 10-25-95; Dismissed 1-23-96.
TC95-116	IN THE MATTER OF THE APPLICATION OF ATLAS COMMUNICATIONS, LTD. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 10-24-95; Approved 2-23-96.
TC95-117	IN THE MATTER OF THE APPLICATION OF FEDERAL TRANSTEL, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 10-24-95; Approved 12-26-96.
TC95-118	IN THE MATTER OF THE COMPLAINT FILED BY STEVEN C. ANDERSON AGAINST U S WEST COMMUNICATIONS FOR HOOKUP FEE CHARGES. Filed 10-26-95; Pending.
TC95-119	IN THE MATTER OF THE COMPLAINT FILED BY RAY & KAREN POPHAM, BELLE FOURCHE SD, AGAINST U S WEST COMMUNICATIONS FOR PHONE INSTALLATION. Filed 11-7-95; Pending.
TC95-120	IN THE MATTER OF THE PETITION OF DAVID GLADER FOR EXTENDED AREA SERVICE BETWEEN COLTON SD, AND SIOUX FALLS SD. Filed 11-7-95; Pending.
TC95-121	IN THE MATTER OF THE APPLICATION BY LDM SYSTEMS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATION SERVICES IN SOUTH DAKOTA. Filed 11-7-95; Approved 12-26-96.
TC95-122	IN THE MATTER OF THE REQUEST FOR ONE-WAY EXTENDED AREA SERVICE FROM DELL RAPIDS SD , TO SIOUX FALLS SD (FROM DOCKET TC95-114). Filed 11-7-95; Pending.
TC95-123	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS FOR CHANGE OF A PAGE FROM THEIR EXCHANGE AND NETWORK SERVICES CATALOG. Filed 11-3-95; Approved 11-22-95.
TC95-124	IN THE MATTER OF THE APPLICATION OF CONSOLIDATED NETWORK, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 11-13-95; Approved 12-26-95.
TC95-125	IN THE MATTER OF THE APPLICATION OF STARLINK COMMUNICATIONS, LLC FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES WITHIN THE STATE OF SOUTH DAKOTA. Filed 11-28-95; Approved 1-29-96.
TC95-126	IN THE MATTER OF THE APPLICATION OF NORTHWEST COMMUNICATIONS, INC. D/B/A AUTOMATED INFORMATION MANAGEMENT SYSTEMS (AIMS) FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 12-1-95; Withdrawn 2-13-96.

TELECOMMUNICATIONS (Continued)

TC95-127	IN THE MATTER OF THE COMPLAINT FILED BY MINI MART, INC. (LINDA WHITE) OF RAPID CITY SD, AGAINST U S WEST COMMUNICATIONS FOR EXCESSIVE HOOKUP FEES. Filed 12-4-95; Pending.
TC95-128	IN THE MATTER OF THE COMPLAINT FILED BY BARRY SMITH, NORTHVILLE SD, AGAINST U S WEST COMMUNICATIONS TO PROVIDE ISDN. Filed 12-6-95; Pending.
TC95-129	IN THE MATTER OF THE APPLICATION OF UNITED TELECOM OF AMERICA, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATION SERVICES WITHIN THE STATE OF SOUTH DAKOTA. Filed 12-8-95; Withdrawn 2-13-96.
TC95-130	IN THE MATTER OF THE FILING BY U S WEST COMMUNICATIONS FOR APPROVAL TO OFFER A PROMOTION TO WAIVE NONRECURRING CHARGES FOR ADDITIONAL LINES AND STANDBY LINES. Filed 12-8-95; Approved 1-11-96.
TC95-131	IN THE MATTER OF THE APPLICATION OF GLOBAL TELEMEDIA INTERNATIONAL FOR CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATION SERVICES IN SOUTH DAKOTA. Filed 12-12-95; Pending.
TC95-132	IN THE MATTER OF THE APPLICATION OF PREMIERE COMMUNICAIONS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA . Filed 12-18-95; Approved 2-13-96.
TC95-133	IN THE MATTER OF THE APPLICATION OF AMERICONNECT, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 12-18-95; Approved 1-19-96.
TC95-134	IN THE MATTER OF THE COMPLAINT FILED BY MARY DEVANY OF SIOUX VALLEY HOSPITAL AGAINST U S WEST COMMUNICATIONS FOR FAILURE TO PROVIDE ISDN. Filed 12-19-95; Closed 1-29-96.
TC95-135	IN THE MATTER OF THE COMPLAINT OF KENT POPHAM, BELLE FOURCHE SD, AGAINST U S WEST COMMUNICATIONS FOR EXCESSIVE HOOKUP FEES. Filed 12-20-95; Pending.
TC95-136	IN THE MATTER OF THE COMPLAINT FILED BY RUSSELL CRAMER, BELLE FOURCHE SD, AGAINST U S WEST COMMUNICATIONS FOR EXCESSIVE HOOKUP FEES. Filed 12-20-95; Pending.
TC95-137	IN THE MATTER OF THE APPLICATION OF INMATE COMMUNICATIONS CORPORATION FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA AND REQUEST FOR WAIVERS. Filed 12-22-95; Approved 2-23-96.
TC95-138	IN THE MATTER OF THE APPLICATION BY USTEL, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 12-26-95; Approved 3-25-96.
TC95-139	IN THE MATTER OF THE APPLICATION OF INTELICOM INTERNATIONAL CORP. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA. Filed 12-27-95; Approved 1-29-96.
TC95-140	IN THE MATTER OF THE APPLICATION OF ADVANCED TELECOMMUNICAITONS NETWORK INC. FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS A RESELLER OF TELECOMMUNICATION S SERVICES WITHIN THE STATE OF SOUTH DAKOTA. Filed 12-29-95; Approved 1-29-96.

◆Natural Gas & Electric Utilities◆

A distinction has been made between cooperative and municipal utilities, and investor-owned utilities. Rural electric cooperatives and municipal utilities are regulated by the PUC, but only in regard to territorial boundaries and in response to complaints of discrimination or poor service. These utility companies have rates and policies set by the membership of the cooperative or the city government for municipal companies.

For investor-owned utility companies, the PUC has authority to set retail rates, territorial boundaries and customer service regulations such as credit and disconnection policies. A comprehensive summary of the investor-owned utilities will be given in this section.

RURAL ELECTRIC COOPERATIVES

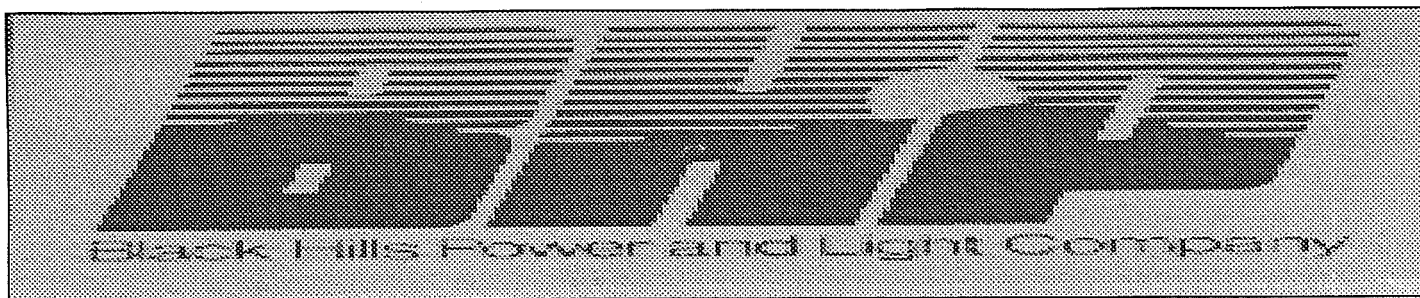
Black Hills Electric
Bon Homme-Yankton Electric
Butte Electric
Cam Wal Electric
Charles Mix Electric
Cherry-Todd Electric
Clay Union Electric
Codington-Clark Electric
Dakota Energy
Douglas Electric
FEM Electric
Grand Electric
H-D Electric
Intercounty Electric
Kingsbury Electric
Lacreek Electric
Lake Region Electric
Lincoln-Union Electric
McCook Electric
Moreau-Grand Electric
Northern Electric
Oahe Electric
Rosebud Electric
Sioux Valley Empire Electric
Spink Electric
Traverse Electric
Tri-County Electric
Turner-Hutchinson Electric
Union Electric
West Central Electric
West River Electric
Whetstone Valley Electric

MUNICIPAL UTILITIES (Electric)

City of Arlington City of White
City of Aurora City of Winner
City of Badger
City of Beresford
City of Big Stone City
City of Brookings
City of Bryant
City of Burke
City of Colman
City of Elk Point
City of Estelline
City of Faith
City of Flandreau
City of Fort Pierre
City of Groton
City of Hecla
City of Howard
City of Langford
City of Madison
City of McLaughlin
City of Miller
City of Onida
City of Parker
City of Pickstown
City of Pierre
City of Plankinton
City of Sioux Falls
City of Tyndall
City of Vermillion
City of Volga
City of Watertown (Natural Gas also)
City of Wessington Springs

