

BLACK HILLS CORP /SD/
Form U-9C-3
May 27, 2005

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM U-9C-3

QUARTERLY REPORT PURSUANT TO RULE 58

For the Quarter Ended March 31, 2005

Black Hills Corporation

(Name of registered holding company)

625 Ninth Street, Rapid City, South Dakota 57701

(Address of principal executive offices)

Inquiries concerning this Form U-9C-3 should be directed to:

Mark T. Thies
Black Hills Corporation
625 Ninth Street

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Rapid City, SD 57701
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ITEM 1 ORGANIZATION CHART

	Name of Reporting Company	Energy or Gas-Related Company	Date of Organization	State of Organization	Percentage of Voting Securities Held	Type of Business
1.	Black Hills Corporation*	N/A	04/28/2000	South Dakota	N/A	Holding company
1.1	Black Hills Energy, Inc.*	N/A	01/29/2001	South Dakota	100%	Intermediate non-utility holding company for Black Hills Corporation's EWGs, QFs, natural gas/oil/coal companies
1.1.1	Black Hills Generation, Inc.*	N/A	01/05/2000	Delaware	100%	Intermediate non-utility holding company for Black Hills Corporation EWGs and QFs and other businesses related to the ownership and operation of EWGs and QFs
1.1.1.2	Black Hills Idaho Operations, LLC	Energy-related	10/20/1998	Delaware	100%	Provides operating services to a qualifying facility
1.1.1.3	Black Hills Nevada Operations, LLC	Energy-related	06/26/2001	Delaware	100%	Operates qualifying facility
1.1.1.4	Black Hills Ontario, LLC	Energy-related	12/23/1996	Delaware	50%	Qualifying facility
1.1.1.5	Black Hills Southwest, LLC*	N/A	06/11/2001	Delaware	100%	Intermediate non-utility subsidiary
1.1.1.5.1	Black Hills Nevada, LLC*	N/A	08/19/1999	Delaware	100%	Intermediate non-utility subsidiary
1.1.1.5.1.1	Desert Arc I, LLC	N/A	08/19/1999	Delaware	50%	Intermediate non-utility holding company
1.1.1.5.1.2	Desert Arc II, LLC	N/A	08/19/1999	Delaware	50%	Intermediate non-utility holding company

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1.1.1.5.1.1.1	Las Vegas Cogeneration Limited Partnership	Energy-related	02/01/1991	Nevada	50%	Qualifying facility
1.1.1.5.1.2.1						
1.1.1.5.1.3	Sunco, Ltd., a Limited Liability Company	Energy-related	02/10/1994	Nevada	100%	Qualifying facility thermal host
1.1.2	Wyodak Resources Development Corp.	Energy-related	07/23/1956	Delaware	100%	Coal mining company
1.1.3	Black Hills Exploration and Production, Inc.	Energy-related	11/03/1977	Wyoming	100%	Oil and natural gas exploration and production
1.1.3.1	Black Hills Gas Holdings Corp. (fka Mallon Resources Corporation)*	N/A	07/18/1988	Colorado	100%	Intermediate non-utility holding company
1.1.3.1.1	Black Hills Gas Resources, Inc. (fka Mallon Oil Company)	Energy-related	05/31/1978	Colorado	100%	Oil and gas exploration and production and owns a natural gas gathering pipeline

