Exhibit 1

Report of Tariff Change

Name of Utility: Black Hills Power, Inc. d/b/a Black Hills Energy

Address of Main Office: 409 Deadwood Avenue, Rapid City, SD 57701

Changes to Black Hills Power Inc.'s South Dakota Electric Rate Book: Section No. 3C, Second Revised Sheet No. 22

Description of the change: <u>Transmission Facility Adjustment to be implemented of June 1,</u> <u>2016.</u>

Reason for the change: <u>To apply the annual rate adjustment to the Transmission Facility</u> Adjustment rider per SDCL 49-34A-25.3.

Ĩ	Present Rate	Proposed Rate
	\$/kWh	\$/kWh
Total Residential Service	0.00010	0.00013
Total Small General Service	0.00014	0.00016
Total Large General Service and Industrial	0.00009	0.00010
Total Lighting Service	0.00019	0.00013

Approximation of annual amount of increase/(decrease) in revenue: \$31,000

Points affected: Approximately 68,000 South Dakota retail customers

Increase/(decrease) to cost of service: Approximately (\$79,000)

Remarks: <u>The facts, opinions, documents and exhibits needed to support the proposed changes</u> are included in the Application and exhibits thereto.

BLACK HILLS POWER, INC.

By:

Jon Thurber Manager of Regulatory Services