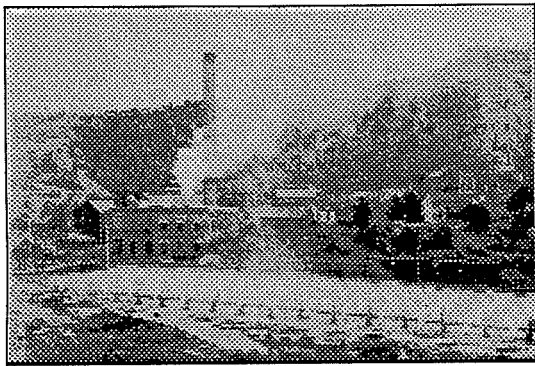
INVESTOR-OWNED UTILITIES

Black Hills Power & Light Company
MidAmerican Energy Company
Montana-Dakota Utilities Co.
Northern States Power Company
Northwestern Public Service Company
Otter Tail Power Company
People's Natural Gas



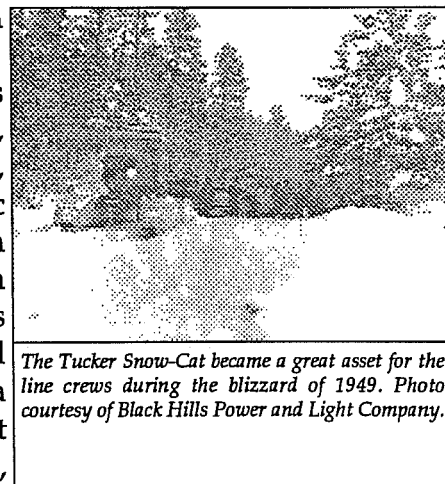
(Submitted by Black Hills Power and Light Company)

Black Hills Power and Light Company was incorporated under the laws of South Dakota in 1941. In 1986 the Company changed its name to Black Hills Corporation and now operates its investor-owned electric utility operations under the assumed name of Black Hills Power and Light Company. In addition, the Company has diversified into coal mining through Wyodak Resources Development Corp. and oil and gas production through Western Production Company.



The Puma Power Plant between Deadwood and Lead, SD, was one of Black Hills Power and Light Company's oldest generating plants, as shown in this 1905 photo. Photo courtesy of Black Hills Power and Light Company.

Black Hills Power is engaged in the generation, purchase, transmission, distribution and sale of electric energy in 11 counties in western South Dakota, northeastern Wyoming, and southeastern Montana. The territory serviced by Black Hills Power includes 20 incorporated communities and various unincorporated and rural areas with a population estimated at 165,000. The largest community served is Rapid City, with a population, including environs, estimated at 75,000. Our service area economy continues to be stable, primarily due to its diversity.



The Tucker Snow-Cat became a great asset for the line crews during the blizzard of 1949. Photo courtesy of Black Hills Power and Light Company.



Black Hills Power and Light offered cooking classes to future homemakers during the 50s. Photo courtesy of Black Hills Power and Light Company.

ELECTRIC POWER SUPPLY

In August of 1995, Black Hills Power and Light Company completed construction on Neil Simpson Unit #2, an 80 MW coal-fired mine-mouth power plant near Gillette, Wyoming. The decision to construct was made after reviewing plant retirement needs, customer load growth projections, and cost-effectiveness and timing of other resource alternatives.



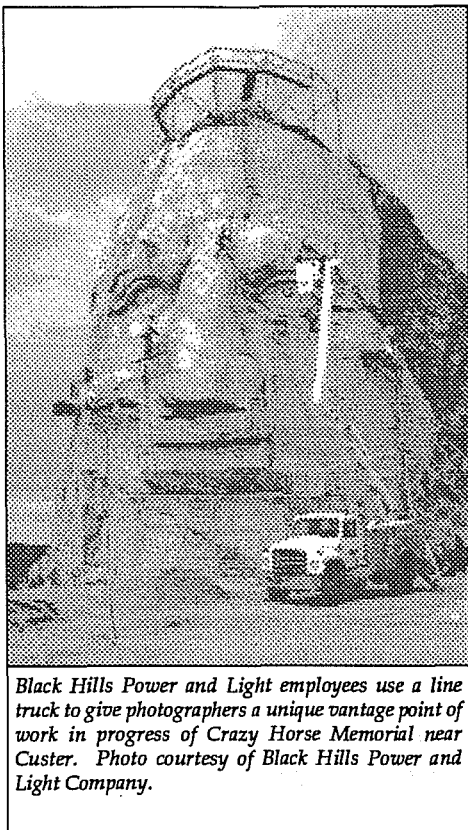


"Reddy's Roving Electrical Show" toured dozens of communities and rural areas with displays of the latest electrical appliances. Photo courtesy of Black Hills Power and Light Company.

In addition to Neil Simpson #2, BHP owns and operates three electric generating power plants and has partial interest in another. Neil Simpson #1, an 18 MW plant, is located near Gillette, WY; Osage, 30 MW, is at Osage, Wyoming; and Ben French, 22 MW, is at Rapid City, SD. The Company is a 20% owner of Wyodak Station #1, 330 MW, near Gillette with Pacific Power and Light, an 80% owner. In 1995, Kirk Power Plant located in Lead was placed into cold storage for economic reasons. The power plants are all fueled with low sulfur, sub-bituminous coal mined by Wyodak Resources Development Corp. Pricing of the coal is regulated by the South Dakota Public Utilities Commission.

ENERGY SALES

Firm energy sales increased slightly in 1995 and are forecast to increase over the next ten years at an annual compound growth rate of 2.0%. Systems demand increased from 1994 to 1995 by 6.8%, and is forecast to increase at an annual compound growth rate of 2.4% for the ten-year planning horizon.



Black Hills Power and Light employees use a line truck to give photographers a unique vantage point of work in progress of Crazy Horse Memorial near Custer. Photo courtesy of Black Hills Power and Light Company.

CUSTOMERS

Black Hills Power has 55,018 customers with the average residential customer using 8,451 KWHs of electricity annually at an average price of \$0.078 per KWH. A net increase of 2% in total customers served continues to reflect the steady growth of the service area. Our cost containment efforts and customer load growth have provided our customers with electricity costs that are declining in real terms, and are guaranteed until at least the year 2000.

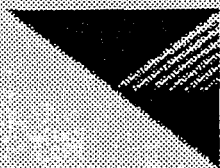
ECONOMIC DEVELOPMENT

The economic prosperity of our service area is vitally important to Black Hills Power and the customers and communities we serve. We have developed programs and services to assist both existing and potential businesses. Since each community is unique, we strive for flexible economic incentive packages including site development, marketing and engineering support, energy efficiency grants, and energy cost analysis. We have established partnerships with our community economic development groups in order to enhance growth in the region.



BLACK HILLS POWER AND LIGHT COMPANY
South Dakota
Operating Revenues and Statistics-ELECTRIC
12 Months Ended December 1995

OPERATING REVENUES	
Residential	\$28,782,345
Commercial	35,608,503
Industrial	20,625,645
Public Street & Highway Lighting	852,502
TOTAL SALES OF ELECTRICITY	\$85,914,843
OTHER OPERATING REVENUE	
Forfeited Discounts	\$140,254
Miscellaneous Service Revenue	164,052
Rent for Electric Property	1,609,371
Other Electric Revenue	139,285
TOTAL OTHER OPERATING REVENUE	2,052,962
TOTAL OPERATING REVENUE	\$87,967,805
ELECTRICITY SOLD	
SALE OF ELECTRICITY-MWH:	
Residential	367,499
Commercial & Industrial-Small	494,126
Commercial & Industrial-Large	448,819
Public Street & Highway Lighting	7,727
Other Sales to Public Authorities	14,489
TOTAL ELECTRICITY SOLD	1,332,660
Customer Data	
	12-Month Average
Residential	43,536
Commercial	8,482
Industrial	24
Other	125
TOTAL CUSTOMERS	52,167



MidAmerican ENERGY

(Submitted by MidAmerican Energy)

Continued movement toward a competitive utility industry led to the merger of Midwest Resources Inc. and Iowa Illinois Gas and Electric to MidAmerican Energy Company. The merger became effective on July 1, 1996 in record time; only 11 months from announcement date to effectiveness.

MidAmerican has a service area covering 10,600 square miles from the Illinois and Iowa Quad Cities on the east to Sioux Falls, South Dakota on the west. The company serves 550 communities with a total population of 1.7 million.

MidAmerican is the 28th largest natural gas distribution company in the country serving approximately 595,000 customers. It is the 42nd largest electric company serving over 631,000 customers.

MidAmerican's gas division is headquartered in Sioux City, Iowa. Sioux Falls, South Dakota is one of the divisions four district headquarters for natural gas operations. MidAmerican serves Alcester, Baltic, Beresford, Brandon, Canton, Centerville, Colton, Dakota Dunes, Dell Rapids, Elk Point, Ellis, Flandreau, Gayville, Harrisburg, Hartford, Jefferson, Lennox, Meckling, Montrose, North Sioux City, Ramona, Salem, Sioux Falls, Tea, Vermillion, Worthing, and Yankton with natural gas.

