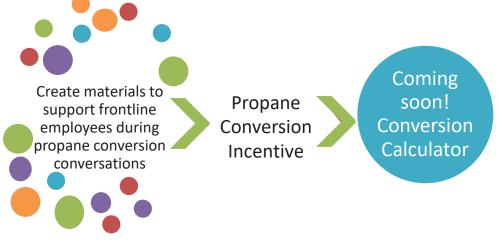
Nebraska Propane Conversion Incentive

Project Overview



Started with an Idea

The ask....





Communications to help you



Coming Soon.....Conversion Calculator



What is it??

The Nebraska Propane Conversion Incentive is an incentive program that is available to residential customers that currently utilize propane to provide energy to their appliances and will be converting to natural gas.





Incentive Overview

Potential customers can convert up to 3 propane appliances to natural gas and receive a rebate up to \$500.00.

Example: Burner Tip	Incentive
One approved burner tips	\$200
Two approved burner tips	\$400
Three or more approved burner tips	\$500



Maximum Incentive Amount

\$500.00



Approved Natural Gas Appliances

Furnace, Tank Water Heater, Tankless On-Demand Water Heater, Range or Cooktop, Gas Fireplace, Gas Dryer, Outdoor appliance, or Heating Systems

Furnace-Minimum BTU 40,000 or AFUE 80%**

Water Heater-Minimum BTU 30,000 or FEU 80%**





ARMR Disconnection Process/Procedure

Single Family Residential Service

- BHE's contractor has completed a permitted ROW area and notifies BHE that they have been unsuccessful scheduling an inside meter move out and has exhausted all steps of their process.
- BHE attempts to contact the customer and sends "urgent" notice to the customer. Document in CIS+.
- If the customer has not contacted BHE to arrange a meter move out within two weeks, BHE sends "final" notice via certified mail.
 Document in CIS+. Copy of final notice and return receipt will be retained.



ARMR Disconnection Process/Procedure

Continued

- BHE schedules the underground locates and hangs a door tag 48 hours before the disconnect date.
- If the customer has not contacted BHE to arrange a meter move out within two weeks, BHE disconnects service at the curb. Document in CIS+ and hang a door tag.
- When the customer contacts BHE after disconnection, BHE will coordinate with the customer to schedule the meter move out. BHE's contractor will perform the work.

Supply Chain Update

Given the likelihood for continuing disruptions to global S/Cs many economists are projecting pricing and lead time impacts into 2023.



July 10, 2022

June summary

S/C risk remains high

Potential environmental impacts (hurricanes, fires, floods) to pressure existing strained supply chains

EEI asserts industry wide impacts to distribution transformers/poles/conductor/semi-conductors

Gartner Heat map shows little to no improvement from multiple indices

Inventory Lead times remain extended and, on average, are 70% higher than pre-pandemic levels

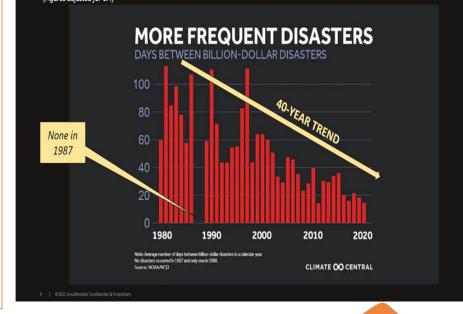
Strong demand, labor shortages, transportation bottlenecks and raw material constraints remain key drivers of global disruptions.

We do not anticipate that global supply chains will fully return to a previously normal environment in the next 2-3 years and probability for current pricing and lead time challenges to push into 2023 is increasing.

Environmental impacts, potential to pressure existing disruptions

- As of May, the Climate Prediction Center (CPC) at the National Oceanic and Atmospheric Administration (NOAA) forecasts a 65% chance for an above-normal season, predicting that there is a 70% chance of having 14 to 21 named storms, of which six to 10 could develop into hurricanes, including three to six major hurricanes (Categories 3-5).
- The 2022 Atlantic hurricane season runs from June 1 to November 30.

