

PUBLIC NOTICE

Pursuant to the Wyoming Administrative Procedure Act and the Wyoming Public Service Commission's (Commission) Rules, notice is hereby given of the Application of Cheyenne Light, Fuel and Power Company d/b/a Black Hills Energy (CLFP or the Company), for approval to update its electric and gas Demand Side Management (DSM) Surcharge rates applicable to the DSM margin revenue recovery, the DSM balancing account, and DMS program costs.

CLFP is a public utility as defined in Wyo. Stat. § 37-1-101(a)(vi)(C), providing retail electric service, and Wyo. Stat. § 37-1-101(a)(vi)(D), providing retail natural gas service, subject to the Commission's jurisdiction pursuant to Wyo. Stat. § 37-2-112. The Company provides electric and natural gas public utility services in the city of Cheyenne and to specified immediately adjacent rural areas.

On April 3, 2017, CLFP submitted an Application to update the DSM balancing account, file the DSM annual program status report, and update the DSM Surcharge rates. Specifically, CLFP is requesting approval to update its electric and gas DSM Surcharge rates to reflect the DSM program costs for June 1, 2017 through May 31, 2018, the DSM balancing account balances as of February 28, 2017, and to recover its lost margin revenue associated with the program period from October 2014 through December 2016. The updated DSM balancing account contains the calculations necessary to update the DSM Surcharge rates and is detailed in Application Exhibit No. 1. The proposed DSM Surcharge rates are designed to collect \$2,864,178 from gas and electric customers over the period of June 1, 2017 through May 31, 2018. CLFP proposes the following DSM Surcharge rates: (i) \$0.00184 per kilowatt-hour (kWh) for its electric residential customers, a decrease of (\$0.0098) per kWh from the current rate; (ii) \$0.00297 per kWh for electric non-residential customers, an increase of \$0.00178 per kWh from the current rate; (iii) \$0.2772 per dekatherm (Dth) for its gas residential customer, a decrease of (\$0.1002) per Dth from the current rate; and (iv) \$0.0178 per Dth, an increase of \$0.0930 per Dth from the current rate.

Residential and commercial impacts of the proposed changes to the DSM Surcharge rates are found in Exhibit 1 attached to CLFP's Application. According to the Company, for a typical Residential electric customer, the effect is an estimated \$0.63 reduction in the monthly electric bill, a decline of 0.64 percent; and for a typical Residential gas customer, the effect is an estimated \$0.60 reduction in the monthly bill, a decline of 1.06 percent. For a typical Commercial electric customer, the effect is an estimated \$2.03 increase in the monthly electric bill, an increase of 1.17 percent; and for a typical Commercial gas customer, the effect is an estimated \$3.91 increase in the monthly bill, an increase of 1.48 percent.

This is not a complete description of the Application. CLFP's Application is on file with the Commission at its offices, located at 2515 Warren Avenue, Suite 300, in Cheyenne, Wyoming, and at the Company's offices located in Cheyenne, Wyoming. The Application is available for inspection by any interested person during regular business hours or online at: <http://psc.state.wy.us/>.

Anyone desiring to file a statement, intervention petition, protest or request for a public hearing in this matter must file in writing with the Commission on or before May 10, 2017. A proposed intervention or request for hearing must set forth the grounds under which they are made

and the position and interest of the petitioner in this proceeding. Please mention Docket Nos. 20003-159-EA-17 and 30005-229-GA-17 (Record No. 14681) in your communications.

If you wish to intervene in this matter or request a public hearing that you will attend, or want to make a statement, a protest or a public comment, and you require reasonable accommodation for a disability, please contact the Commission at (307) 777-7427, or write to the Commission at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002, to make arrangements. Communications-impaired persons may also contact the Commission by accessing Wyoming Relay at 711.

Dated: April 12, 2017.