The electric division of MidAmerican is headquartered in Davenport, Iowa. MidAmerican serves the southeastern South Dakota communities of Alcester, Dakota Dunes, Fairview, Hudson, Jefferson, and North Sioux City with electricity.



MidAmerican's focus is on positioning the company for the competitive environment. Our key goals are:

- ♦ To realize merger savings and improve utility earnings while maintaining competitive prices.
- ♦ To continue improving employee productivity.
- ♦ To provide high-quality service.
- ♦ To maintain key community commitments and economic development initiatives.
- ♦ To improve the performance of our non-regulated businesses.

In the increasingly competitive environment, MidAmerican firmly believes that three key elements are required to achieve success: financial strength, market leadership, and low costs. MidAmerican Energy Company has these characteristics.

The company also recognizes that effective economic development programs are essential to the long term prospects for the areas MidAmerican serves. The company remains firmly committed to such activities. Despite downsizing, the company has expanded its commitment to economic development by supplementing economic development staffs in Des Moines, Sioux City and Davenport with the addition of community developers in eight other communities...Yankton, South Dakota is one of these communities.

30 YEARS PROGRESSION OF NATURAL GAS SERVICE IN THE SIOUX FALLS AREA

CenGas Division of Minnegasco: 1976 - 1982



Minnegasco: 1982 - 1993



Midwest Gas: 1993 - 1995



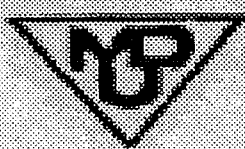
MidAmerican Energy: 1995

MidAmerican Energy
 South Dakota
 Operating Revenues and Statistics
 12 Months Ended December 1995

OPERATING REVENUES	(formerly Midwest Gas)
Sales of Gas - \$	
Residential	\$25,845,834
Commercial	16,893,109
Industrial	1,611,469
Total Revenues	\$44,350,412
Volumes of Gas Sold	
Sales of Gas - CCF:	
Residential	53,144,457
Commercial	44,389,435
Industrial	5,002,051
Total Volumes	102,535,943
Customer Data	
Residential	51,964
Commercial	6,876
Industrial	51
Total Customers	58,891

OPERATING REVENUES	(formerly Midwest Power)
Sales of Electricity- \$	
Residential	\$1,410,527
Commercial	2,586,487
Industrial	680,000
Sales/Public Auth	137,716
Street Lighting	47,308
Rural	94,262
Total Revenues	\$4,956,300
Electricity Sold	
Sales of Electricity - MWH:	
Residential	23,233,457
Commercial	48,896,667
Industrial	16,608,479
Sales/Public Auth	2,417,918
Street Lighting	430,572
Rural	1,468,294
Total Electricity	93,055,387
Customer Data	
Residential	2,230
Commercial	376
Industrial	6
Sales/Public Auth	61
Street Lighting	6
Rural	85
Total Customers	2,764





MONTANA-DAKOTA

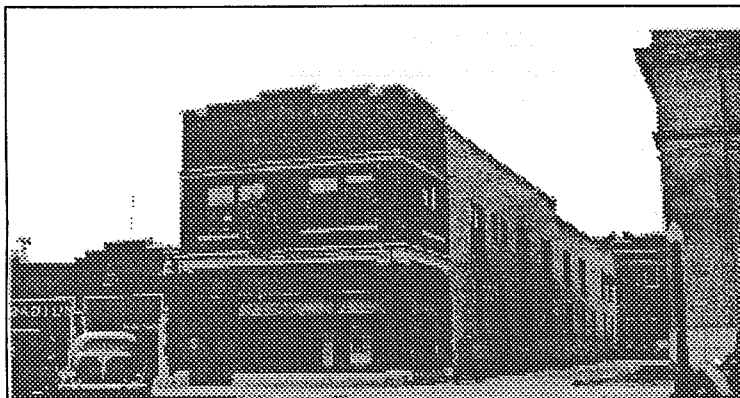
UTILITIES CO.

A Division of MDU Resources Group, Inc.

(Submitted by Montana-Dakota Utilities Co.)

Montana-Dakota Utilities Co. owns and operates natural gas distribution systems in the Black Hills and central South Dakota plus electric transmission and distribution facilities in north-central

South Dakota. The Company serves 37,353 natural gas customers and 8,766 electric customers in the state, as of December 31, 1995.

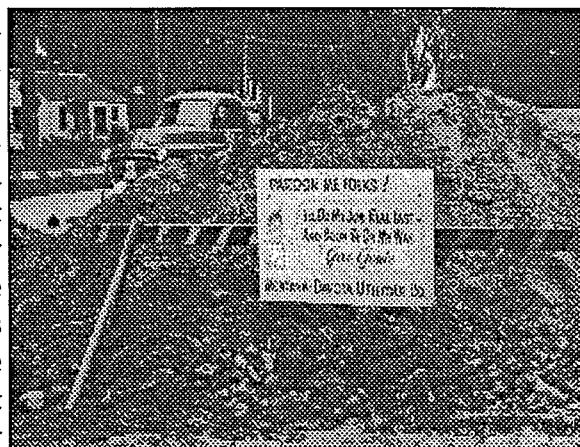


Montana-Dakota Utilities Co. brought natural gas service to the Black Hills towns of Rapid City, Lead-Deadwood and Spearfish in 1926. This building at 725 St. Joseph Street in Rapid City served as the first division office building until 1956. The manager and his family lived in the upstairs apartment. Photo courtesy of MDU.

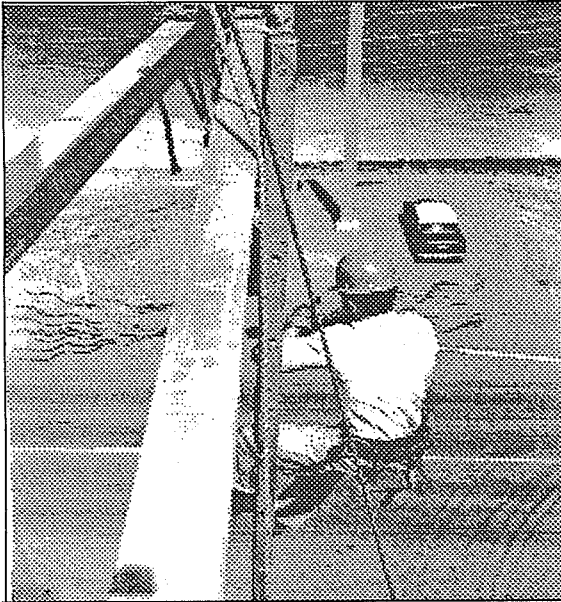
Montana-Dakota Utilities Co., which has been part of the state's business community since 1928, is currently enlarging its presence through the expansion of natural gas distribution systems in Pierre, Mobridge and other towns in central South Dakota.

The Company also operates natural gas systems in many Black Hills cities and electric properties in several north-central

towns. The Company has also been involved in the promotion of natural gas as a vehicle fuel. Now, over 550 vehicles operate on natural gas supplied by 13 fueling stations located throughout Montana, North Dakota, South Dakota and Wyoming, which comprises Montana-Dakota's service area. In South Dakota, two public refueling stations are located in the Rapid City area and one is located in Spearfish. Along with providing energy to South Dakota customers, Montana-Dakota employees participate in community activities including economic development plus public education and safety organizations. Many Montana-Dakota employees also participate in the Company's Gatekeeper program. This program is designed to uncover problems with the elderly and the disabled. Utility employees regularly come in contact with all customers and act as "eyes and ears" to relay information to local service agencies that can help elderly and disabled citizens.



The "Gas Genie" figurine featured on this construction sign was the invention of Montana-Dakota's artist Vic Molinaro. The Gas Genie was featured in several Montana-Dakota's natural gas advertising campaigns 30-40 years ago. Photo courtesy of MDU.



In 1961, Montana-Dakota's electric construction employees had a bird's eye view of Lake Oahe. That year the Company built a high-voltage transmission line at the bridge crossing near Mobridge. The line still serves as a backbone for the Company's South Dakota electric operations. Photo courtesy of MDU.

Montana-Dakota is indeed a partner in the communities it serves. In addition to providing energy and a large payroll, Montana-Dakota is also a major taxpayer. In 1995 the Company paid property taxes of \$1,023,000 in South Dakota.

Montana-Dakota is a business unit of MDU Resources Group, Inc., a multidimensional natural resource enterprise traded on the New York Stock Exchange. The utility offers electric power generation and transmission plus natural gas, propane, and electricity distribution to customers in Montana, North Dakota, South Dakota, and Wyoming. The corporation also operates a natural gas pipeline company, coal and aggregate mining operations, an energy marketing firm, as well as oil and natural gas production investment.



Montana-Dakota Utilities Co. brought natural gas service to Pierre and several other central South Dakota communities in 1993. The project — known as East River — is one of the Company's largest construction projects undertaken in 20 years. Photo courtesy of MDU.



MONTANA-DAKOTA UTILITIES CO.

