

BLACK HILLS COLORADO ELECTRIC, LLC
ENERGY COST ADJUSTMENT CALCULATION
FOR THE FORECASTED TWELVE MONTHS ENDING DECEMBER 31, 2026

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		ECA_AL 902
		Amount
(1)	ESTIMATED GENERATION - (F)	\$ 13,516,002
(2)	ESTIMATED PURCHASES FOR SYSTEM - (P)	\$ 51,170,820
(3)	INCENTIVE SHARING - (IS)	\$ (2,384,846)
(4)	NET RESA TRANSFER - (RT)	\$ 13,545,026
(5)	RECOVERY TRUE-UP - (RTU)	\$ 7,452,802
(6)	WEIS ANNUAL FEE - (WAF)	\$ 149,111
(7)	WEIS SALES REVENUES - (S)	\$ -
(8)	TOTAL (SUM OF LINES 1 THROUGH 8)	\$ 83,448,915
(9)	ESTIMATED SALES (kWh) - (S)	1,758,561,000
(10)	ENERGY COST ADJUSTMENT - PRORATED TO BILLS BEGINNING JANUARY 1, 2026 (LINE 9 / LINE 10)	\$ 0.04745

BLACK HILLS COLORADO ELECTRIC, LLC
ENERGY COST ADJUSTMENT CALCULATION
FOR THE FORECASTED TWELVE MONTHS ENDING DECEMBER 31, 2026
ESTIMATED GENERATION

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Line No.	Description	Reference From	ECA_AL 902												Total
			Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	
1	Pueblo Ind. Park Diesels	'WP 4 Forecast Summary'	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Pueblo Diesel	'WP 4 Forecast Summary'	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Rocky Ford Diesels	'WP 4 Forecast Summary'	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	PAGS-Unit 1	'WP 4 Forecast Summary'	\$ 52	\$ 6,461	\$ 52	\$ 52	\$ 52	\$ 17,649	\$ 513,077	\$ 1,326,039	\$ 1,198,603	\$ 62,482	\$ 285,238	\$ 1,030,130	\$ 4,439,889
5	PAGS-Unit 2	'WP 4 Forecast Summary'	\$ 26,507	\$ 13,907	\$ 2,665	\$ 76	\$ 7,109	\$ 14,635	\$ 1,777,198	\$ 1,485,851	\$ 1,265,222	\$ 1,266,797	\$ 330,709	\$ 168,314	\$ 6,358,989
6	PAGS-Unit 6	'WP 4 Forecast Summary'	\$ 8,009	\$ 10	\$ 31,459	\$ 5,873	\$ 13,494	\$ 10	\$ 115,324	\$ 385,887	\$ 283,155	\$ 10	\$ 10	\$ 11,972	\$ 855,213
7	Transmission	'WP 4 Forecast Summary'	\$ 155,159	\$ 155,159	\$ 155,159	\$ 155,159	\$ 155,159	\$ 155,159	\$ 155,159	\$ 155,159	\$ 155,159	\$ 155,159	\$ 155,159	\$ 155,159	\$ 1,861,911
8	Total Fuel Related Costs (Sum of Lines 1 - 7)		\$ 189,728	\$ 175,537	\$ 189,336	\$ 161,161	\$ 175,814	\$ 187,453	\$ 2,560,757	\$ 3,352,937	\$ 2,902,139	\$ 1,484,448	\$ 771,116	\$ 1,365,575	\$ 13,516,002
9															P:1 Rate Cover'
10	Purchased Energy	'WP 4 Forecast Summary'	\$ 8,223,492	\$ 4,549,202	\$ 3,752,043	\$ 3,724,194	\$ 3,369,845	\$ 4,779,214	\$ 6,627,508	\$ 6,755,415	\$ 6,323,344	\$ 6,492,617	\$ 6,806,823	\$ 8,065,463	\$ 69,469,159
11	Cost of Energy Sales	'WP 4 Forecast Summary'	\$ (953,716)	\$ (21,452)	\$ -	\$ -	\$ -	\$ (4,208)	\$ (3,467,648)	\$ (3,710,627)	\$ (3,142,547)	\$ (2,295,992)	\$ (1,910,295)	\$ (2,791,854)	\$ (18,298,339)
12	Total Estimated Purchases (Line 10 + 11)		\$ 7,269,776	\$ 4,527,750	\$ 3,752,043	\$ 3,724,194	\$ 3,369,845	\$ 4,775,006	\$ 3,159,860	\$ 3,044,788	\$ 3,180,798	\$ 4,196,624	\$ 4,896,528	\$ 5,273,609	\$ 51,170,820
13															P:1 Rate Cover'
14	Total Eligible Costs (Sum of Lines 8 and 12)		\$ 7,459,503	\$ 4,703,287	\$ 3,941,379	\$ 3,885,355	\$ 3,545,660	\$ 4,962,459	\$ 5,720,617	\$ 6,397,725	\$ 6,082,936	\$ 5,681,073	\$ 5,667,644	\$ 6,639,184	\$ 64,686,822

