

Black Hills Nebraska Gas, LLC

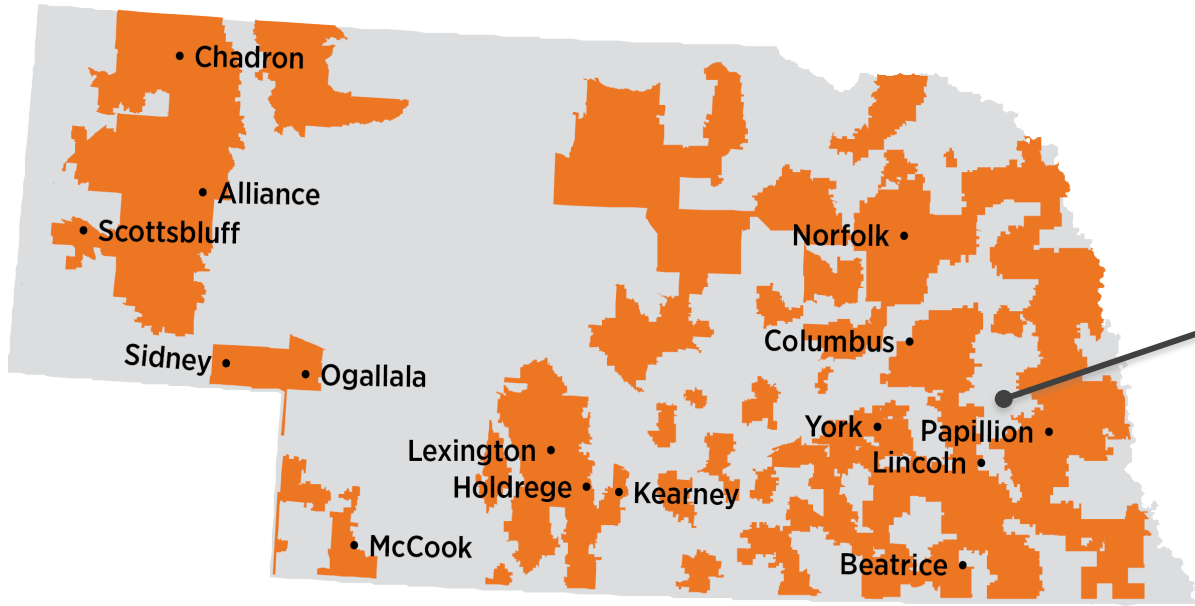
d/b/a Black Hills Energy

NG – 101.1 Quarterly Status Update

Presented to the Nebraska Public Service Commission

April 23, 2024

Black Hills Energy – Nebraska Gas



Nebraska
296,778 customers
319 communities served
440 employees

 Natural Gas Utilities

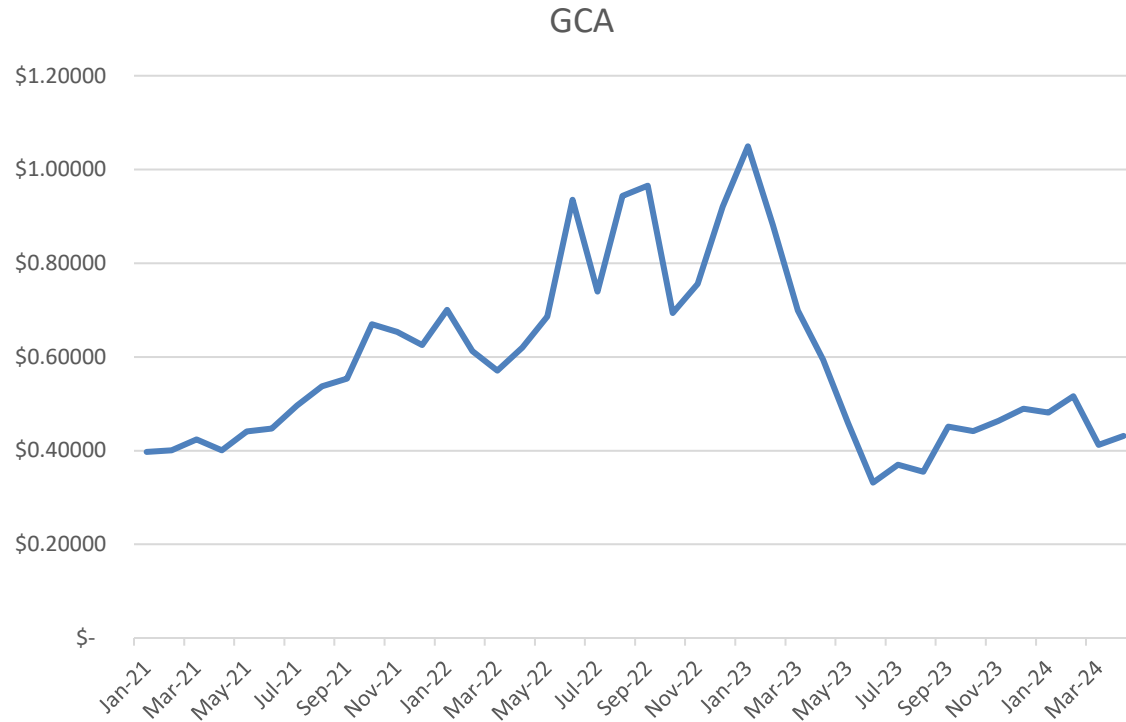
Agenda

- Winter Heating Season Review & Summer Cooling Season Forecast – Black Hills
- Customer Inquiry Report & Trends – Black Hills
- SSIR Status – Brandon Malleck
- Choice Gas Program Status – Doug Law and Shelly Reichert
- Ready Wyoming Status – Doug Law
- Storm Uri Collection Status – Meg McGill
- Public Advocate Discussion Topics
