

March 7, 2025

Debbie-Anne A. Reese, Secretary Federal Energy Regulatory Commission 888 First Street N.E. Washington, DC 20426 via eTariff

Re: NorthWestern Energy Public Service Corporation, Docket No. ER25-\_\_\_-000 Rate Schedule No. 37 Third Revised | Emergency Tie Agreement – Emergency Tie Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

TYPE OF FILING CODE: 10

Dear Secretary Reese:

Pursuant to Section 205 of the Federal Power Act<sup>1</sup> and Part 35 of the Federal Energy Regulatory Commission's regulations,<sup>2</sup> NorthWestern Energy Public Service Corporation d/b/a NorthWestern Energy ("NorthWestern") hereby submits for filing and acceptance a revised Emergency Tie Agreement – Emergency Tie Service between NorthWestern and East River Electric Power Cooperative, Inc. This ESA is designated as Rate Schedule No. 37 Third Revised under NorthWestern's Rate Schedules, Agreements and Other Tariffs.<sup>3</sup>

NorthWestern respectfully requests an effective date of May 7, 2025.

## I. Background

#### A. NorthWestern Energy

NorthWestern, which is a wholly-owned subsidiary of NorthWestern Energy Group, Inc., is a public utility engaged in the generation, transmission, and distribution of electricity and the supply and transportation of natural gas. NorthWestern is a transmission owner within the Southwest Power Pool, Inc. ("SPP") and has transferred functional control of its SPP qualifying electric transmission facilities to SPP.

<sup>&</sup>lt;sup>1</sup> 16 U.S.C. § 824d.

<sup>&</sup>lt;sup>2</sup> 18 C.F.R. Part 35.

<sup>&</sup>lt;sup>3</sup> NorthWestern Energy Public Service Corporation, FERC FPA Electric Tariff, Rate Schedules, Agreements and Other Tariffs, Rate Schedules – SD, Rate Schedule 37, RS 37– East River Emergency Service Agreement.



## B. East River Electric Power Cooperative, Inc.

East River is a non-jurisdictional, not-for-profit generation and transmission cooperative. East River delivers wholesale power to its members, which include 24 rural electric distribution cooperatives and one municipally-owned electric system in eastern South Dakota and western Minnesota. East River is also a transmission-owning member of SPP.

## C. The Emergency Tie Agreement

The electric systems of NorthWestern and East River are interconnected through manually operated air-break switches, circuit breakers, motor-operated switches, or jumpers. These interconnections are normally operated open but can be closed to create an additional transmission path for use during contingencies such as storms, maintenance and repairs, or other similar conditions. NorthWestern and East River are parties to an agreement that sets forth the terms and conditions under which either party may utilize emergency connection facilities at designated points of interconnection. This agreement is on file with the Commission as NorthWestern's Rate Schedule No. 37.

## II. Description of Filing

The Agreement is being amended to remove the Chamberlain Interconnection point from Exhibit "A" and Exhibit "B." Construction of the Chamberlain Switchyard has been completed, so the tie at Chamberlain Interconnection no longer exists. Additional revisions have been made as described below.

- The Agreement updates NorthWestern's name to NorthWestern Energy Public Service Corporation.
- The last recital has been updated with history of the Agreement.
- Article V, Section 5 was updated to include a reference to SPP.
- Article XI was updated to include notices sent via electronic mail and NorthWestern's contact was updated.

Several ministerial revisions were made to clarify language, use defined terms or make proofreading edits.



## III. General Information

Pursuant to 18 C.F.R. § 35.13(a)(2)(iii) and (b), NorthWestern provides the following information:

- 1) This filing includes the following documents:
  - a. This transmittal letter;
  - b. Marked version of Rate Schedule No. 37 Third Revised Emergency Tie Agreement – Emergency Tie Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.;
  - c. Clean version of Rate Schedule No. 37 Third Revised; and
  - d. Electronic filing package containing the tariff record and associated metadata.
- 2) NorthWestern requests an effective date of May 7, 2025, for this Agreement.
- 3) A copy of this filing is being provided to:

Mark Hoffman East River Electric Power Cooperative, Inc. PO Box 227, 211 S. Harth Avenue Madison, SD 57042 mhoffman@eastriver.coop

NorthWestern will also provide a copy of this filing to the South Dakota Public Utilities Commission.

- 4) A description of this filing is set forth above.
- 5) East River and NorthWestern have executed the revised Agreement. Accordingly, all requisite approval for the Agreement has been obtained.
- 6) There are no expenses or costs that have been alleged or judged to be illegal, duplicative, or unnecessary that are demonstrably the product of discriminatory employment practices.
- 7) This filing does not involve a rate change.

NorthWestern respectfully submits that the requirements of Section 35.13 of the Commission's regulations that have not been specifically addressed herein are inapplicable to this filing. To the



extent that the Commission determines the requirements of Section 35.13 or any other rules to be applicable, NorthWestern respectfully requests waiver of the requirements of such provisions.

## IV. Communications

Communications concerning this filing should be directed to the following persons, who should be included on the official service list compiled by the Secretary in this proceeding:

| Michael Cashell                  | Michael Lundy                     |
|----------------------------------|-----------------------------------|
| Vice President – Transmission    | Electric Transmission Specialist  |
| NorthWestern Energy              | NorthWestern Energy               |
| 11 East Park                     | 3010 West 69 <sup>th</sup> Street |
| Butte, MT 59701                  | Sioux Falls, SD 57108             |
| (406) 497-4575                   | (605) 978-2991                    |
| michael.cashell@northwestern.com | michael.lundy@northwestern.com    |

## V. Conclusion

For the foregoing reasons, NorthWestern respectfully requests the Commission to accept the revised Agreement for filing, effective May 7, 2025, as requested, and grant waiver of any other Commission regulations deemed applicable this filing.