*System Company that directly/indirectly holds securities of Reporting Company

	Name of Reporting Company	Energy or Gas-Related Company	Date of Organization	State of Organization	Percentage of Voting Securities Held	Type of Business
1.1.3.1.2	Black Hills Cabresto Pipeline, LLC	Energy-related	08/28/2003	Delaware	100%	Owns and operates 12-mile natural gas pipeline in New Mexico
1.1.4	Black Hills Energy Resources, Inc.	Energy-related	06/25/1997	South Dakota	100%	Markets energy commodities
1.1.4.1	Black Hills Operating Company, LLC	Energy-related	02/01/2002	Delaware	100%	Operates and manages oil pipelines and terminals in Texas
1.1.4.2	Black Hills Energy Pipeline, LLC*	N/A	07/20/1999	Delaware	100%	Intermediate non-utility holding company
1.1.4.3	Black Hills Millennium Pipeline, Inc.*	N/A	07/13/1999	South Dakota	100%	Intermediate non-utility subsidiary
1.1.4.2.1	Millennium Pipeline Company, L.P.	Energy-related	08/19/1999	Texas	100%	Owns and operates an oil pipeline in Texas
1.1.4.3.1						
1.1.4.4	Black Hills Energy Terminal, LLC*	N/A	09/29/1999	South Dakota	100%	Intermediate non-utility subsidiary
1.1.4.5	Black Hills Millennium Terminal, Inc.*	N/A	09/17/1999	South Dakota	100%	Intermediate non-utility subsidiary
1.1.4.4.1	Millennium Terminal Company, L.P.	Energy-related	01/21/2000	Texas	100%	Operates an oil terminal and storage facility
1.1.4.5.1						
1.1.4.6	Black Hills Kilgore Energy Pipeline, LLC*	N/A	02/01/2002	Delaware	100%	Intermediate non-utility subsidiary
1.1.4.7	Black Hills Kilgore Pipeline, Inc.*	N/A	02/01/2002	Delaware	100%	Intermediate non-utility subsidiary

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1.1.4.6.1	Black Hills Kilgore Pipeline Company, L.P.	Energy-related	03/14/2002	Texas	100%	Owns and operates an oil pipeline in Texas
1.1.4.7.1						
1.1.5	Enserco Energy Inc.	Energy-related	08/16/1996	South Dakota	100%	Markets energy commodities

*System Company that directly/indirectly holds securities of Reporting Company

ITEM 2 ISSUANCES AND RENEWALS OF SECURITIES AND CAPITAL CONTRIBUTIONS

For the three month period ended March 31, 2005 (in thousands):

<u>Company Issuing Security</u>	<u>Type of Security Issued</u>	<u>Principal Amount of Security</u>	<u>Issue or Renewal</u>	<u>Cost of Capital</u>	<u>Person to Whom Security Was Issued</u>	<u>Collateral Given With Security</u>	<u>Consideration Received for Each Security</u>
Black Hills Idaho Operations, LLC	ST Debt	\$ 94	Issue	4.12%	Black Hills Generation, Inc.	None	\$ 94
Black Hills Ontario, LLC	ST Debt	352	Issue	4.12%	Black Hills Generation, Inc.	None	352
Wyodak Resources Development Corp.	ST Debt	28,578	Issue	4.12%	Black Hills Exploration and Production, Inc.	None	28,578
Black Hills Energy, Inc.	ST Debt	18,546	Issue	4.12%	Black Hills Exploration and Production, Inc.	None	18,546

<u>Company Contributing Capital</u>	<u>Company Receiving Capital</u>	<u>Amount of Capital Contribution</u>
None		

None

ITEM 3 ASSOCIATE TRANSACTIONS**Part I Transactions performed by reporting companies on behalf of associate companies****For the three month period ended March 31, 2005 (in thousands):**

Reporting Company	Associate Company	Types of Services Rendered	Direct Costs Charged	Indirect Costs Charged	Cost of Capital	Total Amount Billed
Enserco Energy Inc.	Black Hills Power, Inc.	Physical gas sales	\$ 7	N/A	N/A	\$ 7
Enserco Energy Inc.	Black Hills Wyoming, Inc.	Physical gas sales	7	N/A	N/A	7
Enserco Energy Inc.	Harbor Cogeneration Company, LLC	Physical gas sales	114	N/A	N/A	114
Enserco Energy Inc.	Black Hills Ontario, LLC	Physical gas sales	645	N/A	N/A	645
Wyodak Resources Development Corp.	Black Hills Power, Inc.	Coal sales	2,424	N/A	N/A	2,424
Wyodak Resources Development Corp.	Black Hills Wyoming, Inc.	Coal sales	722	N/A	N/A	722
Black Hills Exploration and Production, Inc.	Enserco Energy Inc.	Physical gas sales	3,018	N/A	N/A	3,018
Black Hills Gas Resources, Inc.	Enserco Energy Inc.	Physical gas sales	11,399	N/A	N/A	11,399
Black Hills Exploration and Production, Inc.	Black Hills Energy Resources, Inc.	Crude oil sales	27	N/A	N/A	27
Black Hills Exploration and Production, Inc.	Black Hills Gas Resources, Inc.	Operational services	128	N/A	N/A	128

