



Margaret McGill

Manager of Regulatory
Margaret.McGill@blackhillscorp.com

2287 College Road
Council Bluffs, IA 51503
P: 402.221.2251

March 26, 2024

Mr. Thomas Golden
Executive Director
Nebraska Public Service Commission
1200 N Street, Suite 300
Lincoln, NE 68508

RE: Commission Application No. NG-111.1

In the Matter of the Commission, on its own motion, seeking to investigate the effect of the February 2021 cold weather event upon the cost of gas supply purchased by Nebraska gas utilities.

Semi Annual Report - Recovery Progress

Dear Mr. Golden:

Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy (“Black Hills Energy” or the “Company”) herewith submits for filing this Report of the Progress of the Recovery of Purchased Gas Costs pursuant to the Nebraska Public Service Commission’s (“Commission”) order, entered May 25, 2021, in Commission Application No. NG-111/PI-237. This Report is current as of February 29, 2024.

If you have any questions regarding the enclosed filing, please contact me at your convenience.

Respectfully,

/s/ Margaret McGill
Margaret McGill

cc: Douglas Law
Tatyana Bannan
Nichole Mulcahy, Director of Natural Gas, NPSC
Chris Dibbern, Public Advocate of Nebraska

Recovery of Storm Uri, February 2021, Purchased Gas Costs Progress

PUBLIC VERSION

<u>Ln</u>	<u>Description</u>	<u>Source</u>		
1	Total Commodity Costs	NG-111.1; Exhibit 3 - Customer Impacts; 10/15/2021	\$	79,750,000
Short Term				
2	Avg Short-Term Interest Rate	NG-111.1; BHNE Confidential Exh 2; 10/15/2021		
3	Short Term Carrying Costs	NG-111.1; BHNE Confidential Exh 2; 10/15/2021	\$	452,800
Long Term				
4	Long-Term Interest Rate	NG-111.1; BHNE Confidential Exh 2; 10/15/2021		
5	Long-Term Carrying Costs	NG-111.1; BHNE Confidential Exh 2; 10/15/2021	\$	3,983,268
Total & Recovery Rate				
6	Total ST & LT Carrying Costs	Ln3 + Ln5	\$	4,436,069
7	Total Commodity Plus Carrying Costs	Ln1 + Ln6	\$	84,186,069
Recoveries				
<u>Jul 2021 - Dec 2021 Volumetric</u>				
8	Volumetric Recovery Rate Per Therm	NG-111.1; Commission Approved BHNE Proposal	\$	0.17332
9	Volumes (Res/Comm therms)	NG-111.1; 10/2022 Compliance Report		32,207,442
10	Volumetric Recovery	Ln8 * Ln9	\$	5,582,194
<u>Dec 2021 - Jul 2022 Volumetric</u>				
11	Volumetric Recovery Rate Per Therm	NG-111.1; 10/2022 Compliance Report	\$	0.16586
12	Volumes (Res/Comm therms)	NG-111.1; 10/2022 Compliance Report		133,725,320
13	Volumetric Recovery	Ln11 * Ln12	\$	22,179,682
<u>Jul 2022 - Jul 2023 Volumetric</u>				
14	Volumetric Recovery Rate Per Therm	NG-111.1; 10/2023 Compliance Report	\$	0.16826
15	Volumes (Res/Comm therms)	NG-111.1; 10/2023 Compliance Report		179,283,644
16	Volumetric Recovery	Ln14 * Ln15	\$	30,166,266
<u>Jul 2023 - Feb 2024 Volumetric</u>				
17	Volumetric Recovery Rate Per Therm	BHNEG Natural Gas Tariff, First Revised Sheet No. 136.1	\$	0.16015
18	Volumes (Res/Comm therms)	Internal		108,544,463
19	Volumetric Recovery	Ln17 * Ln18	\$	17,383,396
<u>Jul 2021 - Feb 2024 Conversions</u>				
20	Conversions	Conversions 07/01/2021 through 02/29/2024		43
21	Conversion Fee Recovery	Conversion Recovery 07/01/2021 through 02/29/2024	\$	175,378
22	Total Recoveries ⁽¹⁾	Ln10 + Ln13 + Ln16 + Ln19	\$	75,486,915
Remaining Balance to be Recovered				
23	Interruptible to Sales; Savings	Internal	\$	-
24	Remaining Balance	Ln7 - Ln22 - Ln23	\$	8,699,153
25	Recovery Start Date	NG-111.1; Order Approving Recovery Plan; 05/25/2021		07/01/2021
26	Recovery End Date ⁽²⁾	Ln25 + 3Yrs * 12Mths		06/30/2024
27	Report Filing Date	Input		03/29/2024
28	Percent (%) Recovery Period (Months)	(Ln25 - 02/28/2024) / (3Yrs * 12Mths)		88.89%
29	Percent (%) Costs Recovered (\$)	Ln22 / Ln7		89.67%

FN1 History-to-Date as of February 2024 BHNEG Financial Close

FN2 Recovery End Date is subject to reconciliation and any action taken by the Nebraska Public Service Commission.