FOR THE FORECASTED TWELVE MONTHS ENDING DECEMBER 31, 2026
OFF SYSTEM SALES ANNUAL NET MARGINS

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		ECA_AL 902			ECA_AL 902
Line No.	Description	Reference From	2024	FERC Account	
1	Off-System Sales Revenue	20AL-0073E	\$ 10,450,161	447030	
2					
3	Fuel Off-System Other Prod	20AL-0073E	\$ (3,494,117)	547030	
4	Purchased Power Off-System Sales	20AL-0073E	\$ (3,725,738)	555030	
5	Transmission	20AL-0073E	\$ (721,129)	565030	
6					
7	Operating Margin	Sum Lines 1 - 6	\$ 2,509,177		
8					
9	Annual Customer Portion of Margin at 90%	Line 7 * 90%	\$ (2,258,259)		
10	(Decision No. C11-1373, ¶ 201-204)				
11					
12					
13	AX ² Economic Development Revenue		\$ 7,045,660	447800	
14					
15	Purchased Power Economic Development Tariff		\$ (5,768,806)	555800	
16	Transmission		\$ (10,991)	565800	
17					
18	AX² Operating Margin	Sum Lines 13 - 16	\$ 1,265,863		
19					
20	Annual Customer Portion of Margin at 10%	Line 18 * 10%	\$ (126,586)		
21	(Decision No. C19-0446)				
22					
23					
24	Total Annual Credit	Line 9 + Line 20	\$ (2,384,846)	'P.1 Rate Cover'	

BLACK HILLS COLORADO ELECTRIC, LLC
ENERGY COST ADJUSTMENT CALCULATION
FOR THE FORECASTED TWELVE MONTHS ENDING DECEMBER 31, 2026
NET RESA FORECAST

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		ECA_AL 902		ECA_AL 902
Line No.	Description	Reference From	ECA Increase/(Decrease)	
1	01/1/2026 - 12/31/2026 Net RESA Forecast		\$ 1,137,221	
2				
3	01/1/2026 - 12/31/2026 Peak View Avoided Cost Forecast		\$ 12,407,805	
4				
5	01/1/2026 - 12/31/2026 Net RESA Forecast (Sum of Lines 1 & 3)	Note 1	\$ 13,545,026	

Note 1: PV Avoided Cost Estimate was obtained from the RESA and PeakView Forecast workpaper. Refer to that workpaper for further calculation of the amount.

BLACK HILLS COLORADO ELECTRIC, LLC
ENERGY COST ADJUSTMENT CALCULATION
FOR THE FORECASTED TWELVE MONTHS ENDING DECEMBER 31, 2026
DETERMINATION OF (OVER)/UNDER RECOVERY
ECA_AL 902

