

# We want to help you understand your bill

If you have questions about the charges on your bill, we hope this explanation will help. If you'd like more details, visit [www.blackhillsenergy.com/rates](http://www.blackhillsenergy.com/rates).

The Public Utilities Commission regulates our rates, which means we can't increase our rates without their review and approval. The charges on your bill cover the costs associated with generating, transmitting and distributing electricity as well as all the work that goes into providing that electricity safely and reliably. These charges are explained through this pamphlet.



# Your bill explained

Your bill includes many features, and below, we explain the portions of your bill that show your usage and calculate the total bill.

## Customer Charge

The customer charge covers the costs of expenses such as meters, billing and customer service.

## Demand Charge

If you're a residential customer, you may not have this charge on your bill. Some residential customers, on a specific rate type, have this charge. Mostly, this is for our commercial and industrial customers since their businesses are large and have different usage patterns than a typical residential customer.

## Energy Charge

The energy charge is applied to the total kWhs of usage over your billing cycle. The number of kWhs is shown on your bill. The line item for the energy charge is the kWhs you use multiplied by the energy charge for your customer type. This charge covers costs related to producing energy at our power plants. These are the fixed costs, such as the cost of the equipment. The fuel costs, such as coal and natural gas are recovered through the Energy Cost Adjustment explained to the right.

## Base Costs

Base Costs cover the remaining costs of delivering electricity to you that are not included in the energy charge.

## Energy Cost Adjustment (ECA)

The ECA includes two parts, Fuel and Purchased Power Adjustment (FPPA) and Transmission Cost Adjustment (TCA). These two parts include power we buy on the open market and the different kinds of fuel required to run our power plants. Since those costs are tied to commodity prices, they can fluctuate. The ECA is updated annually to reflect real costs.

## Energy Efficiency Solutions Adjustment (EESA)

The EESA includes all costs associated with our Energy Efficiency Solutions program, which we started to help you learn how to use energy more efficiently. You can learn about these programs at [www.BHESavemoney.com](http://www.BHESavemoney.com)

## Environmental Improvement Adjustment (EIA)

The EIA includes costs associated with state or federally mandated environmental improvements at our generation facilities.

## Transmission Facility Adjustment (TFA)

The TFA includes cost associated with new or modified transmission facility improvements. These are necessary to make sure we can deliver electricity to your home.

For more information, visit [www.blackhillsenergy.com/rates](http://www.blackhillsenergy.com/rates), or call 888-890-5554.

## Breakdown of the costs by type

Below are all of the different costs per kWh, broken out by type.

Cost Adjustment Summary						
Customer Rate Schedule	Base Costs	ECA	EIA	EESA	TFA	Total CAS
Residential	\$0.02270	\$0.01350	\$0.00020	\$ 0.00040	\$0.00015	\$0.03695
Small General Service	\$0.02270	\$0.01410	\$0.00023	\$0.00090	\$0.00017	\$0.03810
Large General Service	\$0.02270	\$0.01330	\$0.00017	\$0.00090	\$0.00011	\$0.03718
Industrial Contract Service	\$0.02270	\$0.01320	\$0.00017	\$0.00090	\$0.00011	\$0.03708
Lighting Service	\$0.02270	\$0.01380	\$0.00012	\$0.00090	\$0.00014	\$0.03766

For more information about how your rates are set, visit [www.blackhillsenergy.com/rate-info](http://www.blackhillsenergy.com/rate-info).