 - Black Hills' position on extending the weekend moratorium on residential disconnections from Saturday and Sunday to also include Fridays.
 - Information regarding company interest rates charged on past due billings.

Winter Heating Season Review & Summer Cooling Season Forecast



Historical Gas Cost Adjustment (“GCA”)



Winter Prices

Average Residential Winter Bills (Nov-March)

	Winter Bill	% Change
November 2020	\$ 384.69	
November 2021*	\$ 577.47	50.1%
November 2022*	\$ 727.41	26.0%
November 2023*	\$ 516.94	-28.9%

*Includes Feb 2021 Cold Weather Event Recovery Mechanism

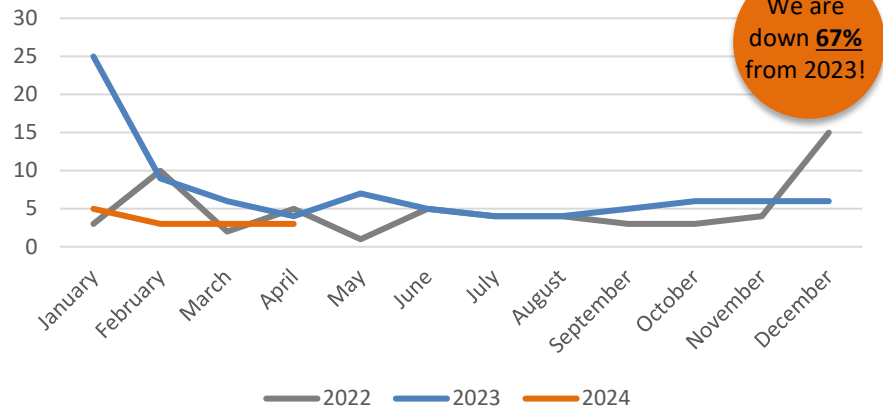
Customer Inquiry Report & Trends

- Additionally, please see [Customer Billing and Financial Assistance Programs](#) presented to the Nebraska Public Service Commission on July 25, 2023.

