

**BLACK HILLS COLORADO ELECTRIC, LLC  
ENERGY COST ADJUSTMENT CALCULATION  
FOR THE FORECASTED TWELVE MONTHS ENDING SEPTEMBER 30, 2023**

			<b>ECA_AL 832</b>
			<b>Amount</b>
(1)	ESTIMATED GENERATION - (F)	\$	7,736,331
(2)	ESTIMATED PURCHASES FOR SYSTEM - (P)	\$	60,280,424
(3)	INCENTIVE SHARING - (IS)	\$	(1,715,810)
(4)	NET RESA TRANSFER - (RT)	\$	18,048,857
(5)	RECOVERY TRUE-UP - (RTU)	\$	32,245,324
(6)	<b>TOTAL (SUM OF LINES 1 THROUGH 5)</b>	\$	116,595,126
(7)	ESTIMATED SALES (kWh)	\$	1,928,965,333
(8)	<b>ENERGY COST ADJUSTMENT - PRORATED TO BILLS BEGINNING OCTOBER 1, 2022 (LINE 6 / LINE 7)</b>	\$	0.06044

BLACK HILLS COLORADO ELECTRIC, LLC  
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FOR THE FORECASTED TWELVE MONTHS ENDING SEPTEMBER 30, 2023  
ESTIMATED GENERATION

Line No.	Description	Reference From	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Total
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'	\$ 44	\$ 298,749	\$ 14,127	\$ 171,934	\$ 16,147	\$ 115,823	\$ 74,597	\$ 44,023	\$ 146,038	\$ 518,010	\$ 502,402	\$ 242,588	\$ 2,144,482
5	PAGS-Unit 2	'WP 4 Forecast Summary'	\$ 7,142	\$ 6,090	\$ 37	\$ 37	\$ 14,822	\$ 20,137	\$ 53,904	\$ 68,851	\$ 228,026	\$ 487,648	\$ 468,504	\$ 277,511	\$ 1,632,707
6	PAGS-Unit 6	'WP 4 Forecast Summary'	\$ 475,985	\$ 13	\$ 13	\$ 116,375	\$ 13	\$ 40,464	\$ 10,488	\$ 48,264	\$ 13	\$ 13	\$ 13	\$ 19,788	\$ 711,439
7	Transmission	'WP 4 Forecast Summary'	\$ 270,642	\$ 270,642	\$ 270,642	\$ 270,642	\$ 270,642	\$ 270,642	\$ 270,642	\$ 270,642	\$ 270,642	\$ 270,642	\$ 270,642	\$ 270,642	\$ 3,247,702
8	<b>Total Fuel Related Costs (Sum of Lines 1 - 7)</b>		<b>\$ 753,814</b>	<b>\$ 575,494</b>	<b>\$ 284,818</b>	<b>\$ 558,987</b>	<b>\$ 301,624</b>	<b>\$ 447,066</b>	<b>\$ 409,631</b>	<b>\$ 431,779</b>	<b>\$ 644,719</b>	<b>\$ 1,276,312</b>	<b>\$ 1,241,560</b>	<b>\$ 810,529</b>	<b>\$ 7,736,331</b>
9															
10	Purchased Energy	'WP 4 Forecast Summary'	\$ 5,755,661	\$ 5,651,861	\$ 6,215,365	\$ 5,620,615	\$ 5,146,146	\$ 3,738,327	\$ 3,194,267	\$ 2,854,649	\$ 4,782,299	\$ 6,227,695	\$ 6,340,479	\$ 6,234,543	\$ 61,761,907
11	Cost of Energy Sales	'WP 4 Forecast Summary'	\$ (2,268)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,026)	\$ (962,021)	\$ (481,782)	\$ (27,385)	\$ (1,481,483)
12	<b>Total Estimated Purchases (Line 10 + 11)</b>		<b>\$ 5,753,393</b>	<b>\$ 5,651,861</b>	<b>\$ 6,215,365</b>	<b>\$ 5,620,615</b>	<b>\$ 5,146,146</b>	<b>\$ 3,738,327</b>	<b>\$ 3,194,267</b>	<b>\$ 2,854,649</b>	<b>\$ 4,774,273</b>	<b>\$ 5,265,673</b>	<b>\$ 5,858,697</b>	<b>\$ 6,207,158</b>	<b>\$ 60,280,424</b>
13															
14	<b>Total Eligible Costs (Sum of Lines 8 and 12)</b>		<b>\$ 6,507,207</b>	<b>\$ 6,227,354</b>	<b>\$ 6,500,183</b>	<b>\$ 6,179,603</b>	<b>\$ 5,447,770</b>	<b>\$ 4,185,393</b>	<b>\$ 3,603,898</b>	<b>\$ 3,286,428</b>	<b>\$ 5,418,992</b>	<b>\$ 6,541,985</b>	<b>\$ 7,100,257</b>	<b>\$ 7,017,687</b>	<b>\$ 68,016,755</b>

BLACK HILLS COLORADO ELECTRIC, LLC  
ENERGY COST ADJUSTMENT CALCULATION  
FOR THE FORECASTED TWELVE MONTHS ENDING SEPTEMBER 30, 2023  
OFF SYSTEM SALES ANNUAL NET MARGINS

