

Report of Tariff Change

Name of Utility: Black Hills Power Inc.; PO Box 1400, 625 Ninth Street, Rapid City, SD 57709

Address of Main Office: PO Box 1400, 625 Ninth Street, Rapid City, SD 57709

Changes to Black Hills Power Inc.'s South Dakota Electric Rate Book:

Section No. 3C, Seventh Revised Sheet No. 11
 Section No. 3C, First Revised Sheet No. 20
 Section No. 1, Twenty-sixth Revised Sheet No. 1
 Section No. 1, Twenty-first Revised Sheet No. 2
 Section No. 1, Twenty-first Revised Sheet No. 3
 Section No. 1, Ninth Revised Sheet No. 4

Description of the change: Environmental Improvement Adjustment to be implemented June 1, 2012

Reason for the change: To reflect actual environmental project costs and annual true-ups.

	Present Rate \$/kWh	Proposed Rate \$/kWh
Total Residential Service	0.0021	0.0019
Total Small General Service	0.0026	0.0022
Total Large General	0.0018	0.0015
Total Industrial Service	0.0018	0.0015
Total Lighting Service	0.0027	0.0025

Approximation of annual amount of increase/(decrease) in revenue: (\$283,000)

Points affected: Approximately 64,000 South Dakota retail customers

Increase/(decrease) to cost of service: Approximately (\$160,000)

Remarks: The facts, opinions, documents and exhibits needed to support the proposed changes are included in the Application and exhibits thereto.

BLACK HILLS POWER, INC.

By: 
 Chris Kilpatrick
 Director of Resource Planning and Electric Rates