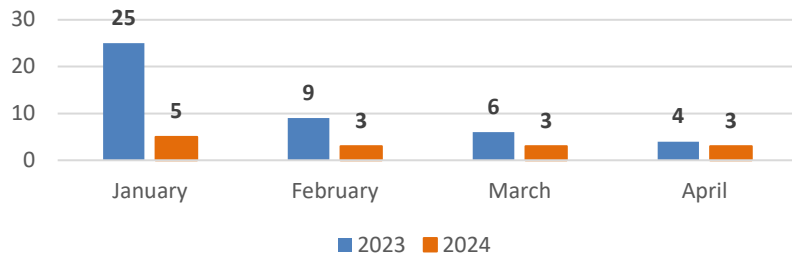


NPSC Overview Report

Nebraska PSC Inquiries - YOY Comparision



Nebraska PSC Inquiries - Monthly Comparison



Inquiry Category Trends

Subcategory	Count of BH User
Billing Errors / Issues	1
Choice Gas	1
Collections	1
Gas Service / Leaks	1
High Bills / Utility Cost/ Rate Increases	1
Miscellaneous	2
On Demand / Service Guard/ HomeServe	1
Payment Arrangements / CWR	1
Payments	3
Project Work	2
Grand Total	14

System Safety and Integrity Rider (SSIR”) Status



SSIR Status

2024 SSIR Construction Status

- At Risk Meter Relocations (AMR)
- Bare Steel
- TBS Replacements
- Mega Rule
- Top of Ground (TOG)

2025 SSIR Application Status

- 2025 SSIR Projects Under Review
- 2025 Commission Application Being Prepared for August Commission Filing

AMI and AMR Definitions

Advanced Metering Infrastructure (AMI) – Is an integrated, fixed-network system that enables two-way communication between utilities and its customers. The system collects measurement data, providing the utility the ability to monitor customer gas usage in hourly increments throughout the day. This data is used for billing, troubleshooting, and analyzing on the backend system at the office.*

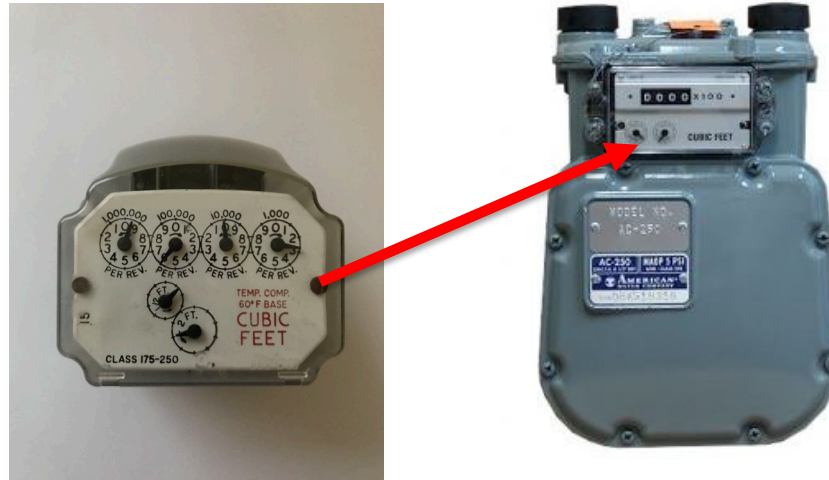
Automated Meter Reading (AMR) – Is a method of using mobile communication technology to read a customer's gas usage remotely via mobile units (vehicle or handheld devices). This type of meter reading occurs once a month.*

*Both AMI and AMR technology platforms reduce human error and ensures that customers receive an accurate bill each month.

Encoder Receiver Transmitter (ERT) – Is a radio component that is installed on a meter. It is used to transmit data from meters over an AMI or AMR communication network. This allows a worker to collect meter reads without physically visiting each meter at a customer's location.

