

BEFORE THE PUBLIC SERVICE COMMISSION OF NEBRASKA

IN THE MATTER OF THE)
 APPLICATION OF BLACK HILLS) Application No. NG-109
 NEBRASKA GAS, LLC, D/BA BLACK)
 HILLS ENERGY, RAPID CITY, SOUTH)
 DAKOTA SEEKING APPROVAL OF A)
 GENERAL RATE INCREASE)

MOTION TO DEFER COLLECTION AND FOR AN INTERIM RATE SURCHARGE

Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy (“BH Nebraska Gas”) is the Applicant for a general rate increase as filed in Application No. NG-109 with the Nebraska Public Service Commission (the “Commission”). In conjunction therewith, Applicant files this Motion To Defer Collection And For An Interim Rate Surcharge.

Applicant seeks Commission approval prior to September 1, 2020 for the BH Nebraska Gas to, in its sole determination, defer collection of incremental interim rate revenues during the pendency of this proceeding. BH Nebraska Gas also seeks Commission approval to establish an interim rate surcharge pursuant to Neb. Rev. Stat. § 66-1838 of the State Natural Gas Regulation Act, to collect the lawful amount of Interim rate revenues that it could have otherwise collected commencing on September 1, 2020 until the effective date of implementation of final rates determined in this proceeding collection of any deferred incremental interim rate revenues.

In support of this Motion, Joint Applicants state as follows:

1. BH Nebraska Gas requests that the tariffs and rates shown in the Rate Review Application proposed rate schedules be made effective in accordance with the provisions of the Act. *See Neb. Rev. Stat. § 66-1838, et al.*

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 By Deena Ackerman at 1:36 pm, Jun 01, 2020

2. By law, BH Nebraska Gas may collect those rates as interim rates, subject to refund, ninety (90) countable days after the date of filing for the increase. Neb. Rev. Stat. § 66-1838 (10)(b). At the time of filing this Rate Review Application, BH Nebraska Gas intends to collect 100% of its proposed rates under the interim rate statute, subject to refund, commencing on or about September 1, 2020.
3. However, as detailed in the testimony of Mr. Amdor, the BH Nebraska Gas may need to shield customers from the impacts of the rate increase during the pendency of this case if the impacts of the Covid-19 Pandemic continue to be severe. To that end, in the BH Nebraska Gas's sole determination, BH Nebraska hereby requests Commission approval to defer collection of the incremental increase in revenues it could lawfully collect during the interim rate period until the end of the rate review proceeding if conditions warrant such action.
4. BH Nebraska Gas will consider a variety of different factors prior to deferring recovery of the Commission-approved level of Final Rate Revenues (i.e., Final Current Rates). For example, BH Nebraska Gas will consider the strength of the Nebraska economy, the level of unemployment in Nebraska, the bad debt level BH Nebraska Gas is experiencing, the outlook of the economy through the pendency of the proceeding, the level of complaints received from its Customers, the level of other surcharges that will go into effect at the conclusion of the rate review proceeding, the amount of customer confusion by deferring the collection of Incremental Rate Revenue, and other factors that may be present after filing this Rate Review Application. BH Nebraska Gas will also consult with its experts, Mr. McKenzie and Dr. Rosenbaum as to their assessment of the capital markets and the Nebraska economy respectively.

5. BH Nebraska Gas proposes that the Commission issue an interlocutory order approving the following authorizations: (1) BH Nebraska Gas is permitted to recover the full lawful amount of revenue (i.e., with carrying costs) that BH Nebraska Gas would have collected and retained during the interim rate period, (2) BH Nebraska Gas is allowed to recover the uncollected interim rates through a customer surcharge mechanism to be collected over a twelve-month period commencing with the effective date of final rates determined by the Commission in this rate review proceeding, (3) Parties to the proceeding agree to the collection, and (4) all Parties to the proceeding waive all rights of rehearing or appeal of the deferred collection of the lawful revenues recovered through the surcharge mechanism approved by the Commission's interlocutory order in this proceeding.

6. Issuing a Commission Order in this proceeding prior to September 1, 2020 is in the public interest as it will benefit customers of the Applicant by allowing BH Nebraska Gas the authority to defer the collection and impact of interim rates during the pendency of this proceeding if the above-referenced circumstances warrant that action.

7. The deferral of collecting incremental revenues lawfully permitted under Interim rates, if conditions warrant such action, is consistent with the State Natural Gas Regulation Act. Neb. Rev. Stat. §§ 66-1801 et seq.

WHEREFORE, Applicant requests that the Commission issue and Interlocutory Order prior to September 1, 2020, in accordance with the State Natural Gas Regulation Act and any applicable existing or proposed rules or regulations of the Commission as requested by BH Nebraska Gas in this proceeding.

Dated: June 1, 2020

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

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Certificate of Service

The undersigned hereby certifies that a copy of the foregoing was served by e-mail and U.S. Mail, sufficient postage prepaid on the 1st day of June 2020 upon the following individuals:

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