

**BLACK HILLS POWER INC.**  
**Application and Agreement for Electric Service Extension**  
**State of South Dakota**

Contract Number \_\_\_\_\_  
Effective Date \_\_\_\_\_

The "Company" Black Hills Power and Light Company and the "Applicant"

Applicant: City of Rapid City  
Address: 300 6<sup>th</sup> Street City: Rapid City Zip: 57701

Agree as follows:

- (1) The Company will install and furnish electric service for the Customer located at Lot 2 of Owen Hibbard Subdivision (Fire Station) in accordance with rates and extension rules on file with the South Dakota Public Utilities Commission.
- 2) The Applicant agrees to accept service under the following rate schedule 20 or if eliminated the most economical and applicable remaining rate schedule for a period of not less than forty-eight (48) months from the date of initial service. The Annual Revenue from service to the Applicant as determined under Section 800 Line Extensions of the Company's Tariffs is \$ 4,455.00 resulting in a Line Extension Allowance of \$ 17,820 of Company financed facilities (cost estimate attached).

If it is determined at any time subsequent to the execution of this Application that the Applicant has changed the nature of his/her electrical service, the Line Extension Allowance shall be adjusted accordingly, which may result in a charge to the Applicant, if the construction costs exceed the correct Line Extension Allowance.

- (3) If applicable, the Applicant agrees to pay the Company prior to construction of facilities:

- a) A refundable Advance Deposit subject to the rules filed by the Company for the cost of extending electric facilities beyond the Line Extension Allowance determined at (2) above. \$ 2390.00

- (4) The Applicant shall, without cost to the Company, make or procure satisfactory conveyance to Company of right-of-way for Company's lines necessary and incidental to the furnishing of service to customer and for continuing, upgrading or extending said lines over and across the property owned or controlled by Applicant.

- (5) The Applicant shall, without cost to the Company, furnish a cleared right-of-way, and also grants to the Company for maintenance purposes, the right, as the Company may see fit, to cut, trim, or remove from said right-of-way any brush, trees, stumps, or roots.

(6) For underground line extensions and service laterals the Applicant will provide all trenching to the Company specifications, washed sand, or approved bedding, conduit when required, backfill, or any other restoration work required.

(7) The Applicant will be entitled to refunds of the Advance Deposit under two (2) separate and distinct calculations:

a) The applicant may be entitled to a refund of all or part of any Advance Deposit required under paragraph (3) if additional extensions are constructed from the electric facilities requested herein. Only those line extensions which connect directly with the facilities partially financed by the Applicant, without any intervening line extensions will be considered when determining the Applicant's entitlement for a refund. The refund will be equal to the difference between the applicable Line Extension Allowance for the new applicant and the estimated construction cost of the additional electric facilities. The Applicant will receive any applicable refund within thirty (30) days of the Applicant contacting the Company regarding the construction of additional electric facilities. The refunded advance deposit shall not bear interest.

(b) The Applicant may be entitled to a refund of all or part of any Advance Deposit required under paragraph (3) if the actual revenue from the Applicant's account(s) served during the first four (4) years as a result of this application exceeds the Line Extension allowance. The refunded advance deposit shall bear simple interest at the rate of seven (7) percent annually.

Refunds will be made only to the Applicant if still receiving service at the same location. Eligibility for refunds under a) above is limited to four (4) years from the effective date of this agreement. Eligibility for refunds under b) above is determined four (4) years from the effective date of this agreement. In no case shall the total refund to the Applicant exceed the amount of the Advance Deposit. Any Advance Deposit not refunded to the Applicant as set forth above shall be retained and become the property of the Company.

(8) The refundable Advance Deposit or any portion thereof shall not be assignable by the Applicant. Payments of such refundable Advance Deposit shall continue to be made when due to the Applicant notwithstanding a transfer of the place to which electric service was extended.

**Applicant**

**Black Hills Power Inc.**

Accepted by:

\_\_\_\_\_

\_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

Copies: Applicant  
Property  
G.O. Contract File  
District Office