



Matthew J. Christofferson
Manager – Regulatory
Matt.Christofferson@blackhillscorp.com

1515 Arapahoe Street
Tower 1 – Suite 1200
Denver, CO 80202
P: 303.566.3409

November 1, 2023

ADVICE LETTER NO. 37

Public Utilities Commission of the State of Colorado
1560 Broadway, Suite 250
Denver, CO 80202

The accompanying tariff sheets issued by Black Hills Colorado Gas, Inc. d/b/a Black Hills Energy (“BHCG” or the “Company”) are sent to you for filing in compliance with the requirements of the Public Utilities Law and the applicable rules of the Public Utilities Commission of the State of Colorado (“Commission”), including Rule 1210, 4 Colorado Code of Regulations 723-1. The following tariff sheets are attached:

COLORADO P.U.C. NO. 1

Colorado P.U.C. Sheet Number	Title of Sheet	Cancels Colorado P.U.C. Sheet Number
Twenty-first Revised Sheet No. 14	Statement of Rates Rate Schedule Sheet Gas Sales Rates	Twentieth Revised Sheet No. 14
Twentieth Revised Sheet No. 15	Statement of Rates Rate Schedule Sheet Gas Sales Rates	Nineteenth Revised Sheet No. 15
Twentieth Revised Sheet No. 17	Statement of Rates Rate Schedule Sheet Gas Sales Rates	Nineteenth Revised Sheet No. 17
Twentieth Revised Sheet No. 18	Statement of Rates Rate Schedule Sheet Gas Sales Rates	Nineteenth Revised Sheet No. 18
Twentieth Revised Sheet No. 20	Statement of Rates Rate Schedule Sheet Gas Sales Rates	Nineteenth Revised Sheet No. 20
Twentieth Revised Sheet No. 21	Statement of Rates Rate Schedule Sheet Gas Sales Rates	Nineteenth Revised Sheet No. 21

Colorado PUC E-Filings System

Colorado P.U.C. Sheet Number	Title of Sheet	Cancels Colorado P.U.C. Sheet Number
Twentieth Revised Sheet No. 22	Statement of Rates Rate Schedule Sheet Gas Sales Rates	Nineteenth Revised Sheet No. 22
Twentieth Revised Sheet No. 24	Statement of Rates Rate Schedule Sheet Gas Sales Rates	Nineteenth Revised Sheet No. 24
Twentieth Revised Sheet No. 25	Statement of Rates Rate Schedule Sheet Gas Sales Rates	Nineteenth Revised Sheet No. 25
Tenth Revised Sheet No. 27	Statement of Rates Rate Schedule Sheet Gas Transportation Service Rates	Ninth Revised Sheet No. 27
Tenth Revised Sheet No. 28	Statement of Rates Rate Schedule Sheet Gas Transportation Service Rates	Ninth Revised Sheet No. 28
Eighth Revised Sheet No. 29	Statement of Rates Rate Schedule Sheet Gas Transportation Service Rates	Seventh Revised Sheet No. 29
Fifth Revised Sheet No. 58	Gas Rate Adjustments System Safety and Integrity Rider (“SSIR”) (continued)	Fourth Revised Sheet No. 58

The principal purpose of this filing is to amend the Company’s System Safety and Integrity Rider (“SSIR”) rates with a proposed effective date of January 1, 2024. The Company is proposing to increase SSIR rates for all rate classes impacted by the SSIR.

The proposed increase in SSIR rates will result in increased annual revenues of \$575,043 in Rate Area 2 (“RA 2”) and \$413,903 in Rate Area 3 (“RA 3”) determined based on the estimated cost of the SSIR Eligible Projects to be placed in service in the 2023 calendar year. The revenue increases represent an increase of 1.77% and 0.53% for RA 2 and RA3, as compared to the Company’s annual total revenue¹. The SSIR increases will not exceed the 2.5% in RA 2 and 1.5% in RA 3 per year as required by the Commission Decision No. C21-0397 in Proceeding No. 20A-0379G.

¹ Total annual revenues for the 12 months ending December 31, 2022 as reflected in Proceeding No. 23AL-0231G

The Company is proposing to modify the SSIR rate that is applicable to all customer classes in RA 2 and RA 3. Tables 1 and 2 summarize the impact on the Company’s Residential and Small Commercial Customer classes by base rate area, showing average monthly bill at current and proposed rates.

