

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE)	Application No. NG-102/PI-225
COMMISSION, ON ITS OWN MOTION,)	
SEEKING TO REVIEW POLICIES AND)	
PRACTICES RELATING TO THE)	PROGRESSION ORDER NO. 8
ADMINISTRATION OF CUSTOMER)	
CHOICE PROGRAMS FOR NATURAL)	
GAS SERVICE OFFERED WITHIN)	
THE STATE OF NEBRASKA)	

2025 COMMENTS OF
BLACK HILLS NEBRASKA GAS, LLC
D/B/A BLACK HILLS ENERGY
(Choice Gas Program Administrator)

I. INTRODUCTION

On August 6, 2019, the Nebraska Public Service Commission (“Commission”), on its own motion, issued an order (“2019 Choice Gas Order”) opening an investigation in the above-captioned docket for the purpose of gathering information regarding, and reviewing the policies and practices related to, Black Hills Nebraska Gas, LLC’s (“BH Nebraska Gas”) administration of customer choice programs for natural gas service offered within the State of Nebraska (“Choice Gas Program”). The Commission initiated its investigation in this proceeding pursuant to *Neb. Rev. Stats. §§ 66-1848, 66-1849, and 66-1855*.

Pursuant to the Commission’s 2019 Choice Gas Order, the Commission solicited written comments on a range of topics primarily related to residential customers within the Choice Gas Program administered by BH Nebraska Gas. Thereafter, the Commission held a workshop to discuss those topics. Following that workshop, in Progression Order No. 1, entered in this proceeding on October 29, 2019, the Commission set forth a series of recommendations and expectations for the Choice Gas Program. The Commission stated that the proceeding would remain open for the purpose of continuing to gather information regarding the Choice Gas Program and reviewing its administration.

The Commission issued subsequent Progression Orders annually since 2019 and has held an open meeting each year to discuss issues and idea intended to improve the Choice Gas Program with representatives of the Choice Gas Administrator, Suppliers, the Public Advocate, and the Commission.

On May 13, 2025, the Commission issued its Progression Order #8 (“2025 Choice Gas Order”). Pursuant to the 2025 Choice Gas Order, the Commission did not solicit specific written

comments; however, parties wishing to submit comments are permitted to do so at least one week prior to the workshop to be held June 18, 2025. The Commission's Progression Order #8 states that the Commission will accept written comments and supporting documentation regarding the 2025 Choice Gas Program from all interested parties submitted on or before June 11, 2025, at 5:00 p.m. Central Time.

Pursuant to the Commission's 2025 Choice Gas Order, BH Nebraska Gas hereby submits comments in response to the Commission's Choice Gas investigation in this proceeding.

II. SCOPE OF COMMENTS

The comments provided herein focus on the existing Choice Gas Program offered by BH Nebraska Gas within the State of Nebraska. BH Nebraska Gas is not proposing any significant structural or territory changes to the existing Choice Gas Program as part of this Nebraska proceeding. Any proposal by BH Nebraska Gas to significantly alter the existing BH Nebraska Gas Choice Gas Program or any transportation program offered by BH Nebraska Gas will be presented, if at all, in the future. Accordingly, the soonest any significant structural or territorial changes to the BH Nebraska Gas Choice Gas Program or to the transportation programs of BH Nebraska Gas would be presented for discussion and further consideration, if at all, is no earlier than 2026 or thereafter.

BH Nebraska Gas emphasizes that no expansion or other significant structural change to the Choice Gas Program of BH Nebraska Gas is currently contemplated by BH Nebraska Gas for Nebraska. As the Nebraska Commission may be aware, the Choice Gas Program expansion filing ("Wyoming Expansion Docket") before the Wyoming Public Service Commission ("Wyoming PSC") in the State of Wyoming was withdrawn at the request of Black

Hills Wyoming Gas, LLC (“BH Wyoming Gas”) to allow the parties in that proceeding to engage in workshop sessions to address the existing Choice Gas Program issues identified in the Wyoming PSC docket.¹

The Choice Gas Administrator, the Suppliers, the Wyoming Office of Consumer Advocate, the Commission Staff and other Intervenors in the Wyoming Expansion Docket met quarterly over from the years 2022 through 2024 to discuss Choice Gas Program issues. The participants to that process resolved many issues with the intent of improving the Choice Gas Program. The most recent Wyoming PSC Workshop was held on May 14, 2024, at the Wyoming Public Service Commission. The Wyoming Expansion Docket Workshop participants have concluded that all issues that can be resolved without a contested hearing before the Wyoming Commission have been resolved and implemented. BH Wyoming Gas currently holds the position to operate the BH Wyoming Choice Gas Program on a “business as usual” basis for the foreseeable future.

