Brad Quimby
Regulatory Manager
Brad.Quimby@blackhillscorp.com

1731 Windhoek Drive
Lincoln, NE 68512
P: 402.851.2459

October 29, 2026

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

RE: Black Hills Nebraska Gas, LLC
Revisions to Rate Schedules and Other Charges, Schedule of Rates
To Adjust Customer Charges to Reflect the Customer
Retention Incentive Program Charge

Dear Mr. Walklin:

Pursuant to Section 66-1808 of the State Natural Gas Regulation Act, Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy ("BHE" or the "Company") herewith submits for filing with the Nebraska Public Service Commission ("Commission") the original and one paper copy of the following tariff sheet:

Seventeenth Revised Sheet No. 78, Canceling Sixteenth Revised Sheet No. 78.

By this filing, BHE is proposing to adjust the Customer Charges applicable to Residential and Commercial customers in Rate Areas 1-3 and 5. The filing reflects changes in the overall Customer Charges of $0.28 per month to cover the costs of BHE's HEAT (High Efficiency Assistance Tool) Program. The new HEAT Charge that BHE is proposing in this filing is an increase from $0.26 to $0.28 per month for Rate Areas 1-3 and 5.

The tariff sheet included with this filing bears a proposed effective date of January 1, 2027. Also included, as Exhibit C, is the Annual Report required by Sheet No. 132 of the Company's Nebraska Gas Tariff.

The HEAT Program originally was approved by the Commission by its Order Approving Stipulation entered on December 27, 2006, in Commission Docket No. NG-0036. Pursuant to the approved Stipulation, and also by the Commission's Order Granting Application in Part entered on March 9, 2010, in Commission Docket No. NG-0060, the Company recovers, through its rates, the cost of rebates for space and water heating appliances issued through the HEAT Program via the HEAT Charge which is added to the monthly Customer Charge pursuant to Sheet No. 132 of BHE's Nebraska Gas Tariff. Pursuant to the Commission's Order Granting Application in Part

NPSC Received 10/29/2026

entered on May 22, 2012, in Commission Docket No. NG-0067, the determination of the HEAT Charge now includes a reconciliation of HEAT Program costs and revenue collections, to ensure that costs are collected on a dollar-for-dollar basis under the HEAT Program.

Sheet No. 132 of BH's Nebraska Gas Tariff establishes the various terms of the Customer Retention Incentive Program, including the manner in which the monthly HEAT Charge is calculated. The above-referenced HEAT Charge of $0.28 per month was calculated pursuant to the requirements of Sheet No. 132.

This filing includes the following exhibits:

Exhibit A – Clean version of Tariff Sheet No. 78.
Exhibit B – Redlined version of Tariff Sheet No. 78.
Exhibit C – Calculation of the Monthly HEAT Charge (Annual Report).
Exhibit D – The Nebraska HEAT Program – Furnace Rebate Form and the Nebraska HEAT Program – Water Heater Rebate Form for eligible customers to use to claim a rebate from BHE under the terms of the HEAT Program.

Notice of the proposed revisions contained in Sheet No. 78 is being given to the Commission and the public by this tariff filing. A copy of the complete filing (cover letter and Exhibits A-D) is also being provided electronically in PDF format by email.

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

Sincerely,

/s/ Brad Quimby
Brad Quimby
Regulatory Manager

Enclosures

cc: Kevin Jarosz
Andy Storf
Chris Dibbern
Nichole Mulcahy
Jonathan Smith

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Black Hills Nebraska Gas, LLC

HEAT Program

Exhibit A - Tariff Sheet

NPSC Received 10/29/2026

RATE SCHEDULES AND OTHER CHARGES
SCHEDULE OF RATES

Type of Charge	Billing Unit	Base	SSIR	HEAT	WNA	Gas Cost
Residential		1/	2/	3/	4/	
Customer Charge	Per Month	$27.95	$0.63	$0.28		
Volumetric Charge First 10 Therms	Per Therm	$0.42989			$0.01825	5/ or 7/
Volumetric Charge Over 10 Therms	Per Therm	$0.15000			$0.01825	5/ or 7/
Small Commercial (including Energy Options)						
Customer Charge	Per Month	$48.00	$1.11	$0.28		
Volumetric Charge First 20 Therms	Per Therm	$0.95940			$0.01825	5/ and 7/
Volumetric Charge Over 20 Therms	Per Therm	$0.15000			$0.01825	5/ and 7/
Large Commercial (including Energy Options)						
Customer Charge	Per Month	$112.00	$5.95	$0.28		
Volumetric Charge First 500 Therms	Per Therm	$0.17803			$0.01825	5/ and 7/
Volumetric Charge Over 500 Therms	Per Therm	$0.15000			$0.01825	5/ and 7/
Rate Area 5 Agricultural Seasonal Service						
Minimum Volumetric Charge	Per Therm	$0.00100				6/ and7/
Maximum Volumetric Charge	Per Therm	$0.50000				6/ and 7/