AMI and AMR Primary Equipment

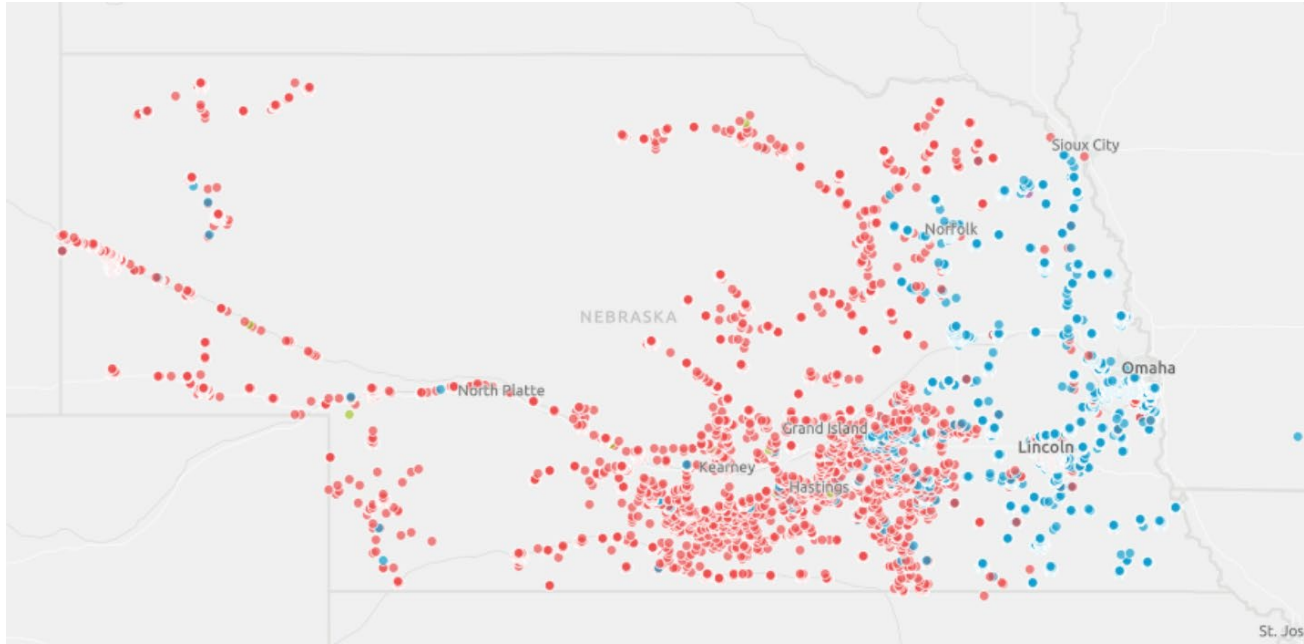
Encoder Receiver Transmitter (ERT):





AMI and AMR Infrastructure



Nebraska AMI/AMR Map



	AMI 	AMR 	Total
NEG Meters	156,056	156,611	312,667
% of	50%	50%	

Choice Gas Program Status



Choice Gas Program Status

- Annual Enrollment Selection Period Dates
- Balloted Customers To Date
- Customer Complaints

- Wyoming Public Service Commission Workshop – May 7th

Ready Wyoming Status



Ready Wyoming Status

- **Commission Order Issued in Application No. E-2530 on April 16, 2024**
- **Landowner Property Rights Obtained for Nebraska – No Eminent Domain Required**
- **Wyoming PSC Application of CLFP for NE Construction Filed with Wy PSC**
- **Thank You to Commission For Expedited Review and Approval of Cheyenne Light, Fuel and Power Company Transmission Line Application**

