



Margaret McGill

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October 31, 2023

Mr. Thomas Golden
Executive Director
Nebraska Public Service Commission
1200 N Street, Suite 300
Lincoln, NE 68508

RE: Black Hills Nebraska Gas, LLC
Revisions to Rate Schedules and Other Charges, Schedule of Rates
To Adjust Customer Charges to Relect the Customer
Retention Incentive Program Charge

Dear Mr. Golden:

Pursuant to Section 66-1808 of the State Natural Gas Regulation Act, Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy (“BHE” or the “Company”) herewith submits for filing with the Nebraska Public Service Commission (“Commission”) the original and one paper copy of the following tariff sheet:

Tenth Revised Sheet No. 78, Canceling Ninth Revised Sheet No. 78.

By this filing, BHE is proposing to adjust the Customer Charges applicable to Residential and Commercial customers in Rate Areas 1-3 and 5. The filing reflects changes in the overall Customer Charges of \$0.29 per month to cover the costs of BHE’s HEAT (High Efficiency Assistance Tool) Program. The new HEAT Charge that BHE is proposing in this filing is an increase from \$0.25 to \$0.29 per month for Rate Areas 1-3 and 5.

The tariff sheet included with this filing bears a proposed effective date of January 1, 2024. Also included, as Exhibit C, is the Annual Report required by Sheet No. 132 of the Company’s Nebraska Gas Tariff.

The HEAT Program originally was approved by the Commission by its Order Approving Stipulation entered on December 27, 2006, in Commission Docket No. NG-0036. Pursuant to the approved Stipulation, and also by the Commission’s Order Granting Application in Part entered on March 9, 2010, in Commission Docket No. NG-0060, the Company recovers, through its rates, the cost of rebates for space and water heating appliances issued through the HEAT Program via the HEAT Charge which is added to the monthly Customer Charge pursuant to Sheet No. 132 of BHE’s Nebraska Gas Tariff. Pursuant to the Commission’s Order Granting Application in Part

Mr. Golden
August 1, 2023
Page 2

entered on May 22, 2012, in Commission Docket No. NG-0067, the determination of the HEAT Charge now includes a reconciliation of HEAT Program costs and revenue collections, to ensure that costs are collected on a dollar-for-dollar basis under the HEAT Program.

Sheet No. 132 of BH's Nebraska Gas Tariff establishes the various terms of the Customer Retention Incentive Program, including the manner in which the monthly HEAT Charge is calculated. The above-referenced HEAT Charge of \$0.29 per month was calculated pursuant to the requirements of Sheet No. 132.

This filing includes the following exhibits:

- Exhibit A – Clean version of Tariff Sheet No. 78.
- Exhibit B – Redlined version of Tariff Sheet No. 78.
- Exhibit C – Calculation of the Monthly HEAT Charge (Annual Report).
- Exhibit D – The Nebraska HEAT Program – Furnace Rebate Form and the Nebraska HEAT Program – Water Heater Rebate Form for eligible customers to use to claim a rebate from BHE under the terms of the HEAT Program.

Notice of the proposed revisions contained in Sheet No. 78 is being given to the Commission and the public by this tariff filing. A copy of the complete filing (cover letter and Exhibits A-D) is also being provided electronically in PDF format by email.

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

Respectfully,

/s/ Margaret McGill
Margaret McGill

Enclosures

cc: Kevin Jarosz
Quinten Gaddis
William Austin
Nichole Mulcahy
Jonathan Smith

Black Hills Nebraska Gas, LLC
HEAT Program
Exhibit A – Tariff Sheet

RATE SCHEDULES AND OTHER CHARGES
SCHEDULE OF RATES

Rate Areas 1, 2, & 3:

