

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION OF )  
BLACK HILLS GAS DISTRIBUTION, LLC D/B/A )  
BLACK HILLS ENERGY TO REVISE THE FUEL )  
AND LOST AND UNACCOUNTED FOR (FL&U) )  
GAS PERCENTAGES IN THE CASPER, )  
GILLETTE AND TORRINGTON DIVISIONS )

Docket No. 30022-305-GA-18  
(Record No. 14952)

ORDER  
(Issued August 22, 2018)

This matter is before the Wyoming Public Service Commission (Commission) upon the Application of Black Hills Gas Distribution d/b/a Black Hills Energy (BHE or Company) for authority to revise its Fuel and Lost and Unaccounted For (FL&U) Gas Percentages in the Casper, Gillette, and Torrington divisions for the Choice Gas Program Year.

The Commission, having reviewed the Application, its files regarding BHE, applicable Wyoming utility law, and otherwise being fully advised in the premises, FINDS and CONCLUDES:

1. BHE is a natural gas public utility as defined by Wyo. Stat. § 37-1-101(a)(vi)(D), subject to the Commission's jurisdiction pursuant to Wyo. Stat. § 37-2-112.
2. On March 1, 2018, BHE filed an Application proposing to revise its FL&U natural gas percentages in its Wyo. P.S.C. Tariff No. 2, as indicated in the tables in paragraph 5 below. Each respective revised FL&U percentage would apply to BHE's Casper, Gillette, or Torrington divisions for the current Choice Gas program year, June 1, 2018, through May 31, 2019.
3. On March 9, 2018, the Commission issued a *Suspension Order* pursuant to Wyo. Stat. § 37-3-106, suspending the effectiveness of the proposal for the initial period provided for in the statute.
4. On May 2, 2018, the Commission issued its *Notice of Application* containing a protest deadline of May 24, 2018, for interested persons to file a statement, intervention petition, protest, or request for a public hearing. A public notice was published in newspapers in BHE's service territories. The notice period expired without protest, comment and/or request for intervention or hearing.
5. The following tables outline the current and proposed FL&U percentages for each of BHE's divisions:

**Casper Division**

	<b>Current FL&amp;U<sup>1</sup></b>	<b>Proposed FL&amp;U</b>	<b>Change</b>
<b>Mainline System Interconnect and End-Users</b>	0.554%	0.351%	-0.203%
<b>Distribution Operations – Unadjusted*</b>	0.988%	1.392%	0.404%
<b>Distribution System End-Users</b>	1.542%	1.743%	0.201%
<b>Storage Injection</b>	3.403%	3.763%	0.360%
<b>Distribution Operations – Adjusted for Choice Gas Supplier Reconciliation Process</b>	1.054%	1.488%	0.434%

**Gillette Division**

	<b>Current FL&amp;U</b>	<b>Proposed</b>	<b>Change</b>
<b>Distribution Operations – Unadjusted*</b>	3.244%	2.979%	-0.265%
<b>Distribution System End-Users</b>	3.244%	2.979%	-0.265%
<b>Distribution Operations – Adjusted for Choice Gas Supplier Reconciliation Process</b>	3.576%	4.543%	0.967%

**Torrington Division**

	<b>Current FL&amp;U</b>	<b>Proposed</b>	<b>Change</b>
<b>Distribution Operations – Unadjusted*</b>	0.264%	0.414%	0.150%
<b>Distribution System End-Users</b>	0.264%	0.414%	0.150%
<b>Distribution Operations – Adjusted for Choice Gas Supplier Reconciliation Process</b>	0.000%	1.512%	1.512%

\*BHE uses these FL&U percentages in projecting supply requirements in pass-on applications.

6. BHE's Application came before the Commission for consideration pursuant to due notice at its Open Meeting on May 29, 2018. James Elliott, Manager of Regulatory, appeared via telephone on behalf of BHE. Mr. Elliott presented the Application, stating it is the Company's annual Application requesting to update the percentage amounts to account for the lost and unaccounted fuel type coming onto the system. Mr. Elliott explained the percentages are in

<sup>1</sup> Docket No. 30022-286-GA-17 (Record No. 14657), *Order*, July 6, 2017.

segments: storage, transmission and distribution. He further explained the Casper division has all three segments, while the Gillette and Torrington divisions only have distribution percentages. Mr. Elliott stated the transmission percentage is decreasing, while storage and distribution percentages are slightly increasing. Mr. Elliott stated BHE agrees with the request on page 3 of the Staff memorandum requesting to incorporate the FL&U percentages that BHE utilizes to project supply requirements for pass-on applications on the Company's tariff sheets. However, Mr. Elliott requested those updated tariffs be filed in a separate docket for the Commission's review. Commission Staff recommended approval of this Application.

7. Based upon the Application, statements by the Company, and the analysis and recommendations of Commission Staff, the Commission finds the Company's Application is in the public interest and should be approved, effective for service rendered on and after June 1, 2018. The Commission directs the Company to incorporate the request on page 3 of the Staff memorandum into the Company's tariff sheets. The updated tariff sheets shall be filed in a separate docket.

IT IS THEREFORE ORDERED:

1. Pursuant to Open Meeting action taken on May 29, 2018, the Application of Black Hills Gas Distribution d/b/a Black Hills Energy to revise the Fuel and Lost and Unaccounted For Gas Percentages applicable in the Casper, Gillette, and Torrington divisions is approved, effective for usage on and after June 1, 2018.

2. The Company shall incorporate the FL&U percentages that BHE utilizes to project supply requirements for pass-on applications into the Company's tariff sheets and file those sheets in a separate docket.

3. This *Order* is effective immediately.



MADE and ENTERED at Cheyenne, Wyoming, on August 22, 2018.

PUBLIC SERVICE COMMISSION OF WYOMING

WILLIAM F. RUSSELL, Chairman

KARA BRIGHTON FORNSTROM, Deputy Chair

ROBIN SESSIONS COOLEY, Commissioner



Attest:

KATIE J. KOSKI, Assistant Secretary