

**GREEN FORWARD
TERMS & CONDITIONS AND TARIFF SHEETS**

This voluntary renewable natural gas and carbon offset program is available to all Residential and Small Commercial customers in good standing who actively opt-in to the program and are customers of these legal operating entities:

Black Hills Colorado Gas, Inc. d/b/a Black Hills Energy

Black Hills/Kansas Gas Utility Company, LLC d/b/a Black Hills Energy

Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy

Black Hills Energy Arkansas, Inc. d/b/a Black Hills Energy

VOLUNTARY RENEWABLE NATURAL GAS AND CARBON OFFSET PROGRAM
("PROGRAM")

APPLICABILITY

This voluntary Program offers customers the option to offset their natural gas carbon footprint. The Program includes a monthly charge collected by the Company from customers who voluntarily opt-in to the Program.

Participation in the Program is available to all Residential and Small Commercial retail sales customers in the following classes of service:

- Base Rate Area 1 R-1, R-1S, SC-1 and SC-1S;
- Base Rate Area 2 R-2 and SC-2; and
- Base Rate Area 3 R-3 and SC-3.

EFFECTIVE PERIOD

This Program is effective until terminated by the Company.

ENROLLMENT REQUIREMENTS

Customers who wish to participate in the Program must be in good standing with the Company and actively opt-in to the Program. Customers may choose to opt-in at any time after the effective date of these minimum terms and conditions.

MONTHLY RATE

Per 20.5 Therm Block.....\$5.00

When a Customer enrolls in the Program, they will select a set number of blocks to offset natural gas emissions. Each block represents 20.5 therms of offset to natural gas emissions. There is no limit to the amount of blocks a customer may select.

MINIMUM TERMS AND CONDITIONS

The minimum term available to customers is one complete billing month, extending month to month thereafter until terminated by the customer or termination of the Program, whichever occurs earlier. Customers are able to terminate their participation at any time, effective with their next billing cycle.

GREEN FORWARD:
VOLUNTARY RENEWABLE NATURAL GAS AND CARBON OFFSET PROGRAM
("PROGRAM")
(Continued)

CONDITIONS OF SERVICE

1. The Company may limit customer participation in the Program to balance demand with available environmental attributes created or obtained by the Company.
2. The Company shall forecast and plan to create or obtain environmental attributes to meet projected quantities purchased under this Program.
3. Once enrolled in the Program, if a customer falls into arrears greater than 60 days, they will be removed from the Program.

COST RECOVERY

Revenues received from voluntary participant fees will be used to fund the cost of the Program including, but not limited to, the purchase of environmental attributes, ongoing administration, marketing, and overhead costs.

BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC
d/b/a BLACK HILLS ENERGY
(Name of Issuing Utility)

Schedule VRNG, New Sheet

KANSAS SERVICE AREA
(Territory to which schedule is applicable)

No supplement or separate understanding shall modify the tariff as shown hereon.

Sheet 1 of 1 Sheets

VOLUNTARY RENEWABLE NATURAL GAS AND CARBON OFFSET PROGRAM ("PROGRAM")

1. AVAILABILITY

This voluntary Program is available to all Residential (RS-1) and Small Commercial (SC-1) Customers in good standing with the Company who actively opt-in to the Program. The Program offers Customers the option to offset their natural gas carbon footprint. This Program is effective until terminated by the Company or at the end of the pilot period, December 31, 2026, unless an extension of the Program is approved by the Kansas Corporation Commission. Participation in the Program will not alter or alleviate Customer's monthly Purchased Gas Adjustment costs.

2. RATE

Upon enrollment, Customer selects a set number of blocks to offset natural gas emissions. Each block represents 20.5 therms of offset to natural gas emissions. There is no limit to the amount of blocks a Customer may select and Customers may adjust the number of blocks at any time. Changes to enrolled blocks will become effective with the next billing cycle and do not require reenrollment procedures.

Per 20.5 Therm Block: \$5.00 per month

3. CONDITIONS OF SERVICE

The Company may limit Customer participation in the Program to balance demand with available environmental attributes created or obtained by the Company. Company shall forecast and plan to create or obtain environmental attributes to meet projected quantities purchased under this program.

4. MINIMUM TERMS AND CONDITIONS

The minimum term available to Customers is one complete billing month, extending month-to-month thereafter until terminated by the Customer or termination of the Program, whichever occurs first. Customers are able to terminate their participation and/or adjust the number of blocks at any time effective with their next billing cycle.

5. COST RECOVERY

Revenues received from voluntary participant fees will be used to fund the cost of the Program including, but not limited to, the purchase of environmental attributes, ongoing administration, marketing and overhead costs.

