



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

TRANSMISSION COST ADJUSTMENT PHASE IN PLAN RATE

Section No. 3C

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(Reserved) PHASE IN PLAN RATE

(N)

APPLICABLE

The Phase In Plan Rate (PIPR) applies to all rate schedules for all classes of service authorized by the Commission.

The PIPR shall be calculated based on forecasted calculated revenue requirements as outlined in Docket No. EL12-062 and forecasted kWh billing by customer class and shall include an over-or-under recovery through the Balancing Account, including a true up component.

PHASE IN PLAN RATE

The PIPR shall be determined by allocating the revenue requirement by the Customer Class Allocators listed on Table 1, Section No. 3C, Tariff Sheet No. 16. The net revenue requirement shall include an over or under recovery from prior adjustments through the Balancing Account. The PIPR rate for each customer class shall be divided by the forecasted kWh billing by customer class for the timeframe PIPR is being calculated. The PIPR rate shall be rounded to the nearest \$0.00001 per kWh.

The PIPR rate may be adjusted with approval of the Commission. The PIPR Rate is as follows:

Residential Service:	\$0.00285
General Service Small:	\$0.00340
General Service Large:	\$0.00247
Industrial Contract Service:	\$0.00234
Lighting Service:	\$0.00287

PIPR Balancing Account amount is the difference between 1) the actual PIPR Revenue Requirement by customer class and 2) the actual amount recovered by customer class in the respective timeframe through the PIPR. The true up component consists of forecasted costs being trued up to actual costs; any variance will flow through the Balancing Account. The Balancing Account amount shall have interest applied or credited monthly at the annual rate of seven percent (7%).

Forecasted Retail Billing Volumes shall be the estimated total retail electric billing kWh for the designated recovery period.

EFFECTIVE DATE

The PIPR shall be effective for rates on and after April 1, 2013 and updated on a regular basis. Each PIPR compliance filing shall be made no later than 30 days prior to the requested effective date for Commission review and audit. Rates are effective on an interim basis and are subject to refund should the Commission find issue with the rate calculation under this tariff. The rates are subject to true-up and are further subject to the Commission's right to perform an annual review and to adjust the PIPR as a result of that annual review.

Date Filed: May 31, 2012
January 8, 2013

By: Chris Kilpatrick
Director of Resource Planning and
Rates

Effective Date: July 3, 2012
April 1, 2013