
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported) October 11, 2007

BLACK HILLS CORPORATION

(Exact name of registrant as specified in its charter)

South Dakota
(State or other jurisdiction of incorporation)

001-31303
(Commission File Number)

46-0458824
(IRS Employer Identification
No.)

625 Ninth Street, PO Box 1400
Rapid City, South Dakota
(Address of principal executive offices)

57709-1400
(Zip Code)

605.721.1700
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other Events

On October 11, 2007, the Registrant issued a press release announcing that its Board of Directors approved a strategic review, including potential divestiture, of certain of its independent power plants located throughout the western United States.

The press release is attached as Exhibit 99 to this Form 8-K.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99 Press release dated October 11, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BLACK HILLS CORPORATION

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

Date: October 12, 2007

Exhibit Index

Exhibit #

99 Press release dated October 11, 2007.

**BLACK HILLS CORPORATION TO EXPLORE STRATEGIC OPTIONS
FOR CERTAIN OF ITS INDEPENDENT POWER PRODUCTION ASSETS**

RAPID CITY, SD—October 11, 2007—Black Hills Corporation (NYSE: BKH) today announced that its Board of Directors has approved a strategic review, including potential divestiture, of certain independent power production (IPP) plants located throughout the western United States.

David R. Emery, Chairman, President and CEO of Black Hills Corporation, said, “We have initiated a thorough economic evaluation of our current IPP asset base. Given prevailing favorable market conditions in the IPP sector of the energy industry, it is prudent to assess our strategic alternatives. We have great assets in geographic locations with strong population and customer load growth. To the credit of our employees, our power generation fleet has achieved solid operational performance over the years. We are very proud of our IPP business and its contribution to our legacy of providing economical and reliable energy supply to our customers.”

Black Hills Corporation has retained Credit Suisse Securities (USA), LLC, as financial advisor to assist the Company in its evaluation of the strategic options.

ABOUT BLACK HILLS CORPORATION

Black Hills Corporation is an integrated energy company. Our retail businesses are Black Hills Power, an electric utility serving western South Dakota, northeastern Wyoming and southeastern Montana; and Cheyenne Light, Fuel & Power, an electric and gas distribution utility serving the Cheyenne, Wyoming vicinity. Black Hills Energy, the wholesale energy business unit, generates electricity, produces natural gas, oil and coal, and markets energy. More information is available at our Internet website: www.blackhillscorp.com.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This news release includes “forward-looking statements” as defined by the Securities and Exchange Commission, or SEC. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this release that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. These forward-looking statements are based on assumptions which we believe are reasonable based on current expectations and projections about future events and industry conditions and trends affecting our business. However, whether actual results and developments will conform to our expectations and predictions is subject to a number of risks and uncertainties that, among other things, could cause actual results to differ materially from those contained in the forward-looking statements, including the risk factors described in Item 1A of Part I of our 2006 Annual Report on Form 10-K filed with the SEC, and the following:

- Our ability to complete acquisitions for which definitive agreements have been executed;
- Our ability to obtain regulatory approval of acquisitions which, even if approved, could impose financial and operating conditions or restrictions that could impact our expected results;
- Our ability to successfully integrate and profitably operate any future acquisitions;
- Our ability to obtain adequate cost recovery for our retail utility operations through regulatory proceedings and receive favorable rulings in periodic applications to recover costs for fuel and purchased power in our regulated utilities;
- Our ability to execute the outcome of our strategic review of our independent power assets;
- The amount and timing of capital deployment in new investment opportunities or for the repurchase of debt or stock;
- Our ability to successfully maintain or improve our corporate credit rating;
- Changes in business and financial reporting practices arising from the enactment of the Energy Policy Act of 2005;
- The timing, volatility and extent of changes in energy-related and commodity prices, interest rates, energy and commodity supply or volume, the cost and availability of transportation of commodities, and demand for our services, all of which can affect our earnings, liquidity position and the underlying value of our assets;
- Changes in or compliance with laws and regulations, particularly those relating to taxation, safety and protection of the environment;
- Industry and market changes, including the impact of consolidations and changes in competition;
- Capital market conditions and market uncertainties related to interest rates, which may affect our decision on strategic options, including our ability to raise capital on favorable terms;
- Other factors discussed from time to time in our other filings with the SEC.

New factors that could cause actual results to differ materially from those described in forward-looking statements emerge from time to time, and it is not possible for us to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. We assume no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events, or otherwise.

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