

**NOTICE OF FILING AMENDED TARIFFS FOR
ENERGY COST ADJUSTMENT (ECA)
IN COLORADO P.U.C. NO. 11 ELECTRIC TARIFF
of Black Hills Colorado Electric, LLC
d/b/a Black Hills Energy**

You are hereby notified that Black Hills Colorado Electric, LLC, d/b/a Black Hills Energy (“Black Hills” or “the Company”), located at 105 South Victoria Avenue, P.O. Box 75, Pueblo, Colorado, 81003-0075, has filed with the Public Utilities Commission of the State of Colorado (“Commission”), in accordance with the Public Utilities Law, Advice Letter No. 831 and an amended tariff for the Energy Cost Adjustment (“ECA”). The amended tariff is First Revised Tariff Sheet No. 63 and Twelfth Revised Tariff Sheet No. 65. The amended tariff, if approved, will allow for recovery of future costs in the ECA – starting in Second Quarter 2023 – for Black Hills’ participation in an energy imbalance market (“SPP WEIS”). The amended tariff in Advice Letter No. 831 is proposed to become effective on September 2, 2022. The proposed tariff will have no effect on Company annual revenues, if approved, as further described:

In January 2022, the Company along with Public Service Company of Colorado and Platte River Power Authority (together, “the JDA Partners”) announced their intent to join SPP WEIS, an energy imbalance market, on April 1, 2023. When the parties start participating in the SPP WEIS, the Joint Dispatching Agreement (“JDA”), which currently allows for real time energy imbalance transactions between the JDA Partners, and which has historically provided benefits to customers, will end. An effort to continue to provide a real time energy imbalance market opportunity and customer benefits, the Company is joining the SPP WEIS. After April 1, 2023, the SPP WEIS will be the operative market for real time energy imbalance transactions.

Advice Letter 831 does not request to change rates. There is no revenue effect or bill impact at this time. Instead, the tariff sheets proposed herein provide the Company the ability to pass along, to customers, the costs and benefits of participating in the SPP WEIS. The SPP WEIS costs will be offset by future credits to the ECA for revenues the Company may realize from energy imbalance sales transactions. All classes of service, and all classes of customers will be affected by these charges and credits beginning in the Second Quarter 2023 as all classes of service and classes of customers pay the ECA

The tariff sheets proposed herein serve three purposes:

1. First, to allow for future recovery of implementation costs for market-readiness before the Company joins the SPP WEIS on April 1, 2023. These implementation costs are for software and IT upgrades;
2. Second, to allow for future recovery of a one-time entry fee and ongoing annual administration fees assessed by the market operator, SPP; and
3. Third, to enable future credits to the ECA for energy imbalance transactions when the Company is in a net sales position in a given period.

The estimated future impact for Black Hills’ retail customers who are billed the ECA is shown in the table below:

Rate Class	Current Average Monthly Bill	Future Average Monthly Bill with SPP WEIS in Second Quarter 2023	Bill Impact Increase \$	Bill Impact Increase %
Residential RS-1	\$121.86	\$121.95	\$0.09	0.07
Small Commercial SGS-N	\$406.87	\$407.20	\$0.34	0.09

Copies of the proposed and present tariffs, as filed with the Public Utilities Commission of the State of Colorado, are available for inspection at the public offices of Black Hills Energy located at 105 South Victoria Avenue, Pueblo, Colorado, 81003; these also can be found at the office of the Public Utilities Commission, 1560 Broadway, Suite 250, Denver, Colorado 80202. Customers, including large, non-residential customers, with questions concerning the proposed or present tariffs may call the Commission at (303) 894-2000; customers may also contact Black Hills Energy by telephone at (888) 890-5554 or by email custserv@blackhillscorp.com. In addition, the Company’s proposed and present tariffs may be viewed at www.blackhillenergy.com, and the applicable Colorado statutes and Commission rules may be viewed at <https://puc.colorado.gov>.

Any person may file written comments or objections concerning the filing, with the Colorado Public Utilities Commission, 1560 Broadway, Suite 250, Denver, Colorado, 80202, at the following website: <https://puc.colorado.gov/puccomments>. Requests for written notices can also be made to the Commission by telephone at (303) 894-2000, or alternatively, by contacting the Consumer Affairs section of the Commission at its local number (303) 894-2070 or toll-free number (800) 456-0858. The Commission will consider all written comments and objections submitted prior to the evidentiary hearing on the application. Written objections (protests) must be filed at least ten (10) days before the proposed effective date of September 2, 2022. Filing a written objection (protest) by itself will not allow you to participate as a party in any proceeding established in these matters. If you wish to participate as a party in this matter, you must file written intervention documents under Commission Rule 723-1-1401, 4 *Colorado Code of Regulations* 723-1.

The rates, rules, and regulations ultimately authorized by the Commission may or may not be the same as those proposed and may include rates higher or lower than those proposed or currently in effect.

The Commission may suspend the proposed tariffs, rates, rules, or regulations. The Commission may hold a hearing to determine which rates, rules, and regulations will be authorized. If a hearing is held, any member of the public may attend the hearing and may make a statement under oath about the proposed tariffs, whether he or she has filed an objection or intervention. If the filing is uncontested or unopposed, the Commission may determine the matter without a hearing and without further notice.

By: Michael J. Harrington
Director, Regulatory & Finance