

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF CHEYENNE LIGHT,)
FUEL AND POWER COMPANY AND BLACK) DOCKET NO. 20003-209-EA-22
HILLS POWER, INC. dba BLACK HILLS) DOCKET NO. 20002-123-EA-22
ENERGY TO ESTABLISH INTERMEDIATE) (RECORD NO. 17028)
LOW-CARBON ENERGY PORTFOLIO)
STANDARDS AND REQUIREMENTS)

NOTICE OF APPLICATION (Issued April 1, 2022)

Pursuant to the Wyoming Administrative Procedure Act and the Wyoming Public Service Commission's (Commission) Rules, the Commission hereby gives notice of the Joint Application of Cheyenne Light, Fuel and Power (CLF&P) and Black Hills Power (BHP) d/b/a Black Hills Energy (Joint Applicants or the Companies) for authority to Establish Intermediate Low-Carbon Energy Portfolio Standards and Requirements pursuant to the provisions of Wyo. Stat. § 37-18-102 and Chapter 3, Section 38 of the Commission's rules.

1. The Joint Applicants are public utility as defined by Wyo. Stat. § 37-1-101(a)(vi)(C), subject to the Commission's jurisdiction pursuant to the provisions of Wyo. Stat. § 37-2-112.

2. On March 31, 2022, the Companies filed the Joint Application, requesting authority to establish Intermediate Low-Carbon Portfolio Standards and Requirements. The Joint Application is responsive to the requirements of Wyo. Stat. § 37-18-102 and Chapter 3, Section 38 of the Commission's rules. It addresses Wygen II and Neil Simpson II which are two utility owned, coal-fired generation facilities. Wygen II is a 90 MW facility which is wholly owned by CLF&P. Neil Simpson II is an 80 MW facility wholly owned by BHP.

3. The Companies retained the services of Black and Veatch to evaluate potential carbon capture utilization and storage (CCUS) options for the Wygen II and Neil Simpson II facilities. Based upon the Black and Veatch report, the Companies have concluded that the feasibility of adding CCUS technology requires further economic evaluation.

4. The Report states that it is physically possible for both facilities to accommodate CCUS technology. It also states that they are located near geological structures that are ideal for Carbon Dioxide (CO₂) removal and storage. The Report also indicates that the installation of CCUS could emit pollutants, other than CO₂, and may generate wastewater and solid waste requiring disposal. CCUS also requires the use of significant amounts of water. The Joint Applicants state that the uncertainty associated with CCUS may warrant a higher requested Return on Equity.

5. The Companies estimate that coal to gas conversions for these facilities will be the most economical solution to reduce CO₂ output. Nevertheless, they will initiate a Request for Proposal process to comply with the requirements of the previously referenced statute and rule.

6. This is not a complete description of the Application. The Application is available

for inspection by any interested person at the Commission's offices in Cheyenne, Wyoming, during regular business hours. The Application is also available on the Commission's website at <https://psc.wyo.gov> (Hot Topics), <https://dms.wyo.gov/external/publicusers.aspx> (Enter Record No. 17028) or Black Hill's website at www.blackhillsenergy.com.

7. Anyone wishing to file a public comment, statement, protest, intervention petition, or request for a public hearing in this matter must do so in writing filed with the Commission on or before April 22, 2022. Public comments should be submitted to wpsc_comments@wyo.gov. Any intervention request filed with the Commission shall set forth the grounds of the proposed intervention or request for hearing as well as the position and the interest of the petitioner in this proceeding. Please be sure to mention Docket Nos. 20003-209-EA-22 and 20002-123-EA-22 in all correspondence with the Commission.

8. If you wish to intervene in this matter or request a public hearing which you will attend and you require reasonable accommodation for a disability, call the Commission at (307) 777-7427 or write to the Commission at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002. Communications impaired persons may contact the Commission through Wyoming Relay by dialing 711.

Dated: April 1, 2022.

9. Published notice in this matter shall consist of paragraphs 1 through 8, hereof.


10. This *Notice of Application* is effective immediately.

MADE and ENTERED in Cheyenne, Wyoming, on April 1, 2022.

(SEAL)



BY ORDER OF THE COMMISSION


IVAN WILLIAMS, Assistant Secretary
Wyoming Public Service Commission
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Cheyenne, Wyoming 82002