The Wyoming PSC did hold a hearing on May 15, 2025, regarding the Confidential Treatment of Supplier revenues submitted in discovery in the Choice Gas Program expansion application. The Wyoming PSC Commission has not issued an order on that issue as of the date of these comments. In addition, the Wyoming PSC continue to conduct its own analysis of the BH Wyoming Choice Gas Program comparing competitive Supplier prices options and pricing to the price of gas supply offered by BH Wyoming gas under its regulated Gas Cost Adjustment tariff.

¹ *In re Application of Black Hills Wyoming Gas, LLC d/b/a Black Hills Energy for Authority to Revise Certain Tariff Provisions Related to the Choice Gas Program and Expand the Choice Gas Program to All Customers Effective June 2023, Wyoming PSC Docket No. 30026-46-GA-21 (Record No. 15803).*

BH Nebraska Gas managers will continue to participate in any Wyoming Choice Gas Program workshops as they progress and then consider whether any of the Choice Gas Program changes adopted and approved by the Wyoming PSC would be prudent to propose for discussion and consideration for the BH Nebraska Gas Choice Gas Program. BH Nebraska Gas has provided the Nebraska Commission with periodic status updates regarding the progress of the BH Wyoming Gas Choice Gas proceedings at its quarterly Commission Application NG-101.1 meetings or as requested. BH Nebraska Gas fully understands that any tariff changes proposed by the Company to the BH Nebraska Gas Choice Gas Program would be subject to prior discussion, review, and approval by the Nebraska Commission.

III. CHOICE GAS PROGRAM COMMENTS

BH Nebraska Gas provides comments related to (a) the BH Nebraska Gas **2024-2025 Choice Gas Program Year** recently completed, (b) the enrollment and ongoing **2025-2026 Choice Gas Program Year**, (c) Customer Portal and Choice Gas website updates and improvements, and (d) general discussion.

The comments of BH Nebraska Gas provided in this proceeding are primarily directed to the Nebraska Residential and Commercial Choice Gas Program offered by BH Nebraska Gas in Rate Area Five.

The Choice Gas Program issues commented on by BH Nebraska Gas are as follows:

(a) 2024-2025 Choice Gas Program Year – Issues and Resolutions Report

BH Nebraska Gas reports that the 2024-2025 Choice Gas Program year recently completed proceeded without significant issues. The Black Hills Energy call center received approximately the same number or fewer customer calls as in prior Choice Gas Program periods. A minimal number of customer

questions/concerns were resolved immediately upon BH Nebraska Gas' awareness of an issue. The Choice Gas Program Suppliers were cooperative and responsive in resolving any customer issues.

(b) 2025-2026 Selection Period and Current Choice Gas Program Year

BH Nebraska Gas reports that the enrollment period for the 2025-2026 Choice Gas Program year proceeded without significant issues. The Black Hills Energy call center received approximately the same number or fewer customer calls as last year's Choice Gas Program enrollment periods. Overall, the customer enrollment process only experienced a minimal number of customer questions/concerns, which were resolved immediately upon BH Nebraska Gas' awareness of an issue. The Choice Gas Suppliers have also been cooperative and responsive in resolving any customer issues.

Customers were directed to the www.Choicegas.com website where enrollment information was available. The minor changes made by BH Nebraska Gas to the Choice Gas Program marketing, mailing, and enrollment materials were provided to eligible customers. BH Nebraska Gas did not encounter any significant customer confusion experienced in prior years related to when the selection period started.

In addition to providing copies of the customer enrollment package to the Nebraska Commission, BH Nebraska Gas also forwards the approved Marketing and Mailing materials of the participating Choice Gas Program Suppliers to the Commission for its information and review. See Exhibit A for more detail of the 2025-2026 Choice Gas Program.

(c) Customer Portal Updates and Improvements.

Choice Gas Program Administration continually reviews the program to capitalize on opportunities for improvement that will enhance the customer experience.

The 2025-2026 Choice Gas Program Year implemented two significant website updates as follows:

- Functionality was added to the customer portal that would display the customer's current Choice Gas information as well as any newly eligible Choice Gas enrollment information; and

- The control number retrieval process through the www.Choicegas.com website was updated to eliminate validation using the last four of a customer's social security number to more current methods of text and email.

