BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Black Hills") Gas Hedge Program

Docket No. 05-AQLG-616-HED

MOTION

Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Black Hills" or "Applicant"), files this Motion requesting permission from the Commission to allow Black Hills to discontinue charging its customers the monthly charge under its Gas Hedge Program through the remainder of the recovery period for the 2015-2016 heating season (September and October 2015).

1. Pursuant to the Commission's Order dated April 14, 2005, Black Hills recovers its Gas Hedge Program costs from all of its sales customers (except irrigation customers) on a volumetric basis through a separate line item on Applicant's monthly PGA filings during the months of April through October. Black Hills has determined the amount collected through July 31, 2015, along with the collections expected through August 31, 2015, will be sufficient to cover the cost of its Gas Hedge Program for the winter of 2015-2016. Black Hills, therefore, requests permission to discontinue charging its customers the monthly gas hedge charge for the months of September and October 2015.

2. Black Hills' revised costs for its Gas Hedge Program for the 2015-2016 winter are estimated at \$1,000,000 to \$1,200,000. As of July 31, 2015, Black Hills has collected approximately \$1,025,000. Black Hills estimates collections during August 2015 to be roughly \$250,000, for total collections of \$1,275,000. Therefore, Black Hills will have a sufficient amount to cover the cost of its Gas Hedge Program for the upcoming winter period.

3. Black Hills has discussed its request to discontinue charging its customers the gas hedge charge for the remaining two months (September 1, 2015, through October 31, 2015) with Staff and Staff has indicated it has no objection to the request being made by Black Hills.

4. As part of this Motion, Black Hills would also seek Commission approval that in future

Gas Hedge Program years that the utility be allowed to discontinue charging its customers the gas hedge charge for any remaining months in those years when Black Hills has determined it has received sufficient contributions from the customers to fund the Gas Hedge Program without having to file a motion for waiver similar to this motion and seeking an order to discontinue the charge for the remaining months. Black Hills would simply contact Staff and the Citizens' Utility Ratepayer Board ("CURB") on an informal basis in writing, requesting to discontinue charging its customers the monthly charge under its Gas Hedge Program in any remaining month(s) of a future Gas Hedge Program year and, upon Staff and CURB's approval, file a notification in this docket referencing the parties' concurrence and identifying the applicable month(s) wherein the customer monthly Gas Hedge charge would be discontinued.

WHEREFORE, Applicant requests an order form the Commission allowing Black Hills to discontinue charging its customers the monthly charge under its Gas Hedge Program effective with the September 1, 2015, billing through the end of the recovery period (October 31, 2015).

Black Hills also requests that the Commission allow Black Hills to discontinue charging its customers the monthly charge under its Gas Hedge Program in future years when it determines it has received sufficient contributions from the customers to fund the program and such determination has been approved by Staff and CURB so the utility can take such action without having to file a Motion for Waiver and obtain an order on that motion.

James G. Flaherty, #11177 ANDERSON & BYRD, LLP 216-S: Hickory, P. O. Box 17 Ottawa, Kansas 66067 (785) 242-1234, telephone (785) 242-1279, facsimile <u>iflaherty@andersonbyrd.com</u> Attorneys for Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy

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 Application, and is duly authorized to make this affidavit; that he has read the foregoing Application, and knows the contents thereof; and that the facts set forth therein are true and correct to the best of his knowledge, information and belief.

James G. Flaherty

SUBSCRIBED AND SWORN to before me this 11th day of August, 2015.

NOTARY PUBLIC - State of Kansas RONDA ROSSMAN My Appt, Exp. 5/25/20/

Appointment/Commission Expires:

Notary Public

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was mailed, postage prepaid, this 11thday of August, 2015, addressed to:

Mr. David R. Springe Consumer Counsel Citizens' Utility Ratepayer Board 1500 S.W. Arrowhead Road Topeka, Kansas 66604

Mr. Otto A. Newton Litigation Counsel Kansas Corporation Commission 1500 S. W. Arrowhead Road Topeka, Kansas 66604

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