NG06-004

600 Market Street W. Huron, SD 57350-1500 Toll Free: 800-245-6977 Facsimile: 605-353-7519 www.northwesternenergy.com

April 13, 2006

APR 1 4 2006

RECEIVED

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION Elec. Dec'd 4/13/06

Ms. Patricia Van Gerpen, Executive Director S. D. Public Utilities Commission 500 East Capitol Avenue Pierre, SD 57501

Energy

Re: NorthWestern Corporation Proposed Contract With Deviation PUC Docket NG06-____

Dear Ms. Van Gerpen:

N@**rthWestern**[™]

With this letter, NorthWestern Corporation ("NorthWestern" or the "Company"), doing business as NorthWestern Energy, is filing with the Commission a proposed natural gas contract with deviation. Pursuant to ARSD 20:10:13:39, the Company states:

(1) The documents submitted with this filing include:

The proposed revised tariff schedule, Section 4, Sheet 1. 10th Revised

• A copy of the contract between NorthWestern and the Customer.

• A map of the proposed route

Schedules detailing the cost of the project

(2) The proposed effective date for the new tariff is April 24, 2006, and NorthWestern hereby requests that the Commission approve this application on less than thirty days notice.

(3) The names and addresses of those to whom copies of the rate schedule have been mailed:

Mr. Richard Waldera, General Manager Commercial Asphalt 25341 430th Avenue Spencer, SD 57374-7611 (4) Brief description of the proposed changes in rates:

NorthWestern is proposing the Contract With Deviation to provide additional gas capacity to Commercial Asphalt in Mitchell. The customer is in the process of installing new equipment that requires greater capacity than what the current pipeline has available. NorthWestern will install an additional 4-inch gas pipeline to provide the capacity to meet the requirements of the customer's new equipment. The pipeline project is 3.3 miles in length. The route includes boring under the James River and under Interstate 90.

The original estimate of the project cost was \$217,485. The company has received a check from the customer in the amount of \$100,000 as a first payment towards the project. An additional payment of \$117,485 will be due from the customer within 14 days after the Project Completion Date. NorthWestern plans to begin work on this project later this month. At this time there are no additional revenues projected due to this project. The customer stated that there might be additional growth because of the new equipment, but that growth is unknown at this time. The updated cost of the project based on the finalized route is projected to be \$233,773.07. As the \$217,485 number is what was presented to the customer, the company has chosen not to pursue the additional \$16,288.07 as a collection from the customer.

(5) Reasons for the proposed changes:

The reason for the proposed change is the customers need for additional capacity.

(6) Number of customers who's cost of service will be affected and annual changes in cost of service to such customers.

Commercial Asphalt will be the only customer impacted by this filing.

Sincerely yours,

Jeff D. Decky

Jeff Decker Rates Analyst

EXHIBIT A

REQUEST FOR CONFIDENTIAL TREATMENT

COMES NOW, NorthWestern Corporation, doing business as NorthWestern Energy

("NorthWestern" or the "Company"), and pursuant to ARSD 20:10:01:41, requests confidential treatment as follows:

- The documents for which confidential treatment is requested are the Natural Gas Service Agreement between NorthWestern and Commercial Asphalt (the "Customer"), dated April 3, 2006 (the "Contract"), and the Workpapers containing the Company's anticipated costs to construct facilities to the Customer's facilities;
- The Company requests that such confidential treatment be afforded the Contract and Workpapers indefinitely, or a minimum of ten years
- 3) The name, address and phone number of the persons to be contacted regarding the
 - confidentiality request are:

Jeffrey Decker Regulatory Analyst NorthWestern Energy 600 Market Street West Huron, SD 57350 (605) 353-8315 Pamela Bonrud Director Regulatory Affairs NorthWestern Energy 125 S. Dakota Avenue Sioux Falls, SD 57103 (605) 978-2990

4) The grounds for confidentiality are that the Contract and Workpapers provide proprietary information concerning both the Company and the Customer, including the pricing of natural gas service, the costs of construction for the facilities to serve the Customer, etc. Sharing this information to third parties may provide competitive advantages to the competitors for both NorthWestern and the Customer.

5)

As a factual basis in support of this request, please see the response to item 4) above.

SOUTH DAKOTA GAS RATE SCHEDULE

NORTHWESTERN CORPORATION d/b/a NORTHWESTERN ENERGY			Section No. 4
HURON		10th Revised	Sheet No. <u>1</u>
SOUTH DAKOTA	Canceling_	9th Revised	Sheet No. <u>1</u>

Contracts With Deviations

- 1. Dakota Ethanol Lake Area Corn Processors
- 2. SDSU
- 3. Northern Lights Ethanol Plant
- 4. South Dakota Wheat Growers
- 5. Prairie Ethanol Plant
- 6. Commercial Asphalt

(N)

Date Filed: <u>April 13, 2006</u>	Service on or after Effective Date: <u>April 24, 2006</u>
Effective on less than 30 days notice by authority of the	Jeffrev Decker

Issued By: Regulatory Department

Effective on less than 30 days notice by authority of the Public Utilities Commission of South Dakota, dated 4/24/2006.

CONFIDENTIAL # [__]