



## **Black Hills Energy Requests Rate Review for Natural Gas System Investments in Nebraska**

**LINCOLN, Neb. – June 1, 2020** – Black Hills Energy today submitted a regulatory rate review proposal to the Nebraska Public Service Commission (NPSC) to recover investments made over the last decade in safety, reliability and system integrity for natural gas service to approximately 300,000 customers across 319 Nebraska communities.

Black Hills Energy has not requested a rate review in Nebraska in nearly a decade, and since then has invested over \$450.7 million in its infrastructure in the state. These investments include replacing, upgrading and maintaining more than 500 miles of natural gas transmission and distribution pipelines in Nebraska – critical infrastructure required to ensure the safe and reliable delivery of natural gas to customers’ homes and businesses and support growth needs for local communities. These investments improved safety and reliability by replacing aging infrastructure and meeting the requirements of state and federal regulations.

“We are proud of our strategic and operational efficiency to have delivered over a decade of strong service in Nebraska without the need to file a rate review,” said Kevin Jarosz, vice president of natural gas operations for Black Hills Energy. “The proposed change in our service rates will enable us to continue to meet the needs of our system, and continue our commitment to reliability and safety that our customers have come to expect, while ensuring that natural gas remains affordable to Nebraskans.

“We delayed our original timing in the best interest of our customers in light of the COVID-19 pandemic. The delay in filing has allowed for the Governor’s health directives to roll back and the company requested that any changes to customer bills be delayed to until a final ruling has been made, which could be as late as March 1. We look forward to continuing our legacy of service to you, our valued customers and communities in Nebraska,” concluded Jarosz.

The company has been proactively planning and communicating with the NPSC for approximately three years in preparation for this rate review, and delayed filing plans in light of the recent COVID-19 pandemic, and this rate review does not include any impact from the COVID-19 pandemic. Black Hills Energy continues to provide several benefits to assist customers and communities during this time of uncertainty, including:

- Waived disconnections (in effect prior to the NPSC moratorium) and late payment fees.
- Added additional payment assistance for customers including budget billing and other extended payment plans.
- Continued funding for the Salvation Army’s HeatShare program. \$145,000 has been provided to the service organization to provide utility payment assistance across the state.
- Donated \$50,000 to eight non-profit organization across Nebraska to assist with COVID-19 relief efforts.
- Increased customer protection by enhanced safety procedures and protective equipment.

The company focused on controlling costs, which helped keep this rate request increase below the cumulative annual cost of living increase since the last rate review. As proposed, the average residential customer bill would increase by \$4.46 per month based on an average monthly use of 58 therms. The increase for customers will vary, based on rate class, load factors and total usage. The rate review does not affect the cost of the natural gas delivered by Black Hills Energy. The cost of the natural gas commodity is a direct pass-through to customers, meaning there is no mark-up or profit.

Customers who would like information about saving energy or bill payment assistance should call Black Hills Energy at 888-890-5554 or visit [www.blackhillsenergy.com/assistance](http://www.blackhillsenergy.com/assistance).

For more information about this rate review, please visit [www.blackhillsenergy.com/reliableNE](http://www.blackhillsenergy.com/reliableNE).

**About Black Hills Energy**

Black Hills Corp. (NYSE: BKH) is a customer focused, growth-oriented utility company with a tradition of improving life with energy and a vision to be the energy partner of choice. Based in Rapid City, South Dakota, the company serves 1.28 million natural gas and electric utility customers in eight states: Arkansas, Colorado, Iowa, Kansas, Montana, Nebraska, South Dakota and Wyoming. More information is available at [www.blackhillscorp.com](http://www.blackhillscorp.com).

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