
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT
PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the fiscal years ended December 31, 2001 and 2000

Commission File Number 001-31303

BLACK HILLS CORPORATION
RETIREMENT SAVINGS PLAN

BLACK HILLS CORPORATION
625 NINTH STREET
PO BOX 1400
RAPID CITY, SOUTH DAKOTA 57709

Black Hills Corporation
Retirement Savings Plan

Financial statements as of
December 31, 2001 and 2000
together with report of
independent public accountants

Index to financial statements and supplemental schedules	Page
Report of independent public accountants	1
Statements of net assets available for benefits	2
Statements of changes in net assets available for benefits	3
Notes to financial statements	4
Schedule H, line 4i-- Schedule of Assets (Held At End of Year)	7
Schedule G, Part III-- Nonexempt Transactions	10

Report of independent public accountants

To the Trustee of
Black Hills Corporation Retirement Savings Plan:

We have audited the accompanying statements of net assets available for benefits of the Black Hills Corporation Retirement Savings Plan as of December 31, 2001 and 2000, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements and the supplemental schedules referred to below are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements and supplemental schedules based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and supplemental schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and supplemental schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Black Hills Corporation Retirement Savings Plan as of December 31, 2001 and 2000, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes and nonexempt transactions are presented for purposes of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Arthur Andersen LLP

Minneapolis, Minnesota,
April 25, 2002

Black Hills Corporation Retirement Savings Plan

Statements of net assets available for benefits

As of December 31

	2001 ----	2000 ----
CASH	\$ 6,546	\$ 7,995
INVESTMENTS, at fair value:	29,205,700	31,615,328
CONTRIBUTIONS RECEIVABLE:		
Employee	20,346	15,989
Employer	8,502	5,980
INVESTMENT TRANSACTIONS PENDING	46,500	3,543
NET ASSETS AVAILABLE FOR BENEFITS	----- \$ 29,287,594 =====	----- \$ 31,648,835 =====

The accompanying notes are an integral part of these statements.

Black Hills Corporation Retirement Savings Plan

Statements of changes in net assets available for benefits

For the years ended December 31

	2001	2000
NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	\$ 31,648,835	\$ 24,240,845
	-----	-----
INCREASES (DECREASES) DURING THE YEAR:		
Participant contributions	2,771,292	3,905,269
Employer matching contributions	933,233	574,290
Investment interest and dividends	694,891	1,372,971
Net appreciation (depreciation) in fair value of investments	(5,150,125)	3,050,147
Net realized gain on sale of investments	132,449	363,713
Administrative expenses	(4,350)	(2,750)
Distributions to participants	(1,738,631)	(1,855,650)
	-----	-----
Net increase (decrease) in net assets	(2,361,241)	7,407,990
	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS, end of year	\$ 29,287,594	\$ 31,648,835
	=====	=====

The accompanying notes are an integral part of these statements.

BLACK HILLS CORPORATION RETIREMENT SAVINGS PLAN

Notes to financial statements

December 31, 2001 and 2000

1 Description of the Plan

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The following is not a comprehensive description of the Plan and, therefore, does not include all situations and limitations covered by the Plan. Participants should refer to the plan agreement for more complete information.

General

The Black Hills Corporation Retirement Savings Plan (the Plan) is a defined contribution plan for eligible employees of Black Hills Corporation and certain subsidiary companies of Black Hills Corporation (the Company). The eligible employees may have a percentage of their compensation withheld and contributed to the Plan, subject to limitations, as defined. The Plan is subject to the provisions of the Employment Retirement Income Security Act of 1974 and is designed to comply with the provisions of Section 401(k) of the Internal Revenue Code (the Code).

Merrill Lynch serves as the asset custodian and record keeper. The Plan is administered by the Black Hills Corporation Benefits Committee (the Committee). The Committee is the trustee of the Plan.

Plan expenses

Administrative fees of approximately \$51,700 and \$60,800 were paid by the Company in 2001 and 2000.

Eligibility and vesting

Employees are eligible to participate in the Plan on the first day of employment.

Participants are immediately vested in the value of their pretax salary reduction contributions. Participants vest 20 percent per year in employer matching contributions until reaching five years of service. At that time, participants are 100 percent vested in employer matching contributions. Participants also become fully vested in employer matching contributions if their employment with the Company is terminated due to retirement at or after attainment of age 65, total and permanent disability, or death.

Forfeitures from participant's who have terminated from the Plan prior to attaining 100 percent vesting rights are used to reduce the Company's annual matching contributions.

Contributions

The maximum percentage of compensation an employee may contribute to the Plan is 20 percent, with an annual maximum contribution of \$10,500, as provided by the Code. There is no limit to the number of times participants may change their contribution percentages. Amounts contributed are invested at the discretion of plan participants in any of the 28 investment options or individual investments as directed by the participant.

Effective January 1, 2000 (May 1, 2000 for employees covered by a collective bargaining agreement), the Plan was amended to include a discretionary dollar-for-dollar Company matching contribution, up to a maximum of 3 percent of an individual participant's compensation.