Furthermore, the time between major disasters (> \$1 B in cost) is compressing – from 82 days in 1980 to just 18 days in 2020. (Figures adjusted for CPI)



EEI Supply Chain Working Group

- Seventy-five percent of investor-owned utilities reported having lower inventories of either pad-mounted or pole-mounted distribution transformers this year than in 2018.
- Depleted inventories of critical equipment and the inability to purchase new equipment raise concerns about the feasibility of responding to and recovering from another potentially catastrophic hurricane or wildfire season in 2022, even with robust mutual assistance and equipment sharing programs in place.
- Many new infrastructure projects, including projects that advance the industry's clean energy objectives, have been delayed or canceled because supplies are not available.
- EEI has established a Chief Procurement Officers Executive Advisory Committee to provide strategic guidance and expertise on policy and operational issues.

Gartner June indices Heat Map

2020							2021							2022													
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	MoN	A % Change
	Materials: Commodity Price - Food (IMF)	96.5	99.8	97.6	98.6	100.0	105.3	108.4	109.5	116.4	119.5	122.3	129.8	135.2	127.7	129.0	131.5	127.1	128.0	129.8	133.5	139.9	147.2	157.7	160.2		1.6%
	Materials: Commodity Price - Metals (IMF)	121.6	132.1	139.2	148.9	152.2	151.2	158.3	179.9	189.7	193.5	199.0	207.9	229.7	237.4	237.8	212.3	191.5	195.7	179.5	190.2	208.7	216.5	233.4	231.4	•	-0.9%
Global	Materials: Commodity Price - Energy (IMF)	66.9	82.4	86.9	93.4	90.5	93.3	100.2	118.8	138.8	143.4	142.7	143.3	155.3	171.7	183.1	184.9	213.7	257.4	237.4	241.3	242.9	263.7	338.3	302.0	•	-10.7%
Global	Logistics: Ocean Freight Cost (FBX)	1471	1695.8	1805.6	1883.8	2141.3	2237.0	2343.3	2895.3	4037.0	4483.0	4373.8	4618.5	5447.3	6597.8	8700.5	10073.8	10865.8	10220.3	9622.3	9448.3	9544.8	9705.5	9613	9205.0	•	-4.2%
	Logistics: Logistics Managers' Index (LMI)	54.5	61.7	63	66	70.5	71.6	70.8	66.7	67.2	71.4	72.2	74.5	71.3	75	74.5	73.8	72.2	72.6	73.4	70.1	71.9	75.2	76.2	69.7	•	-8.5%
	Risk: Covid Infection Rates (Johns Hopkins)	2.9M	4.3M	7.1M	7.9M	8.5M	12.1M	17.2M	20.4M	19.6M	11.3M	14.8M	22.5M	19.4M	11.5M	15.7M	19.9M	16.1M	13.1M	15.7M	25.6M	90.2M	58.2M	51.4M	25.0M	•	-51.4%
	Materials: Producer Price (BLS)	-1.1	-0.7	-0.3	-0.3	-0.3	0.6	0.8	0.8	1.6	З	4.1	6.5	7	7.6	8	8.7	8.8	8.9	9.9	10	10.1	10.4	11.5	11	▼	-4.3%
	Materials: Supply Sentiment (ISM)	68	56.9	55.8	58.2	59	60.5	61.7	67.7	68.2	72	76.6	75	78.8	75.1	72.5	69.5	73.4	75.6	72.2	64.9	64.6	66.1	65.4	67.2		2.8%
