



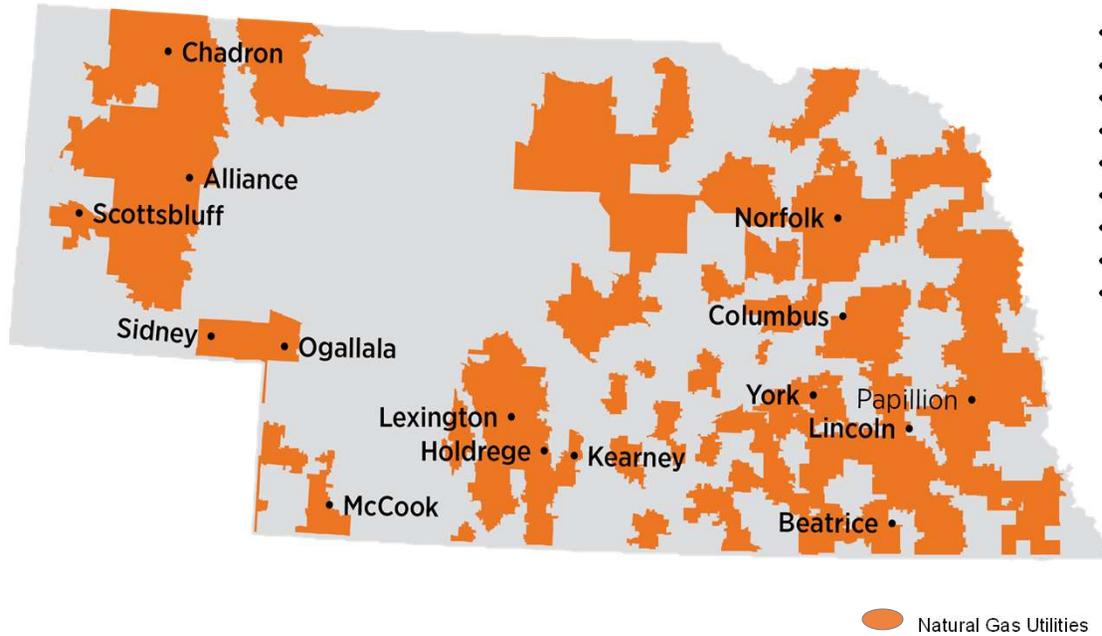
Nebraska Public Service Commission

Town Hall Meetings- Commission Application No. NG-109



Nebraska At A Glance

For more than 90 years, Black Hills Energy made significant investment into providing its customers with safe, reliable natural gas service in Nebraska. Black Hills Energy plans to continue investing in its Nebraska infrastructure and customer services into the future.



Major Nebraska Communities Served

- Aurora
- Alliance
- Beatrice
- Bellevue
- Blair
- Chadron
- Columbus
- Gretna
- Holdrege
- Kearney
- La Vista
- Lincoln
- Norfolk
- McCook
- Plattsmouth
- Papillion
- Scottsbluff
- Seward
- Sidney
- Wayne
- York

Black Hills Energy - Fast Facts

- 293,600 customers
- 319 communities served
- 500 employees
- 13,205 miles of gas system infrastructure





Ongoing Investments Ensure Safety and Reliability





2019 NEBRASKA COMMUNITY IMPACT



Sharing our energy with the communities we serve through charitable giving, outreach and employee volunteerism.



\$156 MIL
DIRECT ECONOMIC
IMPACT

Our direct economic impact to the 319 communities served in Nebraska included franchise fees, charitable giving, compensation to 500 Nebraska employees, payments to suppliers and property, sales and use taxes paid.



\$1.2+ MIL
CHARITABLE
GIVING

Our charitable giving included financial support in the form of contributions and sponsorships for nonprofits, chambers and economic development organizations, United Way, energy assistance, in-kind donations, and investments in trees.