Rollover contributions

The Plan received \$382,579 and \$2,102,946 in rollover transfers from other qualified plans in 2001 and 2000, respectively, which are included in participant contributions on the statements of changes in net assets available for benefits. In 2000 approximately \$1.7 million of the rollover transfers came from participants who were formerly employed by Indeck Capital, Inc., which was merged into Black Hills Energy Capital, Inc in 2000.

Participant loans

The Plan contains a loan provision which allows participants to borrow up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balances at an interest rate of 1 percent over the prime interest rate and to repay the loan through payroll deductions, with a maximum repayment period of five years. During 2001 and 2000, interest rates on outstanding participant loans ranged from 5.75 percent to 10.50 percent and from 8.75 percent to 10.50 percent. Loans are prohibited for terminated employees.

Distributions to participants

Employee account balances are distributable upon retirement, disability, death, termination from the Company or hardship. Upon the occurrence of one of these events, a participant (or the participant's beneficiary in the case of death) may receive his or her account balance as a lump-sum payment or installment payments over a period of no more than 10 years.

Amendments and termination

The Company reserves the right to amend or terminate the Plan at any time. Upon termination of the Plan participants become 100 percent vested, and all assets will be distributed among the participants in accordance with plan provisions.

2 Summary of significant accounting policies

Basis of accounting

The accompanying financial statements have been prepared using the accrual basis of accounting.

Investment valuation and income recognition

Investments of the Plan are stated at fair value. Shares of registered investment companies are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end. Realized gains and losses on sales of investments represent the difference between the net proceeds from the sale of investments and their historical cost. Unrealized appreciation or depreciation of investments represents changes in the market value of investments.

Purchases and sales of securities are reflected on a trade-date basis. Interest income is recognized when earned. Dividend income is recorded on the ex-dividend date.

Use of estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and the reported amount of changes in net assets available for benefits during the reporting period. Ultimate results could differ from those estimates.

Reclassification

Certain 2000 amounts have been reclassified to conform to the 2001 presentation. These reclassifications had no effect on net assets available for benefits or the net increase in net assets available for benefits as previously reported.

3 Investments

The investment options of the Plan at December 31, 2001 include collective trusts of Merrill Lynch, mutual funds, common stock of the Company and other investments as self-directed by participants. Units (shares) of the various investment funds are valued daily at net asset value (which equals market value). The investment options are participant directed and participants may change their investment elections daily.

The following presents investments that represent 5 percent or more of the Plan's net assets as of December 31:

	2001 ----	2000 ----
Merrill Lynch Retirement Preservation Trust	\$ 4,136,646	\$ 3,173,244
Merrill Lynch Equity Index Trust 1	3,865,916	4,444,205
Managers International Equity Fund	1,865,202	2,490,145
Merrill Lynch Growth Fund	*	2,103,703
Davis New York Venture Fund	1,898,412	1,588,978
Black Hills Corporation common stock	9,044,297	11,958,351

*Under 5 percent.

4 Tax status
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The Plan obtained its latest determination letter on October 9, 2001, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Code. The Plan has been amended since receiving the determination letter; however, the plan administrator and the Plan's legal counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code.

5 Party-in-interest transactions
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The Plan invests in Merrill Lynch funds and Black Hills Corporation stock. These transactions qualify as exempt party-in-interest transactions.

6 Risks and uncertainties
- - - - -

The Plan provides for investment in a variety of investment funds. Investments in general are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Black Hills Corporation Retirement Savings Plan

(Employer identification number: 46-0458824) (Plan number: 003)

Schedule H, line 4i-- Schedule of Assets (Held At End of Year)

As of December 31, 2001

Description	Cost**	Current value

CASH FUND:		
Merrill Lynch Ready Assets*		\$ 25,454

Total cash fund		25,454

COLLECTIVE TRUSTS:		
Merrill Lynch Equity Index Trust 1*		3,865,916
Merrill Lynch Retirement Preservation Trust*		4,136,646

Total collective trusts		8,002,562

MUTUAL FUNDS:		
Merrill Lynch Growth Fund*		1,390,695
Merrill Lynch Pacific Fund*		31,706
PIMCO Total Return Fund		1,455,429
PIMCO Mid-Cap Growth Fund		54,353
Munder Framlington Health Care Fund		361,615
Van Kampen Worldwide High Income Fund		11,506
Oppenheimer Gold & Special Minerals Fund		36,549
Seligman Communications Fund		1,343,600
Oppenheimer Global Fund		909,160
Alliance Quasar Fund		54,105
Oppenheimer US Government Fund		144,090
State Street Research Global Fund		33,913
Franklin Balance Sheet Fund		143,077
Pioneer Europe Fund		57,036
Federated International Income Fund		10,728
Massachusetts Investors Growth Fund		95,056
Davis New York Venture Fund		1,898,412
Managers International Equity Fund		1,865,202
Davis Series Convertible Securities Fund		89,430
Van Kampen Real Estate Securities Fund		145,517
Merrill Lynch Capital Fund*		690,626

