

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14A-0488G

IN THE MATTER OF THE APPLICATION OF BLACK HILLS/COLORADO GAS UTILITY COMPANY, LP, D/B/A BLACK HILLS ENERGY, FOR APPROVAL OF ITS NATURAL GAS DEMAND SIDE MANAGEMENT (DSM) PLAN FOR CALENDAR YEARS 2015, 2016 AND 2017.

DECISION APPROVING APPLICATION

Mailed Date: July 2, 2014
Adopted Date: July 2, 2014

I. BY THE COMMISSION

A. Statement

1. The above captioned Application was filed with the Commission by Black Hills/Colorado Gas Utility Company, L.P., doing business as Black Hills Energy (Black Hills or Company) on May 15, 2014. Black Hills seeks a decision approving its Gas Demand Side Management (DSM) Plan for the plan years 2015, 2016 and 2017, including approval to implement the programs and measures set forth therein, to continue to use the Gas Demand Side Management Cost Adjustment funding and cost recovery mechanism, and to recover program costs and revenue losses from the program offerings, all as permitted by the Commission's Rules, and pursuant to the applicable tariffs of Black Hills.

B. Background

2. On September 29, 2008, Black Hills filed its first DSM Plan for the 2009 through 2011 DSM plan years. The application was filed under Proceeding No. 08A-431G. The Commission approved the Plan for plan years 2010 through 2011 by Decision No. C10-0295 on March 29, 2010 in Proceeding No. 10A-082G after a lengthy settlement agreement.

3. On May 2, 2011, Black Hills filed its second gas DSM plan for plan years 2012, 2013 and 2014 under Proceeding No. 11A-393G and approved by Decision No. C11-1067 on October 4, 2011.

4. On May 15, 2014, pursuant to Rule 4753, Black Hills filed an application for approval of its Natural Gas Demand Side Management Energy Efficiency Plan (The Plan) covering the years 2015, 2016, and 2017. The Plan contains budget details, dekatherm savings estimates, and cost effectiveness estimates for programs and measures.

5. The Commission issued a Notice of Application on May 16, 2014.

6. On June 12, 2014 the Colorado Energy Office (CEO) filed a Notice of Intervention by Right. CEO did not request a hearing and cited its statutory duty to administer the state's Low Income Energy Assistance Fund, used to provide direct bill payment assistance and weatherization services to low-income households as the basis for its intervention and is not contesting the application.

7. The Plan represents a continuation of Black Hills' 2012 through 2014 DSM Plan with the proposed addition of a new Residential Behavior Change program and a Commercial Direct Install program which will replace the existing Nonresidential Evaluation program; the plan also includes a redesigned Residential New Construction Program.

8. Five broad programs make up the Company's Plan: The Residential Retrofit Program, the Residential New Construction Program, the Nonresidential Program, a Low-Income Program, and a School-Based Energy Education Program.

9. The proposed budgets for 2015, 2016, and 2017 are \$1,740,100, \$1,900,800 and \$1,953,400 respectively.

10. The Application auto-deemed complete on July 1, 2014.

C. Findings

11. The Application is uncontested and therefore may be processed without a formal hearing pursuant to § 40-6-109(5), C.R.S., and Rule 1403 of 4 CCR 723-1.

12. We find the Black Hills Gas DSM Plan for 2015, 2016, and 2017 meets the requirements of Rule 4753. We find that the Gas DSM Plan is in the public interest and therefore find good cause to approve it.

II. ORDER**A. The Commission Orders That:**

1. The Application of Black Hills/Colorado Gas Utility Company, L.P., doing business as Black Hills Energy for approval of its natural gas Demand Side Management Plan for calendar years 2015, 2016, and 2017 is granted.

2. The 20-day time period provided by § 40-6-114-(1), 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.

3. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
June 25, 2014.**

(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

JOSHUA B. EPEL

PAMELA J. PATTON

GLENN A. VAAD

Commissioners