Storm Uri Collection Status



Storm Uri Collection Status

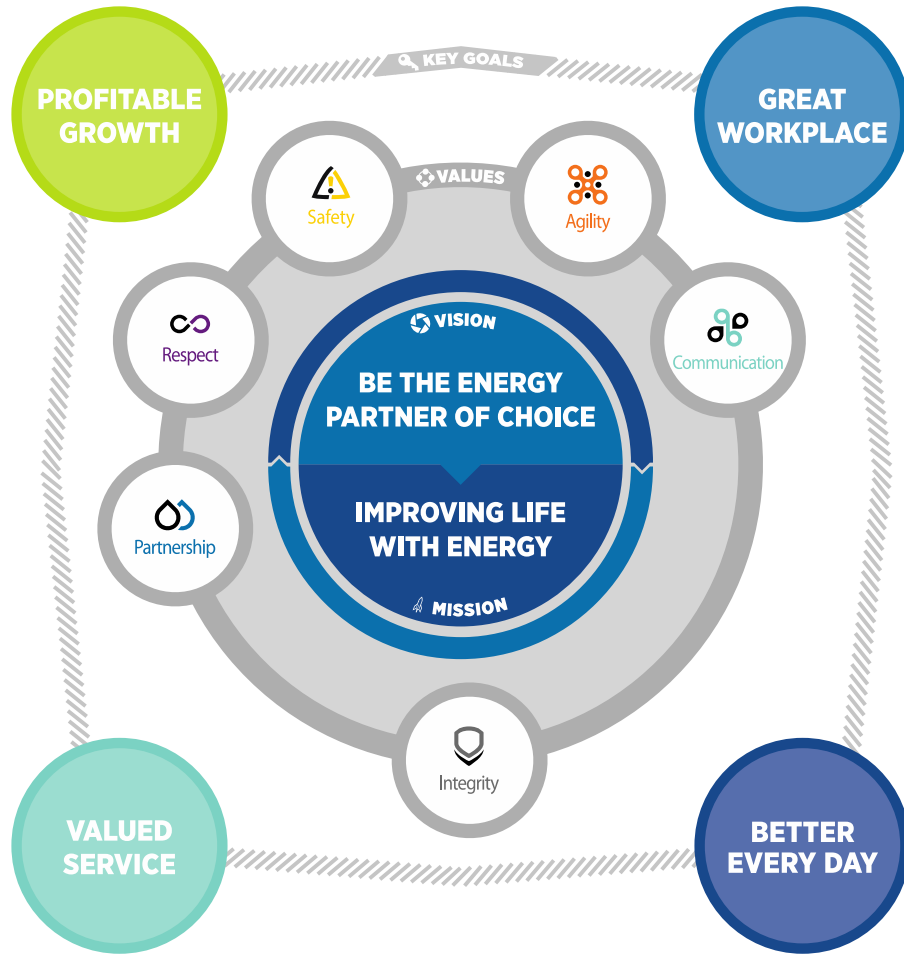
Deferred Gas Cost	\$ 79,750,000	
Carrying Costs	<u>\$ 4,436,068</u>	
	\$ 84,186,068	
Amount Billed through 3/31/2024	<u>\$ (78,427,017)</u>	
Balance	\$ 5,759,051	
Amount Billed %		93.2%

Public Advocate Discussion Topics

1. Black Hills' position on extending the weekend moratorium on residential disconnections from Saturday and Sunday to also include Fridays.
2. Information regarding company interest rates charged on past due billings.

Customer Disconnection Topics

- **Interest on Uncollected Amounts:** 1% on outstanding amount – lower than other comparable interest rates (e.g., Short Term Debt, Statutory Judgment Rate, Rate Case Authorized debt or WACC).
- **Customer Disconnections Generally** – Black Hills Energy follows the procedures and plain language of Neb. Rev. Stat. § 70-1605 and Commission Regulations, 291 N.A.C. § 9.13.04.
- **Friday Customer Disconnections** – Black Hills Energy’s practice is to NOT schedule disconnections on Fridays. BHE is willing to discuss disconnection rules, but generally opposed to a prohibition against Friday disconnections as inconsistent with statutory plain language, a lack of enabling language, and balancing subsidization by other customers.



