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Advice Letter No. 44

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

The accompanying tariff sheet issued by Black Hills Colorado Gas, Inc., d/b/a Black Hills Energy (“Black Hills”), 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. The following tariff sheets are attached:

**COLORADO P.U.C. NO. 1**

<b>Colorado P.U.C. Sheet Number</b>	<b>Title of Sheet</b>	<b>Cancels Colorado P.U.C. Sheet Number</b>
22 <sup>nd</sup> Revised Sheet No. 13	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	21 <sup>st</sup> Revised Sheet No. 13
25 <sup>th</sup> Revised Sheet No. 14	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	24 <sup>th</sup> Revised Sheet No. 14
24 <sup>th</sup> Revised Sheet No. 15	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	23 <sup>rd</sup> Revised Sheet No. 15
22 <sup>nd</sup> Revised Sheet No. 16	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	21 <sup>st</sup> Revised Sheet No. 16
24 <sup>th</sup> Revised Sheet No. 17	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	23 <sup>rd</sup> Revised sheet No. 17
24 <sup>th</sup> Revised Sheet No. 18	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	23 <sup>rd</sup> Revised Sheet No. 18
22 <sup>nd</sup> Revised Sheet No. 19	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	21 <sup>st</sup> Revised Sheet No. 19

24 <sup>th</sup> Revised Sheet No. 20	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	23 <sup>rd</sup> Revised Sheet No. 20
24 <sup>th</sup> Revised Sheet No. 21	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	23 <sup>rd</sup> Revised Sheet No. 21
24 <sup>th</sup> Revised Sheet No. 22	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	23 <sup>rd</sup> Revised Sheet No. 22
22 <sup>nd</sup> Revised Sheet No. 23	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	21 <sup>st</sup> Revised Sheet No. 23
24 <sup>th</sup> Revised Sheet No. 24	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	23 <sup>rd</sup> Revised Sheet No. 24
24 <sup>th</sup> Revised Sheet No. 25	STATEMENT OF RATES RATE SCHEDULE SHEET GAS SALES RATES	23 <sup>rd</sup> Revised Sheet No. 25
First Revised Sheet No. 49E	GAS RATE ADJUSTMENTS BLACK HILLS ENERGY AFFORDABILITY PROGRAM ("BHEAP") (continued)	Original Sheet No. 49E

The principal purpose of this filing is to amend the tariff sheets for the Company’s low-income affordability program, known as BHEAP. The amendments comply with final rules adopted in Commission Decision No. C22-0451 in Rulemaking Proceeding No. 21R-0326EG. The amendments to the applicable tariff sheets displayed above will increase the BHEAP rate to all applicable customers as follows:

Customer Class	Current Rate	Proposed Rate
Residential	\$0.04	\$0.30
Small Commercial	\$0.13	\$0.58
Large Commercial	\$0.64	\$4.50
Irrigation & Seasonal	\$0.21	\$1.63

To continue to provide income qualified customers with the needed financial assistance, the Company must manage the balance of its BHEAP funding account to ensure there are sufficient funds to distribute to program participants. With the proposed increase in rates, the Company anticipates that it will be able to support a total of 3,000 participants in its BHEAP gas program, an increase from the current enrollment target of 2,000 participants.

The Company notes that it had historically held a large over-collected BHEAP gas accounting balance which led to a reduced BHEAP surcharge. In Proceeding No. 19AL-0075G the Commission approved the current BHEAP charges which were intended to eliminate the over

collection. The over collected balance is now removed necessitating an increase in the BHEAP rate which also allows for the opportunity to increase participation in the program.

The proposed change in the BHEAP fee will increase an average residential bill by approximately 0.3% and an average small commercial bill by approximately 0.2%.

Appendix A provides the applicable tariff sheets. Appendix B provides a redlined version of the applicable tariff sheets.

Appendix C shows the derivation of the proposed rates by class. Appendix D provides additional support that details the need for additional funding to support an expanded BHEAP program. Additionally, in Decision No. C23-0538, the Commission approved temporary rules that among other things, requires utilities that seek a new or rate increase to include a rate trend report. Appendix E is the historical rate trend report.

This filing will be noticed pursuant to the requirements of the Colorado Public Utilities Law. Concurrently with this filing, the Company is filing a Motion for Alternative Form of Notice referencing the customer notice provided in Attachment 1 – BHCG Customer Notice for BHEAP. The Motion requests Commission approval for four methods of providing the Customer Notice to all customers. First, the Company will file with the Commission and keep open for public inspection the new schedules. Second, the Customer Notice will be published in *The Denver Post*. Third, the Company will post the Customer Notice, this advice letter and accompanying tariff sheets on the Company's website. Fourth, a bill message will notify applicable customers of the website posting and provide both the URL link and a toll-free phone number for assistance. The bill message will run for one full cycle.

Black Hills requests that the tariff sheets accompanying this advice letter become effective on May 26, 2024.

Sincerely,

BLACK HILLS ENERGY

/s/ Dan Ahrens