STATE OF SOUTH DAKOTA BEFORE THE PUBLIC UTILITIES COMMISSION

In the Matter of the Petition for Electrical Service by Dakota Plains Ag Center, LLC to have NorthWestern Energy Assigned as its Electric Provider in the Service Area of Bon Homme – Yankton Electric Association

Docket No. EL16-013

AFFIDAVIT OF REED MCKEE

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State of South Dakota)) SS
County of Beadle)

Reed McKee, being first duly sworn, upon his oath deposes and states that he is the Director of T&D Business Development and Strategic Support for NorthWestern Corporation doing business as NorthWestern Energy ("*NorthWestern*"), and for his affidavit swears and states as follows:

1. I have been employed by NorthWestern for over 22 years, and have held my current position since January 1, 2016. I am responsible for the development of customer electrical needs at Napa Junction.

2. Dakota Plains Ag Center, LLC ("Dakota Plains") plans to construct a new grain handling terminal (the "Terminal") in Yankton County, South Dakota.

3. The Terminal is located in the south $\frac{1}{2}$ of Section 21, Township 94, Range 56 West, Yankton County, South Dakota. The east $\frac{1}{2}$ of Section 21 is located within NorthWestern's territory, and the west $\frac{1}{2}$ of Section 21 is located within Bon Homme-Yankton Electric Association, Inc.'s territory.

4. To the best of my knowledge, no electric service was previously established at this location, as it was bare ground before the commencement of construction efforts in 2016 associated with the Terminal.

5. NorthWestern is designing the required electrical service facilities for the Terminal to support a peak demand of 2.23MW.

6. In addition to recovery of the costs to serve Dakota Plains, an annual contribution to Administrative & General/Utility Plant is projected to be contributed to legacy customers through the revenues associated with the Terminal. The revenues benefit the electric system of NorthWestern by providing additional margin to cover overhead costs and helps delay the need for rate increases.

7. NorthWestern has estimated the cost associated with the development and installation of the facilities required to serve the Terminal at \$671,000. NorthWestern owns a 35kV power line in close proximity to the Terminal. The underground line extension distance from the 35kV line to the pad mount transformers at the Terminal is approximately 3,500 feet.

8. NorthWestern has an adequate supply of power to serve the Terminal.

Dated this 27th day of May, 2016.

NORTHWESTERN CORPORATION

By: Reed McKee Its: Director of T&D Business Development and Strategic Support

State of South Dakota)
) SS
County of Beadle)

On this the 27th day of May, 2016, before me the undersigned, a Notary Public within and for said County and State, personally appeared, Reed McKee, known to me to be the Director of T&D Business Development and Strategic Support of NorthWestern Corporation, and that he, being authorized so to do, executed the foregoing Affidavit for the purposes therein contained, by signing the name of the corporation by himself as Director of T&D Business Development and Strategic Support of NorthWestern Corporation.

RONALD L. GOGOLIN **Notary Public** EAL) SEAL South Dakota

Notary Public Name: Ronald L. Gogolin My Commission Expires: July 30, 2016