Respectfully submitted,

#### s/ Melissa M. Crosby

#### Melissa M. Crosby

Manager, FERC Compliance & Policy melissa.crosby@northwestern.com • (406) 444-8109

Enclosure

cc: Mark Hoffman, East River Electric Power Cooperative, Inc. South Dakota Public Utilities Commission

## **Certificate of Service**

I hereby certify that I have this day served the foregoing document upon each person designated in the foregoing transmittal letter, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

Dated this 7<sup>th</sup> day of March, 2025.

s/ Sara Shepard

Sara Shepard FERC Regulatory Analyst sara.shepard@northwestern.com

# Rate Schedule No. 37

**Third Revised** 

Emergency Tie Agreement – Emergency Tie Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

Requested Effective Date: May 7, 2025

NorthWestern Energy Public Service Corporation Rate Schedules, Agreements and Other Tariffs Rate Schedules - SD

### AMENDED AND RESTATED EMERGENCY TIE AGREEMENT Emergency Tie Service

between NorthWestern Energy and East River Electric Power Cooperative, Inc.

This Emergency Tie Agreement ("*Agreement*") is made and entered into as of this 10<sup>th</sup> day of February, 2025, by and between NorthWestern Energy Public Service Corporation d/b/a NorthWestern Energy (formerly NorthWestern Corporation), a South Dakota corporation (hereinafter called "*NorthWestern*"), and East River Electric Power Cooperative, Inc., a cooperative corporation organized and existing under the laws of the State of South Dakota (hereinafter called "*East River*"). NorthWestern and East River are individually referred to as a "*Party*" herein and collectively called the "*Parties*" in this Agreement.

WHEREAS, NorthWestern owns and operates an electric power system consisting of generating stations, transmission lines, distribution lines, and other facilities in east central South Dakota; and

WHEREAS, the Southwest Power Pool, Inc. (*"SPP"*) administers Network Integration Transmission Service for NorthWestern and for the Western Area Power Administration (*"WAPA"*), and NorthWestern, SPP, and WAPA are parties to a Network Operating Agreement pursuant to which SPP and WAPA operate their respective electric systems, including those subject to this Agreement; and

WHEREAS, East River owns and operates an electric power system consisting of transmission lines and other facilities in eastern South Dakota; and

WHEREAS, the SPP administers Network Integration Transmission Service for Basin Electric Power Cooperative ("*Basin*") on behalf of East River and for WAPA, and Basin, SPP, and WAPA are parties to a Network Operating Agreement pursuant to which SPP and WAPA operate their respective electric systems, including those subject to this Agreement; and

WHEREAS, WAPA is the designated Transmission Operator for the Parties' transmission facilities classified as Bulk Electric System under the reliability standards of the North American Electric Reliability Corporation; and

WHEREAS, the electric systems of NorthWestern and East River are interconnected through manually operated air-break switches, circuit breakers, motor operated switches or jumpers which will be normally operated open; and

WHEREAS, the Parties desire to maintain interconnections between the electric systems of NorthWestern and East River for times when a Party is unable to maintain adequate service on portions of its own system by means of its own facilities because of unforeseen contingencies, and therefore desires to have additional paths to deliver electric power and energy during such times; and

WHEREAS, NorthWestern and East River entered into an Electric Service Agreement, Emergency-Type Service, dated as of June 15, 2009, restated the same effective

December 29, 2020, and entered into a subsequent restatement on April 29, 2021 (the *"Existing Agreement"*) and desire to amend and restate the Existing Agreement as set forth herein, effective as of the date of acceptance of this Agreement by the Federal Energy Regulatory Commission (*"FERC"*),

NOW, THEREFORE, the Parties agree as follows:

#### ARTICLE I Definitions

*"East River Facilities"* means the facilities described in <u>Exhibit A</u> and <u>Exhibit B</u>, and includes ancillary equipment required for the operation of the East River Facilities.

*"Emergency"* means the occurrence of an event resulting in the inability of a Party to maintain adequate service on its electrical system such as storms or adverse weather events, planned and unplanned maintenance and repairs of facilities, outages and other similar conditions beyond the control of the Party.

*"Emergency Tie Service"* means the closing of the tie at a designated point of interconnection to allow for the transmission and delivery of electrical power and energy during an Emergency.

"Good Utility Practice" means any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods or acts generally accepted in the region.

*"NorthWestern Facilities"* means the facilities described in <u>Exhibit A</u> and <u>Exhibit B</u>, and includes ancillary equipment required for the operation of the NorthWestern Facilities.

*"Requesting Party"* means the Party experiencing an Emergency and in need of Emergency Tie Service.

*"Responding Party"* means the Party whose facilities are required to provide Emergency Tie Service during an Emergency.

#### ARTICLE II Termination of Existing Agreements

1. This Agreement supersedes and cancels the Existing Agreement, as of the effective date of this Agreement.

#### ARTICLE III Points of Interconnection

A. <u>Points of Interconnection</u>

The East River Facilities and NorthWestern Facilities are interconnected at the points as designated in <u>Exhibit A</u>. The ownership of the interconnection facilities is designated in <u>Exhibit B</u>.

#### B. <u>Operation and Maintenance</u>

- 1. Each Party will operate and maintain their respective facilities in accordance with Good Utility Practice to allow for Emergency Tie Service during the Term of this Agreement. It is understood that each Party's relaying requirements will be satisfied prior to beginning any power exchange and that shared settings will remain confidential. Damaged, defective and inoperable facilities shall be replaced promptly. The cost of replacement of such facilities will be borne by the Party owning the facilities unless damaged by the negligent act or omission of the other Party hereto, its agents or employees. Nothing herein entitles a Party to access the facilities of any other Party.
- 2. All emergency interconnect switches shall have dual locking and tagging capabilities to ensure the safety of crews working on either system.

## ARTICLE IV Operation

A. <u>Use of Facilities</u>

The interconnection of the Parties' electric power systems will result in savings in capital investment by the Parties. In consideration thereof, each Party will provide Emergency Tie Service during the term of this Agreement, to the extent that such system has capacity in excess of that required for its own needs.

