

September 18, 2015

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 20:10:13:39, the Company states:

1. The document submitted with this filing include:

Adjustment Clause Section No. 3, 4th revised Sheet No. 33.1

- 2. The proposed effective date for the tariff revisions is October 1, 2015 with less than 30 days' notice.
- 3. Brief description of the tariff changes:

NorthWestern is proposing to credit the sale of Production Tax Credits (PTCs) resulting from the Beethoven Wind Facility to its electric utility customers through the Fuel Adjustment Clause. NorthWestern is anticipating closing on the Beethoven Wind Facility before October 1, 2015. Upon the date of closing, PTCs will be accrued and passed back to customers. In order to begin the inclusion of the PTCs in NorthWestern's Fuel Adjustment Clause on October 1, this change to the tariff is required.

4. Reasons for the proposed tariff changes:

NorthWestern desires to provide the financial benefit of the credits from the PTCs to its customers. Utilizing the fuel adjustment clause provides an expeditious avenue to pass the credits on to customers. The credits will be shown as a separate line in the

adjustment clause. NorthWestern files the adjustment clause quarterly to update the fuel rate charged to customers.

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

All South Dakota electric customers will benefit from this credit. The annual production tax credits from the Beethoven Wind Project are projected to result in a credit of \$0.00766 per kwh. The impact to a residential customer using 750 kwh per month is a bill reduction of \$5.75.

Sincerely,

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