Line No.	Description	Reference From	2021	FERC Account
1	Off-System Sales Revenue	20AL-0073E	\$ 14,286,774	447030
2				
3	Fuel Off-System Other Prod	20AL-0073E	\$ (5,510,434)	547030
4	Purchased Power Off-System Sales	20AL-0073E	\$ (6,608,519)	555030
5	Transmission	20AL-0073E	\$ (646,565)	565030
6				
7	<b>Operating Margin</b>	Sum Lines 1 - 6	\$ 1,521,257	
8				
9	<b>Annual Customer Portion of Margin at 90%</b>	Line 7 * 90%	\$ (1,369,131)	
10	(Decision No. C11-1373, ¶ 201-204)			
11				
12				
13	AX <sup>2</sup> Economic Development Revenue		\$ 12,866,083	447800
14				
15	Purchased Power Economic Development Tariff		\$ (9,169,812)	555800
16	Transmission		\$ (229,481)	565800
17				
18	<b>AX<sup>2</sup> Operating Margin</b>	Sum Lines 13 - 16	\$ 3,466,791	
19				
20	<b>Annual Customer Portion of Margin at 10%</b>	Line 18 * 10%	\$ (346,679)	
21	(Decision No. C19-0446)			
22				
23				
24	<b>Total Annual Credit</b>	Line 9 + Line 20	\$ (1,715,810)	'P.1 Rate Cover'
25				

**BLACK HILLS COLORADO ELECTRIC, LLC**  
**ENERGY COST ADJUSTMENT CALCULATION**  
**FOR THE FORECASTED TWELVE MONTHS ENDING SEPTEMBER 30, 2023**  
**NET RESA FORECAST**

Line No.	Description	Reference From	ECA Increase/(Decrease)
1	10/1/2022 - 09/30/2023 Net RESA Forecast	Note 1	\$ 7,686,976
2			
3	10/1/2022 - 09/30/2023 Peak View Avoided Cost Forecast	Note 1	\$ 10,361,882
4			
5	Net RESA Forecast (Sum of Lines 1 and 3)		\$ <b>18,048,857</b> 'P.1 Rate Cover'

**Note 1: The Net RESA Forecast and 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 SEPTEMBER 30, 2023  
DETERMINATION OF (OVER)/UNDER RECOVERY

Line No.	Description	Reference From	February 2022	March 2022	April 2022	May 2022	June 2022	July 2022
1	<b>Beginning Balance</b>		\$ 19,408,115	\$ 21,879,875	\$ 22,940,543	\$ 23,215,027	\$ 25,282,653	\$ 29,363,396
2								
3	<b>Actual Recoveries</b>	'WP 2 Recoveries'	\$ (6,653,925)	\$ (6,496,918)	\$ (6,383,826)	\$ (6,741,531)	\$ (7,989,165)	\$ (9,568,766)
4								
5	Actual Generation Cost	'WP 3 Historical'	\$ 1,035,342	\$ 91,845	\$ 1,567,002	\$ 1,363,405	\$ 2,066,455	\$ 2,771,592
6	Actual Purchase Power Cost	'WP 3 Historical'	\$ 7,383,907	\$ 6,222,286	\$ 3,763,107	\$ 6,018,366	\$ 8,974,277	\$ 8,883,392
7	Off System Sales (PM Sharing Credit)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Actual Peak View Avoided Costs		\$ 842,914	\$ 1,061,611	\$ 949,330	\$ 791,182	\$ 545,234	\$ 511,900
9	Actual RESA Costs(Savings)		\$ 810,893	\$ 484,581	\$ 513,505	\$ 678,513	\$ 726,630	\$ 707,232
10	Cost of Energy Sales	'WP 3 Historical'	\$ (947,534)	\$ (302,807)	\$ (134,652)	\$ (42,447)	\$ (242,959)	\$ (423,615)
11	<b>Total Costs</b>		<u>\$ 9,125,521</u>	<u>\$ 7,557,515</u>	<u>\$ 6,658,292</u>	<u>\$ 8,809,019</u>	<u>\$ 12,069,637</u>	<u>\$ 12,450,501</u>
12								
13	<b>Storm Uri Costs</b>	'P. 7 Storm Uri'						
14								
15	<b>Recoveries Less Total Costs</b>		<u>\$ 2,471,595</u>	<u>\$ 1,060,598</u>	<u>\$ 274,465</u>	<u>\$ 2,067,488</u>	<u>\$ 4,080,472</u>	<u>\$ 2,881,735</u>
16								
17	Interest	Line 15 * (.0074/12) for 2021 AND Line 15 * (.0008/12) for 2022	\$ 165	\$ 71	\$ 18	\$ 138	\$ 272	\$ 192
18								
19	<b>Ending Balance</b>		\$ 21,879,875	\$ 22,940,543	\$ 23,215,027	\$ 25,282,653	\$ 29,363,396	\$ 32,245,324 P.1 Rate Cover'

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**FOR THE FORECASTED TWELVE MONTHS ENDING SEPTEMBER 30, 2023**  
**PROJECTED KWH SALES**

Line No.	Timeframe	Reference From	Total kWh
1	October 2022 - September 2023	'WP 1 COE Forecasted kWh'	1,928,965,333
<b>Total 2022 kWh</b>			1,928,965,333
			'P.1 Rate Cover'

**BLACK HILLS COLORADO ELECTRIC, LLC**  
**ENERGY COST ADJUSTMENT CALCULATION**  
**FOR THE FORECASTED TWELVE MONTHS ENDING September 30, 2023**  
**EXTRAORDINARY COSTS OF STORM URI TO BE EXCLUDED<sup>1</sup>**

Line No.	Description	Reference From	Amount
1	Extraordinary cost	'Note 2'	\$ 23,188,089.00

P.5 Recovery True-up

**Note 1: Decision No. C21-0179 at Ordering ¶ 9: "The investor-owned electric and natural gas utilities that are parties to this Proceeding are precluded from including the extraordinary costs of the February extreme weather event for recovery throughout the normal course of the implementation of their Electric Commodity Adjustment or Energy Cost Adjustment rate mechanisms and their Gas Cost Adjustment rate mechanisms."**

**Note 2: The extraordinary cost is determined using the Company's preferred method of defining extraordinary costs as proposed by the Company in Proceeding No. 21A-0197E.**