	Materials: Retail Inventories (Census)	1.35	1.23	1.22	1.23	1.23	1.25	1.27	1.27	1.22	1.24	1.1	1.09	1.1	1.1	1.12	1.12	1.1	1.09	1.1	1.17	1.15	1.15	1.16			
U.S.	Materials: Manufacturer Inventories (Census)	1.79	1.63	1.54	1.54	1.53	1.51	1.51	1.49	1.47	1.5	1.48	1.49	1.49	1.48	1.47	1.48	1.48	1.46	1.46	1.46	1.45	1.45	1.43			
0.5.	Logistics: Ocean Freight Cost (FBX)	1641.9	2275.3	2718.2	3145.2	3710.9	3856.5	3860.5	3876.5	4826.8	5523.0	5431.7	5914.1	7141.8	8632.1	12521.4	17574.1	19735.9	17142.7	15619.2	14659.3	14725.1	15486.9	16105.3	15644.7	•	-2.9%
	Labor: Manufacturing Labor Cost (BLS)	22.77	22.6	22.81	22.85	23	22.99	23.11	23.18	23.27	23.39	23.4	23.48	23.64	23.77	23.89	24.03	24.1	24.17	24.24	24.38	24.51	24.56	24.71	24.78		0.3%
	Labor: Manufacturing Labor Supply (BLS)	2.7	2.8	3.4	3.8	3.8	4.2	3.8	3.5	4.1	4.5	5.7	6.5	6.7	6.8	7.2	6.6	7.1	7	6	5.5	6.4	5.9	6.4	7.2		12.5%
	Labor: Logistics Labor Supply (BLS)	4.2	5.2	5.3	4.6	5	5	4.4	4.1	5.5	5.4	6.4	7.2	6.2	7.3	8.2	7.8	8.3	8.2	7.3	7.5	6.7	7	6.3	7.8		23.8%
	Materials: Producer Price (NBS)	94.9	95.8	96.5	97	97.2	97.3	98.2	99.5	100.5	102.3	105.8	109.1	112	111.8	112	112.7	114.2	117.9	117	113.4	111.8	111.4	110.7	110.3	•	-0.4%
China	Materials: Supply Sentiment (NBS)	50.5	50.5	50.4	50.4	50.7	50.6	50.1	49.9	48.8	47.9	50	48.7	47.6	47.9	48.9	48	48.1	46.7	48.2	48.3	47.6	48.2	46.5	37.2		-20.0%
	Logistics: Ocean Freight Cost (FBX)	926.9	982.3	936.2	844.3	752.0	707.5	754.1	928.5	1074.2	1146.9	1118.6	1176.5	1277.8	1372.5	1331.0	1282.6	1213.6	1194.6	1125.2	1031.7	1071.3	970.8	957.9	908.9		-5.1%
	Labor: Manufacturing Labor Supply (NBS)	49.4	49.1	49.3	49.4	49.6	49.3	49.5	49.6	48.4	48.1	50.1	49.6	48.9	49.2	49.6	49.6	49	48.8	48.9	49.1	48.9	49.2	48.6	47.2		-2.9%
	Materials: Producer Price (Eurostat)	99.6	100.1	100.5	100.5	100.7	101	101.3	101.8	103.2	103.9	105.1	106	107.1	108.4	110.7	111.8	114	118.4	120.2	122.7	127.6	129	134.8			
1	Logistics: Ocean Freight Cost (FBX)	1441.5	1619.5	1702.4	1702.3	1976.3	2152.6	2422.4	4156.1	7307.3	8208.7	7775.0	7508.1	8702.8	10886.2	12767.6	13977.6	14273.5	14435.1	14285.5	14439.8	14569.8	14436.8	13005.0	11737.4	•	-9.7%
Eurozone	Labor: Manufacturing Labor Supply (Eurostat)	0.	9		1			1.2			1.4			1.7			1.9			2.2							
1	Labor: Logistics Labor Supply (Eurostat)	1.	5		1.4			1.5			1.7			1.7			2.1			2.6							
	Labor: Manufacturing Labor Cost (Eurostat)	4.	3		1			2.3			1.2			-1.7			2			1.5						1	
RESTRICTED DISTRIBUTION Increasing Strain					n Data Unavailable Gartner																						
4 e										1d meth																	