South Dakota
Operating Revenues and Statistics
12 Months Ended December 1995

OPERATING REVENUES	Natural Gas
Sales of Gas - \$	
Residential	\$17,309,081
Commercial-Firm	9,967,732
Commercial-Interruptible	759,014
Small Industrial	28,955
Large Interruptible	224,343
Total Revenues	\$28,289,125
Other Operating Revenue	
Misc. Service Revenue	\$27,484
Rent From Gas Property	66,420
Other Gas Revenue	6,352
Total Other Revenue	\$100,256
Transportation Revenue	
Small Interruptible	\$275,857
Large Interruptible	284,512
Total Trans. Revenue	\$560,369
Volumes of Gas Sold	
Sales of Gas - CCF:	
Residential	33,093,470
Commercial-Firm	23,304,340
Commercial-Interruptible	3,745,100
Small Industrial	79,020
Large Interruptible	1,171,520
Total Volumes	61,393,450
Transported Gas - CCF	
Small Interruptible	4,696,080
Large Interruptible	14,679,340
Total Transported	19,375,420
Customer Data	
Residential	33,428
Commercial-Firm	3,905
Commercial-Interruptible	16
Small Industrial	2
Large Interruptible	2
Total Customers	37,353

OPERATING REVENUES	Electricity
Sales of Electricity- \$	
Residential	\$5,546,540
Commercial & Industrial - Small	2,592,106
Commercial & Industrial-Large	1,513,910
Public Street & Highway Lighting	220,534
Other Sales to Public Authorities	159,528
Interdepartmental	1,054
Total Sales of Electricity	\$10,033,672
Other Operating Revenues	
Misc. Service Revenues	\$4,017
Rent from Electric Property	299,912
Other Electric Revenues	46,896
Total Other Revenue	350,825
Total Operating Revenue	\$10,384,497
Electricity Sold	
Sales of Electricity - MWH:	
Residential	62,960
Commercial & Industrial - Small	31,134
Commercial & Industrial - Large	24,670
Public Street & Highway Lighting	2,855
Other Sales to Public Authorities	3,097
Interdepartmental	12
Total Electricity	124,728
Customer Data	
Residential	6,932
Commercial & Industrial - Small	1,725
Commercial & Industrial - Large	60
Public Street & Highway Lighting	29
Other Sales to Public Authorities	20
Interdepartmental	0
Total Customers	8,766

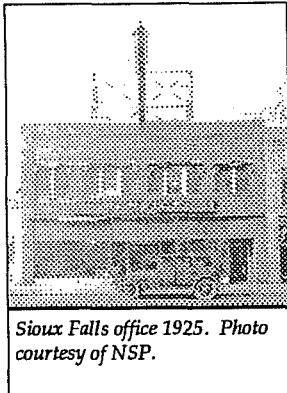


(Submitted by NSP)



Northern States Power Company
South Dakota

Northern States Power Company serves about 1.3 million customers in parts of South Dakota, Minnesota, North Dakota, Wisconsin, and Michigan's upper peninsula.



Sioux Falls office 1925. Photo courtesy of NSP.

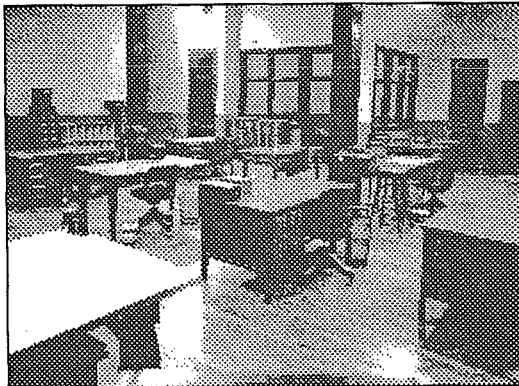
In South Dakota, the company serves electricity to over 60,500 customers in thirty-six communities including Sioux Falls, Canton, Garretson, Dell Rapids, Salem, and Centerville. Peak demand for the South Dakota system was 333 megawatts in August 1995. Sioux Falls customers use about 85% of the South Dakota system load. South Dakota represents about 4% of total NSP system load.

Power is supplied to the system predominately from coal, nuclear, and hydro plants in Minnesota. The Pathfinder generating unit, 60 MW gas-fired peaking facility, along with the Angus C. Anson Plant, a 210 megawatt gas-fired combustion peaking facility which came on-line in 1994, operate in South Dakota.



NSP's first office building at 100 N Phillips moved to 315 S Phillips in Sioux Falls on July 1922. Photo courtesy of NSP.

NSP's service territory's once traditional agriculture economy (Morrell,



NSP's early accounting department was equipped with the latest modern devices including spittoons. Photo courtesy of NSP.

Sioux Falls Stockyard) has been bolstered by non-agricultural expansion: *credit cards* - Citibank, Sears Payment System; *manufacturing* - Raven Industries, Hutchinson Technology, Gateway 2000; *medical* - Sioux Valley Hospital, McKennan Hospital, Children's Care Hospital and School, and Veteran's Administration Hospital; and a thriving regional retail activity.

Construction activity in Sioux Falls surpassed \$175 million during 1995.

NSP is assisting in the "Good Thing Going" in the Sioux Falls area by keeping electric rates among the lowest one-third in the nation. The business environment is extremely competitive today - NSP helps business maintain competitiveness through low rates and assistance in energy management.



NORTHERN STATES POWER COMPANY

South Dakota

Operating Revenues and Statistics
12 Months Ended December 1995

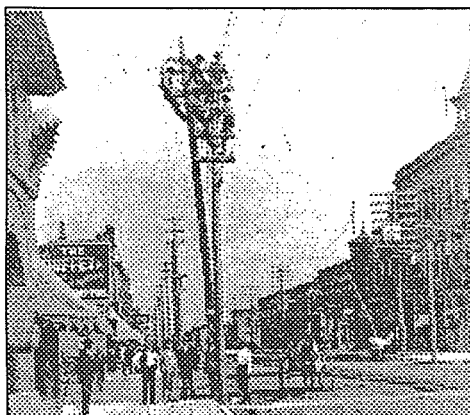


The Buffalo Ridge wind-generating facility became fully operational in May 1994 with 73 turbines capable of producing 25 megawatts of wind power. NSP purchases power from the plant which is owned and operated by KENETECH Windpower, Inc. Photo courtesy of NSP.

OPERATING REVENUES	Electricity
Sales of Electricity- \$	
Residential	\$32,931,490
Commercial & Industrial - Small	16,143,500
Commercial & Industrial-Large	25,746,041
Public Street & Highway Lighting	581,873
Other Sales to Public Authorities	2,235
Total Sales of Electricity	\$75,405,139
Forfeited Discounts	\$139,411
Misc. Service Revenues	205,099
Rent from Electric Property	101,369
Other Electric Revenues	31,104
Total Other Revenue	\$476,983
Total Operating Revenue	\$75,882,122
Electricity Sold	
Sales of Electricity - MWH:	
Residential	437,552
Commercial & Industrial - Small	259,517
Commercial & Industrial - Large	556,709
Public Street & Highway Lighting	6,586
Other Sales to Public Authorities	0
Total Sales	1,260,364
Customer Data	
Residential	52,609
Commercial & Industrial - Small	7,234
Commercial & Industrial - Large	354
Other	87
Total Customers	60,284

Northwestern Public Service Company

Competition and deregulation are altering the landscape for traditional utility companies. Northwestern Public Service Company is strengthening its competitive



Electric utility line work at the turn of the century was a labor intensive effort. When a distribution pole in downtown Yankton needed replacing in 1905, a crew of several men was necessary to change out the cross arms. Photo courtesy of NWPS.

position by placing greater emphasis on customer satisfaction, increasing efficiency, and controlling costs. During 1995, the Company worked to align resources, processes,

technology, and employees with its strategic objectives.

Success in a competitive market depends, in part, on providing low-cost energy sources. Northwestern's costs are consistently among the lowest in the nation. Beginning in the summer of 1995, electric customers started receiving the benefits of a new coal contract for the Big Stone Plant, one of the Company's three jointly owned electric generating plants. Combined with expected plant efficiency improvements, the annual fuel cost savings for customers are expected to be in excess of \$2.2 million. The Company is continuing to work with utility partners to obtain lower fuel costs at its other baseload plants, Coyote I in Beulah, ND, and Neal #4 near Sioux City, Iowa.

In 1995, Northwestern formed strategic alliances with Cibola Energy Services to coordinate natural gas supply,

(Submitted by NWPS)

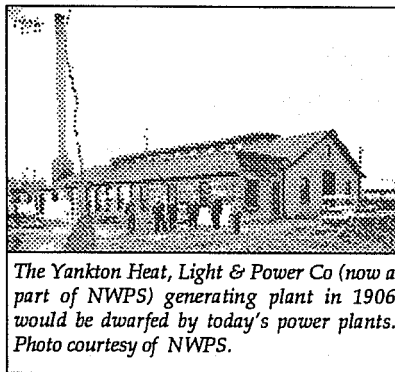
storage, and pipeline transportation services in South Dakota. The alliance further assists the Company in maintaining market-sensitive rates and making more efficient use of contracted pipeline capacity.

