

PUBLIC NOTICE

Pursuant to the Wyoming Administrative Procedure Act, Wyo. Stat. § 37-1-101, *et seq.*, and the Wyoming Public Service Commission's (Commission) Rules, the Commission hereby gives notice that Black Hills Gas Distribution, LLC d/b/a Black Hills Energy (BHE or Company) filed an Application requesting a Certificate of Public Convenience and Necessity (CPCN) to construct, own, operate and maintain a 35-mile, 12-inch steel pipeline from a new interconnection point with Wyoming Interstate Company (WIC) near Douglas, Wyoming, to existing BHE facilities near Casper, Wyoming.

BHE is a 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.

BHE filed its Application on May 18, 2018, seeking a CPCN to build a new pipeline from an interconnection point with WIC near Douglas, Wyoming, in Converse County to Casper, Wyoming, Natrona County. The proposed pipeline is a 35-mile, 12-inch steel transmission pipeline that is proposed to be located on public and private land. The proposed steel transmission pipeline will have a Maximum Allowable Operating Pressure of 1,480 pounds per square inch gauge (psig) and expected operating pressure of 950 psig. BHE further proposes ancillary facilities, which include but are not limited to: (i) a natural gas pipeline pig launcher; (ii) a natural gas pipeline pig receiver; (iii) pressure regulators; and (iv) five proposed block valves. BHE states the new pipeline and ancillary facilities will meet long-term supply needs for the Casper, Wyoming, area due to the current decline in natural gas production and limited supply from on-system gas storage facilities. BHE anticipates completing negotiations and acquisitions of easements with private landowners by September 2018 with construction complete by November 2019.

BHE estimates the cost of the proposed project is \$54.2 million, which includes \$29.7 million in construction costs, \$0.6 million in labor costs, \$8.2 million in materials, \$10.7 million in professional services, \$0.1 million in permits and \$4.9 million in indirect and other non-labor costs. BHE states it will finance the project with internally generated funds. BHE is not proposing to charge a separate rate with the proposed project, but instead anticipates filing a base rate review in the second quarter of 2019 with rates effective in early 2020, which will propose recovery of the project cost and the revenue requirement associated with investment in the proposed project. BHE anticipates the annual revenue requirement for the first five years the pipeline is placed in service is approximately \$5.8 million. BHE further estimates the approximate increase to the Casper Division transmission rate is \$0.0739 per therm.

This is not a complete description of the Application. Interested persons may inspect the Application at BHE's offices in Casper, Wyoming, and at the Commission's offices in Cheyenne, Wyoming, located at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming, during regular business hours. The Application may also be inspected online at: <http://psc.state.wy.us/>.

Anyone desiring to file a statement, public comment, protest, intervention petition, or request for a public hearing in this matter must file in writing with the Commission on or before July 2, 2018. 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 No. 30022-313-GA-18 (Record No. 15000) in all correspondence.

If you wish to participate in this proceeding and you require reasonable accommodation for a disability, call the Commission at (307) 777-7427 or write to the Public Service Commission, 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002. Communications-impaired persons may contact the Commission through Wyoming Relay at 711.

Dated: May 30, 2018.