- B. <u>Limitation on Use of Facilities</u>
  - 1. Notwithstanding any other provisions of this Agreement, a Responding Party is not obligated to provide Emergency Tie Service if such Responding Party does not have adequate capacity available in excess of its own system's requirements thereof or if such transmission will, in any way, interfere with the furnishing of service to its customers, it being understood that each Party shall have first claim upon its transmission facilities for the requirements of its own customers.
  - 2. The determination of capacity available for Emergency Tie Service, is within the sole discretion of the Responding Party. The Requesting Party waives and relinquishes all of its legal and equitable rights and remedies to require the Responding Party to provide Emergency Tie Service when in the discretion the Responding Party, there is not adequate capacity available.

- 3. Each Party is responsible for its acts and omissions, including but not limited to reimbursement to other Parties for direct damages to facilities caused during the Emergency Tie Service; provided that no Party is liable for special, indirect, incidental, punitive or consequential damages arising from or related to Emergency Tie Service and this Agreement, including but not limited to loss of use, loss of revenue, loss of profit and cost of replacement power.
- 4. A Responding Party is not required to provide Emergency Tie Services to make up any deficiency in the normal source of electric service supply to the other Party's system.
- C. <u>Switching</u>

At the interconnections where the two Parties' systems may not be in phase, each Party shall disconnect from its own system, the load to be supplied from the system of the other Party, so that the two systems will not be tied together during switching operations or operated in parallel.

## ARTICLE V Transmission of Power and Energy

- 1. In the event the Requesting Party requires Emergency Tie Service for its system, the Responding Party agrees to accept delivery of electric power and energy from SPP, to the extent of the capacity available therefore, at its points of interconnection with SPP, and to deliver to the Requesting Party Emergency Tie Service an equivalent amount of power and energy adjusted as provided below, in the form of three (3) phase alternating current at a nominal frequency of 60 hertz.
- 2. NorthWestern and East River agree to pay to the Responding Party three and onehalf mills (\$0.0035) per KWH, multiplied by metered energy increased by two percent (2%) for each transformation from the point of metering on SPP's system to the point of delivery on the Requesting Party's system under this Agreement. SPP will credit the account of the Responding Party with the metered amount of power and energy increased by two percent (2%) for each transformation for transformation losses and seven percent (7%) for transmission losses to compensate for such losses in the Responding Party's transmission system.
- 3. The wheeling rate and loss component will only apply to energy that is being wheeled across non-SPP tariff facilities. There will be no wheeling or loss charges across SPP tariff facilities.
- 4. By June 1 each year, the parties will share an updated list of tariff and non-tariff facilities associated with each point of interconnection listed in <u>Exhibit A</u> of this agreement.
- 5. NorthWestern and East River agree to maintain a power factor at the interconnections of their systems of between 95 percent lagging and 95 percent

leading, or such other higher percentages as may be provided in either Party's present or successor agreements with WAPA or SPP.

6. Billing for services provided under this Agreement will be monthly, with payment to be made within thirty (30) days after billing.

## Article VI Meter Testing

East River or NorthWestern may, at reasonable times and upon notice to the other Party, request that the metering equipment at the interconnections be tested. Any metering equipment found to be inaccurate shall be repaired, adjusted, or replaced by its owner at its expense. Bills for wheeling of power and energy will be adjusted by mutual agreement to compensate for errors or defects or failures in metering equipment. No adjustments will be made on bills where errors in the meters are less than two percent (2%). No adjustments will be made for a period greater than sixty (60) days unless the actual period of the metering error can be determined, and in no event will adjustments be made for a period greater than sixt (6) months.

## Article VII Request for Service

## A. <u>Unplanned Emergency</u>

It is understood that Emergency Tie Service will be provided only upon delivery of a request by the Requesting Party. The Requesting Party shall also be responsible for notifying WAPA and SPP of the request, if deemed necessary. The request shall specify the cause and nature of the Emergency, the amount of power required, and the probable duration of the Emergency period; the Requesting Party shall also notify the Responding Party promptly when the Emergency has ended. The Responding Party will only deliver that amount of power that is available above its own system's requirements.

#### B. <u>Preplanned/Scheduled Maintenance and Repairs</u>

If Emergency Tie Service is required by a Requesting Party because of a scheduled outage of facilities on its electric power system, Requesting Party shall consult with the Responding Party and as far in advance as possible arrange such outage at a time which is most convenient to the Responding Party.

#### C. <u>Coordination of Emergency Tie Service</u>

Request for utilization of the Emergency Tie Service will be coordinated between NorthWestern DOC Controller (605-353-7468) and East River Dispatch (605-256-8260). Approval of these requests may be issued verbally or telephonically before any switching shall be performed.

## Article VIII Term and Termination

- 1. This Agreement shall be in force upon execution by the Parties and shall continue in force thereafter for an initial term of ten (10) years. If a Party desires to terminate the Agreement at the end of the initial term, the terminating Party shall provide a minimum of twenty-four (24) months written notice of the termination. If the Agreement is not terminated, the term will continue for a five (5) year renewal term. Unless terminated pursuant to this Article IX, this Agreement may be extended for a total of twenty-five (25) years.
- 2. The Agreement may be cancelled by any Party after the initial term by giving the other Parties not less than twenty-four (24) months' written notice of cancellation. Upon the occurrence of a default of a material term or condition of this Agreement, the defaulting Party shall cure the default within 30 days of receipt of the written notice. During such cure period, the non-defaulting Party is authorized to take such action deemed necessary, at the expense of the defaulting Party, to protect its facilities and ensure safe and reliable service to its customers. If the breach or default is not cured within the specified 30-day period (or within such additional time as the Parties may mutually agree), this Agreement may be terminated by the non-defaulting Party.

#### Article IX Approvals

This Agreement shall become effective upon acceptance by FERC. No other regulatory or governmental approval is needed to give this Agreement full force and effect.

## Article X Assignments

No Party may voluntarily or by operation of law assign or transfer its rights or delegate its duties under this Agreement, or any part of such rights or duties, without the written consent of the other Parties; provided, however, that consent is not required for an assignment in connection with a merger, consolidation or corporate reorganization involving substantially all of the assets of the assigning Party. Consent to assignment will not be withheld unreasonably.

