

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

)	Application No. NG-0112.4
In the Matter of the Application of Black)	
Hills Nebraska Gas, LLC, d/b/a Black Hills)	Public Advocate’s First Request for
Energy, seeking approval of a 2025 System)	Information and Documents to Applicant
Safety & Integrity Rider.)	

TO: Black Hills Energy, Applicant, and its attorney:

The Public Advocate hereby propounds the following requests for information and documents upon the Applicant:

PA-1. Process and Controls: Please provide any 2024 updates to the policies and procedures (and/or flow charts) for the following items:

- a. The identification and categorization of SSIR projects
- b. The development of the SSIR (Include sources for all components, how components are gathered and entered, and approval requirements—who provides approvals, for what items, and when approvals are needed in the process.)

Response:

PA-2. Alternative Projects and Transfers. Reference NG-112.4 SSIR Application, page 6. The Company states in its 2025 SSIR application:

In its 2024 SSIR Charge Order, the Commission further approved the Company’s request for approval to swap amounts approved for SSIR Projects at the category level. The Commission’s 2024 SSIR Charge Order permits Black Hills Energy to **swap an approved SSIR Project in one category to an SSIR Project in another category** so long as that Project was reviewed and approved as part of the 2024 SSIR Application review process [emphasis added].

Where in the Commission Order in NG-112.3 was approval granted to swap SSIR projects from one category to another category?

Response:

PA-3. Alternative Projects and Transfers. The SSIR Tariff, Third Revised Sheet No. 127, item A.i. states

Pertinent information and supporting data related to Eligible System Safety and Integrity Costs, including, at a minimum, Project description and scope, Project costs and projected in-service dates for the Projects budgeted to be completed in the upcoming calendar year. Should circumstances arise which prohibit the Company's planned spending on a Project, **the Company may transfer funds within the same category to another like Project**. Such transfer of funds will be communicated to the Public Advocate and Commission via an informational filing subject to the Public Advocate's review and the Commission's approval [emphasis added].

Where in the approved SSIR Tariff is the Company authorized to swap SSIR projects from one category to another category?

Response:

PA-4. DIMP

- a. 2025 SSIR Issues—DIMP: Please provide a copy of the latest DIMP, if different from what was used to forecast 2024 projects.
- b. 2025 SSIR Issues—DIMP: Please provide a copy of or describe any 2024 PHMSA-filed Gas Distribution Integrity Management Program (DIMP) changes used to forecast the 2025 SSIR Projects.
- c. 2025 SSIR Issues—DIMP: Please provide copies of or describe any 2024 completed or in-progress audits (internal or external) that reviewed the DIMP program.

Response:

PA-5. TIMP

- a. 2025 SSIR Issues—TIMP: please provide a copy of the latest TIMP, if different from what was used to forecast 2024 projects.
- b. 2025 SSIR Issues—TIMP: Please provide a copy of or describe any 2024 PHMSA-filed Gas Transmission Integrity Management Program (TIMP) changes used to forecast 2025 SSIR Projects.
- c. 2025 SSIR Issues—TIMP: Please provide copies of or describe any 2024 completed or in-progress audits (internal or external) that reviewed the TIMP program.

Response:

PA-6. Damage Prevention

- a. 2025 SSIR Issues—Damage Prevention: Please provide any 2024 changes to the Damage Prevention procedure.

Response:

PA-7. Risk Ranking Scores

- a. 2025 SSIR Issues—Risk Ranking Scores: Please describe any 2024 changes in how risk modeling assigns risk scores by each of the three risk models (TIMP, DIMP, and ARMR) and how project risk scores calculated from one SSIR category are compared to other SSIR categories (e.g., risk scores for Top of Ground vs. Town Border Stations vs. Bare Steel Replacement).
- b. 2025 SSIR Issues—SSIR Category: Please describe how individual projects are selected within each SSIR category. In particular, please explain how the risk score and budget are determined initially and what criteria will be used to possibly adjust through the construction period to accommodate execution delays.

Response:

PA-8. Alternatives

- a. 2025 SSIR Alternative Projects—General: Please explain why these projects were chosen for inclusion as alternative projects.
- b. 2025 SSIR Alternative Projects—ARMR: For the seven ARMR alternative projects, please provide the details as to how the Company arrived at an average cost of \$7,000 to relocate a meter.
- c. 2025 SSIR Alternative Projects—Osceola Nebraska Bare Main Replacement: Please provide the project risk score model inputs that support the risk ranking of 1478.9 and the specific level of risk identified to be addressed.
- d. 2025 SSIR Alternative Projects—Town Border Stations (TBS): For each of the six individual projects listed in the application, please provide the project risk score model inputs and specific level of risks identified to be addressed.

