

Attorney for Commission Staff

**REPORT AND RECOMMENDATION
UTILITIES DIVISION**

TO: Chairman Jay Emler
Commissioner Shari Feist Albrecht
Commissioner Pat Apple

FROM: Pat Renner, Senior Research Analyst
Robert Glass, Chief of Energy and Rates
Jeff McClanahan, Director of Utilities

DATE: September 1, 2016

SUBJECT: 16-BHCG-591-TAR: In the Matter of the Application of Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy, to Amend its Service Fees Charged by Vendor for Credit, Debit and ATM Card Payments

EXECUTIVE SUMMARY:

Black Hills Energy filed in this Docket to reduce the credit card transaction fees in its Service Fees Rate Schedule. Staff has verified the new credit card fees of Black Hills Energy's third-party vendor, SPEEDPAY, INC. Black Hills Energy has also proposed numerous minor corrections to the Index section of its tariffs. Staff recommends approval of these proposed changes.

BACKGROUND:

In this Docket, Black Hills Energy filed to change its Pay On-Line (credit card) fees and Pay By Phone (credit card) fees to reflect the new fees from its third-party vendor. The fee charged by the vendor for Pay On-Line and Pay By Phone for residential payments has been reduced from \$2.95 per transaction to \$1.95 per transaction. The non-residential payments fee has been reduced from \$9.95 per transaction to \$7.50 per transaction.

Black Hills Energy has also proposed numerous changes to its tariff Index. These changes include corrected titles and page numbers.

ANALYSIS:

Staff reviewed a copy of a letter from the third-party vendor, SPEEDPAY, INC. to Black Hills Energy that states that the Convenience (credit card) fee for residential customers has been reduced from \$2.95 to \$1.95 per transaction and the Convenience (credit card) fee for commercial customers has been reduced from \$9.95 to \$7.50 per transaction.

Staff has also reviewed the Applicant's proposed tariff Index changes and found them to be correct.

RECOMMENDATION:

Staff recommends approval of Black Hills Energy's proposed changes to its Pay On-Line (credit card) fees, Pay By Phone (credit card) fees and tariff Index.

CERTIFICATE OF SERVICE

16-BHCG-591-TAR

I, the undersigned, certify that a true and correct copy of the above and foregoing Notice of Filing of Staff's Report and Recommendation was served by electronic service on this 14th day of September, 2016, to the following:

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