Table 1: Average Monthly Bill Impacts - Residential Customers

Base Rate Area	GCA Region and Communities Served	Current Average Monthly Bill	Proposed Average Monthly Bill	Monthly Change	Percent Change	Average Usage
1	<u>North/Southwest GCA Region</u> communities in Larimer and Weld Counties, including the towns of Dacono, Erie, Firestone, Frederick, and Wellington	\$97.14	\$97.14	\$0.00	0.0%	86
1	<u>Western Slope - Without Storage GCA Region</u> communities located in Delta, Eagle, Garfield, Montrose, Ouray, Pitkin and San Miguel Counties, including the towns of Delta, Glenwood Springs, Hotchkiss, Montrose, Olathe, Paonia, and Telluride	\$120.65	\$120.65	\$0.00	0.0%	86
1	<u>Western Slope - With Storage GCA Region</u> communities located in Eagle, Garfield, and Pitkin Counties, including the towns of Aspen, Carbondale and Eagle	\$129.37	\$129.37	\$0.00	0.0%	86
2	<u>Central GCA Region</u> communities in Bent, Crowley, and Otero Counties, including the towns of Fowler, La Junta, Las Animas, Rocky Ford, and Swink	\$74.98	\$76.61	\$1.63	2.2%	66
2	<u>North/Southwest GCA Region</u> communities in Cheyenne, Logan, Morgan, Phillips, Sedgwick, Washington, Weld, Archuleta, La Plata, Mineral and Yuma Counties, including the towns of Akron, Wray Pagosa Springs, Bayfield and Yuma	\$86.39	\$88.02	\$1.63	1.9%	66
3	<u>Central GCA Region</u> Castle Rock south to Monument, Fountain, Woodland Park, east to Kiowa, Limon and Burlington, and the surrounding areas to these communities	\$77.39	\$77.72	\$0.33	0.4%	91

Table 2: Average Monthly Bill Impacts - Small Commercial Customers

Base Rate Area	GCA Region and Communities Served	Current Average Monthly Bill	Proposed Average Monthly Bill	Monthly Change	Percent Change	Average Usage
1	<u>North/Southwest GCA Region</u> communities in Larimer and Weld Counties, including the towns of Dacono, Erie, Firestone, Frederick, and Wellington	\$188.84	\$188.84	\$0.00	0.00%	180
1	<u>Western Slope - Without Storage GCA Region</u> communities located in Delta, Eagle, Garfield, Montrose, Ouray, Pitkin and San Miguel Counties, including the towns of Delta, Glenwood Springs, Hotchkiss, Montrose, Olathe, Paonia, and Telluride	\$238.05	\$238.05	\$0.00	0.00%	180
1	<u>Western Slope - With Storage GCA Region</u> communities located in Eagle, Garfield, and Pitkin Counties, including the towns of Aspen, Carbondale and Eagle	\$256.31	\$256.31	\$0.00	0.00%	180
2	<u>Central GCA Region</u> communities in Bent, Crowley, and Otero Counties, including the towns of Fowler, La Junta, Las Animas, Rocky Ford, and Swink	\$153.51	\$156.38	\$2.87	1.90%	154
2	<u>North/Southwest GCA Region</u> communities in Cheyenne, Logan, Morgan, Phillips, Sedgwick, Washington, Weld, Archuleta, La Plata, Mineral and Yuma Counties, including the towns of Akron, Wray Pagosa Springs, Bayfield and Yuma	\$180.18	\$183.05	\$2.87	1.60%	154
3	<u>Central GCA Region</u> Castle Rock south to Monument, Fountain, Woodland Park, east to Kiowa, Limon and Burlington, and the surrounding areas to these communities	\$113.53	\$114.02	\$0.49	0.40%	134

Attached hereto are Attachments A-F:

- Attachment A - Clean version of the applicable proposed tariff sheets.
- Attachment B - Redlined version of the applicable tariff sheets.
- Attachment C - Company’s (2024-2028) Five Year System and Safety and Integrity Rider (“SSIR”) Plan. Attachments C.1-C.6, are additional attachments that support Attachment C and the SSIR as a whole.
- Attachment D – revenue requirements and rate calculation of the proposed 2024 SSIR effective January 1, 2024.
- Attachment E – Customer Notice.
- Attachment F – Rate Trend Report.

BHCG requests the tariff sheets accompanying this advice letter in Attachment A become effective on January 1, 2024. Please send copies of all notices, pleadings, correspondence, and other documents regarding this filing to the undersigned.

Advice Letter No. 37
Page 5 of 5

Sincerely,

BLACK HILLS ENERGY

/s/ Matthew J. Christofferson

Matthew J. Christofferson
Manager - Regulatory