Black Hills Nebraska Gas, LLC

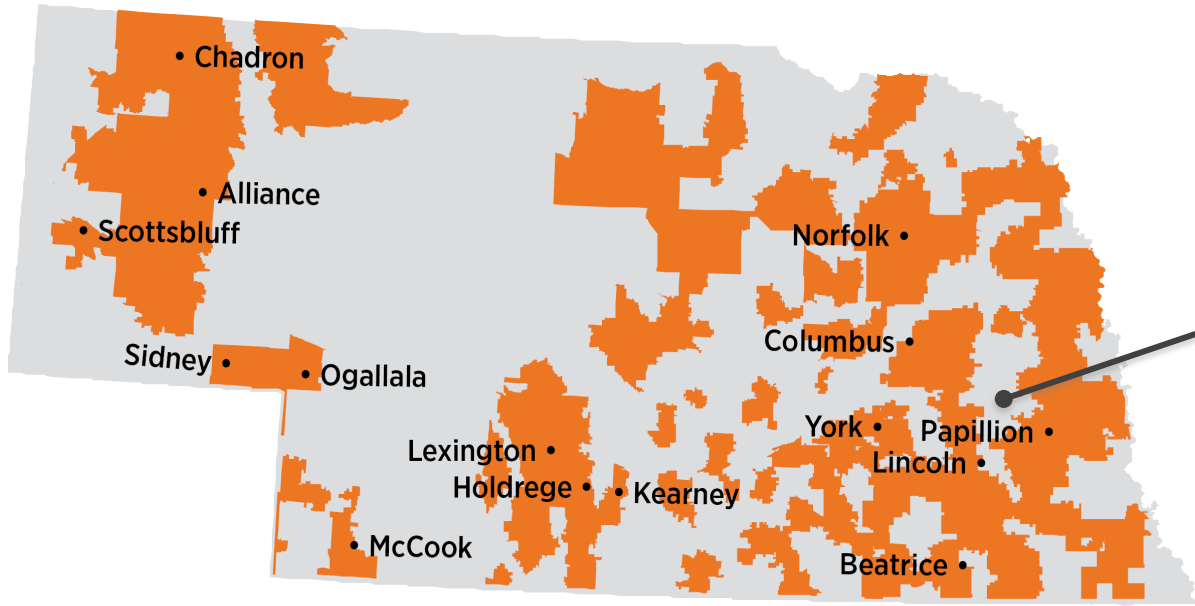
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Customer Billing and Financial Assistance Programs

Presented to the Nebraska Public Service Commission

July 25, 2023

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● Natural Gas Utilities

Overview

We are 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.

Gas Utilities

Arkansas
Colorado
Iowa
Kansas
Nebraska
Wyoming*

Electric Utilities

South Dakota
Colorado
Wyoming*

*Utility supplies electric and gas service to Cheyenne, Wyoming and vicinity and gas service to northeast and northwest Wyoming

Power Generation

Black Hills Electric
Generation

Mining

Wyodak Resources

-
- Electric Utilities
 - Natural Gas Utilities
 - ▨ Electric and Natural Gas Utilities
 - ⛏ Mine
 - ⚡ Power Generation
 - ⚙ Wind Generation
 - ★ Company Headquarters

Supporting Our Customers

Customer Payment Options

- Electronic or Mail Bill
- EFT, Credit Card, Check
- Monthly Bill Paid In Full
- Budget Billing
- Payment Arrangement Options

Customer Payment Assistance

- BHCares – contributions by Black Hills Corporation to Charitable Organizations
- Energy assistance supported by the Salvation Army partnership



Electronic and Mail Bills

- Customers may elect to receive either electronic or paper copies of bills.
- Black Hills Energy encourages customers to receive electronic bills.
- Currently, there are ____ customers who receive electronic bills from Black Hills Energy.
- Monthly Bills are due 20 days after Company's Mailing Date

Customer Payment Options

A customer may pay the monthly bill in a variety of convenient ways:

- Electronic Funds Transfers from the customer's banking account
- Credit Card
- Personal Check
- Google Pay, Apple Pay, Venmo

Monthly Bill Paid In Full

- Customers may pay the full monthly amount due for natural gas provided by Black Hills Energy.
- Unless a customer enrolls in budget billing or placed on a payment arrangement, the customer must pay the customer's monthly bill in full

Budget Billing

Program Overview:

A bill will be based on the customers average energy bill during the past year. The bill will only change if usage or the monthly billed amount changes by 10% or more. On the budget billing anniversary date, the full account balance (arrears) will be factored into the budget billing average, and your monthly bill is recalculated.

