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April 1, 2022

Nebraska Public Service Commission  
1200 N Street  
Suite 300  
Lincoln, Nebraska 68508

RECEIVED  
4/1/22  
NAT GAS DEPT

Attn: Col. Thomas Golden (Ret.)  
Executive Director

**Re: Commission Application No. NG-111.1**

**PUBLIC VERSION**

*In the Matter of the Commission, on its own motion, seeking to investigate the effect of the February 2021 cold weather event upon the cost of gas supply purchased by Nebraska gas utilities.*

**Semi Annual Report – Recovery Progress**

Dear Mr. Golden:

Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy (“BHE” or the “Company”) herewith submits for filing this Report of the Progress of the Recovery of Purchased Gas Costs pursuant to the Nebraska Public Service Commission’s (“Commission”) order, entered May 25, 2021, in Commission Application No. NG-111/PI-237.

This Report is current as of February 28, 2022.

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

Respectfully submitted,

/s/ Tyler E. Frost

Manager of Regulatory & Finance

and

**Douglas J. Law**  
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**ATTORNEY FOR BLACK HILLS NEBRASKA  
GAS, LLC d/b/a Black Hills Energy**

cc: Robert Amdor  
Kevin Jarosz  
William Austin  
Nichole Mulcahy  
Jonathan Smith

**Recovery of Storm Uri, February 2021, Purchased Gas Costs Progress**

<b>Ln</b>	<b>Description</b>	<b>Source</b>		
1	Total Commodity Costs	NG-111.1; Exhibit 3 - Customer Impacts; 10/15/2021	\$	79,750,000
<b>Short Term</b>				
2	Avg Short-Term Interest Rate	NG-111.1; BHNE Confidential Exh 2; 10/15/2021		
3	Short Term Carrying Costs	NG-111.1; Exhibit 3 - Customer Impacts; 10/15/2021	\$	452,800
<b>Long Term</b>				
4	Long-Term Interest Rate	NG-111.1; BHNE Confidential Exh 2; 10/15/2021		
5	Long-Term Carrying Costs	NG-111.1; Exhibit 3 - Customer Impacts; 10/15/2021	\$	3,983,268
<b>Total &amp; Recovery Rate</b>				
6	Total ST & LT Carrying Costs	Ln3 + Ln5	\$	4,436,069
7	Total Commodity Plus Carrying Costs	Ln1 + Ln6	\$	84,186,069
<b>Recoveries</b>				
8	Volumetric Recovery Rate Per Therm	BHNEG Natural Gas Tariff, Sheet No. 136	\$	0.16586
9	Volumes (Res/Comm therms)	07/01/2021 through 02/28/2022		105,670,140
10	Volumetric Recovery	Ln8 * Ln9	\$	17,526,140
11	Conversions	Conversions 07/01/2021 through 02/28/2022		4
12	Conversion Fee Recovery	Conversion Recovery 06/30/2024 through 02/28/2022	\$	52,000
13	Total Recoveries <sup>(1)</sup>	Ln10 + Ln12	\$	17,578,140
<b>Remaining Balance to be Recovered</b>				
14	Interruptible to Sales; Savings	Internal	\$	-
15	Remaining Balance	Ln7 - Ln13 - Ln14	\$	66,607,928
16	Recovery Start Date	NG-111.1; Order Approving Recovery Plan; 05/25/2021		07/01/2021
17	Recovery End Date <sup>(2)</sup>	Ln16 + 3Yrs * 12Mths		06/30/2024
18	Report Filing Date	Input		04/01/2022
19	Percent (%) Recovery Period (Months)	(Ln16 - 02/28/2022) / (3Yrs * 12Mths)		22.22%
20	Percent (%) Costs Recovered (\$)	Ln10 / Ln7		20.82%

FN1 History-to-Date as of February 2022 BHNEG Financial Close

FN2 Recovery End Date is subject to reconciliation and any action taken by the Nebraska Public Service Commission.