



December 31, 2014

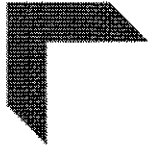
Ms. Patricia Van Gerpen
South Dakota Public Utilities Commission
State Capitol Building
Pierre, SD

Dear Ms. Van Gerpen:

With this letter, NorthWestern Corporation ("NorthWestern"), doing business as NorthWestern Energy, is filing with the Commission revisions to its Electric Tariff. NorthWestern respectfully requests Commission approval of these proposed revisions.

Pursuant to ARSD 20:10:13:36 and ARSD 20:10:13:39 the NorthWestern states:

1. The documents submitted with this filing include:
 - The proposed revised tariff schedule, Section 4, 16th Revised Sheet No. 1 Summary List of Contracts with Deviations which includes a reference to the Electric Service Agreement (the "Agreement") between NorthWestern and SD Soybean Processors, LLC ("SD Soybean") and the information required by ARSD 20:10:13:09.
 - A copy of the executed proposed Agreement, for which confidential treatment, has been requested, pursuant to ARSD 20:10:01:41 (see Exhibit A to this letter);
 - A copy of the letter from SD Soybean requesting a deviated rate (see Exhibit B);
 - A memo containing an explanation of the discount and its impact on the electric customer base (see Exhibit C).
2. The proposed effective date for the tariff revisions is February 1, 2015.

- 
3. The names and addresses of those to whom this filing has been emailed:

Tom Kersting
SD Soybean Processors, LLC
P.O. Box 500
Volga, SD 57071-0500

4. Brief description of the tariff changes:

At the request of SD Soybean, NorthWestern is proposing to provide a discounted rate for an interim period, in order to assist in restarting the former Miller Oil Seed Processing Plant. Please note that Section 4, 16th revised Sheet 1 was included in the recently filed electric rate case filing (Docket EL14-106) with non-substantive revisions. This 16th revised sheet incorporates the requested changes from the electric rate case filing 15th revised along with this revision to add SD Soybean to the list of deviated contracts.

5. Reasons for the proposed tariff changes:

SD Soybean approached NorthWestern regarding its desire to purchase and run the former Miller Oil Seed Plant. In order to facilitate the restarting of this plant, SD Soybean requested a discount to its electric rate. This discount will assist the economics of running the plant during the first years of operations. The Miller Oilseed plant will be a large load with an estimated demand of 3,000 KW, at a location that requires no additional investment from NorthWestern. The Miller Oilseed plant ceased operations in 2010. Rate 34 is the applicable tariff from which NorthWestern seeks deviations in this filing.

This proposal fosters economic development in rural South Dakota and provides compensation to NorthWestern and its present customers. The additional revenue will be credited to the cost of service. In addition, ad valorem taxes and transmission recoveries provided by SD Soybean will benefit customers beginning in May of 2015. The details of the discount are described in Exhibit C. Based on the projected energy usage at this plant, the electric customer base will benefit significantly by the addition of this plant. When the discount term of the Agreement with deviations expires, SD Soybean will receive service under Rate 34.

For many years, SD Soybean's Volga plant has been a solid natural gas customer for NorthWestern. NorthWestern is looking forward to working with SD Soybean at its new Miller location. The discount was discussed during a face to face meeting requested by SD Soybean. The process continued with a letter of discount request from SD Soybean



(Exhibit B filed confidentially with this filing) that was followed by a counter-offer from NorthWestern (Exhibit C). Negotiations ended with the Agreement that will provide limited financial assistance to SD Soybean in restarting the soybean oil processing plant.

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

SD Soybean will benefit directly by this discount. All other SD electric customers will benefit indirectly once this former customer location receives service from NorthWestern's electric system again.

Sincerely,

Jeff J. Decker
Regulatory Specialist
jeff.decker@northwestern.com
O 605-353-8315