Eligibility:

All customers are eligible for the Budget Billing program, unless removed from the program within a 12-monthly. In an effort to provide additional support to customers during COVID-19, we allowed customers to enroll in the program with a past due balance, and we continue to allow this.

Payment Arrangements

Program Overview:

Inside Cold Weather Rule (11/1-3/31)

- Free Form Arrangement (up to 8 weeks)
- Monthly arrangement up to 12-months

Outside Cold Weather Rule (4/1-10/31)

- Free Form Arrangement (up to 8 weeks). Note: First installment needs paid upfront.

Eligibility:

- Customer has broken an arrangement between Nov. 1 and Oct. 31 of the following year. Customer has two or more NSF activity in the past 365 days. – Only outside of CWR.
- Customer does not have active service.
- Customer has been flagged for diversion.

Disconnected Services:

- During Cold Weather Rule, customer's that are eligible can be offered an arrangement to re-establish service.

BH Cares

All customers are eligible to apply for energy assistance offered by Black Hills Energy's BHCares Program through the Salvation Army.

Customers are eligible for up to \$750.00 in assistance towards their natural gas bill or the repair/replacement of their natural gas furnace or water heater.

Black Hills Cares

At Black Hills Energy, we pride ourselves on always being ready. That's why we have our Black Hills Cares program. It supports our neighbors who are struggling to pay their energy bills. Because if we've learned anything over the years, it's that we all need a little extra help now and then. In the past 15 years, Black Hills Cares provided more than \$8.4 million in customer, employee and company donations to assist those in need. In 2022 alone, 4,600 families received assistance from Black Hills Cares funds.

To be connected with partner agencies who distribute Black Hills Cares funds, contact the agency listed below for your community.

[REQUEST HELP](#)

[DONATE NOW](#)



How to request Black Hills Cares funds

To be connected with partner agencies who distribute Black Hills Cares funds, contact the agency listed below for your community.

Nebraska payment assistance

We know some of our customers faced financial hardships due to COVID-19. We're thankful we were able to show our support during this time.

If you're struggling to pay your bill, we've provided resources below. You can also call our customer support team at 888-890-5554 or contact us online to discuss our support options that may be available for you.

