

SOUTH DAKOTA

COMMERCIAL ELECTRIC RATES

*Effective for service on and after
January 1, 2007*



The following sections apply to all Black Hills Power rate schedules:

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

GENERAL SERVICE

GS-15

Billing Code 20

APPLICABLE

To customers using electric service supplied at one point of delivery and for which no specific schedule is provided. This schedule is not applicable to standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer.

NET MONTHLY BILL

Rate

Customer Charge \$10.00

Capacity Charge

No charge for first 5 kW of Billing Capacity
\$5.41 per kW for next 45 kW of Billing Capacity
\$5.10 per kW for all additional kW of Billing Capacity

Energy Charge

9.33¢ per kWh for first 1,000 kWh
8.08¢ per kWh for next 2,000 kWh
7.15¢ per kWh for next 12,000 kWh
5.85¢ per kWh for all additional kWh

Minimum

The Capacity Charge of \$2.25 per kilovolt-ampere (kVA) of required transformer capacity including a special transformer installation provided for the benefit of the customer or to protect the quality of service to other customers, but not less than the Customer Charge.

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company’s option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying by eighty-five percent and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

TERMS AND CONDITIONS

Service will be rendered under the company’s General Rules and Regulations.

GENERAL SERVICE – TOTAL ELECTRIC

GTE-17

Billing Code 23

APPLICABLE

To customers supplied at one point of delivery for general use including space heating and air conditioning, where electric service is the only source of energy at the service location, whose connected space heating load is not less than thirty percent (30%) of the total connected load, and for which no specific schedule is provided. This schedule is not applicable to temporary, standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company’s established distribution system most available to the location of the customer.

NET MONTHLY BILL

Rate

Customer Charge \$15.50

Capacity Charge

No charge for first 5 kW of Billing Capacity

\$5.00 per kW for the next 45 kW of Billing Capacity

\$4.65 per kW for all additional kW of Billing Capacity

Energy Charge

6.24¢ per kWh for the first 6,000 kWh

5.83¢ per kWh for all additional kWh

Minimum

The Capacity Charge but not less than \$2.25 per kilovolt-ampere (kVA) of required transformer capacity including a special transformer installation provided for the benefit of the customer or to protect the quality of service to other customers, but not less than the Customer Charge.

BILLING CAPACITY

Customer’s average kilowatt load during the fifteen-minute period of maximum use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company’s option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying by eighty-five percent and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used dur-

ing the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

TERMS AND CONDITIONS

Service will be rendered under the company's General Rules and Regulations.

GENERAL SERVICE – LARGE

GL-14

Billing Codes 21 and 30

APPLICABLE

To large power users for their entire electric service requirements supplied at one point of delivery and who agree to a Billing Capacity of 125 kilovolt-amperes (kVA) or more. This schedule is not applicable for temporary, standby, supplementary, emergency, resale, or shared service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a single standard utilization voltage most available to the location of the customer.

NET MONTHLY BILL

Rate

Capacity Charge – On Peak

\$970.00 for the first 125 kVA or less of Billing Capacity
\$6.20 for each additional kVA of Billing Capacity

Capacity Charge – Off Peak

Customers having a Contract Capacity of 250 kVA or greater may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above the On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

4.72¢ per kWh for the first 50,000 kWh
4.61¢ per kWh for the next 450,000 kWh
4.25¢ per kWh for each additional kWh

Minimum

The Capacity Charge but not less than \$2.00 per kVA times the highest Billing Capacity applicable in the twelve months ending with and including the current month, plus any tax adjustment.

BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the month determined by dividing the maximum capacity in kilowatts (kW) by the power factor.
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months.
- c. Eighty percent of the Contract Capacity as stated in the Electric Service Agreement.

The power factor will be determined at the Company's option by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal or by permanent measurement. The power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the test period by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours sup-

plied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

Should the customer's measured Billing Capacity exceed the current Contract Capacity during three (3) or more billing months in any calendar year, a new Contract Capacity equal to the average of the three (3) highest measured Billing Capacities during the year will be established and the customer will be notified in writing prior to implementation.

SUBSTATION OWNERSHIP DISCOUNT

Customers who furnish and maintain a transformer substation with controlling and protective equipment, with the exception of metering equipment, for the purpose of transforming service from the Company's most available 69 kV distribution facilities or primary distribution voltage (2,400 volts to 24,900 volts) to the customer's utilization voltages, shall receive a monthly credit of \$0.25 per kVA of Billing Capacity for 69 kV distribution facilities and \$0.15 per kVA of Billing Capacity for primary distribution service.