Issued October 25, 2022
Month Day Year

Effective January 1, 2023
Month Day Year

By _____
Signature

Robert W. Daniel, Director – Regulatory and Finance

23-BHCG-037-TAR
 Approved
 Kansas Corporation Commission
 November 7, 2022
 /s/ Lynn Retz

RATE SCHEDULES AND OTHER CHARGES
VOLUNTARY RNG AND CARBON OFFSET PROGRAM

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| DESCRIPTION | This voluntary program ("Program") is available to all Residential and Commercial customers in good standing with the Company who actively opt-in to the Program. The Program offers customers the option to offset their emissions associated with natural gas usage. This Program is effective until terminated by the Company or at the end of the pilot period, December 31, 2026, unless an extension of the Program is approved by the Commission. |
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| RATE | Upon enrollment, customer selects a set number of blocks to offset natural gas usage emissions. Each block represents 20.5 therms of offset to natural gas usage emissions. There is no limit to the amount of blocks a customer may select. |
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Per 20.5 Therm Block: \$5.00 per month

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| CONDITIONS OF SERVICE | The Company may limit customer participation in the Program to balance demand with available environmental attributes created or obtained by the Company. Company shall forecast and plan to create or obtain environmental attributes to meet projected quantities purchased under this Program |
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| MINIMUM TERMS AND CONDITIONS | The minimum term available to customers is one complete billing month, extending month-to-month thereafter until terminated by the customer or termination of the Program, whichever occurs first. Customers are able to terminate their participation at any time effective with their next billing cycle |
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| COST RECOVERY | Revenues received from voluntary participant fees will be used to fund the cost of the Program including, but not limited to, the purchase of environmental attributes, ongoing administration, marketing and overhead costs. |
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ARKANSAS PUBLIC SERVICE COMMISSION

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| <p>First Revised _____ Sheet No. 6 of 2 <u>Replacing Original</u></p> <p><u>Black Hills Energy Arkansas, Inc. d/b/a/ Black Hills Energy</u> (Name of Company)</p> <p>Kind of Service: <u>Natural Gas</u> Class of Service: Residential and Small Commercial _____</p> <p>Rate Schedule No.: <u>2.14</u> Title: <u>Voluntary Renewable Natural Gas and Carbon Offset Program –</u> <u>(VRNG or Program)</u></p> | PSC File Mark Only |
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VOLUNTARY RENEWABLE NATURAL GAS AND CARBON OFFSET PROGRAM--
(VRNG or Program)

Availability:

This VRNG Program is available to all Residential (R-1) and Small Commercial (B-1) Customers in good standing with the Company who actively opt-in to the Program. The Program offers Customers the option to offset their natural gas carbon footprint. This Program is effective until terminated by the Company or at the end of the pilot period, December 31, 2027, unless an extension of the Program is approved by the Arkansas Public Service Commission. Participation in the Program will not alter or alleviate a Customer’s monthly Purchased Gas Adjustment costs.

Character of Service:

Customers who opt into the Program will purchase one or more blocks designed to offset all or part of their natural gas carbon footprint. Each Block available to customers under this program consists of environmental attributes sufficient to offset carbon emissions resulting from the combustion of 20.3 Ccf of natural gas. The environmental attributes in each Block are associated with projects that either remove greenhouse gasses from the atmosphere or prevent them from entering the atmosphere and will consist of at least 1% renewable natural gas environmental attributes with the remainder being carbon credits or offsets or other environmental attributes.

The Company may limit Customer participation in the Program to balance demand with available environmental attributes created or obtained by the Company. The Company will forecast and plan to create or obtain environmental attributes to meet projected quantities purchased under this program.

Minimum Terms and Conditions:

The minimum term available to Customers is one complete billing month, extending month-to-month thereafter until terminated by the Customer or termination of the Program, whichever occurs first. Customers can terminate their participation and/or adjust the number of blocks at any time effective with their next billing cycle. If an enrolled customer goes into arrears greater than 60 days, the customer will be removed from the Program. In no instance would the failure to pay amounts due under the Program subject a customer to disconnection of gas service.

ARKANSAS PUBLIC SERVICE COMMISSION

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| <p>First Revised _____ Sheet No. 2 of 2 <u>Replacing Original</u></p> <p><u>Black Hills Energy Arkansas, Inc. d/b/a/ Black Hills Energy</u> (Name of Company)</p> <p>Kind of Service: <u>Natural Gas</u> Class of Service: Residential and Small Commercial _____</p> <p>Rate Schedule No.: <u>2.14</u> Title: <u>Voluntary Renewable Natural Gas and Carbon Offset Program –</u> <u>(VRNG or Program)</u></p> | PSC File Mark Only |
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Cost Recovery:

Revenues received from voluntary participant fees will be used to fund the cost of the VRNG Program including, but not limited to, the purchase of environmental attributes, ongoing administration, marketing, and overhead costs.

Rate:

Upon enrollment, a Customer selects a set number of blocks to offset natural gas emissions. Each block represents 20.3 Ccf of offset to natural gas emissions. There is no limit to the amount of blocks a Customer may select and Customers may adjust the number of blocks at any time. Changes to enrolled blocks will become effective with the next billing cycle and do not require reenrollment procedures.

Per 20.3 Ccf Block: \$5.00 per month

Applicable Rate Schedules:

1. Rate Schedule No. 2.1 - Residential Sales Service
2. Rate Schedule No. 2.2 - Business 1 Sales Service
3. Rate Schedule No. 2.7 - Business 1 Transportation Service
4. Rate Schedule No. 2.13 – Natural Gas Vehicle B-1