

600 Market Street W. Huron, SD 57350-1500 Toll Free: 800-245-6977 Facsimile: (605)-353-7519 www.northwesternenergy.com

July 18, 2012

Ms. Patricia Van Gerpen, Executive Director S. D. Public Utilities Commission 500 East Capitol Avenue Pierre, SD 57501

Re: NorthWestern Corporation Proposed Contract With Deviation PUC Docket EL12-____

Dear Ms. Van Gerpen:

With this letter, NorthWestern Corporation ("NorthWestern" or the "Company"), doing business as NorthWestern Energy, is filing with the Commission a proposed electric contract with deviation. Pursuant to ARSD 20:10:13:39, the Company states:

(1) The documents submitted with this filing include:

- The Application for Tariff Change and Report in Support of Tariff Filing of NorthWestern (the "Report"), pursuant to ARSD 20:10:13:26;
- The proposed revised tariff schedule, Section 4, Sheet 1. 12th Revised
- A map of the proposed route
- Schedules detailing the cost of the project
- A copy of the contract between NorthWestern and the Customer.

(2) The proposed effective date for the new tariff is September 1, 2012. The Company plans to begin construction as soon as it receives PUC approval.

(3) The names and addresses of those to who copies of the rate schedule have been mailed:

City of Northville PO Box 59 Northville, SD 57465

(4) Brief description of the proposed changes in rates:

NorthWestern is proposing the contract with deviation to extend electric distribution service to a new pump at the city lagoons. NorthWestern will install, or arrange for the installation of approximately 1,770 feet of underground primary.

The estimated cost of the project is \$16,124. The pump is only projected to run a couple of times per year. With this low usage, the customer will pay for the entire cost of the project. The Customer agrees to pay the actual project costs within 14 days of project completion. The usage will be reviewed after three years to determine if there is a need for a credit back to the customer.

(5) Reasons for the proposed changes:

The reason for the proposed change is the customer's need for electric service for their new pump.

(6) Number of customers whose cost of service will be affected and annual changes in cost of service to such customers:

The City of Northville will be the only customer impacted by this filing.

Sincerely yours,

Jeff Decker Regulatory Analyst