(d) Future Administration of Energy Options and Choice Gas Programs in Nebraska –

business as usual

Black Hills Energy has no current plans to expand Choice Gas Program in Nebraska in future but reserves right to reassess in future years as technology or customer demand shift. In addition, Black Hills Energy has no current plan for any significant structural changes for the foreseeable future. Black Hills Energy is reviewing its Choice Gas Program tariffs to determine whether any minor language modifications or clarifications (i.e., non-controversial) are appropriate and reasonable. Black Hills Energy would seek prior review and input from Suppliers, the Public Advocate, and the Commission Staff prior to making that “housekeeping” filing. Not that end, no tariff proposals will be undertaken while Black Hills Energy rate proceeding is pending.

Any issues raised related to the structure of either the Energy Options or Choice Gas Program in the current rate proceeding will be addressed individual Suppliers. If appropriate and necessary, the issue may be deferred and moved to a separate tariff filing independent of the rate proceeding in Commission Application No. NG-124.

IV. CONCLUSION

WHEREFORE, for the reasons stated above, BH Nebraska Gas respectfully submits the comments provided herein.

Respectfully,

Dated: June 11, 2025

By: /s/ Douglas J. Law

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NEBRASKA ANNUAL CHOICE GAS UPDATE

June 18, 2025



Annual Choice Gas Discussion Topics

1. Agricultural Choice Gas Program Update
2. Choice Gas Program Enhancements
3. Residential/Commercial Choice Gas Program Update
4. Commission Complaints
5. WY Workshop Status Update

AG Choice Gas Program

Agricultural Program

- 2 week selection period
- Year round marketing
- No restricted delegation agreement use
- Can choose up to 3 yr term
- Program year runs April 1st through March 31st
- Approximately 7,618 customers
- Primarily seasonal usage-irrigation & grain drying

Res/Com Program

- 3 week selection period
- Marketing coincides w/selection period
- Delegation agreement commercial only
- Residential up to 2 yr term
- Commercial up to 3 yr term
- Program year runs June 1st through May 31st
- Approximately 80,689 customers

2025 Agricultural Choice Gas Program

Selection Results



Approximately 7,618 customers participate in the AG program



2,724 multi-year balloted customers from 2025



4,894 eligible customers sent packets

3159 of the eligible customers made selections
1,735 customers defaulted



Approximately 2,597 delegation agreements submitted by Suppliers

Annual Agricultural Infrastructure Charge

The annual \$130.00 AAIR charge billed to all active agricultural meters in April.

Email and letter communications explaining the charge and when it would bill was sent to customers in the form of:

- Letters mailed 1/17/25

- Emails sent 1/21/25

- Publication in the Daily Record 2/20/25 & 2/27/25

Customer inquiries began after April bills went out

Overall reaction was minimal and resulted in two outcomes:

- Reclassification from AG to residential after review

- Meter removal for unused meters requested by customer

- Crediting of the AAIR charge

Choice Gas Program Enhancements



Ready

6

NPSC Received 06/11/2025

BHE Customer Portal Enhancements

Added customer specific Choice Gas information & additional selection method:

Current enrollment

- | | |
|------------------------------|------------------------------|
| Supplier name | Price option type |
| Supplier contact information | Term |
| Meter number | Lists all enrolled addresses |

New enrollment eligibility status:

- | | |
|------------------------------|----------------|
| Account number | Control number |
| Meter number | Deadline date |
| Lists all eligible addresses | |

New enrollment information after enrolled:

- | | |
|------------------------------|---------------------|
| Supplier name | Price option type |
| Supplier contact information | Term |
| Meter number | Verification number |
| Lists all enrolled addresses | |

