



Black Hills Energy serves 111,000 customers in Kansas, and its office in Liberal, above, is at 1600 General Welch Blvd. L&T photo/Elly Grimm

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• Leader & Times

Customers of Black Hills Energy will be seeing an increase in their energy bills early in 2015.

Black Hills Energy, which serves 111,000 customers in Kansas, formally submitted a rate increase request to the Kansas Corporaion Commission (KCC) April 29, and it has been approved.

Monique Pope, manager of external affairs at Black Hills Energy, said that it had been eight

years since the company had to file such a request.

“It’s a testament to the company’s ability to control costs and be efficient in providing the services that our customers depend on,” Pope said. “The percentage increase proposed for the typical residential bill is substantially lower than the annual rate of inflation since the last increase. So if a person steps back and looks at that, that’s pretty significant in that the typical residential bill is lower than the annual rate of inflation since the last increase. So that’s something that’s a credit to the company to be able to control costs and still provide that safe reliable service to the customers.”

Black Hills Energy filed the request to recover increased operating expenses and infrastructure investments, which Pope said amounted to \$50.8 million. Pope added these investments included IT Technology investments made to help provide customers easier ways to submit their payments through various channels like the internet or phone.

The company also recently introduced automated meter reading technology, which Pope said uses technology to reduce the time that technicians need to go and read the meters physically, helping reduce fuel costs and personnel time.

Pope said the increase, which will result in an extra \$4.17 per month per bill, is expected to be implemented in either February or March of 2015 in accordance with the KCC’s schedule, which allows 248 days or the process to evolve and continue.

“We maintain top-tier service levels,” said Lon Meyer, director of business operations at Black Hills Energy in a recent press release. “The demand for energy is rising, and we want to help our customers save money by providing the tools they need to reduce consumption without sacrificing comfort.”

The release goes on to say the rate request actually pertains to delivery cost, which is typically less than half the typical residential bill. The majority of a typical bill reflects the costs of the natural gas itself.

Before this most recent filing, Pope said the company had taken several measures to try not to make the filing, mostly with technology investments.

“We’ve been able to provide bank transfers, where people can pay their bills online,” Pope said. “We also developed an app for smartphones for people to download the app and be able to pay their bill with their smartphone and so keeping up with the times, understanding how important technology is for customers and how people are busy. Whatever way we can help our customers pay their bill, if it’s the younger generation using their smartphones or the older folks who still want to pay by check, we provide that.”

Pope went on to say that remaining diligent and efficient with these investments as well as controlling the cost at the same time helped Black Hills Energy stay out of filing a rate case for eight years.

“We’re still committed to providing the same reliability, the safety, the proactive efforts to write a good value,” Pope said.