1/ Base rates as set for on Sheet Nos. 79, 80, and 82
2/ System Safety and Integrity Rider set forth on Sheet Nos. 127-131
3/ High Efficiency Assistance Tool set forth on Sheet No. 132
4/ Weather Normalization Adjustment as set forth on Sheet Nos. 138-140, excludes Energy Options Customers
5/ Gas Cost rates for Rate Areas 1-3 as set forth on Sheet Nos. 95 and 96
6/ Annual Agriculture Infrastructure Charge as set forth on Sheet No. 111
7/ Gas Cost rates for Rate Area 5 (Supplier Commodity Charge) is the applicable rate agreed to by the Customer and its Supplier in the Choice Gas Program. See Sheet Nos. 97-107

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Black Hills Nebraska Gas, LLC

HEAT Program

Exhibit B - Redlined Tariff Sheet

NPSC Received 10/29/2026

RATE SCHEDULES AND OTHER CHARGES
SCHEDULE OF RATES

Type of Charge	Billing Unit	Base	SSIR	HEAT	WNA	Gas Cost
Residential		1/	2/	3/	4/	
Customer Charge	Per Month	$27.95	$0.63	$0.286		
Volumetric Charge First 10 Therms	Per Therm	$0.42989			$0.01825	5/ or 7/
Volumetric Charge Over 10 Therms	Per Therm	$0.15000			$0.01825	5/ or 7/
Small Commercial (including Energy Options)						
Customer Charge	Per Month	$48.00	$1.11	$0.286		
Volumetric Charge First 20 Therms	Per Therm	$0.95940			$0.01825	5/ and 7/
Volumetric Charge Over 20 Therms	Per Therm	$0.15000			$0.01825	5/ and 7/
Large Commercial (including Energy Options)						
Customer Charge	Per Month	$112.00	$5.95	$0.286		
Volumetric Charge First 500 Therms	Per Therm	$0.17803			$0.01825	5/ and 7/
Volumetric Charge Over 500 Therms	Per Therm	$0.15000			$0.01825	5/ and 7/
Rate Area 5 Agricultural Seasonal Service						
Minimum Volumetric Charge	Per Therm	$0.00100				6/ and7/
Maximum Volumetric Charge	Per Therm	$0.50000				6/ and 7/

1/ Base rates as set for on Sheet Nos. 79, 80, and 82
2/ System Safety and Integrity Rider set forth on Sheet Nos. 127-131
3/ High Efficiency Assistance Tool set forth on Sheet No. 132
4/ Weather Normalization Adjustment as set forth on Sheet Nos. 138-140, excludes Energy Options Customers
5/ Gas Cost rates for Rate Areas 1-3 as set forth on Sheet Nos. 95 and 96
6/ Annual Agriculture Infrastructure Charge as set forth on Sheet No. 111
7/ Gas Cost rates for Rate Area 5 (Supplier Commodity Charge) is the applicable rate agreed to by the Customer and its Supplier in the Choice Gas Program. See Sheet Nos. 97-107

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Black Hills Nebraska Gas, LLC

HEAT Program

Exhibit C - Calculation of Monthly HEAT Charge

NPSC Received 10/29/2026

Black Hills Nebraska Gas, LLC
d/b/a Black Hills Energy
Calculation of Monthly HEAT Charge
September 1, 2025 through August 31, 2026

