

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

STAFF NOTICE OF ALLEGED VIOLATIONS

(April 19, 2011)

Take notice<sup>1</sup> that in a non-public preliminary investigation pursuant to 18 C.F.R. Part 1b (2010), the staff of the Office of Enforcement of the Federal Energy Regulatory Commission (Commission) has preliminarily determined that Black Hills Power, Inc. (BH Power) violated its Open Access Transmission Tariff (OATT), the Federal Power Act, and various regulations of the Commission.

BH Power is a South Dakota corporation and a wholly owned subsidiary of Black Hills Corporation, headquartered in Rapid City, South Dakota. BH Power is a public utility engaged in the generation, transmission, distribution, and sale of electricity to approximately 69,000 customers in western South Dakota, eastern Wyoming, and southeastern Montana. Staff alleges that BH Power committed the following violations:

- From June 1, 2006, to December 5, 2008, BH Power failed to post non-firm Available Transfer Capability in violation of 18 C.F.R. §§ 37.6(b)(3) (2010);
- From December 5, 2008, to March 2, 2009, BH Power charged customers a rate for non-firm transmission service that was higher than those established in the OATT in violation of Schedule 10 of the OATT;
- From July 14, 2008, to December 31, 2008, BH Power charged a discounted transmission rate to its affiliate, Black Hills Colorado, which it did not charge to non-affiliates, in violation of Schedule 7 of the OATT;
- From September 1, 2007, to April 30, 2009, BH Power provided free brokering services to its affiliate, Black Hills Wyoming in violation of 18 C.F.R. § 35.39(f)(2) (2010); and
- From May 1, 2007, to March 4, 2008, BH Power did not post an accurate list of all network customers' designated network resources on its OASIS in violation of 18 C.F.R. § 37.6(e)(1)(vi) (2010).

This Notice does not confer a right on third parties to intervene in the investigation or any other right with respect to the investigation.

Kimberly D. Bose,  
Secretary.

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<sup>1</sup> *Enforcement of Statutes, Regulations, and Orders*, 129 FERC ¶ 61,247 (2009); *reh'g denied, order on clarification*, 134 FERC ¶ 61,054 (2011).

Document Content(s)

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