

May 01, 2014

Patricia Van Gerpen
Executive Director
SD Public Utilities Commission
500 East Capitol Avenue
Pierre, SO 57501-5070

RE: Notification of Electric Service Territory Exception

Dear Patricia:

Black Hills Power (BHP) respectfully submits an original copy of an executed Service Territory Exception Agreement to the South Dakota Public Utilities Commission by and between BHP and Black Hills Electric Cooperative (BHEC). Per this notification BHEC will begin serving 12788 Wolframite road located in BHEC's Service Territory, the initial exemption allowing BHP to serve this customer will be allowed to expire.

Mr. Matthew Swanson has agreed and is requesting that BHEC be allowed to serve his home and shop where BHP is currently serving, this service area will be reverting back to BHEC. Since BHP's underground cable, that serves Mr. Swanson's home, is in need of replacement, BHEC has a line transformer 150' from this location and that Mr. Swanson is located within BHEC territory, BHEC, Mr. Swanson and BHP have agreed that it is the best interest of all parties that BHEC take over service of Mr. Swanson's home and shop.

Sincerely,



Timothy Madsen

Planning and ROW Specialist

Encl: Service Territory Exception Agreement

SERVICE TERRITORY EXCEPTION AGREEMENT

BETWEEN

BLACK HILLS POWER AND BLACK HILLS ELECTRIC COOPERATIVE

Black Hills Power (BHP) and Black Hills Electric Cooperative (BHEC) jointly agree to allow BHEC to provide electric service to 12788 Wolframite road. The location of the house and shop will be in the SE1/4 in Section 34, Township 1 South Range 5 East in Pennington County, South Dakota.

While the parcel of land resides within the existing BHEC territory established in 1975 by the South Dakota Legislature and codified in SDCL 49-34A-42, BHEC electric facilities are more conveniently located relative to providing service to this customer.

A drawing of the service site is attached to this agreement as Exhibit A.

BHP and BHEC have concluded that, in this instance, the customers interests will be best served by receiving service from BHP and have agreed to this exception to the existing territorial agreement.

We also agree that each such instance where territory boundaries become a factor will be dealt with on an individual basis.

This consent on the part of BHEC is limited to the said services described in this agreement and this territory exception will automatically terminate upon removal or abandonment of such services. BHEC shall retain the right of service to any new commercial or residential facility or service that may be developed on any portion of the parcel as described.

This exception is not to be construed as having any impact upon or indicating a desire to change the service areas assigned by the South Dakota Public Utilities Commission.

BLACK HILLS POWER



By: Corey Virtue

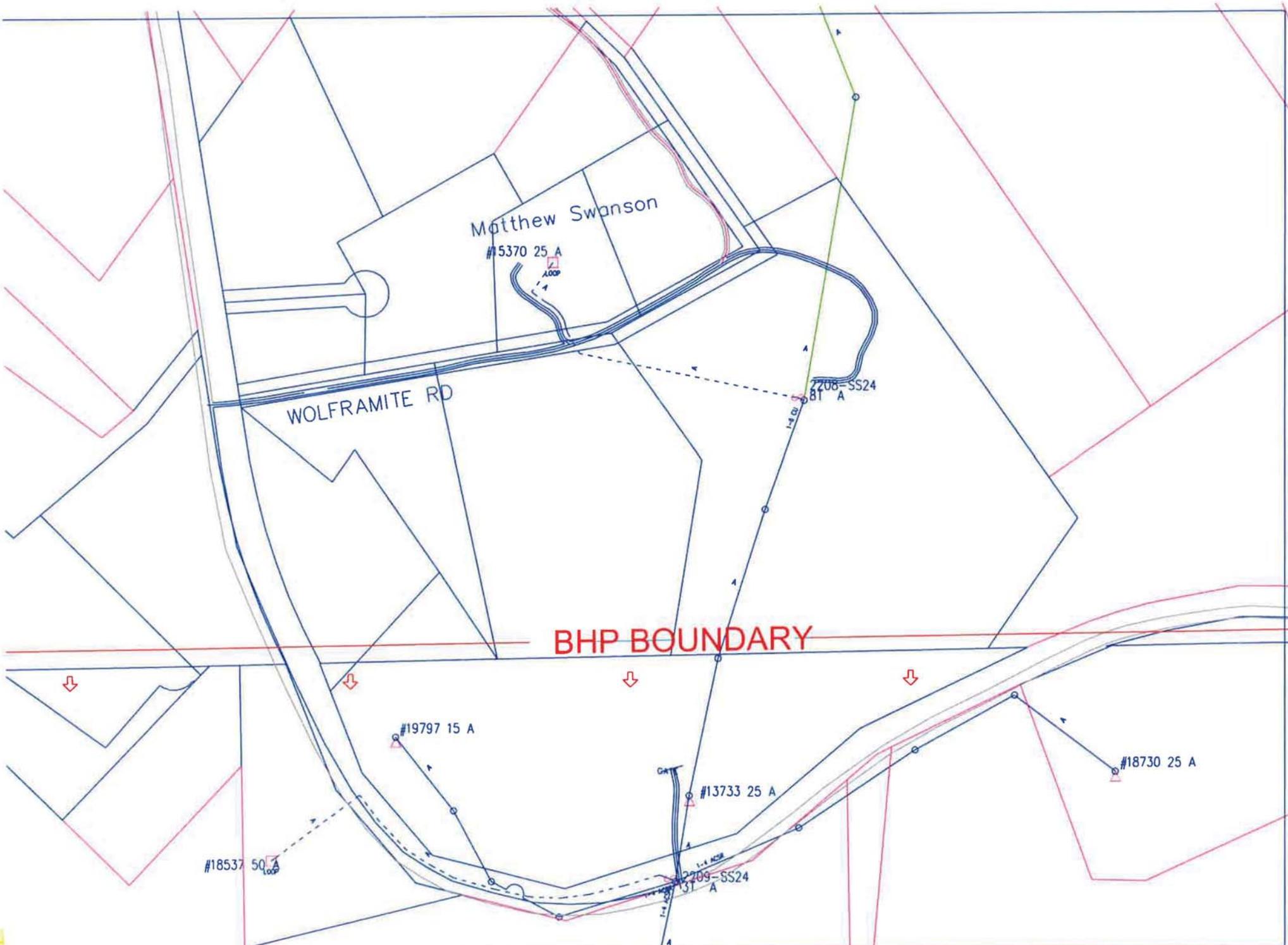
Date 4/24/14

BLACK HILLS ELECTRIC COOPERATIVE



By Mgr. Operation & Engineering

Date 4/24/14



Matthew Swanson

WOLFRAMITE RD

BHP BOUNDARY

#5370 25 A

#19797 15 A

#18537 50 A

#13733 25 A

#2209-SS24 31 A

#18730 25 A

#2208-SS24 81 A

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