Centralizing energy operations in Huron, SD is another 1995 accomplishment that will improve service, streamline operations, and increase efficiency. The Customer Service Center moved into the new Operations Center in January, 1996. The toll-free call center grew from a pilot program answering after-hours customer calls to a 24-hour service.

Dispatchers have also moved to the Operations Center where a new Supervisory Control and Data Acquisition (SCADA) system gives them access to historical and real-time information on Northwestern's energy distribution system. SCADA provides a

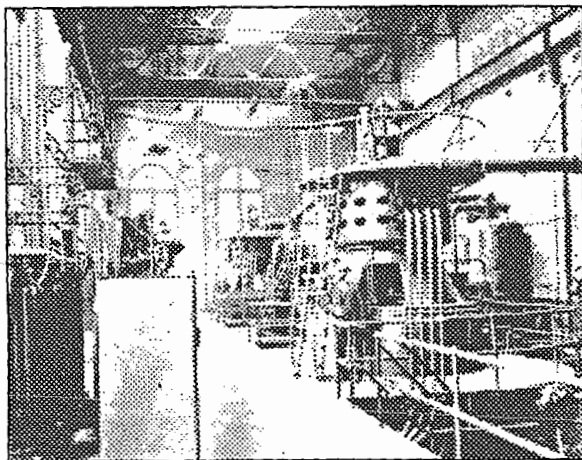
powerful tool for controlling electric and natural gas systems, as well as providing information that can help customers make timely, informed energy decisions. Over the next few months, the Company will consolidate more functions in the new building, including materials management, relay and load management, meter testing and repair, construction support, and corporate services.

Northwestern has a strong competitive position in the electric and gas distribution businesses, and the Company is aggressively seeking new investments and acquisitions that have long-term growth



The Yankton Heat, Light & Power Co (now a part of NWPS) generating plant in 1906 would be dwarfed by today's power plants. Photo courtesy of NWPS.





The Consolidated Power & Light Co. installed coal-fired General Electric turbine generators in its Pluwa, South Dakota plant about 1905. Photo courtesy of NWPS.

potential. The Company grew substantially in 1995, primarily through strategic investments in propane. At year's end, Northwestern served 55,310 electric customers in eastern South Dakota, 76,464 natural gas customers in South Dakota and Nebraska, and 184,500 propane customers in 17 eastern and southern states.

In August, Northwestern purchased Synergy Group Incorporated, a large retail distributor of propane headquartered in Farmingdale, NY. The additional acquisition of two smaller propane companies further expanded the Company's geographic diversity and distribution

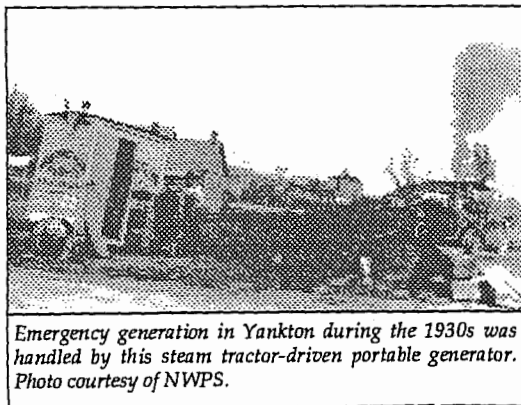
capabilities. Propane distribution provides marketing opportunities to serve customers in new areas. To jointly manage the new propane properties, the Company formed an alliance with Empire Gas Corporation of Lebanon, Mo.

Customer satisfaction has been a Company priority for nearly three quarters of a century, and in 1995, Northwestern was pleased to introduce a new program allowing residential customers to become investors with no brokerage fees. Through the Customer Stock Purchase Plan,



Trouble crews for the Dakota Power Company were delighted when they took delivery of their first gasoline-powered service truck in 1917. Photo courtesy of NWPS.

residential customers may invest anywhere from \$10 to \$2,000 a month to purchase shares of Northwestern Public Service (NPS) common stock. The convenience, flexibility, and economy of the Plan attracted more than 1,000 new shareholders during the year, increasing the number of stockholders who live in Northwestern's service territory.



Emergency generation in Yankton during the 1930s was handled by this steam tractor-driven portable generator. Photo courtesy of NWPS.

NORTHWESTERN PUBLIC SERVICE COMPANY

South Dakota

Operating Revenues and Statistics
12 Months Ended December 1995

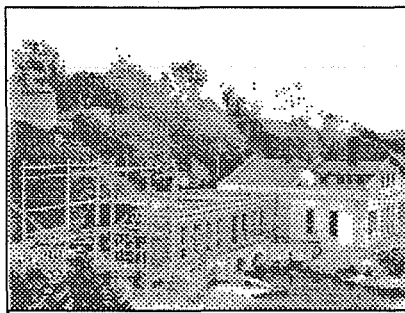
OPERATING REVENUES	Electricity	OPERATING REVENUES	Natural Gas
Sales of Electricity- \$		Sales of Gas - \$	
Residential	\$31,583,590	Residential-Without Heating	\$198,973
Commercial & Industrial	38,209,727	Residential-With Heating	17,658,204
Public Street & Highway Lighting	938,669	Commercial & Industrial-Small Firm	7,888,437
Other Sales to Public Authorities	461,302	Commercial & Industrial-Large Firm	2,264,229
Total Retail	\$71,193,288	Commercial & Industrial-Agency	1,953,648
Sales for Resale-Requirement	275,210	Commercial & Industrial-Interruptible	1,295,446
Sales for Resale-Nonrequirement	1,658,554	Commercial & Industrial-Agency	3,368,234
Total Sales of Electricity	\$73,127,052	Total Sales of Gas	\$34,627,171
Other Operating Revenues		Other Operating Revenue	
Late Payment Charges	\$161,395	Late Payment Charges	\$78,162
Miscellaneous Service Revenues	436,129	Miscellaneous Service Revenues	264,437
Rent from Electric Property	106,891	Transport Gas Billed	6,095
Other Electric Revenues	1,026,033	Other Gas Revenues	932
Total Other Revenue	1,730,448	Total Revenue	\$34,976,797
Total Operating Revenue	\$74,857,500		
Electricity Sold		Volumes of Gas Sold	
Sales of Electricity - MWH:		Sales of Gas - DKT:	
Residential	425,205	Residential-Without Heating	28,580
Commercial & Industrial	629,318	Residential-With Heating	3,318,511
Public Street & Highway Lighting	10,625	Commercial & Industrial-Small Firm	1,773,360
Other Sales to Public Authorities	6,180	Commercial & Industrial-Large Firm	606,870
Sales for Resale-Requirement	7,809	Commercial & Industrial-Agency	839,340
Sales for Resale-Nonrequirement	119,363	Commercial & Industrial-Interruptible	457,822
Total Electricity	1,198,500	Commercial & Industrial-Agency	1,383,551
Customer Data		Total Volumes	8,408,034
Residential	45,442	Customer Data	
Commercial & Industrial	9,242	Residential-Without Heating	1,022
Public Lighting	181	Residential-With Heating	30,680
Other Sales to Public Authorities	268	Commercial & Industrial-Small Firm	4,559
Sales for Resale-Requirement	3	Commercial & Industrial-Large Firm	126
Sales for Resale-Nonrequirement	16	Commercial & Industrial-Agency	5
Total Customers	55,152	Commercial & Industrial-Interruptible	111
		Commercial & Industrial-Agency	17
		Total Customers	36,520

OTTER TAIL

Power Company

(Submitted by Otter Tail Power Company)

FIRST-CLASS SERVICE IS A LONG-STANDING COMMITMENT



1930 picture of Hoot Lake power plant. Photo courtesy of OTP.

Otter Tail Power Company's service to South Dakota dates back to 1915. That's when Sisseton and White Rock became the first of 55 South Dakota communities to which the company now provides electric service. Today, as then, our number one commitment is to provide abundant, reliable, fairly-priced electricity to more than 11,000 retail customers in the northeastern section of the state. One indicator of our success is the fact that our average residential customer paid less in 1995 than in 1984.

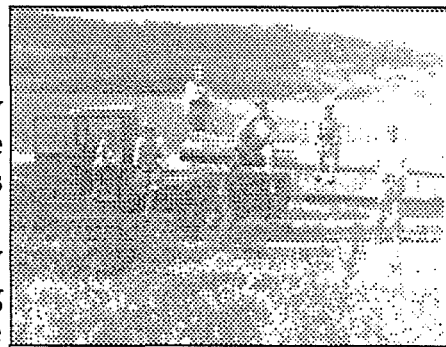
Even though customer service has been our hallmark, Otter Tail recently implemented a "Customer Service Guarantee" which is a 5-point promise which compensates customers whenever our high quality standards are not met. These are the promises we have made to our customers:

1. We will provide timely, courteous customer service.
2. We will connect your service by the date promised. If we fail, we'll award you \$50 for each working day we're late up to \$250.
3. We will repair a rental security light within five working days of your notification to us that it's broken. If we fail to repair the rental security light as promised, we'll pay for one month's free electric service for that light.
4. We will provide you with an accurate bill. If your bill is ever inaccurate, we'll correct it and award you 10 percent of the error, from \$10 to \$500.
5. We will respect your property. If our employees damage your property, they will initiate a prompt, mutually-agreeable resolution of the problem.

