

**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, Fourth Revised Sheet No. 20**Description of the change:** Environmental Improvement Adjustment to be implemented on June 1, 2016.**Reason for the change:** To apply the annual rate adjustment to the Environmental Improvement Adjustment rider per SDCL 49-34A-99.

	<b>Present Rate</b> \$/kWh	<b>Proposed Rate</b> \$/kWh
Total Residential Service	0.00012	0.00019
Total Small General Service	0.00011	0.00023
Total Large General Service and Industrial	0.00009	0.00017
Total Lighting Service	0.00006	0.00012

**Approximation of annual amount of increase/(decrease) in revenue:** \$138,000**Points affected:** Approximately 68,000 South Dakota retail customers**Increase/(decrease) to cost of service:** Approximately \$117,000**Remarks:** The facts, opinions, documents and exhibits needed to support the proposed changes are included in the Application and exhibits thereto.

BLACK HILLS POWER, INC.

By: Jon Thurber  
Jon Thurber  
Manager of Regulatory Services