2,354 customers utilized the portal to make selections in 2025

Customer Portal Screenshots

New enrollment period details

2025 program year

Account number

Meter number

Control number

Enrollment deadline date

New enrollment period details

2025 program year

Meter number

Supplier

Supplier contact information

Price option

Term

Term expiration

Verification number

Current enrollment details

2024 program year

Meter number

Supplier

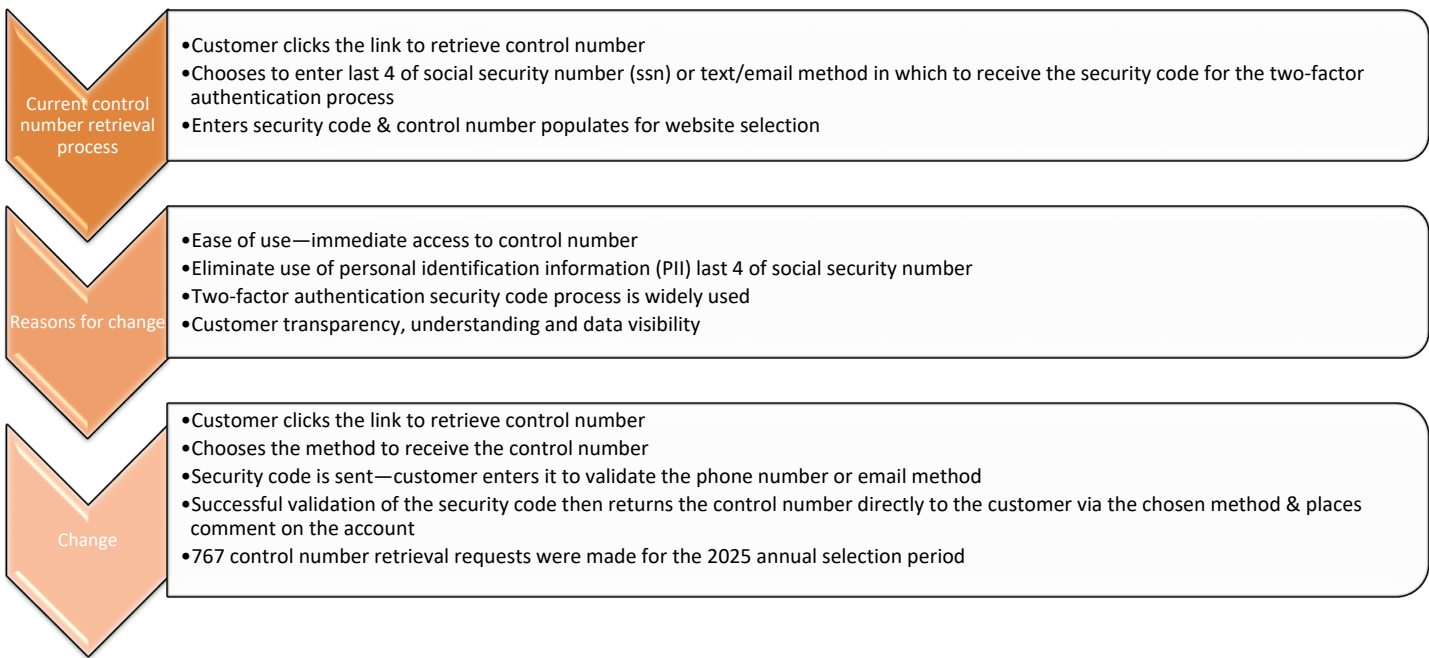
Supplier contact information

Price option

Term

Term expiration

Control Number Retrieval Process



Control Number Retrieval cont'd

Choice Gas

Control Number Lookup

To receive your control number enter your account number and choose the method you wish to receive it, email address or text. If you have multiple addresses under the same account number, a one-time verification code will be sent first for validation prior to returning the control number for each premise.

Account Number

Please choose a verification option.

☐ Email

☐ Text

SUBMIT

Balloted & Default Customer Results

Total Nebraska customer base	68,858 residential
80,689	11,831 commercial
Total of 69,736 eligible customers for 2025	37,798 customers selected
	31,938 of total eligible customers defaulted
Total multi-year selections made of 25,903	21,927 residential customers
	3,976 commercial customers
11,895 customers made 1 yr selections	9,862 residential customers
	2,033 commercial customers
42,891 defaulted	37,069 residential customers
	5,822 commercial customers

Nebraska Commission Complaints

One customer complaint dated 4/11/25

Customer wanted to express thoughts & feedback on supplier phone calls, specifically:

- Number of calls
- Origin of calls-typically identified as spam-customer suggested the Supplier name should show

Wyoming Choice Gas Program Update



- ❖ Quarterly Workshops Completed
- ❖ Several Choice Gas Program Improvements Implemented
- ❖ Wyoming Commission Staff Analyzing Comparison of Choice Gas Supplier Pricing vs. BH Wyoming GCA Price
- ❖ BH Wyoming Gas Operating Choice Gas Program – “Business As Usual” – for the Foreseeable Future

Questions



