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April 1, 2026

Advice Letter No. 906

Public Utilities Commission of the State of Colorado
1560 Broadway
Suite 250
Denver, Colorado 80202

The accompanying tariff sheets issued by Black Hills Colorado Electric, LLC. d/b/a Black Hills Energy (“Black Hills” or the “Company”) are sent to you for filing in compliance with the requirements of the Public Utilities Law and the applicable rules of the Public Utilities Commission of the State of Colorado, including Rule 1210, 4 *Colorado Code of Regulations* 723-1. The following tariff sheets are attached:

COLORADO P.U.C. NO. 11

Colorado P.U.C. Sheet Number	Title of Sheet	Cancels Colorado P.U.C. Sheet Number
Third Revised Sheet No. 69A	DEMAND SIDE MANAGEMENT COST ADJUSTMENT (DSMCA) (CONTINUED) ELECTRIC	Second Revised Sheet No. 69A
Seventeenth Revised Sheet No. 71	DEMAND SIDE MANAGEMENT COST ADJUSTMENT (DSMCA) (CONTINUED) ELECTRIC	Sixteenth Revised Sheet No. 71

In Proceeding No. 24A-0157E, the Commission approved a new DSM/BE Plan that began in 2025, that changes the Performance Incentive and the combined cap of the Financial Disincentive Offset (“FDO”) and Performance Incentive. These changes are reflected on tariff Sheet No. 69A.

The DSMCA rate is updated semi-annually (April and October) and is applicable to all retail customers. The principal purpose of this April filing is to revise the DSMCA calculation to reflect the 2025 Financial Disincentive Offset, the 2025 Performance Incentive, and any over or under collection of prior year costs.

The proposed DSMCA rate is 2.15%, a decrease of 1.03% from the existing DSMCA rate of 3.18%. The majority of the 1.03% decrease in the calculation of the DSMCA rate can be

attributed to last year's DSMCA including a \$1.58 million over recovery and an increase of \$25 million in projected sales revenue. There was also an approximately \$0.35M reduction in the performance incentive as presented in appendix C, as the Company achieved less than 85 percent of the energy saving goals in 2025 and did not earn a performance incentive.

If permitted to go into effect on July 1, 2026, the tariff revisions will decrease annualized revenues by \$2,095,672. Based on the proposed decrease, the average residential customer monthly bill, under Rate Schedule RS-1 with an average usage of 600 kWh per month, will decrease \$1.21 from \$123.96 to \$122.75, or -0.98%. The average small commercial customer monthly bill, under Rate Schedule SGS-N with an average usage of 2,300 kWh per month, will decrease \$4.07 from \$416.23 to \$412.16, or -0.98%.

Attached hereto are Appendices A, B, C, and D. Appendix A provides the applicable tariff sheets. Appendix B provides a redlined version of the applicable tariff sheets. Appendix C provides support for the calculation of the DSMCA. Appendix D shows the historical rate trend report.

This filing will be noticed pursuant to the requirements of the Colorado Public Utilities Law. Concurrently with this filing, Black Hills is filing a Motion for Alternative Form of Notice ("Motion"), with an Attachment 1 – Customer Notice ("Customer Notice"). The Motion requests Commission approval for three methods of providing the consolidated Customer Notice to affected customers. First, the Company will file with the Commission and keep open for inspection Advice Letter No. 906-Electric and will post the notice and filing information on its website for 30 days. Second, a bill message will be printed on each applicable customer's bill providing the website URL for the Customer Notice, Advice Letter No. 906-Electric and its accompanying tariff sheet, and a toll-free phone number for assistance regarding the amendments. The bill messages will run for one full billing cycle. Third, newspaper legal notices providing the Customer Notice will be published in three newspapers of general circulation covering the Company's service territory: *The Pueblo Chieftain*, the *Cañon City Daily Record*, and the *Rocky Ford Daily Gazette*. Black Hills requests that the tariff sheet accompanying this Advice Letter become effective on July 1, 2026. The Company's newspaper and website notices will inform customers of resources that are available to help pay their bills. Please send copies of all notices, pleadings, correspondence, and other documents regarding this filing to the following:

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And

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Sincerely,

Black Hills Colorado Electric, LLC

/s/ Dan Ahrens

Dan Ahrens
Manager, Regulatory & Finance