

**NOTICE OF FILING OF AMENDED TARIFFS AND RATE CHANGE FOR
THE REVENUE ADJUSTMENT MECHANISM
IN THE COLORADO P.U.C. NO. 4 GAS TARIFF
of Rocky Mountain Natural Gas LLC
d/b/a Black Hills Energy**

You are hereby notified that Rocky Mountain Natural Gas LLC, d/b/a Black Hills Energy (“RMNG”), 7060 Alegre Street, Fountain, Colorado 80817, has filed with the Public Utilities Commission of the State of Colorado (“Commission”), in accordance with the Public Utilities Law, an advice letter with revised tariffs affecting On-System Shippers taking service under Rate Schedules Firm Transportation Service (“FTS”) and No-Notice Storage (“NNS”). The advice letter requests that the Commission approve the proposed reduction to the Revenue Adjustment Mechanism FTS credit (“RAM-FTS”) from (\$1.4392) to (\$0.9228) per Dth of Maximum Daily Transportation Quantity (“MDTQ”) per monthly billing period in RMNG’s Colorado P.U.C. No. 4 Tariff. RMNG is also proposing an increase to the RAM-NNS credit from (\$0.1448) to (\$0.8777) per Dth of Maximum Daily Withdrawal Quantity (“MDWQ”). If approved by the Commission, the proposed tariff sheets contained in the advice letter will become effective on January 1, 2019.

Because the RAM-FTS is a bill credit to Shippers, RMNG’s proposed reduction to the RAM-FTS credit would increase the Reservation Charge for On-System Shippers taking service under Rate Schedule FTS by \$0.5164 per Dth of MDTQ per monthly billing period. Since the RAM-NNS is a bill credit to Shippers, RMNG’s proposed increase to the RAM-NNS credit would reduce the Reservation Charge for On-System Shippers taking service under Rate Schedule NNS by \$0.7329 per Dth of MDWQ per monthly billing period. A summary of the proposed rate changes and a comparison of the proposed rates to the currently effective rates for On-System FTS and NNS Shippers, respectively, are shown below:

| FTS Rate Schedule Reservation Charge | Total Current Rate | Max Rate | Current RAM | Current SSIR | Total Proposed Rate | Increase | % Increase |
|---|-----------------------------------|---------------------|--------------------|-------------------------|------------------------------------|-----------------|-----------------------|
| Winter (Seasonal Rate Option) | 22.9455 | 23.3616 | (1.4392) | 1.0231 | 23.4619 | 0.5164 | 2.25% |
| Summer (Seasonal Rate Option) | 7.3711 | 7.7872 | (1.4392) | 1.0231 | 7.8875 | 0.5164 | 7.01% |
| Standard Rate Option | 15.1583 | 15.5744 | (1.4392) | 1.0231 | 15.6747 | 0.5164 | 3.41% |

| NNS Rate Schedule Reservation Charge | Total Current Rate | Max Rate | Current RAM | Total Proposed Rate | Decrease | % Decrease |
|---|-----------------------------------|---------------------|--------------------|------------------------------------|-----------------|-----------------------|
| Winter (Seasonal Rate Option) | 18.7294 | 18.8742 | (0.1448) | 17.9965 | (0.8777) | (3.91%) |
| Summer (Seasonal Rate Option) | 6.1466 | 6.2914 | (0.1448) | 5.4137 | (0.8777) | (11.92%) |
| Standard Rate Option | 12.4380 | 12.5828 | (0.1448) | 11.7051 | (0.8777) | (5.89%) |

If permitted to go into effect on January 1, 2019, this change represents a total FTS rate increase to On-System FTS Shippers under the Standard Rate Option of 3.41% or \$700,914 on an annual basis, and a total NNS rate decrease to On-System NNS Shippers under the Standard Rate Option of 5.89% or \$111,694 on an annual basis. The RAM is designed to adjust rates through the application of a RAM Credit to reflect changes to certain net revenues as provided for in Section 22 of RMNG's Colorado P.U.C. No. 4 Tariff. The RAM Credit is subject to an annual change effective on January 1 of each year.

Copies of the proposed and present tariffs as filed with the Public Utilities Commission of the State of Colorado are available for inspection at the public offices of RMNG at 7060 Alegre Street, Fountain, Colorado 80817; or, at the office of the Public Utilities Commission, 1560 Broadway, Suite 250, Denver, Colorado 80202. Customers with questions concerning the proposed or present tariffs may call the Commission at (303) 894-2000; or, may contact RMNG by telephone at 303-566-3390. In addition, RMNG's proposed and present tariffs may be viewed at www.blackhillsenergy.com and the applicable Colorado statutes and Commission rules may be viewed at www.dora.colorado.gov/puc.

Any person may file written comments or objections concerning the filing, or may request written notice of any hearing, with the Colorado Public Utilities Commission, 1560 Broadway, Suite 250, Denver, Colorado, 80202 or at www.dora.state.co.us/pacific/PUC/puccomments. Requests for written notices can also be made to the Commission by telephone at (303) 894-2000 or, alternatively, by contacting the External Affairs section of the Commission at its local number (303) 894-2070 or toll free number (800) 456-0858. The Commission will consider all written comments and objections submitted prior to the evidentiary hearing on the application. Written objections (protests) must be filed at least ten (10) days before the proposed effective date of January 1, 2019. Filing a written objection (protest) by itself will not allow you to participate as a party in any proceeding established in these matters. If you wish to participate as a party in this matter, you must file written intervention documents under Commission Rule 723-1-1401, 4 *Colorado Code of Regulations* 723-1.

The rates, rules, and regulations ultimately authorized by the Commission may or may not be the same as those proposed and may include rates higher or lower than those proposed or currently in effect.

The Commission may suspend the proposed tariffs, rates, rules, or regulations. The Commission may hold a hearing to determine which rates, rules, and regulations will be authorized. If a hearing is held, any member of the public may attend the hearing and may make a statement under oath about the proposed tariffs, whether or not he or she has filed an objection or intervention. If the filing is uncontested or unopposed, the Commission may determine the matter without a hearing and without further notice.

By: Eric J. Gillen
Manager - Regulatory