

-----Original Message-----

From: Ron Jensen [REDACTED]

Sent: Tuesday, April 01, 2014 10:07 PM

To: Hanson, Gary (PUC)

Cc: Nelson, Chris; Fiegen, Kristie

Subject: Black Hills Power

Dear Chairman, Vice-Chairman, and Commissioner,

Thank you for serving on the Commission. It is, no doubt, a thankless position.

I hope it's appropriate that I share with you my concerns about the proposed rate increase being requested by Black Hills Power. I know that you will make informed decisions and that you have a capable staff of analysts to give you the best information possible. Briefly, though, I can't help but reach out to you with my concerns. Take them for what they are worth!

I am deeply suspicious of the validity of BHP's request for the following reasons:

1) I understand that profitability is a good thing for a business.

However it seems to me that a regulated utility has responsibilities to its consumers as well as to its stockholders. A share price rocketing 27% in the last 12 months from \$45.53 to \$57.93 (if I understand the market prices correctly) sounds to me like perhaps more value is going to stockholders than to consumers.

2) Black Hills Corporation does not have an unblemished record on fiscal responsibility. Black Hills Fibercom, according to acquaintances within the entity before it was sold, experienced unbridled spending during the construction phase. BHP is not Fibercom obviously, but they are part of the same corporate culture. Some of BHP's public comments made in

reference to the rate hike request, make me wonder about the motives behind the rate request. To blame the increased cost on new emissions requirements, ignores the reality that BHP's plants are old and due for replacement anyway. Does a responsible business set aside resources for replacing their infrastructure, or just wait until an opportunity arises to hike rates 13% at one blow, after hiking rates just one year ago? At the same time, shareholders seem to be taking home substantial increases in their holdings.

Thank you for your time. I know that your decisions will be based on objective analysis, not consumers' opinions, but it helps to be able to express my opinion to you.

Thanks again for your service.

Sincerely,

Ron Jensen
Rapid City