Category Challenges – Price and Lead time risk high

Electric and natural gas utility categories

- Wire and cable 600V aluminum, bare overhead distribution and transmission, primary underground
- Transformers, capacitors and voltage regulators
- Fiber optic cable
- HDPE conduit
- Anchors and pole line hardware
- Fiberglass crossarms
- Fiberglass box pads and enclosures
- Transmission insulators and related hardware
- Gas pipe
- Gas regulators
- Excess flow valves
- · Meter risers and meter set assemblies
- Anodes

New & updates

- The Uyghur Forced Labor Prevention Act is expected to impact already strained supply chains because 10% of companies globally that do any kind of manufacturing touch the Xinjiang region in some ways, according to estimates. (WSJ)
- President Joe Biden signed the Ocean Shipping Reform Act of 2022 into law, promising sweeping changes to the ocean shipping industry after more than two years of port congestion, delays and rising costs. (SourceToday)
- Infrastructure Investment and Jobs Act (IIJA), with the passage of this spending bill an estimated \$550B of new federal spending to support US infrastructure and domestic manufacturing will support long term growth, a side impact may include short term pressuring of demand on producers of commodities, building materials, steel, aluminum and copper. (PWC)
- The contract governing West Coast dockworkers runs out July 1st. Some importers are already rerouting cargo away from the big trans-Pacific gateways amid fears of slowdowns and disruptions. (WSJ)
- Consumer Price Index (CPI) for all items rises 1.3% in June; gasoline, shelter, food indexes rise: In June, the Consumer Price Index for All Urban Consumers rose 1.3 percent, seasonally adjusted, and rose 9.1 percent over the last 12 months, not seasonally adjusted. The index for all items less food and energy increased 0.7 percent in June (SA); up 5.9 percent over the year (NSA). (Bureau of Labor).

Bill redesign



Why redesign our bill?

- One of the most important touchpoints
 with customers
- New technology available
- Deliver more personalization
- Customer feedback



Bill redesign guiding principles

- Draw attention to most important information on the bill.
- Use front as a summary of monthly bill, saving detail for the back.
- Deliver personalization wherever possible.
- Promote website resources.
- Connect customers to Black Hills Energy brand.



Redesign process

Ask the experts

- Interviewed contact center to understand customer pain points
- Customer satisfaction survey feedback

Review the art of the possible

• Study other billing experiences (utility and non-utility bills)

Test prototypes

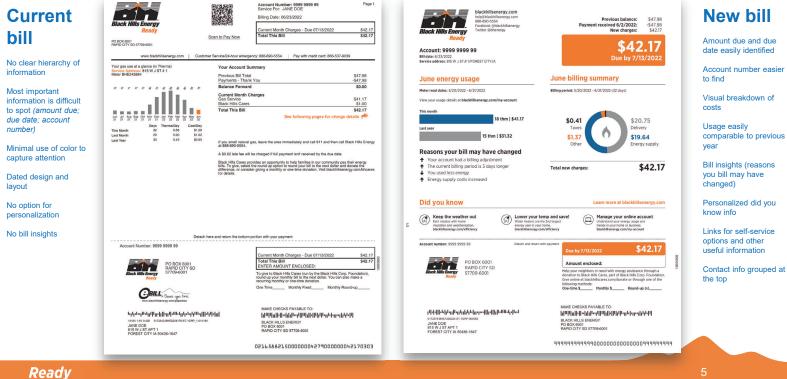
- Unmoderated customer survey
- Focus group with contact center

