

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION BY)	ORDER APPROVING THE
BLACK HILLS POWER, INC., FOR)	AMENDMENT TO THE
AUTHORITY TO INCREASE ITS ELECTRIC)	SETTLEMENT STIPULATION
RATES IN SOUTH DAKOTA)	
)	EL11-001

On January 25, 2011, the Public Utilities Commission (Commission) received a petition from Black Hills Power, Inc. (BHP) requesting that the Commission approve new tariff provisions establishing an Environmental Improvement Adjustment (EIA) pursuant to legislation enacted during the 2007 Legislative Session. SDCL 49-34A-97 through 49-34A-100 authorize the Commission to approve a tariff mechanism for the automatic annual adjustment of charges for a public utility to recover the South Dakota jurisdictional portion of eligible investments in and expenses related to new environmental measures. The statute defines eligible new environmental measures as any environmental improvements required under the Clean Air Act, Clean Water Act, or any other federal law or rule, or any state law or rule implementing a federal law or rule, or voluntary environmental measures designed to protect the environment.

On January 27, 2011, the Commission electronically transmitted notice of the filing and the intervention deadline of February 11, 2011, to interested individuals and entities. No petitions to intervene were filed. On March 14, 2011, the Commission issued an Order Assessing Filing Fee assessing a filing fee up to the statutory limit of \$50,000. On May 27, 2011, the Commission received a Joint Motion for Approval of Settlement Stipulation (Joint Motion), Settlement Stipulation, and Staff Memorandum Supporting Settlement Stipulation. On June 17, 2011, the Commission issued its Order Approving Joint Motion for Approval of Settlement Stipulation and Approving Tariff (Order). The docket was closed on July 8, 2011. On September 16, 2011, BHP filed revised tariff pages to correct errors discovered in the sheets included with the Settlement Stipulation approved in the Order. On September 21, the Commission issued an Errata Notice correcting the erroneous tariff sheet references in the Order. On May 11, 2012, the docket was reopened upon Staff's filing of an Amendment to Settlement Stipulation (Amendment). Staff's cover letter to the filing requests Commission approval of the Amendment in order to modify the filing deadline for one of the annual reports identified in the original Settlement Stipulation from June 1 to May 1 to provide adequate time for Staff and Commission review.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26, 49-1A, and 49-34A, specifically SDCL §§ 49-34A-97 through 49-34A-100; and ARSD 20:10:01:19.

At its regularly scheduled meeting on May 22, 2012, the Commission considered this matter. BHP and Staff requested approval of the Amendment to Settlement Stipulation. After discussion, the Commission expressed the opinion that the Amendment should be approved but with the annual submission deadline for the *Annual Report of South Dakota Jurisdictional Financial Condition* changed from May 1st as provided in the Amendment as filed, to April 15th of each year to allow the Commission and Staff adequate time to review the document in relation to annual EIA update filings. BHP and Staff agreed to the modified submission deadline of April

15th of each year and to file an updated Amendment to Settlement Stipulation to comply with the Commission's decision. The Commission voted unanimously to approve the Amendment to Settlement Stipulation with the modified submission date agreed to by BHP and Commission Staff.

It is therefore

ORDERED, that the Amendment to Settlement Stipulation is approved with the date for submission of *Annual Report of South Dakota Jurisdictional Financial Condition* changed from May 1 to April 15 and that Commission Staff and/or BHP will file a modified Amendment to Settlement Stipulation to conform to the Commission's decision.

Dated at Pierre, South Dakota, this 24th day of May, 2012.

<p style="text-align: center;">CERTIFICATE OF SERVICE</p> <p>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.</p> <p>By: <u>Joy Hanson</u></p> <p>Date: <u>May 24, 2012</u></p> <p style="text-align: center;">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

Chris Nelson
CHRIS NELSON, Chairman

Kristie Fiegen
KRISTIE FIEGEN, Commissioner

Gary Hanson
GARY HANSON, Commissioner