

Dari R. Dornan
Associate General Counsel

Black Hills Corporation
1731 Windhoek Dr.
Lincoln, NE 68512
(402) 490-4886
dari.dornan@blackhillscorp.com

Thomas D. Stevens
Director of Regulatory and Finance
Black Hills Corporation
655 Millsap Rd.
Fayetteville, AR 72703
(479) 601-8201
tom.stevens@blackhillscorp.com

3. During the Cold Weather Event, there were unseasonably cold temperatures resulting in record demand for natural gas. During this time, suppliers of natural gas experienced freezing of lines and pipes. The record demand and reduced supplies led to extremely high gas prices. Interstate pipelines (“Pipelines”) provided notice of operational flow orders (“OFO”) or otherwise limited a shipper’s tolerance levels between scheduled and actual volumes. These operational flow orders included daily penalties of multiples of the pipeline’s gas indexes. Several interstate pipelines are filing with the Federal Energy Regulatory Commission (“FERC”) for authority to waive the penalties or for authority to delay assessment of penalties for a period of time.

4. Pursuant to Black Hills’ Tariff, Index No. 37, paragraph 2, Black Hills’ transportation customers that are served through a pipeline with daily balancing charges are charged a Daily Out-Of- Balance Charge. The daily charge is the FERC approved penalty charge of the applicable upstream pipeline. Pursuant to Index No. 37, Black Hills’ transportation customers are also charged an Unauthorized Delivery Charge.

5. Black Hills is in the process of evaluating both the penalties assessed to it by the FERC pipelines and the charges applicable under Black Hills’ Commission approved Tariff. It is in

the customers' best interest not to be charged the daily penalties based on OFO days or System Overrun or Critical Days and Unauthorized Delivery Charge until a determination is made as to what penalties will be assessed by the FERC pipelines. Therefore, Black Hills requests a temporary waiver of its tariff to allow it to not charge customers the Daily Out-Of- Balance Charge based on OFO days or System Overrun or Critical Days and to not charge the Unauthorized Delivery Charge until it is determined what penalties will be assessed by the FERC pipelines. Black Hills anticipates that it will be able to appropriately bill its customers in the April invoices.

WHEREFORE, for the reasons set forth herein, Black Hills respectfully asks that the Commission issue an order approving its request for the temporary waiver of its tariff as explained above, without prejudice, to billing the charge at a later date as necessary.

Respectfully submitted

/s/ Dari Dornan

Dari Dornan #28818
Associate General Counsel
Black Hills Corporation
1731 Windhoek Dr.
Lincoln, NE 68512
(402) 490-4886
dari.dornan@blackhillscorp.com

Attorney for Black Hills Kansas Gas Utility Company,
LLC, d/b/a Black Hills Energy

VERIFICATION

STATE OF Nebraska
COUNTY OF Douglas, ss:

Dari Dornan, of lawful age, being first duly sworn on oath, states:

That she is the attorney for Black Hill/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy, named in the foregoing Application for Waiver and is duly authorized to make this affidavit; that she has read the foregoing and knows the contents thereof; and that the facts set forth therein are true and correct.

/s/ Dari Dornan

NOTARY REQUIREMENT WAIVED PURSUANT TO DOCKET NO. 20-GIMX-393-MIS

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was sent via electronic mail this 23rd day of March, 2021, addressed to:

Terri Pemberton
t.pemberton@kcc.ks.gov

Jeffery McClanahan
j.mcclanahan@kcc.ks.gov

David W. Nickel
d.nickel@curb.kansas.gov

Della Smith
d.smith@curb.kansas.gov

Shonda Rabb
s.rabb@curb.kansas.gov

/s/ Dari Dornan

Dari Dornan