CONTRACT PERIOD

A period of not less than three years and if not then terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
2. Service will be rendered under the company's General Rules and Regulations.
3. Notice will be provided defining On-Peak hours and a thirty days written notice will be provided of any change in On-Peak hours.

ENERGY STORAGE SERVICE

ES-5

Billing Code 25

AVAILABLE

To customers installing certain energy efficient electrical equipment that will increase off-peak electrical use and reduce the Company's On-Peak demand, at points on the Company's existing secondary distribution lines supplied by its interconnected transmission system. The rate has been developed as part of the Company's Demand-Side Management strategy.

APPLICABLE

At the customer's election, to General Service customers who operate Company approved energy storage facilities for the purpose of utilizing off-peak electric energy for space conditioning, water heating, battery charging, water pumping, and/or snowmaking. Electric energy will be supplied through a separately metered circuit utilizing the same transformer and service used to serve the balance of the customer's electrical load.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer. Energy Storage Service will be provided on a Time-Of-Use schedule for qualified Partial Storage and Geothermal systems. The number of off-peak hours available will amount to eight hours each day during the winter season, twelve hours each day during the summer season, and 24 hours a day on weekends and major holidays during both summer and winter seasons.

NET MONTHLY BILL

Rate

Customer Charge

\$10.50 per month

Energy Charge

OFF-PEAK: 2.70¢ per kWh

ON-PEAK: 4.35¢ per kWh

Capacity Charge

OFF-PEAK: no charge

ON-PEAK: \$6.50 per kW of Billing Capacity

Minimum

The Customer Charge

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum ON-PEAK use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen minute duration under conditions which the Company determines to be normal) is less than eighty-five percent (85%) at the point of delivery, the Billing Capacity will be increased by multiplying by eighty five percent (85%) and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

PENALTY FOR NON-COMPLIANCE

If a Partial Storage customer exceeds their partial storage limit (expressed in kW) during peak time periods, a penalty of five (5) times the Capacity Charge per kW will be assessed for the difference in kW that the maximum billing capacity exceeds the partial storage limit. The partial storage limit will be determined using design day load profiles from standard industry load calculation methods. A conversion factor of 0.75 kW per ton will be used for Cool Storage applications.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations where not inconsistent with any specific provisions of this rate schedule or the service contract.
2. Service will be provided under this rate schedule only to customers who have contracted for service for an initial term of not less than three years. The contract may be terminated at any time on or after the expiration date of the initial term by twelve months written notice.
3. The Company will supply and maintain Time-of-Use metering to provide Off-Peak energy to Full Storage systems and to provide On-Peak and Off-Peak energy for Partial Storage and Geothermal systems.
4. The Company shall have the right to inspect all wiring and equipment connected to the storage circuit. In the event the Company finds that the customer's wiring has been altered or arranged in any manner so that energy is used in any equipment other than Company approved energy storage facilities, the contract for service under this rate schedule may be terminated.
5. The Company may, at its option, install in the energy storage circuit load limiting devices to limit the total load to be served through the energy storage circuit.

6. OFF-PEAK Hours:

Summer Months (April 1 - October 31)

10 p.m. - 10:00 a.m. - Monday through Friday

Winter Months (November 1 - March 31)

11 p.m. - 7:00 a.m. - Monday through Friday

Saturdays, Sundays, and major holidays.

Available all hours during both seasons.

7. MEANS OF CONTROL:

On Full Storage and Partial Storage systems, Company will install time of use metering to monitor on-peak demand limits. If the On-Peak limit is exceeded the Penalty for Non-Compliance will be assessed.

8. QUALIFIED SYSTEMS:

- A. Full Storage – Available to heating, water heating, cooling, battery storage and water pumping applications that are able to store energy during Off-Peak periods for use during On-Peak periods.
- B. Partial Storage - Cooling – Partial storage equipment size must be at least 25% less than conventional equipment size during On-Peak time periods. Chiller equipment, cooling tower pumps and fans, and cool water circulating pumps qualify for the rate. Air handling equipment and hot water circulating pumps do not qualify. A penalty for non-compliance will be assessed if the partial storage limit is exceeded.
- C. Partial Storage - Heating and Water Heating – Electric heating and water heating equipment used with Off-Peak storage capability and a heat storage medium (sand, bricks, liquid, etc.) qualify for partial storage when used in the applications listed below. A penalty for non-compliance will be assessed if the partial storage limit is exceeded.
 - 1. An Electric Boiler used in combination with water loop heat pumps qualifies for Partial Storage. The Electric Boiler size must be 25% less than conventional equipment during On-Peak periods. Water-loop heat pumps, air handling equipment, and circulating pumps do not qualify.
 - 2. Resistance Heat and Water Heating qualify for Partial Storage when no more than 50% of the system capacity is allowed to operate during On-Peak periods.
- D. Geothermal Applications – Geothermal heat pumps, associated air handling equipment and circulating pumps qualify for the rate. Supplementary resistance heat associated with each heat pump or supplementary electric boiler heat associated with the geothermal system also qualify for the rate.
- E. Partial Storage - Snowmaking – Partial storage equipment size must be at least 50% less than conventional equipment during On-Peak time periods. Primary snowmaking equipment eligible for the rate includes air compressors and water pumps.

