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, Fifth Revised Sheet No. 20

Description of the change: Environmental Improvement Adjustment to be implemented on June 1, 2017.

Reason for the change: To apply the annual rate adjustment to the Environmental Improvement Adjustment rider per SDCL 49-34A-99.

	Present Rate \$/kWh	Proposed Rate \$/kWh
Total Residential Service	0.00020	0.00025
Total Small General Service	0.00023	0.00022
Total Large General Service and Industrial	0.00017	0.00020
Total Lighting Service	0.00012	0.00014

Approximation of annual amount of increase/(decrease) in revenue: \$33,000

Points affected: Approximately 68,000 South Dakota retail customers

Increase/(decrease) to cost of service: \$123,000

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

Jason S. Keil

Manager - Regulatory