

**NOTICE OF FILING FOR RATE CHANGES IN THE GAS COST ADJUSTMENTS  
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 ("BHCG" or "Company") 7060 Alegre Street Fountain, Colorado 80817, has filed an Advice Letter with the Public Utilities Commission of the State of Colorado ("Commission"), in accordance with the Public Utilities Law, to change rates, affecting its Eastern and Western GCA region customers. The rate change will become effective with the volumes taken on and after April 1, 2025.

The purpose of the filing is to reset the rates under the Company's existing Gas Cost Adjustment ("GCA") tariffs.

The present and proposed GCA rates for service, as filed with the Commission, as well as the percent change compared to the current GCA, are detailed in the table below:

GCA Region	Current GCA \$/Therm	Proposed GCA \$/Therm	Increase / (Decrease)	% Change
Eastern (Former - Central)	\$0.40000	\$0.35782	(\$0.04218)	-10.5%
Eastern (former- North/Southwest)	\$0.60143	\$0.35782	(\$0.24361)	-40.5%
Western	\$0.81448	\$0.76066	(\$0.05382)	-6.6%

A comparison of an average annual bill with current rates versus the projected average annual bill with proposed rates, as well as a comparison of the average peak winter bill with current rates versus the projected average peak winter bill with proposed rates is detailed in the table below:

GCA Attachment No. 7  
Black Hills Colorado Gas, Inc.  
Quarterly GCA Advice Letter  
Date February 28, 2025

GCA Region		Current Average Annual Bill *	Proposed Average Annual Bill *	% Change	Current Peak Winter Month *	Proposed Peak Winter Month *	% Change
<u>Base Rate Area 1, Eastern GCA Region (Former North/Southwest Region)</u>							
1.	Residential	\$1,075.38	\$823.97	-23.38%	\$138.92	\$104.33	-24.90%
2.	Small Commercial	\$2,177.97	\$1,651.77	-24.16%	\$216.17	\$162.58	-24.79%
3.	Large Commercial	\$11,742.45	\$8,643.75	-26.39%	\$1,510.72	\$1,089.28	-27.90%
<u>Base Rate Area 1, Western GCA Region</u>							
1.	Residential	\$1,295.24	\$1,239.70	-4.29%	\$169.18	\$161.53	-4.52%
2.	Small Commercial	\$2,638.15	\$2,521.90	-4.41%	\$263.05	\$251.20	-4.50%
3.	Large Commercial	\$14,452.43	\$13,767.84	-4.74%	\$1,879.30	\$1,786.19	-4.95%
<u>Base Rate Area 2, Eastern GCA Region (Former North/Southwest GCA Region)</u>							
1.	Residential	\$1,123.96	\$931.02	-17.17%	\$163.77	\$133.56	-18.45%
2.	Small Commercial	\$2,265.17	\$1,814.98	-19.87%	\$334.05	\$263.16	-21.22%
3.	Large Commercial	\$17,124.36	\$12,832.95	-25.06%	\$2,128.52	\$1,576.50	-25.93%
<u>Base Rate Area 2, Western GCA Region (Pagosa Springs and Bayfield)</u>							
1.	Residential	\$1,292.70	\$1,250.07	(\$42.63)	\$190.19	\$183.51	-3.51%
2.	Small Commercial	\$2,658.88	\$2,559.42	(\$99.46)	\$396.05	\$380.39	-3.95%
3.	Large Commercial	\$20,877.42	\$19,929.34	(\$948.08)	\$2,611.29	\$2,489.33	-4.67%
<u>Base Rate Area 3, Eastern GCA Region (Former Central GCA Region).</u>							
1.	Residential	\$892.15	\$846.09	-5.16%	\$112.88	\$106.59	-5.57%
2.	Small Commercial	\$1,028.04	\$960.22	-6.60%	\$131.06	\$121.15	-7.56%
3.	Large Commercial	\$9,706.79	\$9,057.93	-6.68%	\$1,178.63	\$1,094.82	-7.11%

\* Based on average customer usage, actual amount could vary according to actual usage by customer.

Bill impacts to an average residential customer is displayed in the table below:

Base Rate Area	GCA Area	Current Average Monthly Bill	Proposed Average Monthly Bill	Monthly Change	Percentage Change	Average Usage
Base Rate Area 1	Eastern - Communities in Larimer and Weld Counties, including the towns of Dacono, Erie, Firestone, Frederick, and Wellington.	\$89.61	\$68.67	(\$20.94)	-23.37%	86
Base Rate Area 1	Western - Communities located in Delta, Eagle, Garfield, Montrose, Ouray, Pitkin and San Miguel Counties, including the towns of Delta, Glenwood Springs, Hotchkiss, Montrose, Olathe, Paonia, and Telluride.	\$107.94	\$103.31	(\$4.63)	-4.29%	86
Base Rate Area 2	Eastern - Communities in Bent, Crowley, and Otero Counties, including the towns of Fowler, La Junta, Las Animas, Rocky Ford, and Swink.	\$93.67	\$77.59	(\$16.08)	-17.17%	66
Base Rate Area 2	Western - Includes Pagosa Springs and Bayfield.	\$124.02	\$119.39	(\$4.63)	-3.73%	66
Base Rate Area 3	Eastern - Castle Rock south to Monument, Fountain, Woodland Park, east to Kiowa, Limon and Burlington, and the surrounding areas to these communities.	\$74.35	\$70.51	(\$3.84)	-5.16%	91

The Company filed its 2023-2024 Gas Purchase and Deferred Balance Report in accordance with Rule 4608 to begin the initial prudence review evaluation process for the prior gas purchase year on October 1, 2024, in Proceeding No. 23P-0290G.

Copies of the proposed and present tariffs as filed with the Commission are available for inspection at the public offices of the Company at 7060 Alegre Street, Fountain, Colorado 80817; or, at the office of the 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 the Company by telephone at (888) 890-5554 or by email [customerservice@support.blackhillsenergy.com](mailto:customerservice@support.blackhillsenergy.com). In addition, the Company's proposed and present tariffs may be viewed at [www.blackhillsenergy.com](http://www.blackhillsenergy.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, or may request written notice of any hearing, with the 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 one (1) day before the proposed effective date of April 1, 2025. 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 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: Dan Ahrens  
Manager - Regulatory