Line No.	Description	Reference From	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025	June 2025	July 2025	August 2025	September 2025	October 2025
1	Beginning Balance		\$ 6,885,296	\$ 7,533,054	\$ 9,874,511	\$ 13,144,595	\$ 15,189,127	\$ 16,126,223	\$ 15,564,856	\$ 14,670,539	\$ 15,517,453	\$ 14,719,785	\$ 12,207,073	\$ 9,161,901
2														
3	Actual Recoveries	'WP 2 Recoveries'	\$ (4,675,335)	\$ (5,104,429)	\$ (5,539,990)	\$ (5,405,725)	\$ (4,549,067)	\$ (5,477,695)	\$ (5,529,816)	\$ (5,596,592)	\$ (7,600,833)	\$ (8,708,162)	\$ (7,708,407)	\$ (6,445,805)
4														
5	Actual Generation Cost	'WP 3 Historical'	\$ 1,996,424	\$ 2,560,227	\$ 3,537,370	\$ 2,544,192	\$ 1,116,711	\$ 1,831,945	\$ 1,308,643	\$ 1,324,869	\$ 2,668,706	\$ 2,430,618	\$ 1,410,269	\$ 1,209,447
6	Actual Purchase Power Cost	'WP 3 Historical'	\$ 3,304,852	\$ 4,312,036	\$ 5,543,875	\$ 4,225,953	\$ 4,537,075	\$ 2,918,389	\$ 3,677,055	\$ 5,144,567	\$ 5,110,443	\$ 4,943,049	\$ 3,721,938	\$ 4,570,043
7	WEIS Sales	'WP 3 Historical'	\$ (393,216)	\$ (358,422)	\$ (374,436)	\$ (353,446)	\$ (1,001,754)	\$ (378,669)	\$ (588,872)	\$ (644,921)	\$ (757,836)	\$ (876,427)	\$ (341,373)	\$ (959,988)
8	WEIS Purchases	'WP 3 Historical'	\$ 208,693	\$ 453,553	\$ 579,413	\$ 410,283	\$ 21,971	\$ 107,505	\$ 71,899	\$ 132,424	\$ 453,003	\$ 321,900	\$ 223,190	\$ 269,143
9	Off System Sales (PM Sharing Credit)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Actual Peak View Avoided Costs		\$ 1,059,368	\$ 1,048,570	\$ 847,290	\$ 782,298	\$ 1,236,588	\$ 835,680	\$ 803,406	\$ 793,486	\$ 479,818	\$ 420,862	\$ 365,595	\$ 736,732
11	Actual RESA Costs(Savings)		\$ 259,761	\$ 256,830	\$ 175,758	\$ 175,785	\$ (155,568)	\$ 78,204	\$ 111,163	\$ 117,260	\$ 109,893	\$ 128,936	\$ 139,929	\$ 124,788
12	Cost of Energy Sales	'WP 3 Historical'	\$ (1,115,393)	\$ (836,489)	\$ (1,512,577)	\$ (343,173)	\$ (272,699)	\$ (474,460)	\$ (744,047)	\$ (427,634)	\$ (1,257,597)	\$ (1,163,207)	\$ (843,855)	\$ (1,206,467)
13	Total Costs		\$ 5,320,488	\$ 7,436,305	\$ 8,796,693	\$ 7,441,892	\$ 5,482,324	\$ 4,918,594	\$ 4,639,247	\$ 6,440,051	\$ 6,806,429	\$ 6,205,730	\$ 4,675,695	\$ 4,743,698
14														
15	Storm Uri Costs	'P. 7 Storm Uri'	\$ (45)		\$ 2		\$ 5	\$ 31	\$ (88)	\$ (10)	\$ -	\$ -	\$ -	\$ -
16														
17	Recoveries Less Total Costs		\$ 645,108	\$ 2,331,876	\$ 3,256,705	\$ 2,036,167	\$ 933,263	\$ (559,071)	\$ (890,657)	\$ 843,448	\$ (794,404)	\$ (2,502,432)	\$ (3,032,712)	\$ (1,702,106)
18														
	Interest	Line 17 * (0.0493/12) for 2024 AND Line 17 * (0.0493/12) for 2025	\$ 2,650	\$ 9,580	\$ 13,380	\$ 8,365	\$ 3,834	\$ (2,297)	\$ (3,659)	\$ 3,465	\$ (3,264)	\$ (10,281)	\$ (12,459)	\$ (6,993)
19														
20														
21	Ending Balance		\$ 7,533,054	\$ 9,874,511	\$ 13,144,595	\$ 15,189,127	\$ 16,126,223	\$ 15,564,856	\$ 14,670,539	\$ 15,517,453	\$ 14,719,785	\$ 12,207,073	\$ 9,161,901	\$ 7,452,802

BLACK HILLS COLORADO ELECTRIC, LLC
ENERGY COST ADJUSTMENT CALCULATION
FOR THE FORECASTED TWELVE MONTHS ENDING DECEMBER 31, 2026
PROJECTED KWH SALES

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ECA_AL 902		ECA_AL 902	
Line No.	Timeframe	Reference From	Total kWh
1	January 2026 - December 2026	'WP 1 COE Forecasted kWh'	1,758,561,000
Total 2025-2026 kWh			1,758,561,000

BLACK HILLS COLORADO ELECTRIC, LLC
ENERGY COST ADJUSTMENT CALCULATION
FOR THE FORECASTED TWELVE MONTHS ENDING DECEMBER 31, 2026
DETERMINATION OF ECA INCLUDING LINE LOSS ADJUSTMENT

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ECA_AL 902

		<u>Reference</u>
Estimated Sales	1,758,561,000	'P.6 Estimated Sales'
Total ECA Costs	\$ 83,448,915	'P.1 Rate Cover'
System Rate (\$/kWh)	\$ 0.04745	
Adj Sales System Rate (\$/kWh)	\$ 0.04529	

Line No.	Voltage	Sales as a Percent			Adjusted Sales	Total ECA Costs	Voltage Adjusted		Change in ECA
		Sales (kWh)	of Total ^a	Losses			ECA	ECA Revenue	
1	Secondary	1,189,933,511	67.67%	1.055	1,255,451,250	\$ 56,465,861	\$ 0.04778	\$ 56,853,595	\$ 0.0003
2	Primary	392,802,973	22.34%	1.038	407,572,365	\$ 18,639,662	\$ 0.04699	\$ 18,457,072	\$ (0.0005)
3	Transmission	175,824,516	10.00%	1.022	179,710,238	\$ 8,343,393	\$ 0.04629	\$ 8,138,248	\$ (0.0012)
4	Total	1,758,561,000			1,842,733,853	83,448,915		\$ 83,448,915	

a. Sales as a percentage of total are fixed according to the Company's most recent rate case (Proceeding No. 24AL-0275E)