

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Application of Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy, for Approval of the Commission for Gas System Reliability Surcharge per K.S.A. 66-2201 through 66-2204)
)
) Docket No. 14-BHCG-593-TAR
)
)

**RESPONSE OF BLACK HILLS ENERGY TO
STAFF'S REPORT AND RECOMMENDATION**

Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Black Hills"), files its response to the Kansas Corporation Commission ("Commission") Staff's ("Staff") Report and Recommendation.

1. Staff made the following recommendations in its Report and Recommendation relating to Black Hills' Gas System Reliability Surcharge ("GSRS") application:

a. Approve Black Hills' GSRS increase of \$657,961 to be collected via the per customer surcharge listed in Exhibit 2 of Staff's Report and Recommendation;

b. Black Hills must file updated GSRS tariffs to reflect the changes in the per customer surcharge as discussed in Staff's Report and Recommendation prior to billing the new surcharge;

c. Black Hills should refund \$90,441 to customers in the first month of the Company's new GSRS recovery period; and

d. Black Hills will immediately file a GSRS true-up for the period of May 2014 to the date the base rates in Docket No. 14-BHCG-502-RTS become effective as required by K.S.A. 66-2204(f)(2).

2. Black Hills has reviewed and discussed the recommendations made by Staff in its

Report and Recommendation and concurs with the Staff's recommendations as outlined above.

WHEREFORE, Black Hills requests the Commission approve its application subject to the recommendations made by Staff in its Report and Recommendation.

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VERIFICATION

STATE OF KANSAS)
)ss:
COUNTY OF FRANKLIN)

James G. Flaherty, of lawful age, being first duly sworn on oath, states:

That he is the attorney for Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Black Hills"), named in the foregoing Response to Staff's Report and Recommendation, and is duly authorized to make this affidavit; that he has read the foregoing Response, and knows the contents thereof; and that the facts set forth therein are true.

James G. Flaherty

SUBSCRIBED AND SWORN to before me this 8th day of September, 2014.



Notary Public

Appointment/Commission Expires:

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing Response to Staff's Report and Recommendation was sent by electronic mail, this 8th day of September, 2014, addressed to:

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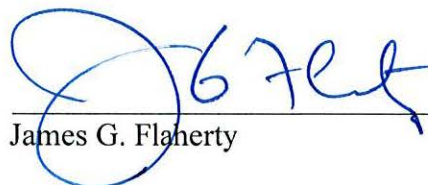
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