

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. NG-0078.6  
of Black Hills Gas Distribution, )  
LLC d/b/a Black Hills Energy for )  
authority to adjust the System ) ORDER APPROVING APPLICATION  
Safety and Integrity charges )  
(2019). )  
) Entered: January 15, 2019

BY THE COMMISSION:

On October 12, 2018, Black Hills Distribution LLC, d/b/a Black Hills Energy ("Black Hills") of Denver, Colorado, filed an application with the Nebraska Public Service Commission ("Commission") seeking an order authorizing it to adjust the System Safety and Integrity Rider Charge beginning in February of 2019. A petition for Formal Intervention was filed by the Nebraska Public Advocate ("PA") on October 26, 2018.

Following discussion with the parties, a hearing officer order was issued on November 19, 2018, granting the intervention of the PA and setting the procedural schedule for this docket. Pursuant to the scheduling order, the parties engaged in discovery, and a hearing was held.

E V I D E N C E

On December 18, 2018, a hearing was held in the above-captioned matter. Douglas J. Law appeared on behalf of Black Hills. William Austin appeared on behalf of the Public Advocate. Sallie Dietrich and Nichole Mulcahy appeared on behalf of Commission staff. Exhibits numbered 1 - 10 were offered and accepted, including the written report of the PA's consultant, Donna Mullinax, and a Joint Stipulation reached by the parties in this matter.

Black Hills presented the oral testimony of Kevin Jarosz, Director of Business Operations for Nebraska Gas. Mr. Jarosz described the general outline of Black Hills' proposed SSIR changes, which amount to a reduction in SSIR changes for each customer class. Mr. Jarosz testified that the exact changes per customer class are as follows:

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

Application No. NG-0078.6

Page 2

<u>Customer Class</u>	<u>Previous SSIR Charge</u>	<u>New SSIR Charge</u>
Residential	\$4.67	\$4.15
Small Commercial	\$8.95	\$8.92
Large Commercial	\$69.50	\$60.86

Following Mr. Jarosz's direct testimony, the Public Advocate, the Commission, and Commission staff were afforded an opportunity for cross-examination. No other witnesses were called on behalf of Black Hills.

The Public Advocate presented his review of the application, and described the background of the SSIR dockets generally. The PA noted that he had no concerns with the application. No witnesses were called on behalf of the PA. Following the PA's statement, the hearing was adjourned.

F I N D I N G S   A N D   O P I N I O N

Pursuant to the State Natural Gas Regulation Act, Neb. Rev. Stat. § 66-1801 et seq., the Commission has "full power, authority, and jurisdiction to regulate natural gas public utilities and may do all things necessary and convenient for the exercise of such power, authority, and jurisdiction." Neb. Rev. Stat. § 66-1804(1). The Act further provides that these powers are to be "liberally construed." Neb. Rev. Stat. § 66-1804(2). The Commission's powers, authority, and jurisdiction, including with regard to general rate filings and rate principles, are further outlined in state regulations at 291 Neb. Admin. Code, Chapter 9, Sections 4 and 5.

The Commission has reviewed the evidence presented in this matter and finds that the parties to the above-captioned docket are in agreement that the Commission should enter an order authorizing the SSIR tariff revisions reflected in the Thirty-Eighth Revised Sheet No. 7, entered into the record in this matter as Exhibit 7.

Based upon the parties' stipulated agreement and the Public Advocate's review and report, the Commission hereby finds that the proposal set forth in the Joint Stipulation is appropriate and reasonable, and that it is in the best interests of both the parties and of Nebraska ratepayers that the SSIR Charge be modified as described in the tariff revisions set forth in Exhibit 7.

The Commission further finds that the Thirty-Eighth Revised tariff sheet submitted in this matter as Exhibit 7 should be adopted and shall become effective on February 1, 2019.

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

Application No. NG-0078.6

Page 3

Black Hills shall continue to comply with the requirements previously set forth in NG-0078, including the filing of quarterly surveillance filings and the filing of an annual reconciliation.

Black Hills shall continue to communicate with and advise the Commission of its plans regarding any upcoming general rate application, as well as its plans regarding any future consolidation of the two Black Hills entities.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the application of Black Hills in this matter be approved, consistent with the terms of the joint stipulation reached between the Public Advocate and Black Hills Gas Distribution, LLC d/b/a Black Hills Energy in this matter.

IT IS FURTHER ORDERED that Black Hills Energy, Nebraska Gas Tariff, Revised Sheet No. 7, attached to the Joint Stipulation, with the effective date of February 1, 2019, is hereby approved.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 15th day of January, 2019.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Mary Reddi*

Chair

ATTEST:

*Theresa H. H.*

Executive Director

*Paul J. Chase*  
*Crystal Knodes*  
*Don W. Wrenn*  
*Tim Schram*