#### Article XI Notices

All notices required or permitted under this Agreement shall be in writing and shall be personally delivered, delivered by reputable overnight courier, sent by electronic mail with confirmation of receipt or sent by registered or certified mail, return receipt requested, and postage prepaid, addressed to the Parties at the addresses set forth below. Notices shall be considered delivered as of the date of actual receipt by the recipient. Notices of change of

address shall be given by written notice in the manner detailed in this Article. Notices shall be addressed as follows:

For NorthWestern:

Michael Lundy Electric Transmission Specialist NorthWestern Energy 3010 W. 69<sup>th</sup> Street Sioux Falls, SD 57108 Michael.Lundy@northwestern.com

For East River:

Mark Hoffman Chief Operations Officer East River Electric Power Cooperative, Inc. P.O. Box 227 211 S. Harth Avenue Madison, SD 57042 mhoffman@eastriver.coop

## Article XII Miscellaneous

This Agreement constitutes the complete and integrated agreement of the Parties with respect to the subject matter hereof and supersedes any prior or contemporaneous oral or written agreement or understanding. This Agreement may be amended only by a written instrument executed by the Parties. This Agreement shall be governed by, and construed in accordance with, the laws of the State of South Dakota and shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. Each Party represents that it has full power and authority to enter into and perform this Agreement and the person signing this Agreement. This Agreement may be executed in counterparts, which together constitute one instrument. Copies of this fully executed instrument have the same force and effect as the original.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first above written, and the same shall be equally binding upon the respective Parties and each of their successors and assigns.

Title

## NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NorthWestern Energy

ax By\_

Michael R. Cashell Name

Title Vice President - Transmission

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

9 By Mark Hoffman Name C00

NorthWestern / East River Service Agreement Emergency-Type Service

## Exhibit "A"

#### Points of Interconnection Electric Service Agreement Emergency-Type Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

#### Points of Interconnection

- 1. **Webster Interconnection**: East River owns, operates and maintains an interconnecting line and NorthWestern furnished and installed the necessary line, air-break switches and oil circuit breaker at the south end of such interconnecting line in NorthWestern's NW Substation in Webster.
- 2. **Groton Interconnection**: NorthWestern and East River are interconnected through a manually operated, normally open air-break switch.
- 3. **Platte Interconnection**: NorthWestern and East River are interconnected through a normally open remote operated circuit switcher (#7640) at NorthWestern's Platte Substation. The Platte Substation is located at the intersection of W 3<sup>rd</sup> St and Delaware Ave in Platte, SD.

The change of ownership between the NorthWestern and East River systems is at a normally closed air-break switch at the following location:

Near the Southwest corner of Section One (1), Township Ninety-nine North (T99N), Range Sixty-eight West (R68W), Charles Mix County, South Dakota.

East River reserves the right to change the normal open point to the change of ownership location if the connectivity described in this section is negatively impacting the reliability on the East River system.

4. **Highmore Interconnection**: NorthWestern and East River are interconnected through a manually operated, normally open air-break switch at the following location:

NW1/4 Sec 12, T112N, R72W of Hyde County, South Dakota.

NorthWestern owns, operates, and maintains a 69 KV line beginning at the existing NorthWestern line in the NE ¼ Sec 12 T112N R72W Corner of Hyde County, South Dakota, and extending east a distance of 363 feet to a point of interconnection with the East River 69 KV line located at the NE ¼ Sec 12 T112N R72W of Hyde County, South Dakota. The Point of Interconnection called the Highmore Interconnection shall be where NorthWestern's line interconnects with East River's existing 69 KV line. (See attached Highmore Interconnection site map DWH No. Highmore Interconnect.)

NorthWestern owns, operates, and maintains all conductor and station equipment beyond the East River gang-operated air-break switch for the Highmore Interconnection.

East River owns, operates, and maintains the take-off pole with a gang-operated airbreak switch for the Highmore Interconnection.

NorthWestern owns and maintains 69 KV Time-of-Day revenue metering equipment to measure energy and demand transferred across the interconnection. NorthWestern will also provide East River and the Western Area Power Administration with the ability to remotely access and read the meter.

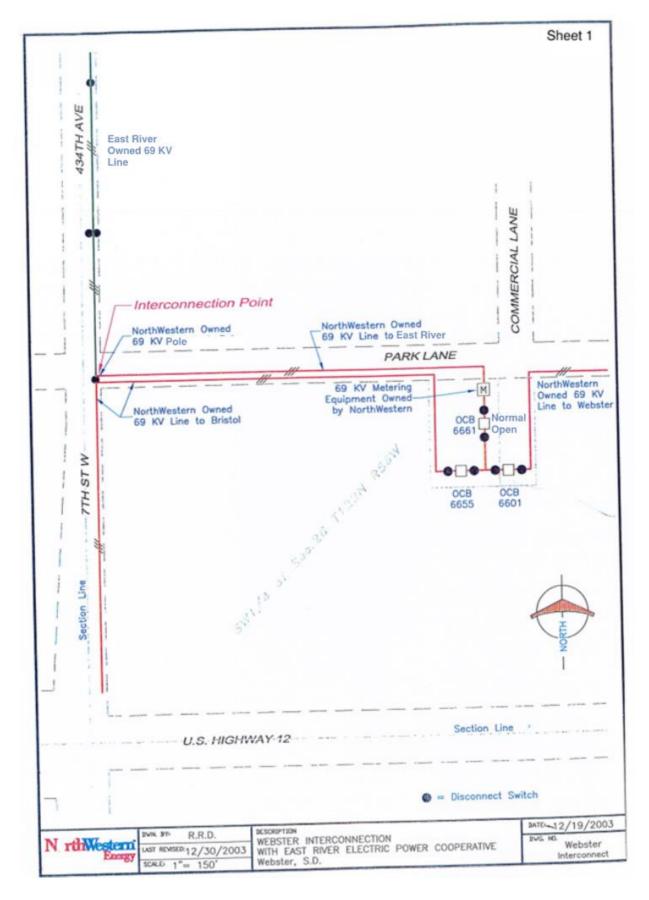
East River requires the Titan Wind Farm to be curtailed to zero output prior to using this interconnection and tying the parties' systems together. NorthWestern may request for East River to perform a study to determine whether the wind farm can stay online when using the tie for future needs. All study costs would be the responsibility of the requesting party.