Exhibit C
Page 1 of 1

Line No.	[A] Description	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]
		2025 - 2026 Program Year Rebates/Administrative Costs											
		2025				2026							
		September	October	November	December	January	February	March	April	May	June	July	August
1	Nebraska HEAT Rebates - Furnace	$64,050	$55,500	$47,400	$63,750	$75,097	$60,953	$72,300	$43,950	$48,150	$42,300	$53,195	$33,505
2	Nebraska Multi-Unit Rebates	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
3	Nebraska HEAT Rebates - Water Heater	$32,175	$17,850	$16,275	$23,175	$26,625	$23,775	$30,375	$27,375	$22,875	$19,725	$21,584	$9,975
4	Total Rebates	$96,225	$73,350	$63,675	$86,925	$101,722	$84,728	$102,675	$71,325	$71,025	$62,025	$74,779	$43,480
5	Administrative Costs	$0	$0	$0	$0	$0	$0	$0	$19,865	$9,237	$9,075	$9,687	$10,095
6	Total	$96,225	$73,350	$63,675	$86,925	$101,722	$84,728	$102,675	$91,190	$80,262	$71,100	$84,466	$53,575
7	2025 - 2026 Program Year Rebates/Administrative Costs Total												$989,893
8	Current Recoveries	$74,342	$74,340	$74,522	$75,084	$76,925	$78,237	$78,447	$78,287	$78,082	$78,171	$77,816	$77,671
9	Monthly Change in Balance	$21,883	($990)	($10,847)	$11,841	$24,797	$6,491	$24,228	$12,903	$2,180	($7,071)	$6,650	($24,096)
10	New Total Balance	$963,663	$962,673	$951,826	$963,667	$988,464	$994,955	$1,019,183	$1,032,086	$1,034,266	$1,027,195	$1,033,845	$1,009,750
11	Projected Customers per Month												300,765
12	Monthly HEAT Charge ((Line 10 / Line 11) / 12)												**$0.28**

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Black Hills Nebraska Gas, LLC

HEAT Program

Exhibit D

Nebraska HEAT Program - Furnace Rebate Form

&

Nebraska HEAT Program - Water Heater Rebate Form

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Nebraska HEAT Program

FURNACE REBATE FORM

CUSTOMER INFORMATION

Customer name	
Installation Address	
City, State, ZIP	
Phone	
Email	
Account #	

ALTERNATE CUSTOMER INFORMATION

Complete only if name/address is different than account listed above.

Name	
Address	
City, State, ZIP	

Rebate check will be issued to the name listed on the Black Hills Energy account.

EQUIPMENT INFORMATION

Heating System Brand	
Heating System Model #	
Heating System Serial #	
Date of Purchase	
Date of Installation	

INPUT & EFFICIENCY

Input Btu's/hour _____ Minimum: 40,000 | AFUE Efficiency % _____ Minimum: 80%

PROOF OF PURCHASE ATTACHED (INVOICE ATTACHED) ☐ Must include cost breakdown.

This natural gas heating appliance replaces what type of energy source? ☐ Electric ☐ Propane ☐ Natural Gas

REBATE AMOUNTS

Incentives available to Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy jurisdictional residential and commercial customers living in Nebraska. **Call 855-281-9157 to verify eligibility.**

80% TO 94% AFUE		95% OR HIGHER AFUE
$150	*For installed nameplate input of:* **40,000 Btu/hour to 99,999 Btu/hr**	**$300**
$300	*For installed nameplate input of:* **100,000 Btu/hour to 199,999 Btu/hr**	**$600**
$450	*For installed nameplate input of:* **200,000 Btu/hour or higher**	**$900**

Customer may choose any equipment vendor.

HEATING SYSTEM REQUIREMENTS

- Natural gas space heating system — equipment must be new
- Minimum input Btu/hour of 40,000
- Minimum Annual Fuel Utilization Efficiency (AFUE) of 80%
- Connected to and served by the Black Hills Energy Retail Distribution System in Nebraska

Mail, email or fax this completed form along with your proof of purchase (must include cost breakdown, model, serial number, Btu and AFUE efficiency of heating system) to:

Please allow 6-8 weeks for processing.

Black Hills Energy
c/o Nebraska HEAT Rebate Program
P.O. Box 5167
Des Moines, IA 50305

Customer Service
855-281-9157 or 515-281-9157
Fax: 877-932-0558 or 515-244-0558
Email: bhehotheat@a-tec.com
Apply Online: blackhillsenergy.com/NE-Heat

FOR INTERNAL USE ONLY

Rate ID: _____

SA ID: _____

Offer good to Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy jurisdictional residential and commercial customers in Nebraska only. The HEAT program is subject to rules and regulations of the Nebraska Public Service Commission and the Tariff of Black Hills Energy, which is subject to change. The HEAT Program is not available to Agricultural, interruptible, Large Commercial, or High-Volume customers as defined in the State Natural Gas Regulation Act, and the Tariff of Black Hills Energy. In addition, contractors or builders constructing single family homes are not eligible for HEAT rebates. The rebate amount may not exceed the cost of heating equipment. Rebate amount cannot be combined with other HEAT rebates for the same equipment. Water heater and furnace replacements installed using the customer's home warranty are excluded as Qualified Appliances. However, Black Hills Energy, at its sole discretion, may allow a rebate for appliance replacement under a customer's home warranty if either of the following conditions apply: (a) the additional costs related to the replacement appliance exceed the cost covered by the Customer's home warranty or (b) the additional costs are paid as a deductible by the customer. All equipment must be new. No refurbished or used equipment is qualified for rebates. This HEAT certificate is not transferable. Omission of sales receipt or any other information will delay processing or disqualify your request. All submitted proofs of purchase become the property of Black Hills Energy and cannot be returned. Black Hills Energy is not responsible for lost, late, illegible, incomplete, damaged, misdirected or postage-due requests/mail. Keep a copy for your files. All claims are subject to audit. Offer subject to terms and conditions of program. Rebate request forms should be submitted within one year of the purchase date, any forms submitted after two years from the purchase date are no longer eligible for rebate. Limited funds available on a first come, first served basis.