Type of Charge	Billing Unit	Base	SSIR	HEAT	Line Locates	Gas Cost
Residential		1/	2/	3/	4/	8/
Customer Charge	Per Month	\$15.45	\$3.12	\$0.29		
Volumetric Charge First 20 Therms	Per Therm	\$0.50858				5/
Volumetric Charge Over 20 Therms	Per Therm	\$0.15000				5/
Commercial						
Customer Charge	Per Month	\$28.43	\$9.69	\$0.29		
Volumetric Charge First 40 Therms	Per Therm	\$0.50858				5/
Volumetric Charge Over 40 Therms	Per Therm	\$0.15000				5/
Commercial – EO						
Customer Charge	Per Month	\$28.43	\$9.69	\$0.29		
Volumetric Charge First 40 Therms	Per Therm	\$0.50858				5/
Volumetric Charge Over 40 Therms	Per Therm	\$0.15000				5/

Rate Area 5

Type of Charge	Billing Unit	Base 1/	SSIR 2/	HEAT 3/	GSCA 6/	Gas Cost
Residential						
Customer Charge	Per Month	\$15.45	\$3.12	\$0.29		
Volumetric Charge First 20 Therms	Per Therm	\$0.50858			\$0.00000	7/
Volumetric Charge Over 20 Therms	Per Therm	\$0.15000			\$0.00000	7/
Commercial						
Customer Charge	Per Month	\$28.43	\$9.69	\$0.29		
Volumetric Charge First 40 Therms	Per Therm	\$0.50858			\$0.00000	7/
Volumetric Charge Over 40 Therms	Per Therm	\$0.15000			\$0.00000	7/
Agricultural Seasonal Service						
Minimum Volumetric Charge	Per Therm	\$0.00100	--	--	\$0.00000	7/
Maximum Volumetric Charge	Per Therm	\$0.50000	--	--	\$0.00000	7/

- 1/ Base rates as set for on Sheet Nos. 79, 80, and 82
- 2/ System Safety and Integrity Rider set forth on Sheet Nos. 127-131
- 3/ High Efficiency Assistance Tool set forth on Sheet No. 132 – added to Customer Charge on bills
- 4/ Line Locates Surcharge as set forth on Sheet No. 133
- 5/ Gas Cost rates for Rate Areas 1-3 as set forth on Sheet Nos. 95 and 96
- 6/ Gas Supply Cost Adjustment as set forth on Sheet No. 123
- 7/ Gas Cost rates for Rate Area 5 (Supplier Commodity Charge) is the applicable rate agreed to by the Customer and its Supplier in the Choice Gas Program. See Sheet Nos. 97-107
- 8/ 2021 Polar Vortex surcharge set forth on Sheet No. 136.1

DATE OF ISSUE: October 31, 2022
 ISSUED BY: Margaret McGill

EFFECTIVE DATE: January 1, 2024

Black Hills Nebraska Gas, LLC
HEAT Program
Exhibit B – Redlined Tariff Sheet

RATE SCHEDULES AND OTHER CHARGES
SCHEDULE OF RATES

Rate Areas 1, 2, & 3:

Type of Charge	Billing Unit	Base	SSIR	HEAT	Line Locates	Gas Cost
Residential		1/	2/	3/	4/	8/
Customer Charge	Per Month	\$15.45	\$3.12	\$0.295		
Volumetric Charge First 20 Therms	Per Therm	\$0.50858				5/
Volumetric Charge Over 20 Therms	Per Therm	\$0.15000				5/
Commercial						
Customer Charge	Per Month	\$28.43	\$9.69	\$0.295		
Volumetric Charge First 40 Therms	Per Therm	\$0.50858				5/
Volumetric Charge Over 40 Therms	Per Therm	\$0.15000				5/
Commercial – EO						
Customer Charge	Per Month	\$28.43	\$9.69	\$0.295		
Volumetric Charge First 40 Therms	Per Therm	\$0.50858				5/
Volumetric Charge Over 40 Therms	Per Therm	\$0.15000				5/

