

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 21AL-0236G

IN THE MATTER OF ADVICE LETTER NO. 9 FILED BY BLACK HILLS COLORADO GAS, INC. DOING BUSINESS AS BLACK HILLS ENERGY TO INCREASE THE BASE RATES CHARGED FOR ALL NATURAL GAS SALES AND TRANSPORTATION SERVICES TO BECOME EFFECTIVE JULY 2, 2021.

COMMISSION DECISION GRANTING MOTION

Mailed Date: March 7, 2023
Adopted Date: March 1, 2023

I. BY THE COMMISSION

A. Statement

1. This Decision grants the motion filed by Black Hills Colorado Gas, Inc (Black Hills or the Company) on February 24, 2023 for a partial variance from Decision No. R21-0748 and for a waiver of response time to the motion, consistent with the discussion below.

B. Discussion

2. On June 1, 2021, Black Hills filed Advice Letter No. 9, tariff pages, and written testimony, which initiated a combined Phase I and Phase II rate review in this Proceeding.

3. By Decision No. R21-0748, the Commission approved, without modification, a Settlement Agreement reached by Black Hills and the intervening parties and established new base rates for Black Hills' sales and transportation customers.

4. The Settlement Agreement approved by the Commission provided for alternative rate implementation for residential customers in the Company's Rate Area 2. The new base rates

were to go into effect as of January 1, 2022, but the Company agreed to delay implementation of one-half of the approved revenue increase until July 1, 2022 for bill impact mitigation purposes. The foregone revenue for the period from January 1 through June 30, 2022 was to be deferred and recorded in a regulatory asset.

5. In its motion filed on February 24, 2023, Black Hills explains that a true-up analysis determined that an over-recovery totaling \$124,570 has occurred or those residential customers in Rate Area 2 pursuant to the terms of the reconciliations afforded by the Settlement Agreement. Black Hills requests authority from the Commission to finalize cost and revenue reconciliations case with a one-time true up in the form of a bill credit instead of a continuing a General Rate Schedule Adjustment (GRSA). Black Hills proposes a refund of approximately \$6.16 each to the 20,231 residential customers in Rate Area 2.

C. Findings and Conclusions

6. We find good cause to grant Black Hills' unopposed motion. It is reasonable to credit customer bills immediately as opposed to the six-month interval contemplated by the Settlement Agreement. We also waive response time to the motion, because Black Hills has conferred with the intervening parties to this Proceeding and they do not oppose the relief requested.

II. ORDER

A. The Commission Orders That:

1. The motion filed by Black Hills Colorado Gas, Inc on February 24, 2023 for a partial variance from Decision No. R21-0748 is granted.

2. Response time to the motion is waived.

3. The 20-day period provided for in § 40-6-114, C.R.S., within which to file applications for rehearing, reargument, or reconsideration, begins on the first day following the effective date of this Decision.

4. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
March 1, 2023.**

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ERIC BLANK

MEGAN M. GILMAN

TOM PLANT

Commissioners

ATTEST: A TRUE COPY

A handwritten signature in cursive script, appearing to read "G. Harris Adams".

G. Harris Adams,
Interim Director