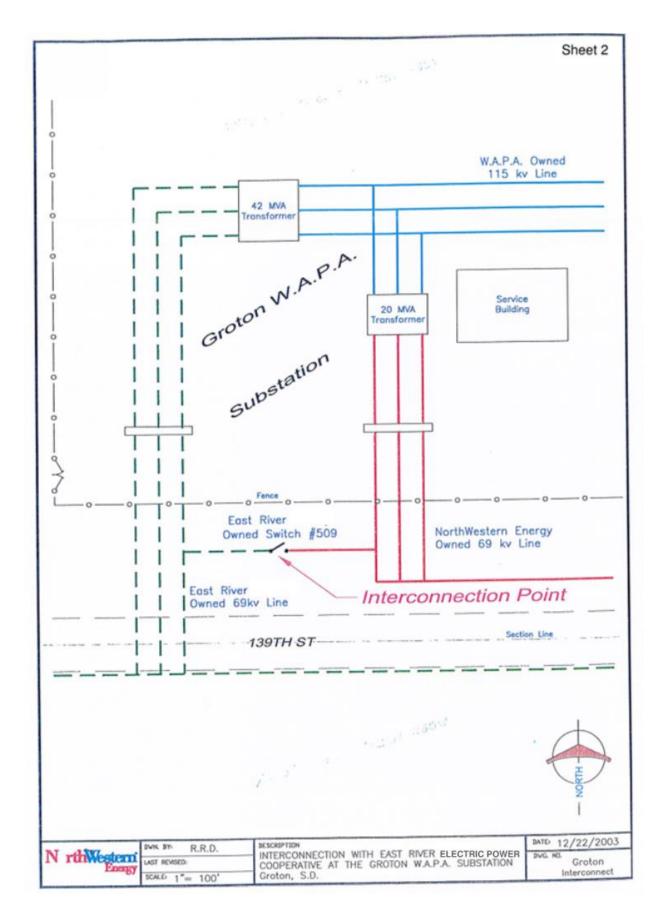
#### Exhibit "B"

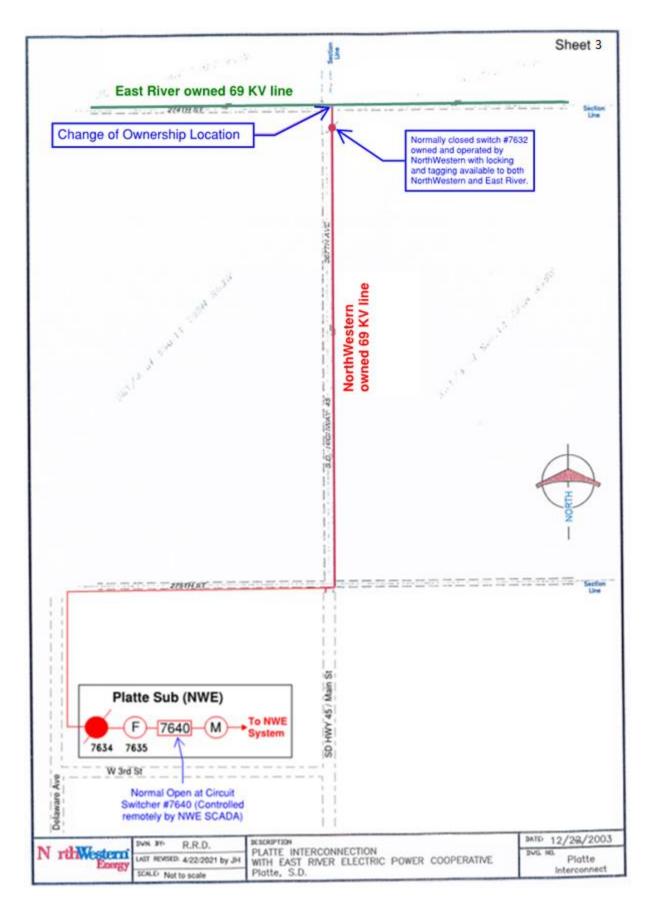
#### **One-Line Diagrams and Division of Ownership Electric Service Agreement Emergency-Type Service** between NorthWestern Energy and East River Electric Power Cooperative, Inc.

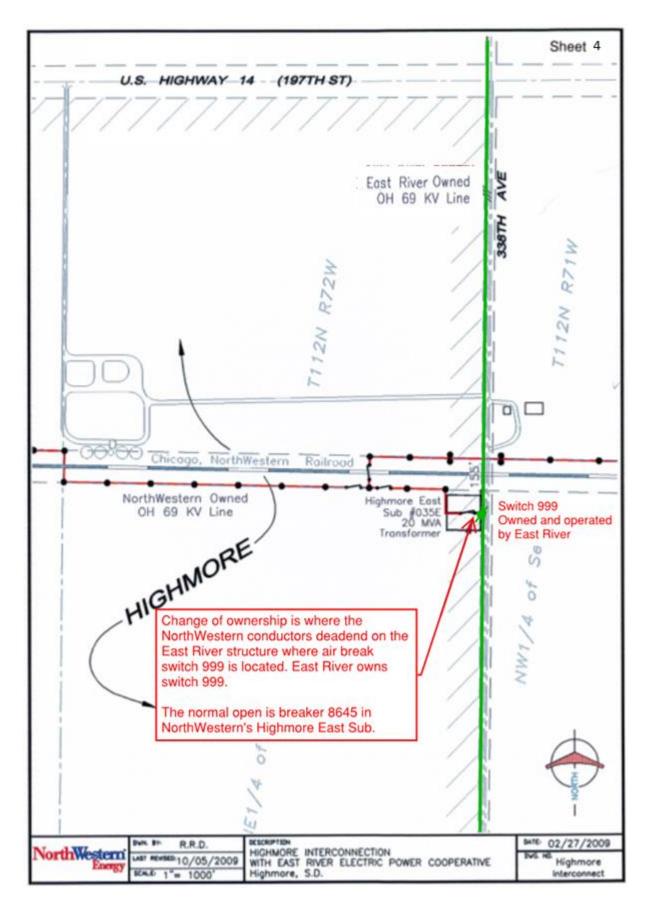
Index of Drawings

| Sheet 1 | Webster Connection  |
|---------|---------------------|
| Sheet 2 | Groton Connection   |
| Sheet 3 | Platte Connection   |
| Sheet 4 | Highmore Connection |