Iterate, iterate, iterate

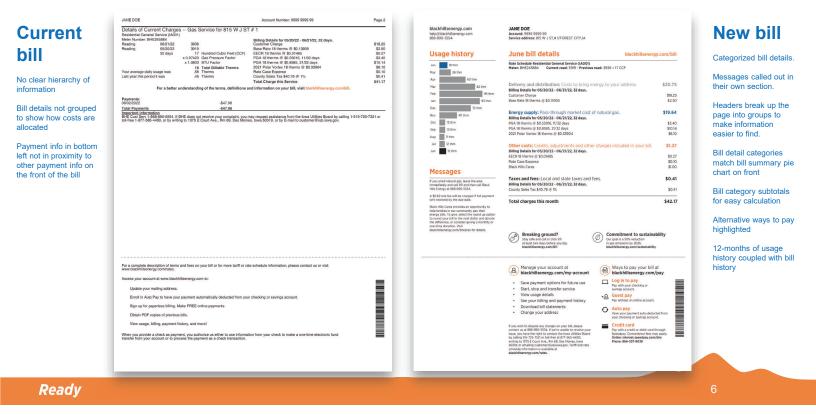


Black Hills Energy	Service	Number: 9999 9999 99 P4 For: JANE DOE ate: 06/23/2022
Ready	Current	Month Charges - Due 07/13/2022 \$42
PO BOX 6001 RAPID CITY SD 57709-6001	Scan to Pay Now Total Ti	is Bill \$42
www.blackhillsenergy.com C	ustomer Service/24-hour emergency: 888-890	5554 Pay with credit card: 866-537-9039
Your gas use at a glance (in Therms) Service Address: 815 W J ST # 1	Your Account Summary	
Meter BHE245884	Previous Bill Total Payments - Thank You	\$47.98 -\$47.98
~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~	Balance Forward	\$0.00
- III.	Current Month Charges Gas Service Black Hills Cares	\$41.17
an an an All III III III	Total This Bill	\$1.00 \$42.17
Jun Jul Aug Sep Oct Nov Dec Jun Peb Mar Age Mar Mar Age Mar Age Mar Age Mar Mar <td></td> <td>See following pages for charge details 🇭</td>		See following pages for charge details 🇭
	05	area immediately and call 911 and then call Black Hills Er
	A \$0.62 late fee will be charged if	ull payment isn't received by the due date.
	differenci, or consider giving a m for details.	rithy or one-time donation. Yisit blackhillsenergy combin
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	Current Total Ti ENTER To give to round up?	Month Charges - Due 07/13/2022 \$42
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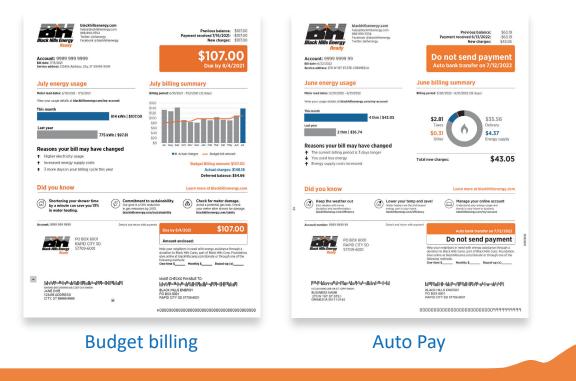
Current bill vs. new bill

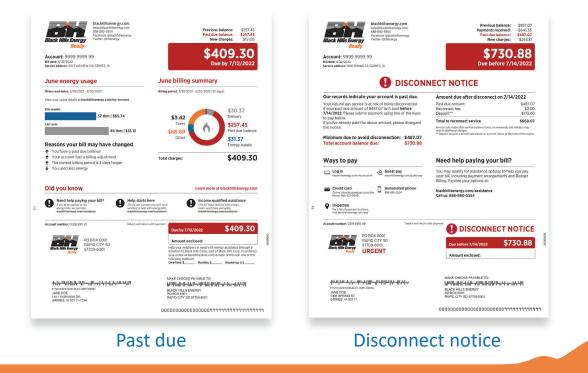


Current bill vs. new bill (gas)



