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March 31, 2025

Advice Letter No. 886

Public Utilities Commission of the State of Colorado  
1560 Broadway  
Suite 250  
Denver, Colorado 80202

The accompanying tariff sheet issued by Black Hills Colorado Electric, Inc. d/b/a Black Hills Energy (“Black Hills” or the “Company”) is sent to you for filing in compliance with the requirements of the Public Utilities Law and the applicable rules of the Public Utilities Commission of the State of Colorado, including Rule 1210, 4 *Colorado Code of Regulations* 723-1. The following tariff sheet is attached:

**COLORADO P.U.C. NO. 11**

<b>Colorado P.U.C. Sheet Number</b>	<b>Title of Sheet</b>	<b>Cancels Colorado P.U.C. Sheet Number</b>
First Revised Sheet No. 110	TRANSPORTATION ELECTRIFICATION PROGRAMS (TEP) RIDER (CONTINUED) ELECTRIC	Original Sheet No. 110
First Revised Sheet No. 111	TRANSPORTATION ELECTRIFICATION PROGRAMS (TEP) RIDER (CONTINUED) ELECTRIC	Original Sheet No. 111
Fourth Revised Sheet No. 112	TRANSPORTATION ELECTRIFICATION PROGRAMS (TEP) RIDER (CONTINUED) ELECTRIC	Third Revised Sheet No. 112

The Transportation Electrification Programs Rider (“TEPR”) is applied based on a class cost causation and is updated each April. The TEPR recovers costs for the Company’s transportation electrification programs. Commission Decision C24-0340 of Proceeding No. 23A-0244E approved the program years of 2024 through 2026, otherwise known as the Ready EV Plan. The principal purpose of this April filing is to recover costs for from the Ready EV Plan that occurred in 2024. Notably, the new Ready EV Plan that will recover costs for the years of 2024 through 2026 entails a modified rate design of the TEPR. Costs are to be recovered based on costs that are

directly assigned or otherwise allocated to a specific customer class based on the value of rebates issued to each customer class. The proposed TEPR rates for each class are in the table below.

<b>Class</b>	<b>Rate</b>
Residential	0.00020/kWh
Small General	0.00147/kWh
Large General	0.01699/kW
Large Power	0.00000/kW
Lighting	0.00000/kWh
Irrigation	0.00000/kWh

In accordance with the Partial Settlement Agreement, the approved budget includes the flexibility to move funds between different budget categories, with a cap of 150% on any individual category, and a cap of 125% for the total annual budget. For 2024, the Company is well within the 125% total annual budget cap. The Company also did not exceed the 150% for any individual budget for category.

If permitted to go into effect on June 1, 2025, the tariff revisions will increase annualized revenues by \$162,601 from \$275,776 to \$438,377. Based on the proposed rates, the average residential customer's bill, will remain unchanged as the proposed TEPR rate remains at \$0.00020/kWh. The average small commercial customer monthly bill, under Rate Schedule SGS-N with an average usage of 2,300 kWh per month, will increase \$3.16 from \$391.15 to \$394.31, or 0.87%.

Attached hereto are Appendices A, B, and C. Appendix A provides the applicable tariff sheets. Appendix B provides a redlined version of the applicable tariff sheets. Appendix C provides support for the calculation of the TEPR.

This filing will be noticed pursuant to the requirements of the Colorado Public Utilities Law. Concurrently with this filing, Black Hills is filing a Motion for Alternative Form of Notice ("Motion"), with an Attachment 1 – Customer Notice ("Customer Notice"). The Motion requests Commission approval for three methods of providing the consolidated Customer Notice to affected customers. First, the Company will file with the Commission and keep open for inspection, Advice Letter No. 885-Electric and will post the notice and filing information on its website for 30 days. Second, a bill message will be printed on each applicable customer's bill providing the website URL for the Customer Notice, Advice Letter No. 886-Electric and its accompanying tariff sheet, and a toll-free phone number for assistance regarding the amendments. The bill messages will run for one full billing cycle. Third, newspaper legal notices providing the Customer Notice will be published in three newspapers of general circulation covering the Company's service territory: *The Pueblo Chieftain*, the *Cañon City Daily Record*, and the *Rocky Ford Daily Gazette*. Black Hills requests that the tariff sheet accompanying this advice letter become effective on June 1, 2025. Please send copies of all notices, pleadings, correspondence, and other documents regarding this filing to the undersigned.

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Sincerely,

Black Hills Colorado Electric, LLC

/s/ Dan Ahrens

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