# Rate Schedule No. 37

**Third Revised** 

Emergency Tie Agreement – Emergency Tie Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

Compared to Rate Schedule No. 37 Second Revised

NorthWestern Energy Public Service Corporation Rate Schedules, Agreements and Other Tariffs Rate Schedules - SD

#### AMENDED AND RESTATED EMERGENCY TIE AGREEMENT Emergency Tie Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

This Emergency Tie Agreement ("*Agreement*") is made and entered into as of this 2910<sup>th</sup> day of AprilFebruary, 20215, by and between NorthWestern Energy Public Service Corporation d/b/a NorthWestern Energy (formerly NorthWestern Corporation), a Delaware South Dakota corporation (hereinafter called "*NorthWestern*"), and East River Electric Power Cooperative, Inc., a cooperative corporation organized and existing under the laws of the State of South Dakota (hereinafter called "*East River*"). NorthWestern and East River are individually referred to as a "*Party*" herein and collectively called the "*Parties*" in this Agreement.

WHEREAS, NorthWestern owns and operates an electric power system consisting of generating stations, transmission lines, distribution lines, and other facilities in east central South Dakota; and

WHEREAS, the Southwest Power Pool, Inc. (*"SPP"*) administers Network Integration Transmission Service for NorthWestern and for the Western Area Power Administration (*"WAPA"*), and NorthWestern, SPP, and WAPA are parties to a Network Operating Agreement pursuant to which SPP and WAPA operate their respective electric systems, including those subject to this Agreement; and

WHEREAS, East River owns and operates an electric power system consisting of transmission lines and other facilities in eastern South Dakota; and

WHEREAS, the SPP administers Network Integration Transmission Service for Basin Electric Power Cooperative ("*Basin*") on behalf of East River and for WAPA, and Basin, SPP, and WAPA are parties to a Network Operating Agreement pursuant to which SPP and WAPA operate their respective electric systems, including those subject to this Agreement; and

WHEREAS, WAPA is the designated Transmission Operator for the Parties' transmission facilities classified as Bulk Electric System under the reliability standards of the North American Electric Reliability Corporation; and

WHEREAS, the electric systems of NorthWestern and East River are interconnected through manually operated air-break switches, circuit breakers, motor operated switches or jumpers which will be normally operated open; and

WHEREAS, the Parties desire to maintain interconnections between the electric systems of NorthWestern and East River for times when a Party is unable to maintain adequate service on portions of its own system by means of its own facilities because of unforeseen contingencies, and therefore desires to have additional paths to deliver electric power and energy during such times;; and

WHEREAS, NorthWestern and East River entered into an Electric Service Agreement, Emergency-Type Service, dated as of June 15, 2009, and restated the same effective December 29, 2020, and entered into a subsequent restatement on April 29, 2021 (the *"Existing Agreement"*) and desire to amend and restate the Existing Agreement as set forth herein, effective as of the date of acceptance of this Agreement by the Federal Energy Regulatory Commission (*"FERC"*)

NOW, THEREFORE, the Parties agree as follows:

## ARTICLE I Definitions

*"East River Facilities"* means the facilities described in <u>Exhibit A</u> and <u>Exhibit B</u>, and includes ancillary equipment required for the operation of the East River Facilities.

*"Emergency"* means the occurrence of an event resulting in the inability of a Party to maintain adequate service on its electrical system such as storms or adverse weather events, planned and unplanned maintenance and repairs of facilities, outages and other similar conditions beyond the control of the Party.

*"Emergency Tie Service"* means the closing of the tie at a designated point of interconnection to allow for the transmission and delivery of electrical power and energy during an Emergency.

"Good Utility Practice" means any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods or acts generally accepted in the region.

*"NorthWestern Facilities"* means the facilities described in <u>Exhibit A</u> and <u>Exhibit B</u>, and includes ancillary equipment required for the operation of the NorthWestern Facilities.

*"Requesting Party"* means the Party experiencing an Emergency and in need of Emergency Tie Service.

*"Responding Party"* means the Party whose facilities are required to provide Emergency Tie Service during an Emergency.

#### ARTICLE II Termination of Existing Agreements

1. This Agreement supersedes and cancels the Parties' Electric Service Existing Agreement, as of the effective date of this Agreement.

#### ARTICLE III Points of Interconnection

A. Points of Interconnection

The East River Facilities and NorthWestern Facilities are interconnected at the points as designated in <u>Exhibit A</u>. The ownership of the interconnection facilities is designated in <u>Exhibit B</u>.

#### B. **Operation and Maintenance**

- 1. Each Party will operate and maintain their respective facilities in accordance with Good Utility Practice to allow for Emergency Tie Service during the Term of this Agreement. It is understood that each Party's relaying requirements will be satisfied prior to beginning any power exchange and that shared settings will remain confidential. Damaged, defective and inoperable facilities shall be replaced promptly. The cost of replacement of such facilities will be borne by the Party owning the facilities unless damaged by the negligent act or omission of the other Party hereto, its agents or employees. Nothing herein entitles a Party to access the facilities of any other Party.
- 2. All emergency interconnect switches shall have dual locking and tagging capabilities to <u>insureensure</u> the safety of crews working on either system.