Response:

PA-9. Bare Steel

- a. 2025 SSIR Projects—Ashland Nebraska Bare Steel Distribution Main: Please provide the project risk score model inputs and specific level of risks identified to be addressed.

Response:

PA-10. TOG

- a. 2025 SSIR Projects—Top of Ground (TOG): For each of the five individual projects listed in this section of the application, please provide the project risk score model inputs and specific level of risks identified to be addressed.
- b. 2025 SSIR Projects—Top of Ground (TOG) Lincoln Nebraska—Span Replacement 35th & Superior: Please explain why the cost for this project is \$777.77 a foot and the other four projects range from \$49 to \$57 a foot.

Response:

PA-11. Meter Relocations

- a. 2025 SSIR Projects—Meter Relocations: For each of the four locations identified in this section of the application, please provide the project risk score model inputs and specific level of risks identified to be addressed.
- b. 2025 SSIR Projects—Meter Relocation: Please describe, across the four projects involving 2,301 meter relocations, how the budget estimate, of ~\$7000/meter relocated was determined.

Response:

PA-12. DIIP

- a. 2025 SSIR Projects—Data Infrastructure Improvement Program (DIIP): How did the Company determine which projects should be included in the DIIP for 2025?
- b. 2025 SSIR Projects—Data Infrastructure Improvement Program (DIIP): What are the estimated completion dates (in-service dates) for each project?
- c. 2025 SSIR Projects—Data Infrastructure Improvement Program (DIIP): Are any of the projects a continuation from a prior year?
- d. 2025 SSIR Projects—Data Infrastructure Improvement Program (DIIP): Are the projects outsourced? If so, please provide the contractor estimates for each project.
- e. 2025 SSIR Projects—Data Infrastructure Improvement Program (DIIP): Will any of the projects eliminate an existing project? If so, what programs will be eliminated?
- f. 2025 SSIR Projects—Data Infrastructure Improvement Program (DIIP): Will the projects be used by more than BHE Nebraska? If so, what other entities will use them, and how are the project costs split among entities?
- g. 2025 SSIR Projects—Data Infrastructure Improvement Program (DIIP):
- h. Projects:
 - *Transmission/Gathering Traceable, Verifiable and Complete (TVC) Records*
 - *Gas Service Card Mapping*
 - *Distribution Main & Service Centerline Survey*
 - *Distribution Attribute Improvement*
 - *GIS Pressure Systems*
 - *GIS Emergency Response Zone*
 - *GIS Cathodic Protection (CP) Zones*
 - *Bare Pipe Inspection (BPI) and Subject Matter Expert (SME) Pipeline Attribute Assessment*
 - *Document Management Migration*

For each of the above-listed projects, please respond to these requests:

- i. What is the status/percent completion of each project as of December 31, 2024?
- ii. For each project that is not yet complete, please provide the following information.
 1. Estimated cost for each year
 2. Most recent estimated in-service dates
 3. Indication of whether the estimated project in-service date is a revision to a previously estimated in-service date (And, if so, provide all the previous dates by project.)
 4. For any estimated project in-service date that has been revised, explanation of the reason(s) for the change

Response:

PA-13. Obsolete

- a. 2025 SSIR Projects—Obsolete Infrastructure-Electronic Reading Transmitters (ERT) Upgrades: Please explain how the Company determined that the estimated average cost of replacing 40ERTs with 100G ERTs is \$2,000,000, which averages \$50,000 per replacement.
- b. 2025 SSIR Projects—Obsolete Pipe Replacement: For the two PVC distribution main projects, please provide the project risk score model inputs.
- c. 2025 SSIR Projects—TIMP: For the specific project “Adams County, Nebraska—4” Kenesaw Lateral, what size diameter pipe will replace the existing 4” transmission main. Please provide the reason(s) why that size diameter pipe was selected.

DATED this 26th day of August 2024.

PUBLIC ADVOCATE

By:

Chris Dibbern

Chris Dibbern, #17286

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the above and foregoing Public Advocate's First Request for Information and Documents to Applicant was served electronically on this 26th day of August 2024, upon the following:

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