

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF APPLICATION)
OF BLACK HILLS POWER, INC. D/B/A)
BLACK HILLS ENERGY FOR) **NOTICE OF CHANGE IN RATES**
AUTHORITY TO INCREASE RATES) **DOCKET NO. EL26-_____**
FOR ELECTRIC SERVICE IN)
SOUTH DAKOTA)

Pursuant to ARSD § 20:10:13:15, Black Hills Power, Inc. d/b/a Black Hills Energy (“Black Hills Power”) hereby gives notice to the South Dakota Public Utilities Commission (“Commission”) of a change in base electric rates and other provisions of its tariff schedules to become effective upon the Commission’s final decision, or, consistent with SDCL § 49 34A 14, no later than 180 days after filing and pursuant to SDCL § 49 34A 17, subject to refund.

Rule Compliance

A. Report to Commission of tariff schedule changes on notice

The following information is consistent and provided pursuant to South Dakota Administrative Rule § 20:10:13:26 regarding this Application to increase electric rates for electric utility service in South Dakota.

(1) NAME AND ADDRESS OF THE PUBLIC UTILITY:

Black Hills Power, Inc. d/b/a Black Hills Energy
7001 Mount Rushmore Rd.
Rapid City, SD 57702

(2) SECTION AND SHEET NUMBER OF TARIFF SCHEDULE:

Black Hills Power included its revised rate sheets in both legislative and non-legislative format in Volume 1, Section 2 of the Application.

(3) DESCRIPTION OF THE CHANGE:

Described in the Direct Testimony in Volume 2, Section 6 of the Application.

(4) REASON FOR THE CHANGE:

Described in the Direct Testimony of Jerrad S. Hammer in Volume 2, Section 6 of the Application.

(5) PRESENT RATE:

Included in Volume 1, Section 2 of the Application.

(6) PROPOSED RATES:

Included in Volume 1, Section 2 of the Application.

(7) PROPOSED EFFECTIVE DATE OF MODIFIED RATES:

Black Hills Power seeks to implement the proposed rates following the Commission's final disposition of the case, or no later than 180 days hereafter, subject to refund.

(8) APPROXIMATION OF ANNUAL AMOUNT OF INCREASE OR DECREASE IN REVENUE:

The Notice of Change in Rates and Application proposes to increase base electric revenues by \$50,553,697.

(9) POINTS AFFECTED:

The proposed tariff changes will apply to all customers taking service in South Dakota.

(10) ESTIMATION OF THE NUMBER OF CUSTOMERS WHOSE COST OF SERVICE WILL BE AFFECTED AND ANNUAL AMOUNT OF EITHER INCREASE OR DECREASES, OR BOTH, IN COST OF SERVICE TO THOSE CUSTOMERS:

The proposed increase will impact Black Hills Power's approximately 75,000 South Dakota customers.

(11) STATEMENT OF FACTS, EXPERT OPINIONS, DOCUMENTS, AND EXHIBITS TO SUPPORT THE PROPOSED CHANGES:

Black Hills Power is submitting prepared direct testimony and exhibits by the following witnesses:

Witness	Testimony
Eric Egge	Transmission, Balancing Authority, Resource Prudence
Ethan Fritel	Weather Normalization Adjustment, Billing Determinants
Jerrad Hammer	Policy, Rate Review Drivers, Deferred Accounting Treatment for Insurance Costs
Douglas Hyatt	Class Cost of Service Study, Rate Design
Jason Keil	Tariffs, Riders
Mark Lux	Generation
Lori Mack	Cost of Service Study, Rate Base, Income Statement
Adrien McKenzie	Rate of Return on Equity
Michael Pogany	Operations, Capital Investments
Kris Pontious	Compensation
John Spanos	Depreciation Study
Thomas Stevens	Capital Structure, Cost-of-Debt, Pension and Retiree Benefits

B. Attestation of Chief Accounting Officer

The Attestation of the Chief Accounting Officer required by ARSD § 20:10:13:50 is included in Volume 1 of the Application.

C. Revenue Estimates, Cost of Service Study, and Statement of System Costs

The Revenue Estimates as required by ARSD § 20:10:13:41 are contained in Statement I. The class cost of service study required by ARSD § 20:10:13:43 is found at Statement O. The statement of system costs required by ARSD § 20:10:13:44 is found primarily at Statement N. These Statements are included in Volume I of the Application.

D. Proposed Effective Date

Notice to the Commission of a proposed change in rates must be provided “at least 30 days prior to the proposed effective date” under ARSD § 20:10:13:15. Black Hills Power seeks to implement the proposed rates following the Commission’s final disposition of the case, or no later than 180 days hereafter, subject to refund.

E. Customer Notice

Pursuant to ARSD § 20:10:13:17 through 19 and SDCL § 49-34A-12, Black Hills Power certifies that it will exhibit a notice of proposed changes in electric service in its Rapid City service center at 409 Deadwood Avenue at least thirty days prior to the date the new rates become effective. Black Hills Power will also issue a press release and post the link to the Application, testimony, and supporting documents on its website: blackhillsenergy.com/reliable-sd. Finally, Black Hills Power will provide notice to all customers impacted by this Application via a message on the customer’s monthly billing statement.

By this filing, Black Hills Power does not waive any right it may have to update and amend this notice or the statements of fact, expert opinions, substantiating documents and exhibits in support thereof, and to produce other or additional statements of fact, expert opinions, substantiating documents and exhibits to meet all claims, objections and allegations that may be made in this proceeding.

Dated: February 19, 2026

Respectfully Submitted,

BLACK HILLS POWER, INC. d/b/a BLACK HILLS ENERGY

By: Jerrad S. Hammer

Jerrad S. Hammer

Director - Regulatory