NOTICE OF FILING OF AMENDED DEMAND SIDE MANAGEMENT COST ADJUSTMENT RATE of Black Hills Colorado Gas, Inc. d/b/a Black Hills Energy

You are hereby notified that Black Hills Colorado Gas, Inc. d/b/a Black Hills Energy ("BH Colorado Gas" or "Company") 7060 Alegre Street Fountain, Colorado 80817, has filed with the Public Utilities Commission of the State of Colorado ("Commission"), in accordance with the Public Utilities Law, an advice letter for permission to change rates through the Demand Side Management Cost Adjustment ("DSMCA") to become effective on July 1, 2022. The purpose of this filing is to recover the costs associated with the Company's demand-side management programs as well as the earned Lost Revenue component of the rate pursuant to the Commission's rules. The revised rates will affect all customers subject to the DSMCA if the Commission allows the rate adjustment to become effective.

If the Company's DSMCA is approved, an average residential customer's monthly bill is estimated to decrease by (\$0.63), or -0.51% to -0.55% in Base Rate Area 1; decrease by \$(0.63), or -0.48% to -0.56% in Base Rate Area 2; and decrease by \$(0.63), or -0.72% in Base Rate Area 3. An average Small Commercial customer is estimated to see a monthly bill increase of \$2.33, or 1.21% to 1.28% in Base Rate Area 1; increase by \$2.33, or 1.21% to 1.45% in Base Rate Area 2; and increase by \$2.33, or 1.68% in Base Rate Area 3.

Base Rate Area 1 includes customers in the North/Southwest GCA region and Western Slope GCA region including the towns of Montrose, Aspen, Glenwood Springs, Frederick, Erie, Mead, Firestone, Dacono, and Wellington. Base Rate Area 2 includes customers in the North/Southwest GCA region and Central GCA region including the towns of Pagosa Springs, Bayfield, La Junta, Fort Morgan and Yuma. Base Rate Area 3 includes customers in the Central GCA region including the towns of Castle Rock, Fountain, and Burlington.

The tariff revisions, if they were to go into effect, would result in annualized DSM revenues of \$6,886,555. This represents a decrease of \$699,351 in annual DSM revenues compared to current DSMCA rates.

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 at 7060 Alegre Street, Fountain, Colorado 80817; or, at the office of the Public Utilities Commission, 1560 Broadway, Suite 250, Denver, Colorado 80202. Customers with questions concerning the proposed or present tariffs may call the Commission at (303) 894-2000; or, may contact Black Hills 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.blackhillsenergy.com/filings 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, or may request written notice of any hearing, with the Colorado Public Utilities Commission, 1560 Broadway, Suite 250, Denver, Colorado, 80202 or 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 External 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 July 1, 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 or not 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: Matthew J. Christofferson Manager, Regulatory & Finance