Appendix





	Black Hillse Energy Black Hills Energy	Previous balance: \$186.67 Payment received 6/13/2022: -\$186.67 New charges: \$92.80	blackhillsenergy.com helpitblachilsenergy.com 888-890-5554	BUSINESS NAME Account: 9999 999 99		blackhillsenergy.com heb@blackhilsenergy.com 888-990-5554	BUSINESS NAME Account: 9999 999 99	
	Ready			June bill details blackhillsen	argy.com/bill	Usage history	June bill details blackhillsenerg	y.com/bill
	Account: 9999 9999 99 Bill date: 6/22/2022	Do not send payment Auto bank transfer on 7/12/2022		Account level details Billing period: \$20/2022 - 6/2/2022 (32 days) Delivery and distribution: Costs to bring energy to your address.	\$57.14	Jun 10 thm May 24 thm Apr 22 thm Har 27 thm	Gas service for 527 S IST LN/GUTTENBERG,IA Ref schedule Residential General Service (AGOT) Meter: 5H225553 Current read: 5764 - Parvious read: 5773 - 9 CCF	
	June energy usage	June billing summary		Energy supply: Pass-through market cost of natural gas.	\$30.55	Feb 154 thm	Delivery and distribution: Costs to bring energy to your address. Billing Details for 05/20/22 - 06/20/22, 32 days.	\$19.64
	Meter read dates: 5/20/2022 - 6/21/2022 View your usage details at blackhillsenergy.com/my-account	Billing period: \$/20/2022 - 6/21/2022 (32 days)		Other costs: Credits, adjustments and other charges included in your bil Other costs all premises	I. \$0.76 \$0.76	Jan 300 thm Dec 29 thm New 12 thm	Customer Charge Base Rate 10 thems @ \$0.3305	\$18.25 \$1.39
	This month			Taxes and fees: Local and state taxes and fees.	\$4.35	Oct 13 thm	Energy supply: Pass-through market cost of natural gas. Billing betails for 05/20/22 - 06/21/22, 32 days.	\$10.91
	28 thm \$92.80	\$4.35 \$57.14 Taxes \$57.14		Total account level charges	\$92.80	Sep 13 thm Aug 12 thm	PGA 10 therms @ \$0.55016. 11/32 days PGA 10 therms @ \$0.8585, 21/32 days	\$1.89 \$5.63
	Last year 28 thm \$77.65	\$0.76 \$30.55				Jul 12 thm Jun 14 thm	2021 Polar Vortex 10 therms @ \$0.33904	\$3.39
	Descent ways hill many hours also and	Other Energy supply					Other costs: Credits, adjustments and other charges included in your bill. Billing Details for 05/20/22 - 05/21/22, 32 days.	\$0.25
	Reasons your bill may have changed The current billing period is 3 days longer	-					EECR 10 therms @ \$0.01485 Rate Case Expense	\$0.15 \$0.10
	You used less energy Energy supply costs increased	Total new charges: \$92.80					Taxes and fees: Local and state taxes and fees. Billing Details for 05/20/22 - 06/21/22, 32 days.	\$0.31
							County Sales Tax \$30.80 (# 15	\$0.31
							Total charges for this service	\$31.11
	Did you know	Learn more at blackhillsenergy.com						
10	Keep the weather out Lan relates with home Instant and weather/addin. Machinescengy.com/dfluency			Breaking ground? Sony site and all or cick Bit at state the drys tetrery provids block/sitesrepy.com/WII		3		
	Account number: 9999 9999 99 Detach and return with pa			Manage your account at Manage your account at Mays to pay your b blackhillsenergy.com/my-account	ell at			
	PO BOX 6001	Auto bank transfer on 7/12/2022 Do not send payment		- I as is is set				8
	Black Hills Every 57709-6001	Help your neightors in need with energy assistance through a donation to Black Hills Cores, part of Black Hills Corp. Foundation.		Save payment options for future use Start, stop and transfer service Start, stop and transfer service	ni.			00
	Ready	Give online at blackhillscares.com/donate or through one of the following methods:		View usage details See your billing and payment history See Your billing and payment history	nt.			
		One-time \$ Honthly \$ Round-up (x)		Download bill statements Change your address Auto pay Neve your payment auto-de	ducted from			
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	PO BOX 730 GUTTENBERG IA 52052-0730	PO B0X 6001 RAPID CITY SD 57709-6001		writing to 1375 E Court Awa, em 69, Das Moines, Iowa Phone: 866-537-9039 50.39; or enauling customentijiub lowa gov. Tantfl and rate schodule information is analiable at				
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Black Hills Energy Ready	blackhillsenergy.com help@blackhillsenergy.com 888-890-5554	Facebook @blackhillsenergy Twitter @bhenergy
Bill date:		6/22/2022
Account:		9999 9999 99
Service addres	s: 1953 NASH	BLVD,# 1/COUNCIL BLUFFS,IA
Account sum	mary	
Previous baland	ce:	\$62.31
Payment receiv	red 6/7/2022:	-\$62.31
Balance Forwa	rd:	\$0.00
New charges:		\$79.00
Account number: 9999 9999		\$79.00
	O BOX 6001 APID CITY 5D 7709-6001 6	Dues by 7/12/2002 \$79.00 Amount endoced: up on endoch and the Cent y and taken the Cent with the Micros Pour of the Micros Pour And Amount and Micros Pour of the Micros Pour And Micros Pour And Amount and Amount and Amount and Amount and Amount and Amount and Amount and Amount and Amount and Amou

