ELECTRIC RATE INCREASE

Docket EL26-003

On February 19, 2026, Black Hills Power, LLC, d/b/a Black Hills Energy filed an application with the South Dakota Public Utilities Commission to increase electric rates. Black Hills Energy requested an increase in revenues of $50,553,697or a 25.1 percent increase, for all South Dakota customers. The proposed increase was filed to recover operating expenses and infrastructure investments.

The Commission, on November 4, 2026, authorized an increase in annual revenues of $27,353,771. The actual impact of the rate increase on individual customer bills will vary depending on the customer's rate class and amount of energy used. As a result of the change in base rates, a typical residential customer using an average of 650 kilowatt-hours (kWh) of power each month will see an increase of $16.34 per month.

As allowed by South Dakota law, Black Hills Energy implemented Interim Rates effective August 18, 2026, at the rates proposed in the February filing. Since the final rate increase is less than the interim rate increase, Black Hills Energy will refund to customers the difference, with 7.00% interest, for electricity service between August 18, 2026 and November 30, 2026, beginning no later than February 1, 2027.

Below are the final rates approved by the Commission, and monthly bill examples. The first bill you receive may be prorated, depending on your meter reading date. This means that any service provided prior to November 30, 2026, will be billed at the interim rates, and any service provided on and after December 1, 2026, will be billed at the new rates.

To learn more, visit blackhillsenergy.com/reliable-sd.

Residential service (SD710)		
	Prior rates	**New rates**
Customer charge	$12.00	$12.75
Energy charge	$0.08827	$0.11225
Cost adjustments	$0.05574	$0.05574

Residential total electric (SD712)		
	Prior rates	**New rates**
Customer charge	$15.00	$15.00
Energy charge	$0.06693	$0.08876
Cost adjustments	$0.05574	$0.05574

Residential service - monthly bill example				
Usage (kWh)	**Bill at prior rate**	**Bill at new rate**	**Amount of increase**	**Increase**
300	$55.20	$63.15	$7.94	14.39%
400	$69.60	$79.95	$10.34	14.86%
500	$84.01	$96.75	$12.74	15.17%
600	$98.41	$113.54	$15.14	15.38%
700	$112.81	$130.34	$17.54	15.55%
800	$127.21	$147.14	$19.93	15.67%

Residential total electric - monthly bill example				
Usage (kWh)	**Bill at prior rate**	**Bill at new rate**	**Amount of increase**	**Increase**
800	$113.14	$130.60	$17.46	15.44%
900	$125.40	$145.05	$19.65	15.67%
1000	$137.67	$159.50	$21.83	15.86%
2000	$260.34	$304.00	$43.66	16.77%
3000	$383.01	$448.50	$65.49	17.10%
4000	$505.68	$593.00	$87.32	17.27%

If you have any questions please contact 855-890-5554 or email customerservice@support.blackhillsenergy.com.