BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE)	
APPLICATION OF BLACK HILLS)	Application No. EL 15-036
POWER, INC. FOR APPROVAL OF)	
TARIFF REVISIONS RELATED TO)	
ITS COST OF SERVICE GAS)	
AGREEMENT WITH BLACK HILLS	.)	
UTILITY HOLDINGS, INC.)	
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PETITION FOR LEAVE TO INTERVENE BY CONSTELLATION NEWENERGY-GAS DIVISION, LLC

COMES NOW Constellation NewEnergy-Gas Division, LLC (hereinafter "CNEG") and submits this Petition of Leave Intervention pursuant to the South Dakota Administrative Rule 20:10:01:15.02. As ground for this Petition, CNEG states the following:

- 1. On September 30, 2015, Black Hills Power, Inc. ("Applicant or Black Hills") filed an Application seeking Approval of its Cost of Service Gas Agreement with Black Hills Utility Holdings, Inc. (the "Application").
- 2. CNEG hereby files this petition to formally intervene in this proceeding on the grounds that it is a competitive natural gas supplier to Applicant. As noted in the Application, Applicant has filed similar applications in Colorado, Iowa, Kansas, Nebraska and Wyoming. Applicant's program is designed to involve long-term hedges. Contained within the long-term hedging strategy is a benefit to the Applicant that may prejudice both the consumers and competitors to Black Hills, to wit: prices that include exploration and development costs for Black Hills subsidiaries engaged in that business pursuit.
- 3. As a competitor, Petitioner is concerned that this program will affect its prices (as CNEG is not engaged in market pricing for its gas that contains exploration and development costs, nor elements of any algorithm purporting to be a predictive model useful to long-term commodities hedging), as well as those passed along to South Dakota consumers. Indeed, long-

term hedging has not been previously approved by the Commission as a pricing methodology suitable for consumer participation. A fulsome discussion of the issue(s) presented must, it follows, involve industry stakeholders. Therefore, CNEG claims an interest in these proceedings pursuant to South Dakota Administrative Rule 20:10:01:15.02. In order to adequately protect its interests and the interests of the public, CNEG respectfully requests the Public Utilities Commission grant CNEG formal intervention in order to monitor and participate in this proceeding.

- 4. Intervention by CNEG will not unduly broaden the issues in these proceedings since the matters which it may choose to address, if any, would pertain to issues raised by other parties or which are inherent in these proceedings.
- 5. For good cause shown CNEG requests permission to fully participate in this docket, including right to have notice, appear at the taking of testimony, produce and cross-examine witnesses and be heard on the argument of the case.
 - 6. All communications and pleadings in this docket should be directed to:

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WHEREFORE, CNEG respectfully requests the South Dakota Public Utilities Commission issue an order granting CNEG leave to intervene in the above-caption proceeding.

Dated this 20th day of November 2015.

Gary D. Jensen

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