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January 30, 2023

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

Dear Mr. Golden:

Pursuant to Sections 66-1808 and 66-1854 of the State Natural Gas Regulation Act of Nebraska (Neb. Rev. Stats. §§ 66-1801 et seq.), and the Commission's September 9, 2003 Order in Commission Application No. NG-004, Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy ("Black Hills Energy"), submits the Thirty-Seventh Revised Sheet No. 95, which details the factors in the Gas Cost Adjustment for each of Black Hills Energy's Rate Areas One, Two, and Three.

The attached confidential computations are submitted in support of the gas supply cost adjustments affecting volumes delivered to Black Hills Energy's customers on or after February 1, 2023. The attached Schedule A reflects spot market and gas purchase costs effective February 1, 2023.

The entitlement rate detailed on Schedule A has been updated with revised rates from Northern Natural Gas Company's proceeding before the Federal Energy Regulatory Commission (FERC). In the FERC proceeding (Docket RP22-1033), Northern made two filings on December 22, 2022. The first filing adjusted the base case tariffs and the second filing was a motion to implement reduced interim rates. FERC accepted the Adjusted Base Case tariff by its January 18, 2023 Letter Order and accepted the Interim Rates tariffs by its January 25, 2023 Letter Order. The Interim Rates tariffs supersede the Adjusted Base Case tariffs.

This filing does not address incremental extraordinary gas supply related to the unique and extreme weather event experienced by Black Hills Energy during February 2021. In addition to the GCA rate and consistent with the Commission's order in Docket No. NG-111.1, Black Hills Energy implemented a separate recovery rate for these costs beginning in July 2021.

The total impact on the Gas Cost Adjustment is as follows:

	<u>Incr/(Decr)</u> <u>\$/Therm</u>
Rate Areas One, Two, and Three	(\$0.16789)

If you have any questions, please feel free to contact me.

Respectfully submitted,

/s/ Nancy A Vernon

Nancy A Vernon

Enclosures

GAS COST RECOVERY MECHANISMS – RATE AREAS 1, 2, 3
PGA FACTORS

As provided in the Gas Cost Adjustment Clause, the following adjustments(s) will be made to the applicable Traditional Sales Service rate schedules:

Monthly GCA Factors Effective ~~January~~February 1, 2023 through ~~January 31~~February 28, 2023:

	(a)	(b)	(c)	(a) + (b) + (c)
	Gas Cost Component	Gas Cost Reconciliation	Refunds	Total GCA
	(\$/Therm)	(\$/Therm)	(\$/Therm)	(\$/Therm)
RATE AREA ONE	\$1.049280 <u>0.88139</u>	\$0.02638	\$0.00000	\$1.075660 <u>0.90777</u>
RATE AREA TWO	\$1.049280 <u>0.88139</u>	\$0.02638	\$0.00000	\$1.075660 <u>0.90777</u>
RATE AREA THREE	\$1.049280 <u>0.88139</u>	\$0.02638	\$0.00000	\$1.075660 <u>0.90777</u>

DATE OF ISSUE: ~~December 29~~January 30,
 20232
 ISSUED BY: Robert J. Amdor

EFFECTIVE DATE: ~~January~~February 1, 2023

GAS COST RECOVERY MECHANISMS – RATE AREAS 1, 2, 3
PGA FACTORS

As provided in the Gas Cost Adjustment Clause, the following adjustments(s) will be made to the applicable Traditional Sales Service rate schedules:

Monthly GCA Factors Effective February 1, 2023 through February 28, 2023:

	(a)	(b)	(c)	(a) + (b) + (c)
	Gas Cost Component	Gas Cost Reconciliation	Refunds	Total GCA
	(\$/Therm)	(\$/Therm)	(\$/Therm)	(\$/Therm)
RATE AREA ONE	\$0.88139	\$0.02638	\$0.00000	\$0.90777
RATE AREA TWO	\$0.88139	\$0.02638	\$0.00000	\$0.90777
RATE AREA THREE	\$0.88139	\$0.02638	\$0.00000	\$0.90777

DATE OF ISSUE: January 30, 2023
 ISSUED BY: Robert J. Amdor

EFFECTIVE DATE: February 1, 2023