WE'RE GENERATING MORE THAN ELECTRICITY

Simple logic tells us that the success of our company is directly related to the success of the communities we serve. Our first Economic Development Department was established during the 1950s.

Over the past several years, however, we've greatly expanded our economic development activities. Working closely with the local economic development groups, state agencies, and our division office staffs, a professional

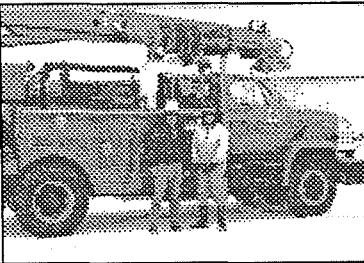


1930s line crew hauling poles. Photo courtesy of OTP.



Large crews, such as the 1930 crew pictured above, have been replaced with 2-person crews using modern, efficient equipment. Photos courtesy of OTP.

economic development firm retained by the company has helped generate more than 5,000 new jobs in more than 100 communities throughout our three-state service area. A proportionate number of those jobs have been created in South Dakota.



Eleven South Dakota communities now participate in our loan pool program established in 1989. The pools are designed to provide funds for manufacturing operations that will create additional jobs in

communities we serve. By the end of 1995, we had added \$25,000 to the \$2,350,000 total committed by Otter Tail and other community entities such as banks, savings and loan associations, and other service entities.

A third component of our expanded economic development commitment is our Commercial Development Partnership Program designed to help new retail businesses in the start-up process. A requirement of the program is that the community involved must offer commitment similar to ours, such as tax abatements or credit for sewer, water, and refuse collection. Businesses such as telephone companies and other energy providers are encouraged to participate. To date, nine South Dakota communities participate.

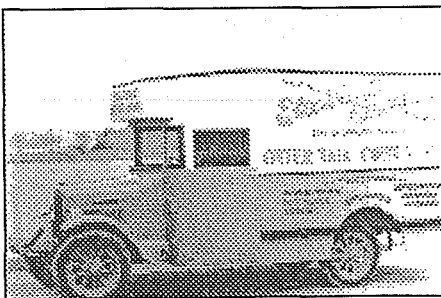
PROPERTY TAXES CONTRIBUTE TO STATE'S ECONOMY

The federal income tax is typically the largest bill we have. However, property tax payments to South Dakota taxing authorities were \$1,607,602 in 1995.

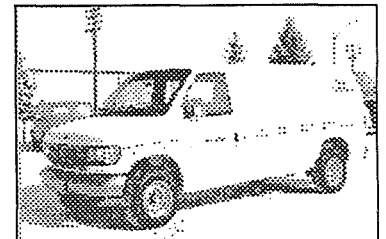
It's interesting to note what that means in terms of people. At year-end 1995, we served 8,798 residential customers in South Dakota. This means that our South Dakota property tax bill for the year averaged \$183 per residential customer of the company.

Demographers tell us that each customer represents between two and three persons. So we believe it is fair to say that we pay about \$73 in property taxes in South Dakota for each South Dakotan who uses our electricity.

To be specific, our 1995 liability for county, school, village and city, township and other property taxes was \$1,189,331 in Grant County, where the Big Stone Plant is located.



Otter Tail trucks have certainly changed between this 1930 display truck and a 1995 service truck. Photo courtesy of OTP.



OTTER TAIL POWER COMPANY

South Dakota

Operating Revenues and Statistics
12 Months Ended December 1995

OPERATING REVENUES	Electricity
Sales of Electricity- \$	
Residential	\$6,063,227
Commercial & Industrial - Small	3,262,480
Commercial & Industrial - Large	4,254,823
Public Street & Highway Lighting	396,980
Other Sales to Public Authorities	210,727
Sales for Resale	214,513
Total Sales of Electricity	\$14,402,750
Other Operating Revenues	
Forfeited Discounts	\$45,848
Miscellaneous	31,576
Rent from Electric Property	89,905
Other Electric Revenues	202,041
Total Other Operating Revenue	\$369,370
Electricity Sold	
Sales of Electricity - MWH:	
Residential	98,490
Commercial & Industrial - Small	49,169
Commercial & Industrial - Large	91,727
Public Street & Highway Lighting	2,660
Other Sales to Public Authorities	4,825
Sales for Resale	12,604
Total Electricity	259,475
Customer Data	
Residential	8,798
Commercial & Industrial - Small	2,370
Commercial & Industrial - Large	164
Other	124
Total Customers	11,456

PEOPLES NATURAL GAS
 South Dakota
 Operating Revenues and Statistics
 12 Months Ended December 1995

OPERATING REVENUES	Natural Gas
Sales of Gas - \$	
Residential	\$277,225
Commercial-Firm	49,906
Firm Industrial	6,803
Other Operating Revenue	1,043
Total Sales	\$334,977
Gas Sold-dk	
Residential	50,385
Firm Commercial	9,663
Firm Industrial	1,304
Total Sales-dk	61,352
Customer Data	
Residential	272
Firm Commercial	7
Firm Industrial	2
Total Customers	281



South Dakota Intrastate Pipeline Company
105 South Euclid Avenue, Suite E
Pierre SD 57501

South Dakota Intrastate Pipeline Company (SDIP) was formed in 1992 to transport natural gas from the Northern Border Pipeline in Edmunds County to Pierre, in Hughes County. SDIP also provides gas to interested communities and businesses along its route.

In March 1992, SDIP filed with the Public Utilities Commission for certification to construct and operate a pipeline consisting of 47 miles of 8" pipe, 106 miles of 6" pipe, and 25 miles of 3" pipe, and the associated valves, meters and fittings. The pipeline is designed to operate at a pressure of 1,130 psig and was built to meet federal safety requirements and the requirements of the SDPUC. The SDPUC granted site permission in July 1992 and an interim rate in January 1993, with a final rate approved in December 1993, after construction costs were finalized. SDIP began construction in April 1993 and went into operation on September 1, 1993.

SDIP currently transports gas to ten communities along its pipeline route for a distribution company, Montana-Dakota Utilities. Revenues for 1995 were approximately \$1,961,023 and expenses were approximately \$1,770,980. The final cost of construction was approximately \$13,900,000. SDIP currently employs six people and hires one additional person during the summer months.

South Dakota Intrastate Pipeline Company

South Dakota

Operating Revenue and Statistics - Natural Gas
 12 Months Ending December 1995

OPERATING REVENUES

Transportation Revenue	\$ 802,502
Contract Revenue	1,128,386
Other Revenue (Interest)	30,135

TOTAL REVENUE	\$1,961,023
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Volumes of Gas - DKT

Total Transported	354,407
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Residential Rate Comparison for Electric Utilities

(Investor-Owned Utilities)
Exclusive of City and Sales Tax

Company	500 KWH	750 KWH	1000 KWH	2000 KWH
Black Hills Power & Light	\$46.40 41.40*	\$65.85 57.10*	\$85.30 72.80*	\$163.10 109.78*
MidAmerican Energy	\$38.15 32.40*	\$53.73 45.10*	\$69.30 57.80*	\$119.40 76.90*
Montana- Dakota Utilities	\$49.67	\$69.92	\$86.31	\$151.90
Northern States Power	\$36.95	\$52.14	\$67.34	\$123.03 108.33*
Northwestern Public Service	\$43.90	\$63.24	\$81.39	\$123.38 109.78*
Otter Tail Power	\$39.36	\$55.02	\$70.67	\$120.05

* All Electric Rates



Residential Rate Comparison for Natural Gas Utilities

(Investor-Owned Utilities)
Exclusive of City and Sales Tax

Company	5 dk	10 dk	15 dk	20 dk
MidAmerican Energy	\$27.81	\$50.38	\$72.94	\$95.51
Montana-Dakota Utilities	\$29.38	\$51.75	\$71.63	\$91.50
Montana-Dakota Utilities (East River)	\$30.17	\$58.34	\$86.51	\$114.68
Northwestern Public Service	\$30.75	\$54.66	\$76.37	\$95.90

♦Telecommunications Companies♦

Regulatory jurisdiction over the telecommunications industry may be as complex as the industry itself. The South Dakota Public Utilities Commission fully regulates noncompetitive local service; however cooperative and municipal companies, and independent companies serving fewer than 10,000 subscribers are exempt from most regulation except in issues concerning territorial boundaries, quality of service and their switched access rates. U S WEST Communications is the only local service provider in South Dakota which is fully regulated.

The Commission also sets the price for U S WEST's toll products. The toll services of all other providers are fully competitive and not subject to the Commission's jurisdiction.

Intrastate long distance companies must submit applications which include administrative and financial information for Commission approval before receiving a certification to do business in South Dakota. Interstate long distance companies are accountable to the Federal Communications Commission and are not subject to PUC certification unless they also engage in intrastate activity.

Operator service providers are subject to Commission certification review.

