



August 23, 2019

Ms. Patricia Van Gerpen  
South Dakota Public Utilities Commission  
500 E Capitol  
Pierre, SD

**RE:** EL-\_\_\_ - Proposed changes to Electric Tariff Section 3, Rates 19 and 56

Dear Ms. Van Gerpen:

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

1. The documents submitted with this filing include:

- The current tariff with redline deletions
- The proposed revised tariff schedules in final form
  - Section 3, 13th Revised Sheet No. 8
  - Section 3, 3rd Revised Sheet No. 8.1
  - Section 3, 11th Revised Sheet No. 25
  - Section 3, 9th Revised Sheet No. 25.1

Exhibit A showing LED light rate calculations.

2. The proposed effective date for the tariff revisions is October 1, 2019.

3. Brief description of the tariff changes:

NorthWestern proposes to enhance its Rate 19 Reddy guard and Rate 56 street light tariff to accommodate the varying wattages of LED lights used by customers. The current wattages listed in the LED section of the tariff were obtained from NorthWestern’s suppliers and implemented in EL14-106. Recently, NorthWestern updated its lighting standards which expanded the wattages that will be used in future installations. Of the seven wattages included in the new standard, none match the wattages currently included in NorthWestern’s tariff. With this filing, NorthWestern’s tariff wattages will be updated in order to serve the lights listed in the standard.

Instead of simply updating the tariff to include only the wattages listed in the new lighting standard, NorthWestern is proposing an update that will list rates for all LED light wattages from 30 – 400 watts, using a rate-per-watt for specific ranges of wattage of LED lights. This



will allow our tariff the flexibility to serve any wattage of light that becomes available without requiring additional filings. The formula for the monthly charge is LED light rated wattage multiplied by the rate for that range, plus pole charges if applicable.

On sheet 25.1, additional language is proposed under Other Provisions regarding cost responsibility for non-standard poles. This provides clarity for on-going cost responsibility of maintenance and repair costs of non-standard installations.

4. Reasons for the proposed tariff changes:

To provide flexibility in serving the varying LED wattages requested by both NorthWestern and its customers.

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

NorthWestern’s system currently includes 260 LED lights served under ten customers. The following table shows the current and proposed rates and monthly revenues. The first three lines contain customer owned lights. The remaining three lines contain company owned lights.

<u>Light Type</u>	<u>Light Count</u>	<u>Old Rate</u>	<u>New Rate</u>	<u>Old Revenue</u>	<u>New Revenue</u>
71 Watt	34	\$0.85	\$0.85	\$28.90	\$28.97
154 Watt	193	\$1.85	\$1.85	\$357.05	\$356.66
268 Watt	2	\$3.22	\$3.22	\$6.43	\$6.43
51 Watt	4	\$23.41	\$21.62	\$93.64	\$86.49
103 Watt	21	\$25.50	\$24.71	\$535.50	\$518.81
309 Watt	<u>6</u>	\$43.60	\$41.91	<u>\$261.60</u>	<u>\$251.47</u>
Total	260			\$1,283.12	\$1,248.82

Sincerely,

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