\$396,000
CONTRIBUTIONS
& SPONSORSHIPS

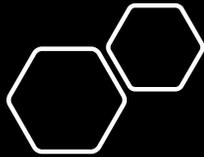
Invested in the great work of hundreds of worthy local organizations and nonprofits.



\$321,000
IN-KIND
DONATIONS

In-kind donations included a fueling station for compressed natural gas vehicles to the City of Lincoln to fuel the StarTran buses and trolleys also supported by contributions from Black Hills Energy in previous years.





Customer Service Focus

Black Hills Energy continues to be recognized for our focus on making process improvements to better serve our customers



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News

Cogent Reports: 33 Utilities Are Recognized as the Easiest to do Business With

MARCH 27, 2019

RELATED NEWS POSTS

Easiest Utilities to Do Business With*



- | | |
|------------------------------|-------------------------------------|
| Atmos Energy - South | National Fuel Gas |
| Black Hills Energy - Midwest | New Jersey Natural Gas |
| Cascade Natural Gas | NW Natural |
| CenterPoint Energy - Midwest | Oklahoma Natural Gas |
| CenterPoint Energy - South | OUC |
| Columbia Gas - South | Peoples Gas |
| Columbia Gas of Ohio | Philadelphia Gas Works |
| Con Edison | Piedmont Natural Gas |
| DTE Energy | PSNC Energy |
| Entergy Louisiana | Salt River Project |
| Entergy Mississippi | SMUD |
| Entergy Texas | Southwest Gas |
| Florida City Gas Company | Southwestern Electric Power Company |
| Florida Power & Light | TECO Peoples Gas |
| Georgia Power | Texas Gas Service |
| Gulf Power | Tucson Electric Power |
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How your energy rates are set

1 The Nebraska Public Services Commission (NPSC) approves service rates.



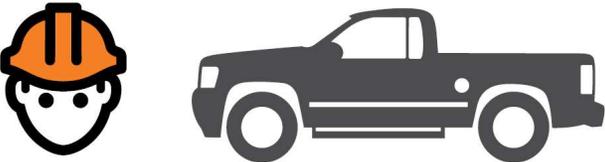
2 We invest in our system to meet your energy needs.



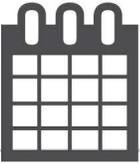
3 We pay for those investments and customers gain immediate benefits.