The Commission's responsibility is to provide telecommunications companies the freedom to compete, while continuing to protect the rights of the consumers in areas where competition does not exist. The Commission is also committed to the goal of universal service, which means telecommunications services should be affordable to most people.

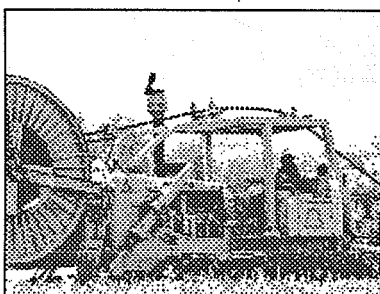


U S WEST COMMUNICATIONS

(Submitted by U S WEST Communications)

U S WEST Communications has nearly 700 employees in South Dakota, with a 1995 payroll of more than \$25 million. The number of access lines we served increased four percent in 1995 to 302,259 access lines in 171 towns and 50 counties. The services we provide include local telephone service, long distance services within South Dakota, South Dakota operator assistance, South Dakota directory assistance, and access to services provided by other companies.

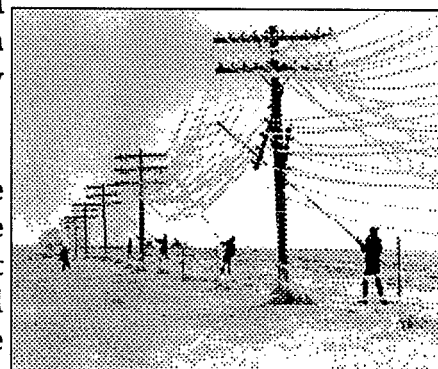
We are in the process of selling 67 telephone exchanges to a consortium of 20 South Dakota telephone companies. The properties account for about 17 percent of U S WEST's 302,259 total telephone lines and include approximately 47,500 customers. The consolidation of operations resulting from the sale will help us provide better, more efficient service to our remaining customers.



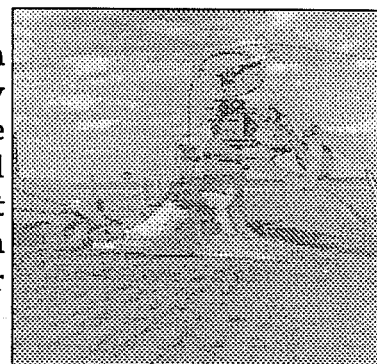
In 1979, Northwestern Bell (now U S WEST Communications) removed from service its last aerial toll lines. More than 11,350 miles of telephone cable and wire were buried as part of a four-year, \$40 million program to storm-proof service and to eliminate eight-party lines. Photo courtesy of U S WEST.

Through our construction program, we have laid the technology foundation to bring more communication services to residential and business customers. In the past ten years, we have invested more than \$380 million to modernize and grow our telecommunications network.

Since 1984 we have installed more than 2,300 sheath miles, or 39,000 fiber miles of fiber optic cable in South Dakota, resulting in clearer call transmission, fewer repairs, and more reliable and more secure telephone services. Today, virtually every community we serve is connected via our digital fiber optics network.



Until the late 1970s, South Dakota ice storms routinely caused service problems for Northwestern Bell (now U S WEST Communications) employees and customers. Photo courtesy of U S WEST.



Since 1984, U S WEST Communications has installed more than 2,300 sheath miles, or 39,000 fiber miles of fiber optic cable in South Dakota. Today virtually every community U S WEST serves is connected via the company's digital fiber network. Photo courtesy of U S WEST.

All U S WEST customers in the state are served by computerized call-switching systems, which provide faster service, require less maintenance, and allow us to offer a number of call management features, e.g. call forwarding, call waiting, three-way calling, and speed calling.



In 1898, Mrs. Walter Mayo, operator, connected all local and long distance calls for telephone customers in the Mitchell area. Photo courtesy of U S WEST.

Our nation is on the frontier of a new era of communications, where distance learning, telemedicine and telecommuting promise to improve the quality of life and economic climate. As part of an agreement with the PUC, U S WEST will be investing over \$30 million to bring the benefits of those changes to our customers. We are initiating a five year investment program that will provide: statewide deployment of Caller ID and other advanced custom calling features; upgrade of all multi-party

lines to one-party service; Distance Learning Initiative supporting public schools; and installation of a new network architecture that will keep South Dakota on the leading edge of technology.

The business of our business is to provide quality communication services, but we don't draw the line there. Our future depends, too, on the quality of life and economic health of the communities we serve. Through the U S WEST grants and contributions program, we invested more than \$640,000 in 1995 to enhance the quality of life in South Dakota. U S WEST Foundation contributions were made in the following areas: \$250,000 to education; \$82,100 to health and human services; \$89,500 to arts and culture; \$156,000 to economic development, civic and community projects; and \$52,000 to match employee financial gifts and community service hours.



In 1971, Northwestern Bell (now U S WEST Communications) installed new electronic push-button operator consoles in Sioux Falls. The new system enabled telephone users to dial their own person-to-person, collect and credit card calls. Photo courtesy of U S WEST.

Last year, the U S WEST Foundation introduced a new grants program that connects teachers to information beyond their classrooms. "Connecting Teachers With Technology" provides technology tools and training for teacher teams in each state served by U S WEST Communications. A team from Williams Middle School in Sturgis received a \$12,000 grant along with four laptop computers equipped with modems, for their "Connecting Teachers With Technology" proposal. Four finalists received \$8,000 grants to develop their classroom technology projects. Five new teacher teams will be awarded grants in the 1996 program.



U S WEST Communications
South Dakota
Operating Revenues and Statistics - TELECOMMUNICATIONS
12 Months Ended December 1995

Revenues

Local Service Revenues

Residential	\$ 36,551,723
Business	27,129,433
Pay Phone	2,259,232
Optional Service Revenue	16,385,307
Total Local Service	\$ 82,325,695

Revenues

Access Service Revenues

Intralata	539,918
Interlata	5,981,104
Private Line	5,990,066
Total Service Revenues	\$ 12,511,088

Toll Service Revenues

34,342,149

Other Revenues

(3,909,259)

TOTAL**\$125,269,673****REVENUES****Intrastate Access Minutes*****144,135,583****Number of Local Central Offices****107****Customer Data**

Residential-flat	192,823
Residential-local measured service	21,407
Business-flat	57,679
Business-local measured service	3,389
Other Business(PBX, Centrex, Centron, WATS)	22,937
Pay Phones	3,285
Customer Owned Pay Phones	739
Total Number of Customers	302,259

*Access Minutes compiled using the most current inform available at this time
 DXC Minutes include the 12 months ending December 1994.
 EC Minutes include the 12 months ending September 1995.

Companies Providing Local Service in South Dakota

Fully Regulated	Small Independents	Cooperatives	Municipals	"Foreign" Companies
U S WEST Communications- Sioux Falls	Golden West Communications- Wall	Baltic Telecom Cooperative-Baltic	Beresford Municipal- Beresford	Farmers Mutual- Bellingham, MN
	Armour Independent- Armour	Dakota Cooperative- Irene	City of Brookings- Brookings	GTE of Minnesota- Minneapolis, MN
	Cheyenne River Sioux Tribe- Eagle Butte	Golden West Telecommunications- Wall	Faith Municipal-Faith	Great Plains Communications- Blair, NE
	Mt. Rushmore Telephone - Keystone	Interstate Telecommunications- Clear Lake		Three Rivers Telco- Lynch, NE
	Hanson County Telephone - Alexandria	James Valley Cooperative-Groton		Valley Telephone- Browns Valley, MN
	Jefferson Telephone- Jefferson	McCook Cooperative- Salem		U S WEST Communications/Iowa
	Kadoka Telephone- Kadoka	Midstate Telephone- Kimball		U S WEST Communications/NE
	Kennebec Telephone- Kennebec	Roberts County Telephone- New Effington		U S WEST Communications/MN
	Sioux Valley Telephone- Dell Rapids	Sanborn Telephone- Woonsocket		U S WEST Communications/ND
	Stockholm/Strandburg Telephone- Stockholm	Splitrock Telecom- Garretson		RT Communications- Worland, WY
	Tri-County Telecom- Emery	Sully Buttes Telephone- Highmore		Consolidated Telephone Coop.- Dickinson, ND
	Union Telephone- Hartford	Valley Telecommunications- Herreid		Dickey Rural Telephone- Ellendale, ND
	Vivian Telephone- Vivian	West River Coop-Bison		West River Telecommunications- Hazen, ND
	Western Telephone- Faulkton			



Long Distance Companies
Certified to do business in South Dakota
as of July 20, 1995