Rate Area 5

Type of Charge	Billing Unit	Base 1/	SSIR 2/	HEAT 3/	GSCA 6/	Gas Cost
Residential						
Customer Charge	Per Month	\$15.45	\$3.12	\$0.295		
Volumetric Charge First 20 Therms	Per Therm	\$0.50858			\$0.00000	7/
Volumetric Charge Over 20 Therms	Per Therm	\$0.15000			\$0.00000	7/
Commercial						
Customer Charge	Per Month	\$28.43	\$9.69	\$0.295		
Volumetric Charge First 40 Therms	Per Therm	\$0.50858			\$0.00000	7/
Volumetric Charge Over 40 Therms	Per Therm	\$0.15000			\$0.00000	7/
Agricultural Seasonal Service						
Minimum Volumetric Charge	Per Therm	\$0.00100	--	--	\$0.00000	7/
Maximum Volumetric Charge	Per Therm	\$0.50000	--	--	\$0.00000	7/

- 1/ Base rates as set for on Sheet Nos. 79, 80, and 82
- 2/ System Safety and Integrity Rider set forth on Sheet Nos. 127-131
- 3/ High Efficiency Assistance Tool set forth on Sheet No. 132 – added to Customer Charge on bills
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- 5/ Gas Cost rates for Rate Areas 1-3 as set forth on Sheet Nos. 95 and 96
- 6/ Gas Supply Cost Adjustment as set forth on Sheet No. 123
- 7/ Gas Cost rates for Rate Area 5 (Supplier Commodity Charge) is the applicable rate agreed to by the Customer and its Supplier in the Choice Gas Program. See Sheet Nos. 97-107
- 8/ 2021 Polar Vortex surcharge set forth on Sheet No. 136.1

DATE OF ISSUE: ~~November~~October 31, 2022
 ISSUED BY: ~~Robert J. Amdor~~Margaret McGill

EFFECTIVE DATE: January 1, 2024~~3~~

Black Hills Nebraska Gas, LLC
HEAT Program
Exhibit C – Calculation of Monthly HEAT Charge

Black Hills Nebraska Gas, LLC
d/b/a Black Hills Energy
Calculation of Monthly HEAT Charge
September 1, 2022 through August 31, 2023

Line No.	Description	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]
		2022 - 2023 Program Year Rebates											
		2022				2023							
		September	October	November	December	January	February	March	April	May	June	July	August
1	Nebraska HEAT Rebates - Furnace*	\$61,350	\$48,000	\$57,600	\$46,650	\$71,550	\$35,400	\$75,000	\$38,250	\$90,300	\$50,250	\$49,800	\$58,500
2	Nebraska Multi-Unit Rebates	\$1,400	\$0	\$0	\$5,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Nebraska HEAT Rebates - Water Heater*	\$23,925	\$16,800	\$15,525	\$13,875	\$29,700	\$20,100	\$22,875	\$14,175	\$39,075	\$24,375	\$15,625	\$24,750
4	Total Rebates	\$86,675	\$64,800	\$73,125	\$66,325	\$101,250	\$55,500	\$97,875	\$52,425	\$129,375	\$74,625	\$65,425	\$83,250
5	2022 - 2023 Program Year Rebates Total												<u>\$950,650</u>
6	Current Recoveries	\$40,902	\$40,829	\$41,017	\$41,387	\$55,951	\$73,594	\$74,347	\$73,696	\$73,975	\$73,671	\$73,678	\$73,600
7	Monthly Change in Balance	\$45,773	\$23,971	\$32,108	\$24,938	\$45,299	(\$18,094)	\$23,528	(\$21,271)	\$55,400	\$954	(\$8,253)	\$9,650
8	New Total Balance	\$861,539	\$885,510	\$917,618	\$942,555	\$987,855	\$969,760	\$993,288	\$972,017	\$1,027,418	\$1,028,371	\$1,020,119	\$1,029,769
9	Projected Customers per Month												295,166
10	Monthly HEAT Charge ((Line 8 / Line 9) / 12)												<u>\$0.29</u>

*Description updated to be consistent with the revised claim forms sent to the Commission on March 22, 2022

Black Hills Nebraska Gas, LLC

HEAT Program

Exhibit D

Nebraska HEAT Program – Furnace Rebate Form

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Nebraska HEAT Program – Water Heater Rebate Form



Nebraska HEAT Program – Furnace Rebate Form

Customer Name _____
 Installation Address _____
 City, State, ZIP _____
 Phone # _____
 Email _____
 Account # _____

Customer name/address if different than account

Name _____
 Address _____
 City, State, ZIP _____

Rebate check will be issued to name listed on Black Hills Energy account.