4 We must recover those investments. When necessary, we seek a rate increase.



5 We take months to compile a case based on the investments and operating costs from a test year.



6 The NPSC thoroughly reviews our request and rules within 240 days.



7 The NPSC sets new rates.

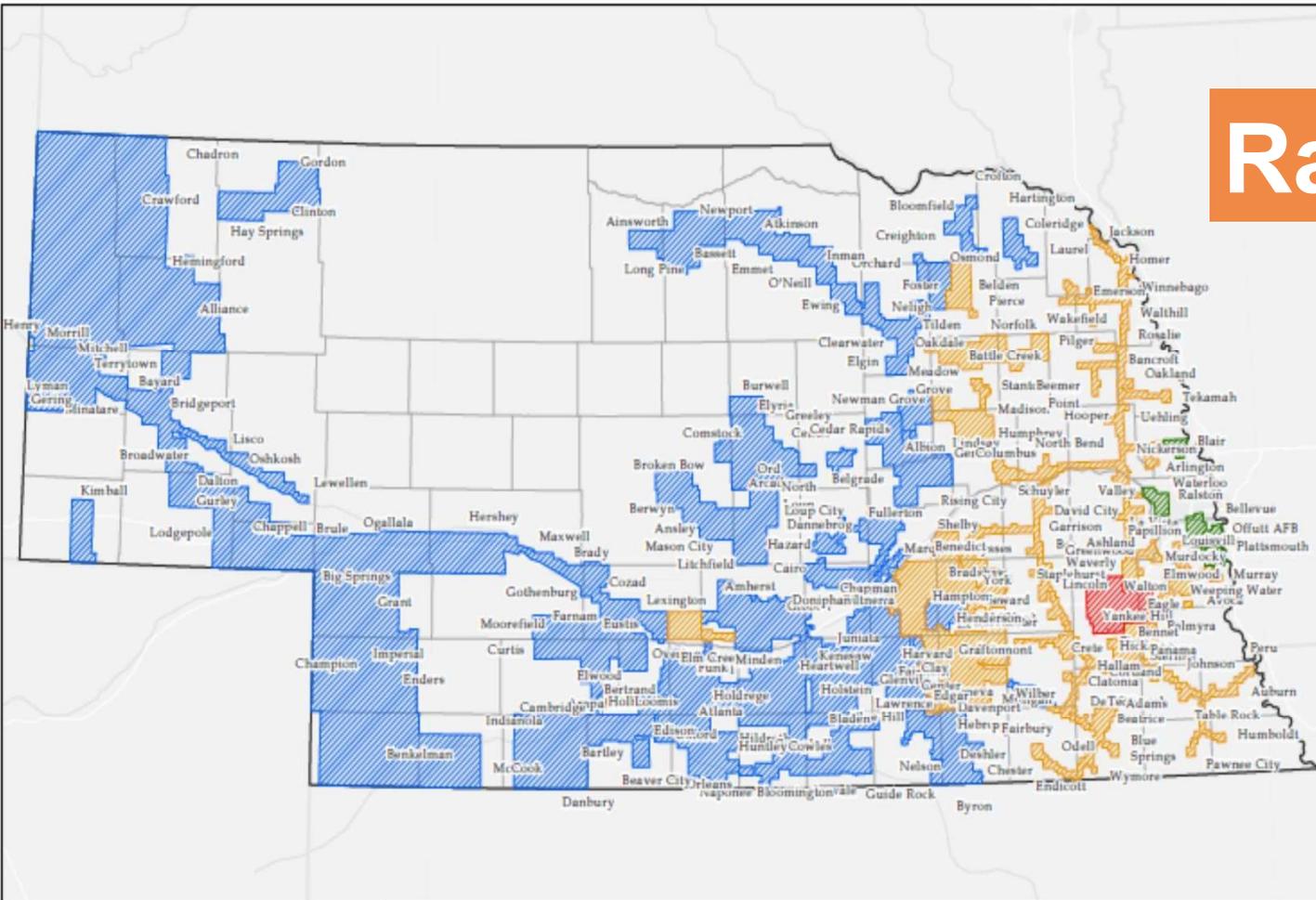


Between cases, Black Hills Energy does not recover the costs of new investments, higher costs of service or inflation. This is known as regulatory lag.

8 New rates appear on customer bills.



Rate Areas



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Nebraska Rate Areas Black Hills Energy

- Rate Area 1
- Rate Area 2
- Rate Area 3
- Rate Area 5



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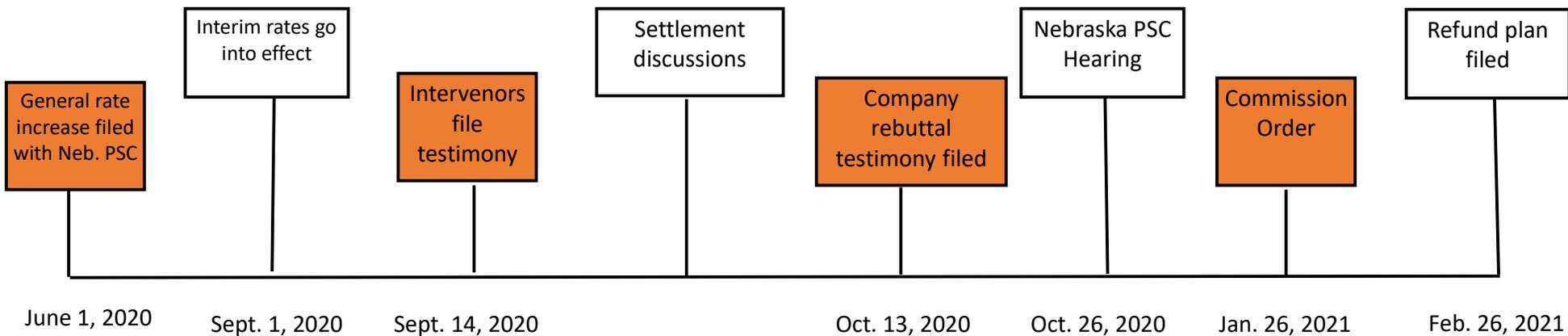
Customer Impact

