BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

| In the Matter of the Commission, |) | Application No. NG-0013 |
|----------------------------------|---|---------------------------|
| on its own motion, to evaluate |) | |
| and establish, on a quarterly |) | |
| basis, an assessment for |) | |
| jurisdictional utilities |) | PROGRESSION ORDER NO. 33 |
| pursuant to the State Natural |) | |
| Gas Regulation Act, Neb. Rev. |) | |
| Stat. § 66-1801 et seg. |) | Entered: October 18, 2011 |

BY THE COMMISSION:

The State Natural Gas Regulation Act (Act) requires that the Commission assess its expenditures for each quarter-year against all jurisdictional utilities, subject to certain adjustments. See Neb. Rev. Stat. section 66-1841. The Act provides that the Commission shall determine its expenditures for the given quarter within 30 days after such quarter. This order addresses the assessment for expenses during the first quarter of fiscal year 2011-2012, July through September, 2012.

Actual first-quarter expenditures totaled \$383,893. Projected expenses for the second quarter of the 2011-2012 state fiscal year total \$94,765. The total balance in the State Natural Gas Regulation Cash Fund as of September 30, 2011, was \$98,534.

OPINION AND FINDINGS

Based upon the foregoing, the Commission finds that an assessment of \$95,000 is necessary to pay all expenses, to provide a sufficient reserve and to maintain a cash flow until the next assessment evaluation and collection.

Appendix A shows the allocation of the assessed amount to the Jurisdictional Utilities, as required by Section 66-1841(4) of the Act. The allocated amounts are based upon number of meters served, as reported by the Jurisdictional Utilities on or about April 30, 2011, pursuant to Rule 006, of the Commission Natural Gas and Pipeline Rules and Regulations (Neb. Admin. Code Title 291, Chapter 9).

The assessed amounts are as follows: for Black Hills Energy, \$57,197.92; for SourceGas, \$25,750.42; and for North-Western, \$12,051.66.

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The Act permits a jurisdictional utility to recover the amount of any assessments or charges paid to the Commission pursuant to Section 66-1840 or 66-1841 as a special surcharge billed to ratepayers. The surcharge must be shown on customer billing statements as required by Section 66-1841(7)(a).

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Jurisdictional Utilities pay the amounts set forth above within 15 days from the date that notice of assessment is mailed, as required by Neb. Rev. Stat. § 66-1841(4).

MADE AND ENTERED at Lincoln, Nebraska, this 18th day of October, 2011.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

//s// Frank Landis

//s// Tim Schram

Executive Director

Appendix A

| | <u>Meters</u> 12/31/10 | Percent Of Total | Prorated Assessment |
|--------------------|---------------------------|---------------------|------------------------|
| Black Hills Energy | 194,954 | 60.21% | \$57,197.92 |
| SourceGas | 87,768 | 27.11% | 25,750.42 |
| NorthWestern | 41,077 | 12.69% | 12,051.66 |
| Total | | | \$95,000.00 |