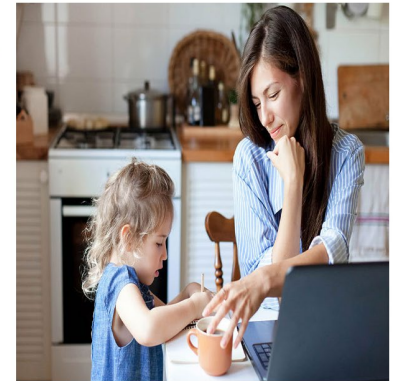
Statewide support agencies

- Salvation Army Heat Share Program

Local support agencies

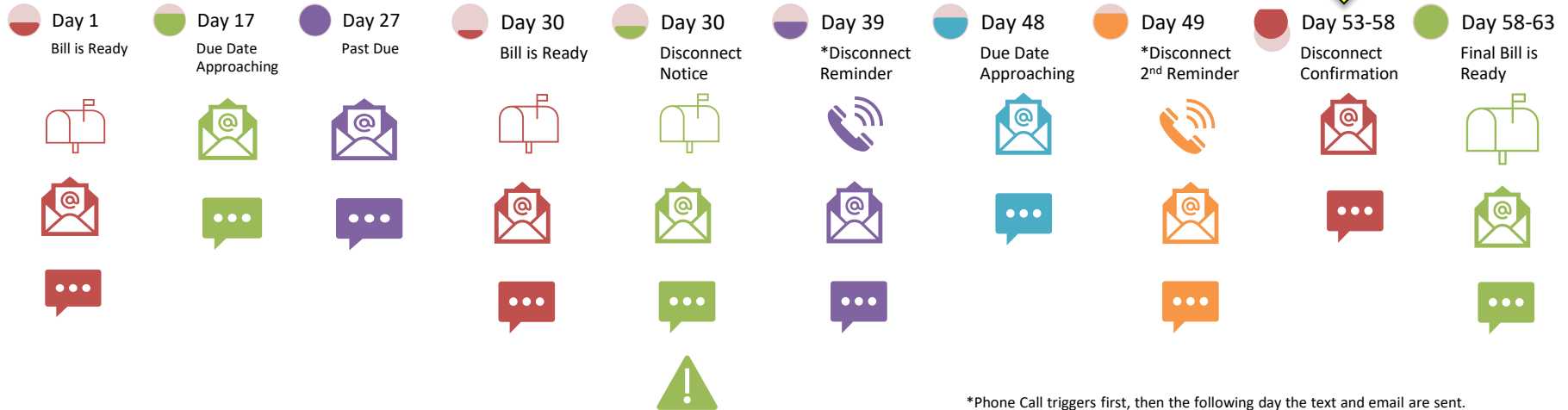
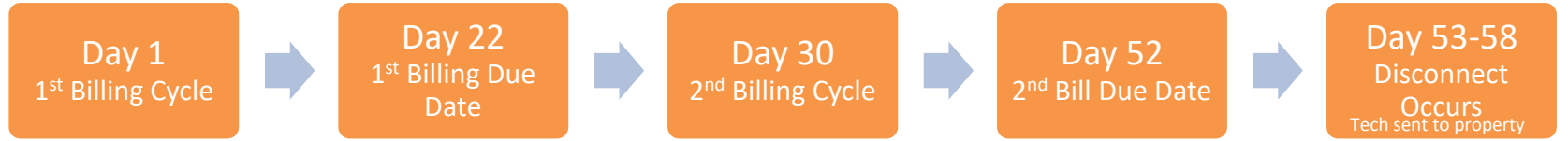
Nebraska Weatherization Assistance Program

- Z11
- NDEE | Nebraska Weatherization Assistance Program



Notifications Timeline for Past Due Customers

Based on a 20-day due date for Nebraska



Customer Awareness

- Bill Messaging
- Bill Inserts
- Seasonal Communications
- Social Media

Need help paying your bill?

You may qualify for assistance options to help you your bill, including payment arrangements and Budget Billing. Explore your options at:

blackhillsenergy.com/assistance
Call us: 888-890-5554

**IF YOU OR SOMEONE
YOU KNOW NEEDS
HELP PAYING ENERGY
BILLS, WE'RE HERE.**



At Black Hills Energy, we pride ourselves on always being ready. That's why we have our Black Hills Cares* program. It supports residents who are struggling to pay their energy bills.

Because if we've learned anything over the years, it's that we all need a little extra help every now and then. Which is why we're always here. And we're always ready.

Learn more at
BlackHillsCares.com
888-890-5554

You'll be routed to the appropriate menu by saying "Black Hills Cares" when asked for the reason you're calling.

*Black Hills Cares is a program of the Black Hills Corp. Foundation, a 501(c)(3) nonprofit. Contributions may be tax deductible as allowed by the law.



Pay the same amount on your bill each month.

Did you know we offer a way to make your bill more predictable? Budget Billing allows your bills to be averaged over a 12-month period. Enroll by managing your settings in your online account.

STAY BALANCED



We understand higher costs are impacting us all. That's why we offer resources for our customers and their families like rebates, budget billing to help avoid spikes in monthly bills and money-saving [energy assistance programs](#) for those in need.

We're ready and committed to keeping you warm and safe this winter.

WINTER READY

Questions?