Part II Transactions performed by associate companies on behalf of reporting companies**For the three months ended March 31, 2005 (in thousands):**

Associate	Reporting	Types of	Direct	Indirect	Cost	Total
<u>Company Rendering</u>	<u>Company Receiving</u>	<u>Services</u>	<u>Costs</u>	<u>Costs</u>	<u>of Capital</u>	<u>Amount</u>
<u>Services</u>	<u>Services</u>	<u>Rendered</u>	<u>Charged</u>	<u>Charged</u>		<u>Billed</u>
Black Hills Energy, Inc.	Black Hills Exploration and Production, Inc.	Corporate services	N/A	\$ 1,401	N/A	\$ 1,401
Black Hills Energy, Inc.	Enserco Energy Inc.	Corporate services	N/A	500	N/A	500
Black Hills Energy, Inc.	Wyodak Resources Development Corp.	Corporate services	N/A	626	N/A	626
Black Hills Energy, Inc.	Black Hills Energy Resources, Inc.	Corporate services	N/A	24	N/A	24
Black Hills Energy, Inc.	Black Hills Kilgore Pipeline Company, LP	Corporate services	N/A	29	N/A	29
Black Hills Energy, Inc.	Millennium Pipeline Company, LP	Corporate services	N/A	159	N/A	159
Black Hills Power, Inc.	Wyodak Resources Development Corp.	Retail electric services	212	N/A	N/A	212

Note: Black Hills Corporation has formed a service company, Black Hills Service Company, LLC (BHSC), pursuant to the authority granted in Black Hills Corporation, et al., Holding Company Act Release No. 35-27931 (Order). The Commission approved BHSC's standard form of service company agreements in the Order. Pursuant to the phase-in authorized in the Order, BHSC will become fully operational by the end of the year and perform services under service company agreements with its affiliates.

ITEM 4 SUMMARY OF AGGREGATE INVESTMENT*Investments in energy-related companies (in thousands):*

Total consolidated capitalization as of March 31, 2005	\$1,535,544	line 1
Total capitalization multiplied by 15% (line 1 multiplied by 0.15)	230,332	line 2
Greater of \$50 million or line 2	\$230,332	line 3
Total current aggregate investment: (categorized by major line of energy-related business)		
Total current aggregate investment(1)		line 4
Difference between the greater of \$50 million or 15% of capitalization and the total aggregate investment of the registered holding company system (line 3 less line 4)	\$230,332	line 5

Investments in gas-related companies:

Total current aggregate investment:
(categorized by major line of gas-related business)
None

(1) Investments in energy related companies prior to December 28, 2004, the date Black Hills Corporation became a registered holding company are reported under Item 5 Other Investments on this Form U-9C-3.

ITEM 5 OTHER INVESTMENTS**As of March 31, 2005 (in thousands):**

Major Line of	Other Investment in Last U-9C-3 <u>Report</u> (3)	Other Investment in This U-9C-3 <u>Report</u>	Reason for Difference in Other <u>Investment</u>
Energy-Related <u>Business</u> (2)			
Energy commodity marketing	\$	\$ 75,542	
Qualifying facilities		65,887	
Fuel transportation,		116,112	

handling and storage
facilities

Oil and gas exploration
and production 54,517

Coal mining 9,746

(2) Energy related businesses exempt from calculation in Item 4 Summary of Aggregate Investment prior to December 28, 2004, the date which Black Hills Corporation became a registered holding company.

(3) This is the initial report on Form U-9C-3 of Black Hills Corporation filed pursuant to Rule 58.

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ITEM 6 FINANCIAL STATEMENTS AND EXHIBITS

List all financial statements and exhibits filed as a part of this report.

(a) Financial statements:

Financial statements as of March 31, 2005 are being filed in paper under cover of Form SE and confidential treatment is being requested pursuant to Rule 104(b), 17 C.F.R. § 250-104(b).

(b) Exhibits:

Exhibits are being filed in paper under cover of Form SE and confidential treatment is being requested pursuant to Rule 104(b), 17 C.F.R. § 250-104(b).

SIGNATURE

Black Hills Corporation

By: /s/ Mark T. Thies
MARK T. THIES
Executive Vice President and
Chief Financial Officer

Dated: May 27, 2005