Heating System Brand _____
 Heating System Model _____
 Heating System Serial # _____
 Date of Purchase _____
 Date of Installation _____
 Input Btu's/hour _____ Minimum: 40,000 AFUE Efficiency % _____ Minimum: 80%
 Proof of Purchase Attached _____ Must include cost breakdown

This natural gas heating appliance replaces what type of energy source? Electric Propane Natural Gas Other

Incentives available to Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy jurisdictional residential and commercial customers living in Nebraska. Call (855) 281-9157 to verify eligibility.

<u>80% to 94% AFUE</u>		<u>95% or higher AFUE</u>
\$150	For installed nameplate input of: 40,000 Btu/hour to 99,999 Btu/hr	\$300
\$300	For installed nameplate input of: 100,000 Btu/hour to 199,999 Btu/hr	\$600
\$450	For installed nameplate input of: 200,000 Btu/hour or higher	\$900

Customer may choose any equipment vendor

Heating system must be:

Natural Gas space heating system - Equipment must be new
 Minimum input Btu/hour of 40,000
 Minimum Annual Fuel Utilization Efficiency (AFUE) of 80%
 Connected to and served by the Black Hills Energy Retail Distribution System in Nebraska

Mail, email, or fax this required certificate and your proof of purchase (must include cost breakdown, model, serial number, Btu and AFUE efficiency of heating system) to: Please allow 6-8 weeks for processing	Black Hills Energy c/o Nebraska HEAT Rebate Program P.O. Box 5167 Des Moines, IA 50305 Customer service: 855-281-9157 or 515-281-9157 Fax: 877-932-0558 or 515-244-0558 Email: bhehoheat@a-tec.com blackhillsenergy.com/NE-Heat	For internal use only: Rate ID: SA ID:

Offer good to Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy jurisdictional residential and commercial customers in Nebraska only. The HEAT program is subject to rules and regulations of the Nebraska Public Service Commission and the Tariff of Black Hills Energy, which may be changed from time to time. The HEAT Program is not available to Agricultural, interruptible, or High-Volume customers as defined in the State Natural Gas Regulation Act, and the Tariff of Black Hills Energy. In addition, contractors or builders constructing single family homes are not eligible for HEAT rebates. The rebate amount not to exceed the cost of heating equipment. Cannot be combined with other HEAT rebates for the same piece of equipment. Water heater and furnace replacements installed under a customer acquired home warranty program are excluded as Qualified Appliances under the HEAT program. However, Black Hills Energy, at its sole discretion, may allow additional costs related to those classes of appliance replacement if such cost is directly related to deductible or a customer-shared appliance replacement expense. Purchases of refurbished or previously sold models do not qualify for this HEAT promotion. This HEAT certificate is not transferable. Omission of sales receipt or any other information will delay processing or disqualify your request. All submitted proofs of purchase become the property of Black Hills Energy and cannot be returned. Black Hills Energy is not responsible for lost, late, illegible, incomplete, damaged, misdirected or postage-due requests/mail. Keep a copy for your files. All claims subject to audit. Offer subject to terms and conditions of program. For Customers located in Black Hills Energy's Tariff Rate Areas One, Two, or Three, the HEAT rebates will only apply to appliances purchased after March 1, 2021. The HEAT program was not effective in those rate areas prior to March 1, 2021, accordingly installation of those appliances do not qualify for rebates under the HEAT program. Rebate request forms should be submitted to Company within twelve months of purchase date but must be submitted to the Company no later than twenty-four months of the purchase date. Funding of the rebates is limited and available on a first come, first served basis.

NPSC Received 10/31/2023

