

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 20L-0100G

IN THE MATTER OF THE VERIFIED APPLICATION OF BLACK HILLS COLORADO GAS, INC. D/B/A BLACK HILLS ENERGY FOR AUTHORIZATION TO REDUCE THE BLACK HILLS ENERGY ASSISTANCE PROGRAM FUNDING FEE TO BE EFFECTIVE APRIL 1, 2020 UPON LESS THAN STATUTORY NOTICE.

COMMISSION DECISION DENYING APPLICATION

Mailed Date: March 31, 2020
Adopted Date: March 25, 2020

I. BY THE COMMISSION

A. Statements, Findings, and Conclusions

1. On March 13, 2020, Black Hills Colorado Gas, Inc., doing business as Black Hills Energy (BHCG or Applicant), filed a verified Application. Applicant seeks a Commission decision authorizing it, on less-than-statutory notice, to place into effect on April 1, 2020, tariffs resulting in a decrease to its existing natural gas rates on file with the Commission.

2. The proposed tariffs are attached to the Application and affect the Applicant's funding fees for its Black Hills Energy Assistance Program (BHEAP). BHCG seeks to reduce these fees to zero.

3. This Application for authority to decrease rates on less-than-statutory notice is made pursuant to § 40-6-109(5), C.R.S., and Rule 1403, of the Commission's Rules of Practice and Procedure, 4 *Code of Colorado Regulations* (CCR) 723-1, as well as Rule 4109 of the Commission's Rules Regulating Gas Utilities and Pipeline Operators, 4 CCR 723-4.

4. The Applicant is an operating public utility subject to the jurisdiction of this Commission and is engaged, *inter alia* in the purchase, distribution, transportation, and sale of natural gas for domestic, mechanical, or public uses in various certificated areas within the State of Colorado.

5. BHCG set these funding fees effective February 1, 2019, in Proceeding No. 18AL-0912G for PUC No. 3 (Black Hills/Colorado Gas Utility Company Tariff) and in Proceeding No. 18AL-0914G for PUC No. 7 (Black Hills Gas Distribution, LLC). In those Proceedings, attachments were included which demonstrated estimated BHEAP program participation and what level of funding fee would be necessary to make the BHEAP program sustainable. Such attachments were not filed with this Application.

6. BHCG instituted auto enrollment in BHEAP for Low-Income Energy Assistance Program (LEAP) applicants whose income qualifies for BHEAP in Colorado PUC No. 3 in Proceeding No. 19AL-0604G and in Colorado PUC No. 7 in Proceeding No. 19AL-0603G, both effective December 1, 2019.

7. BHCG asserts in this Application that participation has increased from 7 to 200 participants for customers served pursuant to the PUC No. 3 Tariff and from 112 to 1,175 participants for customers served pursuant to the Colorado PUC No. 7 tariff. However, BHCG also asserts, without providing supporting documentation, that the existing funding rates can be reduced to zero and still maintain adequate funding for the next program year.

8. The Commission is not persuaded that reducing low-income fee levels to zero at this time would be in the public interest, given the lack of supporting documentation presented with this Application. Neither is the Commission persuaded that this issue is so pressing that a less-than-statutory notice Application is justified at this time. Should BHCG wish to demonstrate

what a sustainable level of BHEAP program funding is, with supporting documentation, BHCG should make this demonstration. BHCG should indicate as well whether the projected program participation levels are based only on the current heating season thus far or on any potential increase in participation from novel coronavirus pandemic COVID-related income and job loss among customers which may cause increased program participation.

II. ORDER

A. The Commission Orders That:

1. The application filed by Black Hills Colorado Gas, Inc., doing business as Black Hills Energy is deemed complete.
2. The application filed by Black Hills Colorado Gas, Inc. for authority to change tariffs on less-than-statutory notice is denied, consistent with the discussion above.
3. The 20-day time period provided by § 40-6-114, C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the effective date of this Decision.
4. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
March 25, 2020.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Doug Dean".

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

JOHN GAVAN

MEGAN M. GILMAN

Commissioners