ACC National Long Distance Corp.	Hospitality Communications Corporation	Target Telecom, Incorporated
ACOMM, Inc.	IDB WorldCom Services, Inc.	Telecare, Inc.
Affinity Fund, Inc.	ITC Tele-services, Inc.	Teleconnect Company
Affinity Network, Inc.	IXC Long Distance, Inc.	Telegroup, Inc.
Allnet Communications Services, Inc.	Inacom Communications, Inc.	Telenational Communications Limited Partnership
Alternate Communications Technology, Inc.	International Discount Telecommunications	Tele Tech, Inc.
Amer-I-Net Services, Corp.	LCI International Discount Telecom Corp.	Tele-Trend Communications, Inc.
American Network Exchange, Inc.(AMNEX)	LDDS Communications, Inc. d/b/a LDDSMETROMEDIA Communications	Tele-Save, Inc.
AT&T Communications of the Midwest, Inc.	Long Distance International, Inc.	Tel Serv
American Sharecom, Inc.	MFS Intelenet of South Dakota	Teltrust Communications Services, Inc.
AmeriVision Communications, Inc. d/b/a AmeriVision, Inc.	Matrix Telecom	TotalTel USA Communications, Inc.
Automated Communications, Inc. d/b/a America, Inc.	MCI Telecommunications Corporation	Touch 1 Communications Inc.
Bottom Line Telecommunications of South Dakota, Inc.	Midco Communications	Touctone Network, Inc.
Budget Call Long Distance, Inc.	Mid-Com Communications Inc. d/b/a Infinity Communications Inc.	TransNational Communications, Inc. d/b/a Members' Long Distance Advantage
Cable & Wireless	Midwest Fibernet, Inc.	Ultimate Communications Corporation
Capital Network Systems, Inc. d/b/a Capital Long Distance	NOS Communications, Inc.	UniDial Incorporated
Caribbean Telephone and Telegraph, Inc. d/b/a The Long-Distance Company	NOSVA, Limited Partnership	Universal Network Services of South Dakota, Inc.
Central Payphone Service, Inc.	National Telephone Communications	U.S. Digital Network Limited Partnership
Coast International, Inc.	National Teleservice, Inc.	U.S. Long Distance, Inc.
Conquest Operator Services, Corp.	Network Long Distance, Inc.	US Operators, Inc.
Communications Gateway Network, Inc.	Network Services, Inc.	US Wats, Inc.
CommuniGroup of K.C., Inc. d/b/a CGI	Norstan Network Services, Inc.	U S WEST Communications
Corporate Telemanagement Group, Inc.	OU Connection, Inc.	USX Consultants, Inc.
Dakota Cooperative Telecommunications	One Call Communications, Inc. d/b/a OPTICOM	V.I.P. Telephone Network, Inc.
Dial & Save of South Dakota, Inc.	One 2 One Communications, Incorporated	VarTec Telecom, Inc.
Enterprise Telecom Services, Inc.	Operator Service Company	WATS/800, Inc.
Equal Net Communications, Inc.	Pennsylvania Alternative Communications, Inc. d/b/a Pace Long Distance Services	Wats International Corporation
Excel Telecommunications, Inc.	Phoenix Network, Inc.	West Coast Telecommunications, Inc.
Express Communications	Polar Communications, Corp.	Western Union Communications, Inc.
FirsTel, Inc.	Polaris Telecom (Minnesota Independent Interexchange Corporation)	WorldCom Network Services, Inc. d/b/a WiTel Network Services
Frontier Communications International, Inc.	POPP Telecom	World TeleCom Group, Inc.
GE Capital Communications Services Corporation d/b/a GE Exchange and Capitol Exchange	Premier Billing Services, Inc.	WorldTel Services, Inc.
Hertz Technologies, Inc.	Quest Telecommunications, Inc.	XIEX Telecommunications, Inc.
Home Owners Long Distance, Inc.	Qwest Communication	
	SmarTalk TeleServices, Inc.	
	Sprint Communications Company L P	
	Strategic Allainces, Inc.	
	Switched Services Communications, L.L.C.	
	TCI Communications, Inc.	

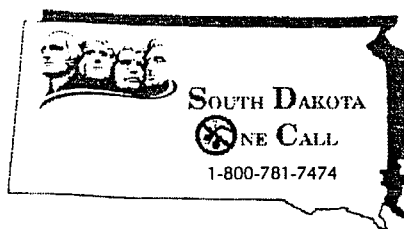
**Operator Service Companies
Certified to do business in South Dakota
as of July 30, 1995**

Alternate Communications Technology, Inc.
AmeriTel Pay Phones, Inc. (Confinement facilities)
American Network Exchange, Inc. (AMNEX)
AT&T Communications of the Midwest, Inc.
Capital Network Systems, Inc.
ConQuest Operator Services Corp.
Home Owners Long Distance, Inc.
Intellicall Operator Services, Inc.
Lubbock Radio Paging Services, Inc. d/b/a Stenocall
Norstan Network Services, Inc.
One Call Communications, Inc. d/b/a OPTICOM
Operator Communications, Inc. d/b/a Oncor Communications, Inc. (OCI)
Operator Service Company
Quest Communications Corporation
Reliance Telephone Systems, Inc. (confinement facilities)
Silverado Communications Corp. (confinement facilities)
Strategic Alliances, Inc.
TCI Communications, Inc.
Teleclose, Inc.
Teleconnect Company
Tele-Matic Corporation (confinement facilities)
U.S. Long Distance, Inc.
U.S. Osiris Corporation
U S WEST Communications
Value-Added Communications, Inc. (confinement facilities)
WCS Operators
WorldCom Network Services, Inc. d/b/a WilTel Network Services



Cellular Companies
Certified to do business in South Dakota
as of December 31, 1994

Cellular Corporation of Sioux Falls d/b/a Cellular One
Sioux Falls Cellular Limited Partnership
Rapid City Cellular Corporation d/b/a Cellular One
Contel Cellular of South Dakota, Inc.
Harding Limited Partnership
South Dakota 2 Cellular Corporation
Corson Limited Partnership
Dakota Cellular, Inc.
McPherson Limited Partnership
South Dakota 4 Cellular Corporation
Glacial Lake Cellular Limited Partnership
Rapid City Cellular Corporation d/b/a Cellular One
Custer Limited Partnership
Custer RSA Limited Partnership
Haakon Limited Partnership
Jackson RSA Limited Partnership
SD 9 Cellular Corporation d/b/a Cellular One
Sully Limited Partnership
Greater South Dakota Cellular Corp.
Kingsbury Limited Partnership
SD 9 Corporations d/b/a Cellular One
South Dakota 9 Limited Partnership



ONE CALL NOTIFICATION BOARD

c/o Public Utilities Commission

State Capitol • 500 East Capitol Avenue • Pierre, South Dakota 57501-5070

BOARD MEMBERS

Harold Anderson
605-692-1415

Howard Meyer
605-331-4868

James Moore
605-225-0310

Lynn Kading
605-394-3300

Bill Craig
605-352-8411

Jerry Steever
605-224-0313

John Pudwill
605-449-4203

Russell Bartunek
605-339-8359

David Merxbauer
605-352-9420

Pat Gilligan
605-794-4201

Todd Chambers
605-224-7341

The South Dakota One Call Notification System, created by the passage of SD Chapter 49-7A in 1993, with the appointments of the original eleven member Board by Governor Miller in late 1993, became a reality on January 1, 1995 when the South Dakota One Call Center became operational. The One Call Center is located in Minneapolis, MN and is operated by One Call Concepts, Inc.

South Dakota Chapter 49-7A mandates participation by all underground facility owner/operators and also mandates that anyone intending to excavate must call the One Call Center at least 48 hours prior to the intended excavation. The One Call Notification Board in conjunction with the Center operator published news releases, public service announcements, excavator manuals and other handout material, and participated in contractor "Call Before You Dig" meetings, in an attempt to broadcast the requirements to follow, as well as several letters to the underground facility owner/operators regarding their requirements to participate in this damage prevention program.

The One-Call Center opened with 245 members who met all the requirements of the Center, such as: a verified data base of underground facilities, a method to contact the underground operator with notices of proposed excavations i.e.(via phone, fax or printer), and a phone number where someone can be contacted 24 hours a day in case of an emergency excavation notice. By the end of 1995 the number of members who met total compliance had increased to 321. The Center is open 24 hours a day to receive notification from excavators of their intent to excavate at a certain location. The Center will then notify the underground facility operators who have facilities in the area of the intended excavation. The facility operators then have 48 hours to locate and mark the location of their facilities, following the approved APWA color code for facilities.

The One Call Center can be reached toll free at 1-800-873-3588 for notifications of proposed excavations. The Center also offers a Fax-a-locate program which also can be utilized on a toll free line. The service provided by the One Call Center is paid for by the owner/operators of underground facilities through a fee-per-locate-request transmitted to them from the Center. This fee is currently \$1.10.



South Dakota One-Call Activities 1995

Incoming locate request	58,060	
Outgoing locate request to owner/operators	265,210	
Location request from owner/operators		23.91%
Location request from contractors		56.97%
Location request from home owners/others		19.12%

Types of Locates

Routine	75.83%
Emergency	8.12%
Appointments	11.53%
Planning purposes	1.24%
Short notice	3.28%

South Dakota One-Call Notification Board Financial Statement

Balance as January 1, 1995	\$ 14,059.33
Total Receipts	285,149.36
Total Expenses	206,591.58
Balance as January 1, 1996	\$ 92,617.11

Tomorrow...

... is a blank page waiting for history to fill it.