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Nebraska HEAT Program

WATER HEATER REBATE FORM

CUSTOMER INFORMATION

Customer name	
Installation Address	
City, State, ZIP	
Phone	
Email	
Account #	

ALTERNATE CUSTOMER INFORMATION

Complete only if name/address is different than account listed above.

Name	
Address	
City, State, ZIP	

Rebate check will be issued to the name listed on the Black Hills Energy account.

EQUIPMENT INFORMATION

Water Heater Brand	
Water Heater Model #	
Water Heater Serial #	
Date of Purchase	
Date of Installation	

INPUT & EFFICIENCY

Input Btu's/hour _____ Minimum: 30,000 | UEF Rating _____

PROOF OF PURCHASE ATTACHED (INVOICE ATTACHED) ☐ Must include cost breakdown.

This natural gas heating appliance replaces what type of energy source? ☐ Electric ☐ Propane ☐ Natural Gas

REBATE AMOUNTS

Incentives available to Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy jurisdictional residential and commercial customers living in Nebraska. **Call 855-281-9157 to verify eligibility.**

$75	**Tank Water Heaters with UEF of less than or equal to 0.57** *For installed nameplate input of:* **30,000 Btu/hour up to 79,999 Btu/hour**	**$150**	**Tank Water Heaters with UEF of less than or equal to 0.57** *For installed nameplate input of:* **80,000 Btu/hour or higher**
$150	**Tank Water Heaters with UEF of 0.58 or higher** *For installed nameplate input of:* **30,000 Btu/hour up to 79,999 Btu/hour**	**$300**	**Tankless On-Demand Water Heaters** **UEF of 0.81 or higher**

WATER HEATER REQUIREMENTS

- Natural Gas water heating system — equipment must be new
- Minimum input Btu/hour of 30,000
- Connected to and served by the Black Hills Energy Retail Distribution System in Nebraska

Mail, email or fax this completed form along with your proof of purchase (must include cost breakdown, model, serial number, Btu and UEF of water heating system) to:

Please allow 6-8 weeks for processing.

Black Hills Energy
c/o Nebraska HEAT Rebate Program
P.O. Box 5167
Des Moines, IA 50305

Customer Service
855-281-9157 or 515-281-9157
Fax: 877-932-0558 or 515-244-0558
Email: bhehotheat@a-tec.com
Apply Online: blackhillsenergy.com/NE-Heat

FOR INTERNAL USE ONLY

Rate ID: _____

SA ID: _____

Offer good to Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy jurisdictional residential and commercial customers in Nebraska only. The HEAT program is subject to rules and regulations of the Nebraska Public Service Commission and the Tariff of Black Hills Energy, which is subject to change. The HEAT Program is not available to Agricultural, interruptible, Large Commercial, or High-Volume customers as defined in the State Natural Gas Regulation Act, and the Tariff of Black Hills Energy. In addition, contractors or builders constructing single family homes are not eligible for HEAT rebates. The rebate amount may not exceed the cost of heating equipment. Rebate amount cannot be combined with other HEAT rebates for the same equipment. Water heater and furnace replacements installed using the customer's home warranty are excluded as Qualified Appliances. However, Black Hills Energy, at its sole discretion, may allow a rebate for appliance replacement under a customer's home warranty if either of the following conditions apply: (a) the additional costs related to the replacement appliance exceed the cost covered by the Customer's home warranty or (b) the additional costs are paid as a deductible by the customer. All equipment must be new. No refurbished or used equipment is qualified for rebates. This HEAT certificate is not transferable. Omission of sales receipt or any other information will delay processing or disqualify your request. All submitted proofs of purchase become the property of Black Hills Energy and cannot be returned. Black Hills Energy is not responsible for lost, late, illegible, incomplete, damaged, misdirected or postage-due requests/mail. Keep a copy for your files. All claims are subject to audit. Offer subject to terms and conditions of program. Rebate request forms should be submitted within one year of the purchase date, any forms submitted after two years from the purchase date are no longer eligible for rebate. Limited rebate funds available on a first come, first served basis.

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