Total mutual funds		10,821,805

COMMON STOCK:		
Black Hills Corp.*		9,044,297
Self-Direct Accounts:		
Abbott Labs		3,345
ADC Telecommunctns Inc.		1,380
Allcopiers Corp.		1
AOL Time Warner Inc.		20,223
Apple Computer Inc.		41,610
Ariba Inc.		1,392
AT&T Wireless Services		4,613
AT&T Corp.		18,140

Description	Cost**	Current value
COMMON STOCK (continued):		
Avista Corp.		\$ 1,989
Calpine Corp.		1,763
Cendant Corp.		5,883
Charter Commncatns Inc A		1,643
Check Point Software Tech		2,991
Cisco Systems Inc.		42,558
Corning Inc.		2,676
Cypress Semicndtr PV1CTS		9,965
E Trade Group Inc.		4,100
Echelon Corporation EL		8,496
EMC Corporation Mass		8,064
Ericson LM TEL SEK10B ADR		3,340
Exxon Mobil Corp.		39,300
Fuelcell Energy Inc.		3,881
Globalsantafe Corp.		9,468
Globalstar Telecom		178
Grey Wolf Inc.		5,940
Hollywood Media Corp. FLA		1,318
Intel Corp.		20,443
Intl Rectifier Corp.		5,232
Knight Trading Group Inc.		826
Koninkl Phil E NY SH NEW		8,733
Laser Vision Centers		621
LSI Logic Corp.		1,262
Lucent Technologies Inc.		9,450
Marketing Svcs Gp In New		50
Mcddata Corp. CL A DEL		73
Medarex Inc.		3,915
Micron Technology Inc.		15,500
Motorola Inc.		5,257
Navarre Corp.		545
Nokia Corp.		17,171
Nortel Networks Corp. New		1,492
Pfizer Inc. Del		19,925
Philip Morris Cos Inc.		22,925
PMC Sierra Inc.		14,882
Protein Polymer Techs		17,382
Qlogic Corp.		4,451
RF Micro Devices Inc.		961
Rite Aid Corporation		2,530
Safeguard Scientifics		525
Scientific Atlanta		2,394
Southwest Airlns Co.		10,662

Description	Cost**	Current value
COMMON STOCK (continued):		
Texas Instruments		\$ 4,200
Wal Mart Stores Inc.		8,632
Worldcom Inc-MCI Group		88
Worldcom Inc-WORLDCOM GR		4,083
Total common stock		----- 9,492,764
PARTICIPANT LOANS, with interest rates ranging from 5.75% to 10.50%*		863,115
Total investments		----- \$ 29,205,700 =====

*Denotes party in interest.

**Cost is not required for participant-directed accounts.

Black Hills Corporation Retirement Savings Plan

(Employer identification number: 46-0458824) (Plan number: 003)

Schedule G, Part III -- Nonexempt Transactions

For the year ended December 31, 2001

Identity of party involved	Relationship to the Plan, employer or other party in interest	Description of transactions, including maturity date, rate of interest, collateral, and par or maturity value	Amount loaned	Interest incurred on loan
Black Hills Corporation	Sponsor	Lending of moneys from the Plan to the employer (contributions not timely remitted to the Plan), as follows: Deemed loans dated 1/22/01 and 6/21/01, with respective maturities of 2/21/01 and 6/26/01.	\$ 974	\$ -

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the 401K Retirement Savings Plan Committee has duly caused this Annual Report to be signed on its behalf by the undersigned hereunto duly authorized.

Black Hills Corporation
401K Retirement Savings Plan

Date: May 14, 2002

By /s/ Roxann R. Basham

Roxann R. Basham

Consent of independent public accountants

As independent public accountants, we hereby consent to the incorporation by reference of our report dated April 25, 2002 included in this Form 11-K, into the Company's previously filed Registration Statement File Numbers 33-71130, 33-63059, 333-17451, 333-61969, 333-82787, 333-30272, and 333-63264.

Arthur Andersen

Minneapolis, Minnesota,
May 9, 2002

Black Hills Corporation
625 Ninth Street
Rapid City, SD 57701

LETTER TO COMMISSION PURSUANT TO TEMPORARY NOTE 3T

May 9, 2002

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Ladies and Gentlemen:

Pursuant to Temporary Note 3T to Article 3 of Regulation S-X, Black Hills Corporation has obtained a letter of representation from Arthur Andersen LLP stating that the December 31, 2001 audit was subject to their quality control system for the U.S. accounting and auditing practice to provide reasonable assurance that the engagement was conducted in compliance with professional standards, that there was appropriate continuity of Arthur Andersen LLP personnel working on the audit and availability of national office consultation to conduct the relevant portions of the audit. Availability of personnel at foreign affiliates of Arthur Andersen is not relevant to this audit.

Very truly yours,

Black Hills Corporation

/s/ Mark T. Thies

Mark T. Thies
Senior Vice President and
Chief Financial Officer