	Current Average Residential Bill			
	Rate Areas 1-3		Rate Area 5	
	Summer (Apr-Oct)	Winter (Nov-Mar)	Summer (Apr-Oct)	Winter (Nov-Mar)
Customer Charge	\$ 13.50	\$ 13.50	\$ 14.70	\$ 14.70
Volumetric Charge (687 Therms for Rate Areas 1-3, 723 Therms for Rate Area 5)	\$ 4.59	\$ 20.36	\$ 8.08	\$ 21.20
Natural Gas Commodity	\$ 9.99	\$ 44.33	\$ 10.47	\$ 46.73
System Safety Integrity Charge (SSIR), Integrity Replacement Charge, Farm Tap Replacement Charge	\$ 0.50	\$ 0.50	\$ 3.65	\$ 3.65
HEAT Program Charge	\$ -	\$ -	\$ 0.30	\$ 0.30
2017-19 Line Locate Recovery (Lincoln)	\$ -	\$ -	\$ -	\$ -
Rate Case expenses	\$ -	\$ -	\$ -	\$ -
	\$ 28.58	\$ 78.69	\$ 37.20	\$ 86.58
	Proposed Average Residential Bill			
	Rate Areas 1-3		Rate Area 5	
	Summer (Apr-Oct)	Winter (Nov-Mar)	Summer (Apr-Oct)	Winter (Nov-Mar)
Customer Charge	\$ 15.45	\$ 15.45	\$ 15.45	\$ 15.45
Volumetric Charge (687 Therms for Rate Areas 1-3, 723 Therms for Rate Area 5)	\$ 9.93	\$ 24.40	\$ 10.14	\$ 25.23
Natural Gas Commodity	\$ 9.99	\$ 44.33	\$ 10.47	\$ 46.73
System Safety Integrity Charge (SSIR), Integrity Replacement Charge, Farm Tap Replacement Charge	\$ -	\$ -	\$ -	\$ -
HEAT Program Charge	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09
2017-19 Line Locate Recovery (Lincoln)	\$ 0.43	\$ 0.43	\$ -	\$ -
Rate Case expenses	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07
	\$ 35.96	\$ 84.77	\$ 36.22	\$ 87.57

Customer Impact

	Proposed Average Residential Bill Change			
	Rate Areas 1-3		Rate Area 5	
	Summer (Apr-Oct)	Winter (Nov-Mar)	Summer (Apr-Oct)	Winter (Nov-Mar)
Customer Charge	\$ 1.95	\$ 1.95	\$ 0.75	\$ 0.75
Volumetric Charge (687 Therms for Rate Areas 1-3, 723 Therms for Rate Area 5)	\$ 5.34	\$ 4.04	\$ 2.06	\$ 4.03
Natural Gas Commodity	No change	No change	No change	No change
System Safety Integrity Charge (SSIR), Integrity Replacement Charge, Farm Tap Replacement Charge	\$ (0.50)	\$ (0.50)	\$ (3.65)	\$ (3.65)
HEAT Program Charge	\$ 0.09	\$ 0.09	\$ (0.21)	\$ (0.21)
2017-19 Line Locate Recovery (Lincoln)	\$ 0.43	\$ 0.43	NA	NA
Rate Case expenses	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07
\$ Change	\$ 7.38	\$ 6.08	\$ (0.98)	\$ 0.99





Next Steps



How we deliver energy to your home

