
RULES AND REGULATIONS – NATURAL GAS SERVICE
DEFINITIONS

ENERGY OPTIONS CUSTOMER	An Energy Options Customer is a non-residential customer in Rate Areas One, Two, or Three who: (a) purchases natural gas supply from a CNGP; (b) transports less than five hundred (500) Therms per day as determined by average daily consumption; (c) entered into an Energy Options Contract with Company; and (d) complies with the requirements set forth in Company’s Energy Options Tariff requirements.
FARM TAP	“Farm Tap” means a retail sales or transportation facility located on the transmission pipeline right-of-way of Company in a rural area, connected to an interstate pipeline, or used to serve Agricultural Customers who grant right-of-way to Company.
GAS OR NATURAL GAS OR RENEWABLE NATURAL GAS	“Gas” or “Natural Gas” or “Renewable Natural Gas” means any mixture of hydrocarbons or of hydrocarbons and non-combustible gas, in a gaseous state, consisting essentially of methane.
GAS MAIN	“Gas Main” means the Company-owned large distribution Gas lines used to deliver gas to Customers within Company’s Rate Areas. Company Gas Mains along with smaller Service Lines, Meters, and other Gas facilities are part of the Company’s local distribution system.
HEATING EFFICIENCY ASSISTANCE TOOL	High Efficiency Assistance Tool (HEAT) or “Customer Retention Incentive Program Charge” shall mean the Company program enabling the Company to offer 1) an incentive to Jurisdictional Residential and Commercial Service Customers to assist with the costs associated with the purchase and installation of new, natural gas burning space-heating or water heating appliances, and 2) an incentive to residential multi-unit builders to assist with the cost of installation of natural gas piping from the meter to the natural gas appliance(s) as well as required venting for each natural gas appliance.
HEATING VALUE OF NATURAL GAS	The minimum heating value (Btu) of natural gas distributed by the Company shall be not less than nine hundred (900) Btu per cubic foot, the measurement being made conforming to standard conditions of these rules and regulations.

RATE SCHEDULES AND OTHER CHARGES
CUSTOMER RETENTION INCENTIVE PROGRAM CHARGE

DESCRIPTION	The customer retention incentive program, called High Efficiency Assistance Tool (HEAT), enables the Company to offer 1) an incentive to Jurisdictional Residential and Commercial Service Customers to assist with the costs associated with the purchase and installation of a new, natural gas burning space-heating or water heating appliances and 2) an incentive to residential multi-unit builders to assist with the cost of installation of natural gas piping from the meter to the natural gas appliance(s) as well as required venting for each natural gas appliance..
HEAT CHARGE	HEAT Charge. A flat monthly HEAT Charge shall be added to the monthly Customer Charge for all jurisdictional Residential and Commercial Service Customers on the effective date of the HEAT Charge. The HEAT Charge shall apply to Rate Area 5 customers until December 31, 2021; thereafter the HEAT Charge will apply to all jurisdictional Residential and Commercial Service Customers in Rate Areas 1, 2, 3, and 5.
DETERMINATION OF HEAT PROGRAM COSTS	Determination of HEAT program costs. A. Annual Report. On or before November 1, the Company will submit a report to the Commission detailing HEAT activity and expenses for the 12-month period ending August 31. The resulting HEAT Charge, as determined below, will be assessed to Customers January 1 through December 31. This process will be repeated each year. B. HEAT program expenses which are eligible for inclusion in the determination of the HEAT Charge include only the actual incentive amounts paid. Total HEAT program incentives shall not exceed \$1,000,000 annually, with incentives to residential multi-unit builders not to exceed half of the total annual amount. HEAT Program Incentives will be provided on a first come, first served basis. C. The report filed by November 1 will include the eligible expenses associated with HEAT as well as the allocation of those expenses as described below. Additionally, the report will state the proposed HEAT Charge to be effective January 1 of the upcoming year. D. The Company shall reconcile on an annual basis the eligible program expenses related to HEAT program activity with the revenues collected through the HEAT Charge.

RATE SCHEDULES AND OTHER CHARGES
CUSTOMER RETENTION INCENTIVE PROGRAM CHARGE (Cont.)

DETERMINATION OF HEAT CHARGE	Determination of HEAT Charge. A. The Residential and Commercial HEAT Charges will be determined by dividing the number of forecasted annual Residential and Commercial Service bills into the total of HEAT program costs. B. The HEAT Charges will be added to the monthly Customer Charge component of the Customer's bill
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RESIDENTIAL MULTI-UNIT INCENTIVES	The residential multi-unit incentive is intended to defray the builder's costs to install natural gas piping from the meter to the natural gas appliance(s), and required venting for each natural gas appliance.
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The HEAT Program's Residential Multi-Unit Incentives are subject to the following;

- A. All projects must be preapproved by Company with a signed Company Agreement with the developer prior to project commencement. Projects may span multiple years, with initial Company approval applicable throughout project term.
- B. All Qualified Natural Gas Appliances must be verified, installed, and in-service, with appropriate documentation provided to Company, prior to incentive payment. Approved multiple year projects will receive incentives for the appropriate installations in each program year.
- C. Incentives are not retroactive.
- D. Incentives are provided per unit and Qualifying Natural Gas Appliance;
 - a. Per Unit
 - i. Incentives may be provided to assist with the cost of installation of natural gas piping from the meter to the natural gas appliance(s) as well as required venting for each natural gas appliance
 - ii. Each unit must, at a minimum, contain an installed natural gas furnace.
 - iii. Each unit must be individually metered.

RATE SCHEDULES AND OTHER CHARGES
CUSTOMER RETENTION INCENTIVE PROGRAM CHARGE (Cont.)

b. Qualified Natural Gas Appliances

i. Water Heater

ii. Range or Cook Top

iii. Fireplace

~~iv.~~ Gas Dryer and

~~iv-v.~~ Outdoor appliances and heating systems

~~v.~~ Firepit

~~vi.~~ Grill

~~vii.~~ Torches

E. The Company's liability provision contained in this tariff apply to all projects, and Company makes no warranties or guarantees, either express or implied as to the quality, fitness, or purpose of the installation, operation, or use of the services and equipment provided through this HEAT program.

DISCOUNTING

If and when the Company discounts service charges or rates in order to maintain or increase system load, the Account 191 Charge, P-802 Charge and the HEAT Charge shall be discounted, in that order, prior to the discounting of any other components of the base rates.

Black Hills Nebraska Gas, LLC
d/b/a Black Hills Energy
Nebraska Natural Gas Tariff
Filed with the Nebraska Public Service Commission

DATE OF ISSUE: March 1, 2021
ISSUED BY: Robert J. Amdor

EFFECTIVE DATE: March 1, 2021