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October 14, 2022

Ms. Nichole Mulcahy
Director of Natural Gas
Nebraska Public Service Commission
1200 N Street, Suite 300
Lincoln, NE 68508

William Austin
Public Advocate of Nebraska
2511 South 77th Place
Lincoln, NE 68506

Re: *Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy Seeking
Approval to Adjust the Surcharge for the Farm Tap Safety Program for the 2018-2019 Year
Application No. NG-0090.2 – Quarterly Progress Report*

Dear Ms. Mulcahy and Mr. Austin:

Black Hills Energy provides this Quarterly Farm Tap Replacement or Purchase and Investment Progress Report, pursuant to the Nebraska Public Service Commission's ("Commission") Hearing Officer Order dated July 20, 2020, in the above-captioned proceeding. This Report contains information current as of September 30, 2022. The Monthly Total Investment activity in Q3 2022 is related to a correction to prior charges.

2019	March	April	May	June	July
Monthly Line Replacements and Purchases	0	37	27	40	45
Cumulative Total	171	208	235	275	320
Monthly Total Investment	\$ 91,899	\$ 128,581	\$ 430,005	\$ 316,214	\$ 419,460
Cumulative Investment	\$2,133,713	\$2,262,294	\$2,692,299	\$3,008,513	\$3,427,973

2019	August	September	October	November	December
Monthly Line Replacements and Purchases	50	33	52	32	20
Cumulative Total	370	403	455	487	507
Monthly Total Investment	\$ 388,225	\$ 593,629	\$ 514,435	\$ 629,173	\$ 563,860
Cumulative Investment	\$3,816,198	\$4,409,827	\$4,924,262	\$5,553,435	\$6,117,295
2020	January	February	March	April	May
Monthly Line Replacements and Purchases	15	18	14	14	1
Cumulative Total	522	540	554	568	569
Monthly Total Investment	\$ 333,179	\$ 374,513	\$ 517,944	\$ 602,114	\$ 56,800
Cumulative Investment	\$6,450,474	\$6,824,987	\$7,342,931	\$7,945,044	\$8,001,844
2020/2021	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Quarterly Line Replacements and Purchases	1	2	3		
Cumulative Total	570	572	575	575	575
Quarterly Total Investment	\$ 12,644	(\$112,007)	\$ 162,292	\$ 0	\$ 0
Cumulative Investment	\$8,014,488	\$7,902,481	\$8,064,772	\$8,064,772	\$8,064,772
2021/2022	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Quarterly Line Replacements and Purchases		2			
Cumulative Total	575	577	577	577	577
Quarterly Total Investment	\$ 0	\$ 4,852	\$ 7,077	\$ 0	(\$ 12)
Cumulative Investment	\$8,064,772	\$8,069,624	\$8,076,701	\$8,076,701	\$8,076,689

Below is a summary of the overall Farm Tap Replacement Program.

Replaced/Purchased	577
In Process	2
Easement Issues	0
NNG A-Line/Non-Active	<u>100</u>
Total	679

Of the two (2) taps reported as “In Process” in the June 15, 2022, Quarterly Progress Report, the one (1) tentatively scheduled for completion in September has been completed in October. The costs associated with this tap and counts by line item will be updated in the next quarterly report. Completion of the other farm tap is currently deferred until 2023 because it is connected to a lateral branch line owned by Northern Natural Gas (“Northern”). Black Hills Energy understands that Northern’s gas line is currently anticipated to be replaced by Northern in late 2022. Once Northern has completed its planned pipeline replacement project, Black Hills Energy will then be able to work with the Customer to complete the Customer’s farm tap. Deferring the farm tap replacement for this Customer will avoid redundant costs that would otherwise occur for this project.

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

Respectfully submitted,

/s/ Tyler E. Frost

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And

/s/ Douglas J. Law

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cc: Jonathan Smith - NPSC
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