

From: PUC

Sent: Wednesday, April 8, 2026 4:44 PM

To: Mickey Higgins [REDACTED]

Subject: RE: [EXT] EL26-003 Rate increase of 25% projected for Black Hills Energy (or what their new name

Ms. Higgins:

Thank you for taking the time to share your concerns regarding Black Hills Energy's proposed rate increase. The full docket, opened on February 19, 2026, is available on the PUC website: [EL26-003](#) - In the Matter of the Application of Black Hills Power, Inc. dba Black Hills Energy for Authority to Increase Rates For its Utility Service in South Dakota. Your input is an important part of the public process.

To help you better understand how the PUC evaluates rate increase requests, I encourage you to review the [Electric Rate Increase Request Info Guide](#) on the PUC website. This guide outlines the steps and considerations involved in our review.

The Public Utilities Commission takes these matters seriously and is committed to a thorough and transparent review of the proposal. As part of this process, Black Hills Energy is required to provide detailed justification for the increase.

Commission staff analysts and legal counsel are currently conducting a comprehensive review of the company's financial data, operational needs, and the potential impact on customers. This includes multiple rounds of discovery, where staff and expert witnesses request and analyze detailed information from the utility.

Once this comprehensive review is complete, the Commission will publicly discuss the case, ask further questions, and deliberate based on the evidence presented. Each commissioner will then vote to approve, deny, or modify the requested rate increase. It's important to note that the Commission is legally obligated to base its decision on the facts and applicable law and cannot deny a rate increase request without fully vetting the record. We are required to arrive at a reasonable and legally enforceable decision.

The merger of companies you mentioned was announced by Black Hills Energy and NorthWestern Energy in August 2025. This merger is subject to approval from the South Dakota Public Utilities Commission (for the South Dakota jurisdictions), per SDCL 49-34A-36. **The commission has not yet issued a decision.** You can review that docket at [GE25-001](#) - In the Matter of the Joint Application of NorthWestern

Energy Public Service Corporation, Black Hills Corporation and NorthWestern Energy Group, Inc., for Approval of Merger.

On March 11, 2026, Governor Rhoden signed [SB 135](#), An Act to protect residents from increased utility costs and utility shortages caused by data centers and clarify authority to regulate data centers. This bill defines a data center (10 MW or greater) and requires the provider of electricity to maintain separate terms and conditions for electric service for a data center and for the data center to pay all costs fairly attributable to the data center.

Your comments and this response will be posted in the “Comments and Responses” section of the docket. We appreciate your engagement and encourage you to follow the docket as it progresses.

*Chris Nelson, Chairman
Public Utilities Commission
Puc.sd.gov*