#### ARTICLE IV Operation

A. Use of Facilities

The interconnection of the Parties' electric power systems will result in savings in capital investment by the Parties. In consideration thereof, each Party will provide Emergency Tie Service during the term of this Agreement, to the extent that such system has capacity in excess of that required for its own needs.

- B. Limitation on Use of Facilities
  - 1. Notwithstanding any other provisions of this Agreement, a Responding Party is not obligated to provide Emergency Tie Service if such Responding Party does not have adequate capacity available in excess of its own system's requirements thereof or if such transmission will, in any way, interfere with the furnishing of service to its customers, it being understood that each Party shall have first claim upon its transmission facilities for the requirements of its own customers.
  - 2. The determination of capacity available for Emergency Tie Service, is within the sole discretion of the Responding Party. The Requesting Party waives and relinquishes all of its legal and equitable rights and remedies to require the

Responding Party to provide Emergency Tie Service when in the discretion the Responding Party, there is not adequate capacity available.

- 3. Each Party is responsible for its acts and omissions, including but not limited to reimbursement to other Parties for direct damages to facilities caused during the Emergency Tie Service; provided that no Party is liable for special, indirect, incidental, punitive or consequential damages arising from or related to Emergency Tie Service and this Agreement, including but not limited to loss of use, loss of revenue, loss of profit and cost of replacement power.
- 4. A Responding Party is not required to provide Emergency Tie Services to make up any deficiency in the normal source of electric service supply to the other Party's system.
- C. Switching

At the interconnections where the two Parties' systems may not be in phase, each Party shall disconnect from its own system, the load to be supplied from the system of the other Party, so that the two systems will not be tied together during switching operations or operated in parallel.

## ARTICLE V Transmission of Power and Energy

- 1. In the event NorthWestern or East River the Requesting Party requires Emergency Tie Service for its system, the other Party, East River or NorthWestern, <u>Responding Party</u> agrees to accept delivery of electric power and energy from SPP, to the extent of the capacity available therefore, at its points of interconnection with SPP, and to deliver to the <u>Party requiringRequesting Party</u> Emergency Tie Service an equivalent amount of power and energy adjusted as provided below, in the form of three (3) phase alternating current at a nominal frequency of 60 hertz.
- 2. NorthWestern and East River agree to pay to the <u>Requesting Responding</u> Party three and one-half mills (\$0.0035) per KWH, multiplied by metered energy increased by two percent (2%) for each transformation from the point of metering on SPP's system to the point of delivery on the Requesting Party's system under this Agreement. SPP will credit the account of the Responding Party with the metered amount of power and energy increased by two percent (2%) for each transformation for transformation losses and seven percent (7%) for transmission losses to compensate for such losses in the Responding Party's transmission system.

- 3. The wheeling rate and loss component will only apply to energy <u>this-that</u> is being wheeled across non-SPP tariff facilities. There will be no wheeling or loss charges across SPP tariff facilities.
- 4. By June 1 each year, the parties will share an updated list of tariff and non-tariff facilities associated with each point of interconnection listed in <u>Exhibit A</u> of this agreement.
- 5. NorthWestern and East River agree to maintain a power factor at the interconnections of their systems of between 95 percent lagging and 95 percent leading, or such other higher percentages as may be provided in either Party's present or successor agreements with WAPA or SPP.
- 6. Billing for services provided under this Agreement will be monthly, with payment to be made within thirty (30) days after billing.

## Article VI Meter Testing

East River or NorthWestern may, at reasonable times and upon notice to the other Party, request that the metering equipment at the interconnections be tested. Any metering equipment found to be inaccurate shall be repaired, adjusted, or replaced by its owner at its expense. Bills for wheeling of power and energy will be adjusted by mutual agreement to compensate for errors or defects or failures in metering equipment. No adjustments will be made on bills where errors in the meters are less than two percent (2%). No adjustments will be made for a period greater than sixty (60) days unless the actual period of the metering error can be determined, and in no event will adjustments be made for a period greater than six (6) months.

#### Article VII Request for Service

#### A. <u>Unplanned Emergency</u>

It is understood that Emergency Tie Service will be provided only upon delivery of a request by the Requesting Party. The Requesting Party shall also be responsible for notifying WAPA and SPP of the request, if deemed necessary. The request shall specify the cause and nature of the Emergency, the amount of power required, and the probable duration of the Emergency period; said-the Requesting Party shall also notify the Responding Party promptly when the Emergency has ended. The Responding Party will only deliver that amount of power that is available above its own system's requirements.

#### B. <u>Preplanned/Scheduled Maintenance and Repairs</u>

If Emergency Tie Service is required by a Requesting Party because of a scheduled outage of facilities on its electric power system, Requesting Party shall consult with the Responding Party and as far in advance as possible arrange such outage at a time which is most convenient to the Responding Party.

#### C. <u>Coordination of Emergency Tie Service</u>

Request for utilization of the Emergency Tie Service will be coordinated between NorthWestern DOC Controller (605-353-7468) and East River Dispatch (605-256-8260). Approval of these requests may be issued verbally or telephonically before any switching shall be performed.

#### Article VIII Term and Termination

- This Agreement shall be in force upon execution by the Parties and shall continue in force thereafter for an initial term of ten (10) years. If a Party desires to terminate the Agreement at the end of the initial term, the terminating Party shall provide a minimum of twenty-four (24) months written notice of the termination. If the Agreement is not terminated, the term will continue for a five (5) year renewal term. Unless terminated pursuant to this Article IX, this Agreement may be extended for a total of twenty-five (25) years.
- 2. The Agreement may be cancelled by any Party after the initial term by giving the other Parties not less than twenty-four (24) months' written notice of cancellation. Upon the occurrence of a default of a material term or condition of this Agreement, the defaulting Party shall cure the default within 30 days of receipt of the written notice. During such cure period, the non-defaulting Party is authorized to take such action deemed necessary, at the expense of the defaulting Party, to protect its facilities and ensure safe and reliable service to its customers. If the breach or default is not cured within the specified <del>30 day30 day</del> period (or within such additional time as the Parties may mutually agree), this Agreement may be terminated by the non-defaulting Party.

