CONSUMER ALERT

Black Hills Energy Deferred 2021 Winter Weather Event Costs

On January 27, 2022, the Kansas Corporation Commission (KCC) approved a settlement agreement outlining how Black Hills will recover \$87.9 million in deferred natural gas costs incurred during the February 2021 winter weather event.

Under the settlement, customer costs will be spread out over a five-year period beginning February 2022 through January 31, 2027. On average, residential customers will see an increase on their monthly bills of \$11.47 during this period. The charge will appear as a separate line item on the bill titled "Storm Uri Gas Charge".

The Commission acknowledges that while no customer welcomes bill increases, the five-year repayment period provides some relief to ratepayers. If customers had been required to pay the winter costs over a one-year period, it would have resulted in average residential increases of \$53.51 per month.

It is important to note that any recovery of costs through federal or state investigations into price gouging, market manipulation or civil suit resulting from the weather event will be passed on to customers.

Links to additional information:

The Commission order issued January 27, 2022

The complete Docket 21-BHCG-334-GIG