9. DESIGN REVIEW:

Detailed design information must accompany each Energy Storage Application including:

- A. A 24-hour design day cooling, heating, water pumping, and/or snowmaking load profile using standard industry load calculation methods.
- B. A system description with operating strategy. The Demand-Side Management Department shall review and approve the Energy Storage Application and proposed contract.

APPLICABLE

To large industrial power users receiving 69 kV or distribution service supplied at one point of delivery. Service is by Industrial Contract Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's 69 kV distribution facilities (69,000 volts and above) or distribution voltage (less than 69,000 volts) stated in the Industrial Service Agreement.

NET MONTHLY BILL

Rate

Capacity Charge – On-Peak

69 kV Service @ \$5.45 per kVA of Billing Capacity
Distribution Service @ \$5.78 per kVA of Billing Capacity

Capacity Charge – Off-Peak

Customer may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above their On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

69 kV Service @ 3.658¢ per kWh
Distribution Service @ 3.910¢ per kWh

Minimum

The charge for the Billing Capacity

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum On-Peak use during the billing period; or the maximum Off-Peak use less fifty percent of the maximum On-Peak use, whichever is higher; or
- b. Eighty percent of the Highest Billings Capacity in any of the preceding eleven months; or
- c. Eighty percent of the Contract Capacity as defined in the following paragraph; or
- d. The minimum level for 69 kV Service will be 10,000 kVA or 6,000 kVA for Distribution Service.

CONTRACT PERIOD

A period of not less than five years and if not then terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Notice will be provided defining On-Peak hours and thirty (30) days written notice will be provided of any change in On-Peak hours.

OTHER CHARGES

APPLICABLE

This schedule applies to all customers requesting service under any of the following rate schedules:

GS-15	General Service
GTE-17	General Service–Total Electric
ES-5	Energy Storage Service
GL-14	General Service–Large
IC-15	Industrial Contract Service

ENERGY COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with:

1. The Conditional Energy Cost Adjustment tariff.
2. The Transmission Cost Adjustment tariff.
3. The Steam Plant Fuel Cost Adjustment tariff.

When the billing period includes a change in the charges of an above referenced Energy Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

RATE

Customer Service Charge - \$20.00

TERMS AND CONDITIONS

1. The charge shall be billed to all customers applying for electric service under the applicable rate schedule in the first regular billing.
2. The Company shall make customer connections during normal business hours defined as 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding legal holidays. If the Company is required to make connection other than during normal business hours, appropriate overtime fees shall be assessed.

RECONNECTION

Reconnection of a service which has been disconnected for non-payment of customer's utility account:

During regularly scheduled working hours: \$15.00

TERMS AND CONDITIONS

1. For re-establishment of service as the result of disconnection for non-payment of a bill, the charge shall be paid in advance of customer receiving power and energy from the Company.
2. The Company shall make customer connections for non-payment of a bill during normal business hours defined as 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding legal holidays. If the Company is required to make connection other than during normal business hours, appropriate overtime fees shall be assessed.

*We provide services
to help you...*

- Rebates
 - ★ Heat Pumps
 - ★ Geothermal Systems
- Energy Advisory Services
- Energy Management Rates
- Power Quality Assistance
- Load Monitoring
- Surge Protection
- Battery Backup Systems

*For more information,
call us.*



Please direct all requests, inquiries, or complaints to your nearest Black Hills Power office. Your local telephone directory will give the office address and telephone number. Normal office hours are 8:00 a.m. to 12:00 noon and 1:00 p.m. to 5:00 p.m., Monday through Friday.

SOUTH DAKOTA DISTRICT OFFICES ARE:

Belle Fourche
630 State Street
605-723-2460

Custer
447 Mt. Rushmore Rd.
605-673-4455

Deadwood/Lead
425 Cliff Street
605-722-2420

Edgemont
501 2nd Ave
605-662-7231

Hot Springs
401 North River Street
605-745-3120

Newell
121 Third Street
605-456-2896

Rapid City
409 Deadwood Ave.
605-721-2660

Spearfish
145 E. Hudson Street
605-722-2400

Sturgis
1060 Main Street
605-720-2440



www.blackhillspower.com