## Article IX Approvals

This Agreement shall become effective upon acceptance by FERC. No other regulatory or governmental approval is needed to give this Agreement full force and effect.

### Article X Assignments

No Party may voluntarily or by operation of law assign or transfer its rights or delegate its duties under this Agreement, or any part of such rights or duties, without the written consent of the other Parties; provided, however, that consent is not required for an assignment in connection with a merger, consolidation or corporate reorganization involving substantially all of the assets of the assigning Party. Consent to assignment will not be withheld unreasonably.

#### Article XI Notices

All notices required or permitted under this Agreement shall be in writing and shall be personally delivered, delivered by reputable overnight courier, <u>sent by electronic</u> <u>mail with confirmation of receipt</u> or sent by registered or certified mail, return receipt requested, and postage prepaid, addressed to the Parties at the addresses set forth below. Notices shall be considered delivered as of the date of actual receipt by the recipient. Notices of change of address shall be given by written notice in the manner detailed in this Article. Notices shall be addressed as follows:

For NorthWestern:

Jamie Hajek<u>Michael Lundy</u> Coordinator <u>Electric Transmission Specialist</u> – South Dakota Transmission Operations NorthWestern Energy 300 S. Burr Street <u>Mitchell, SD 573013010 W. 69<sup>th</sup> Street</u> Sioux Falls, SD 57108 Jamie.Hajek<u>Michael.Lundy</u>@northwestern.com

For East River:

Mark Hoffman Chief Operations Officer East River Electric Power Cooperative, Inc. P.O. Box 227 211 S. Harth Avenue Madison, SD 57042 mhoffman@eastriver.coop

#### Article XII Miscellaneous

This Agreement constitutes the complete and integrated agreement of the Parties with respect to the subject matter hereof and supersedes any prior or contemporaneous oral or written agreement or understanding. This Agreement may be amended only by a written instrument executed by the Parties. This Agreement shall be governed by, and construed in accordance with, the laws of the State of South Dakota and shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. Each Party represents that it has full power and authority to enter into and perform this Agreement and the person signing this Agreement on behalf of each Party has been properly authorized and empowered to sign this Agreement. This Agreement may be executed in counterparts, which together constitute one instrument. Copies of this fully executed instrument have the same force and effect as the original.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first above written, and the same shall be equally binding upon the respective Parties and each of their successors and assigns.

> NORTHWESTERN <u>ENERGY PUBLIC SERVICE</u> CORPORATION d/b/a NorthWestern Energy

Ву\_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

Name \_\_\_\_\_\_

Title \_\_\_\_\_

## Exhibit "A"

#### **Points of Interconnection Electric Service Agreement Emergency-Type Service** between NorthWestern Energy and East River Electric Power Cooperative, Inc.

#### Points of Interconnection

- 1. **Webster Interconnection**: East River owns, operates and maintains an interconnecting line and NorthWestern furnished and installed the necessary line, air-break switches and oil circuit breaker at the south end of such interconnecting line in NorthWestern's NW Substation in Webster.
- 2. **Groton Interconnection**: NorthWestern and East River are interconnected through a manually operated, normally open air-break switch.
- 3. **Chamberlain Interconnection**: NorthWestern and East River are interconnected through a manually operated, normally open air-break switch at the following location:

Near the Northwest corner of Section Thirty-One (31), Township One Hundred Four North (T104N), Range Seventy West (R70W), Brule County, South Dakota.

4<u>3</u>. **Platte Interconnection**: NorthWestern and East River are interconnected through a normally open remote operated circuit switcher (#7640) at NorthWestern's Platte Substation. The Platte Substation is located at the intersection of W 3<sup>rd</sup> St and Delaware Ave in Platte, SD.

The change of ownership between the NorthWestern and East River systems is at a normally closed air-break switch at the following location:

Near the Southwest corner of Section One (1), Township Ninety-nine North (T99N), Range Sixty-eight West (R68W), Charles Mix County, South Dakota.

East River reserves the right to change the normal open point to the change of ownership location if the connectivity described in this section is negatively impacting the reliability on the East River system.

**54**. **Highmore Interconnection**: NorthWestern and East River are interconnected through a manually operated, normally open air-break switch at the following location:

NW1/4 Sec 12, T112N, R72W of Hyde County, South Dakota.

NorthWestern owns, operates, and maintains a 69 KV line beginning at the existing NorthWestern line in the NE ¼ Sec 12 T112N R72W Corner of Hyde County, South Dakota, and extending east a distance of 363 feet to a point of interconnection with the East River 69 KV line located at the NE ¼ Sec 12 T112N R72W of Hyde County, South Dakota. The Point of Interconnection called the Highmore Interconnection shall be where NorthWestern's line interconnects with East River's existing 69 KV line. (See attached Highmore Interconnection site map DWH No. Highmore Interconnect.)

NorthWestern owns, operates, and maintains all conductor and station equipment beyond the East River gang-operated air-break switch for the Highmore Interconnection.

East River owns, operates, and maintains the take-off pole with a gangoperated air-break switch for the Highmore Interconnection.

NorthWestern owns and maintains 69 KV Time-of-Day revenue metering equipment to measure energy and demand transferred across the interconnection. NorthWestern will also provide East River and the Western Area Power Administration with the ability to remotely access and read the meter.

East River requires the Titan Wind Farm to be curtailed to zero output prior to using this interconnection and tying the parties' systems together. NorthWestern may request for East River to perform a study to determine whether the wind farm can stay online when using the tie for future needs. All study costs would be the responsibility of the requesting party.

## Exhibit "B"

## One-Line Diagrams and Division of Ownership Electric Service Agreement Emergency-Type Service

between NorthWestern Energy and East River Electric Power Cooperative, Inc.

Index of Drawings

| Sheet 1          | Webster Connection     |
|------------------|------------------------|
| Sheet 2          | Groton Connection      |
| <br>Sheet 3      | Chamberlain Connection |
| Sheet <u>3</u> 4 | Platte Connection      |
| Sheet <u>4</u> 5 | Highmore Connection    |

