



Douglas J. Law
Associate General Counsel
Douglas.Law@blackhillscorp.com

1731 Windhoek Drive
Lincoln, NE 68512
P: 402.221.2635

April 13, 2021

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

Re: Docket No. NG-111.1/PI-237
Commission Investigatory Docket
February 2021 Cold Weather Event

Dear Mr. Hybl;

Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy hereby submits the attached Motion to Extend the Application Filing Deadline as set forth in the Nebraska Public Service Commission's March 2, 2021, Order in Commission Docket No. NG-111.1.

Please contact me at (402) 221-2635 or douglas.law@blackhillscorp.com if you have any questions, concerns, or need additional information.

Respectfully submitted,

/s/ **Douglas J. Law**

Douglas J. Law #19436
Associate General Counsel

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

**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)**

Application No. NG-111/PI-237

**BLACK HILLS NEBRASKA GAS, LLC)
D/B/A BLACK HILLS ENERGY)**

DOCKET NO. NG-111.1

**MOTION OF BLACK HILLS NEBRASKA GAS, LLC D/B/A BLACK HILLS ENERGY
TO EXTEND APPLICATION FILING DEADLINE**

I. INTRODUCTION

On March 2, 2021, The Nebraska Public Service Commission (“Commission”), on its own motion, opened this proceeding for the purpose of gathering information and formulating a response to the effect of the February 2021 cold weather event (“2021 Weather Event Reporting Order”). The Commission’s 2021 Weather Event Reporting Order seeks information regarding the cost of gas supply purchased by Nebraska gas utilities subject to the Commission’s jurisdiction under the State Natural Gas Regulation Act, Neb. Rev. Stat. §§ 66-1801 through 66-1868 (“Act”).

This proceeding was opened in order to facilitate open communication with Black Hills Nebraska Gas, LLC, d/b/a Black Hills Energy (“Black Hills Energy” or “Company”) and Northwestern Energy (“NorthWestern”) (collectively “the utilities”), working in connection with the Commission to understand the effects of this cold weather event and consider options to mitigate its impact upon customer bills. The Commission established a sub-docket in Docket No. NG-111.1 to address the weather event issues related to Black Hills Energy.

On March 2, 2021, the Commission also found that certain provisions of the tariff of Black Hills Energy should be temporarily modified to exclude these extraordinary natural gas procurement costs (“February 2021 Cost Weather Event Costs”). The Commission ordered Black Hills Energy to track its incremental and extraordinary natural gas supply and interstate transmission penalty and imbalance costs related to the February 2021 cold weather event separately from gas costs recovered through Black Hills Energy’s monthly Gas Cost Adjustment (“GCA”) mechanism.

The Commission noted that the current GCA mechanism should continue as usual except for the February 2021 Cost Weather Event Costs directly related to market purchase during the cold weather event. However, the February 2021 Cost Weather Event Costs shall remain in suspense until further order of the Commission.

The Commission further extended the provisions and protections of the Residential Winter Disconnection, 291 Neb. Admin. Code § 9-013.05 through May 31, 2021.

II. WORKSHOP

The Commission’s 2021 Weather Event Reporting Order also scheduled a Workshop for April 6, 2021, at which Black Hills Energy was required to present information to the Commission regarding the status of customer bills due to the February cold weather event. On March 31, 2021, Black Hills Energy submitted its responses to questions provided within the Commission’s 2021 Weather Event Reporting Order. Black Hills Energy participated in the Commission Workshop on April 6, 2021.

During the Workshop additional questions arose that required Black Hills Energy to submit additional information regarding the February cold weather event. Specifically, the Commission had four follow-up items to be addressed subsequent to the Workshop (“Workshop Questions”).

The Commission's 2021 Weather Event Reporting Order stated that within one (1) week following the workshop Black Hills Energy is required to submit a written proposal to mitigate the impact on customer bills from the February 2021 cold weather event for Commission consideration and approval. The Commission's 2021 Weather Event Reporting Order further found that such proposal should include a modified bill impact analysis, as well as concise statements of any action that Black Hills Energy requests the Commission take in this proceeding. The Commission's order stated that Black Hills Energy's proposal should also only demonstrate the actual costs of gas purchased during the cold weather event and carrying costs and should not contemplate any return on the purchase anticipated by the utility.

During the Workshop, the Commission requested that Black Hills Energy file responses to the Workshop Questions as part of its formal proposal for recovery of the costs by April 13, 2021.

III. MOTION TO EXTEND APPLICATION DEADLINE

Black Hills Energy hereby requests an extension of the current application deadline of 5:00 pm on Wednesday, April 13, 2021 to file on or before 5:00 pm on Friday, April 30, 2021.

Black Hills Energy is in the process of preparing its application as required by the Commission in this proceeding. However, in order to conduct internal analysis, prepare required impact schedules, and consider alternative allocation processes, Black Hills Energy has determined that it needs an additional two weeks to complete its application. For example, one of the items contemplated as part of the application is whether the Black Hills Energy billing and collection information systems may separately identify and track new customers and existing customers. Another area of analysis is to conduct analysis on the impact of incurring long-term debt. Other considerations include but are not limited to calculating and analyzing various financing methods (e.g., short-term debt, long-term debt, debt and equity).

To that end, Black Hills Energy has estimated that additional time is necessary to fully prepare the analysis, prepare the supporting schedules, and to gain the internal corporate approvals for filing. As Black Hills Energy is one of several Black Hills Corporation regulated utilities responding to public service commissions investigating the February 2021 cold weather gas costs, additional time is also needed for approval by BHC's officers and senior management.

IV. CONCLUSION

Wherefore, in consideration of the reasons provided above, Black Hills Energy respectfully requests that the Commission extend its deadline for filing an application and responses to the Workshop Questions in this proceeding from Wednesday, April 13, 2021 to no later than 5:00 pm on Friday, April 30, 2021.

Respectfully submitted this 13th day of April 2021.

By: /s/ Douglas J. Law
Douglas J. Law, #19436
Associate General Counsel
1731 Windhoek Drive
Lincoln, NE 68512
Tel: (402) 221-2635
douglas.law@blackhillscorp.com

Attorney for Black Hills Nebraska Gas, LLC
d/b/a Black Hills Energy
And

Tyler E. Frost
Manager, Regulatory and Finance
1731 Windhoek Drive
Lincoln, NE 68512
Tel: (402) 858-3561
Tyler.Frost@blackhillscorp.com