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BLACK HILLS PO BOX 6001 RAPID CITY S		

Bill details Rate Schedule Residential General Ser Meter: NGM867044 Current read: 9717 - Previous Read: 97 Meter read dates: 5/3/2022 - 6/2/202	41 = 24 CCF
Delivery & distribution: Billing Details for 05/03/22 - 06/02/2 Customer Charge Base Rate 27 therms @ \$0.13905	2, 30 days. \$18.25 \$3.75
Energy supply: Billing Details for 05/03/22 - 06/02/2 PGA 27 therms @ \$0.55016, 28/30 day:	2, 30 days.
PGA 27 therms @ \$0.8585, 2/30 days 2021 Polar Vortex 27 therms @ \$0.3390 Taxes & fees: Billing Details for 05/03/22 - 06/02/2	\$0.94
Franchise Fee \$47.06 @ 2% Other costs: Billing Details for 05/03/22 - 06/02/2	\$0.94 \$0.50 2, 30 days.
EECR 27 therms @ \$0.01485 Rate Case Expense	\$0.40 \$0.10
Anage your account at blackhillsenergy.com/my-account Ways to pay your bill at blackhillsenergy.com/pay	If we're unable to resolve your issue, you have the right to contact the lowa Utilities Board by calling 515-725-7321 or toll-free at 877-565-4450; writing to 1375 E Court Ave., Rm 69, Des Moines, Iowa 50319; or emailing customer@iubiowa.gov. Tariff and rate schedule information is available at blackhillsenergy.com/rates.

Vision impaired

Bill details (continued) Actual charges this month

Budget Billing this month

\$79.00

\$79.00

You have a deferred balance of \$270.17 The deferred balance is the difference between your actual charges over the last 12 months and your Budget Billing amount paid during that time:

Ø

Messages If you smell natural gas, leave the area immediately and call 911 and then call Black Hills Energy at 888-890-5554.

A \$1.19 late fee will be charged if full payment isn't received by the due date.

Black Hills Cares provides an opportunity to help families in our community pay their energy bills. To give, select the round up option to round your bill to the next dollar and donate the difference, or consider giving a monthly or one-time donation. Visit blackhillsenergy.com/bhcares for details.

Nebraska Corporate Income Tax Reductions

- 1. Nebraska LB432 (May 1, 2021)
 - 2021 7.81%
 - 2022 7.50%
 - 2023 7.25%
- 2. Nebraska LB 873 (April 13, 2022)
 - 2024 6.50%
 - 2025 6.24%
 - 2026 6.00%
 - 2027 5.84%

