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September 14, 2011

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

Re: Contract With Deviations - Natural Gas Service Agreement

Dear Ms. Van Gerpen:

With this letter, NorthWestern Corporation ("NorthWestern" or the "Company"), doing business as NorthWestern Energy, is filing with the Commission a revision to its natural gas Contracts with Deviation (the "Contracts") with South Dakota Wheat Growers, regarding its Aberdeen East, Andover, Yale and Willow Lake facilities (the "Customer") for which we request Commission approval.

Pursuant to ARSD 20:10:13:36 and ARSD 20:10:13:39, the Company states:

(1) The documents submitted with this filing include:

- A copy of the executed Notice of Rate Change, for which confidential treatment has been requested, pursuant to ARSD 20:10:01:41 (see Exhibit A to this letter);
- A copy of the workpapers that include the final cost for the Company to construct gas lines to the Customer's facilities and the documentation for development of the final rates;
- The proposed revised tariff schedule, Section 4, 6th Revised Sheet No. 2 "Summary List of Contracts with Deviations" which includes a reference to the Contracts and the information required by ARSD 20:10:13:09.

The proposed effective date for the Contract with Deviation is October 1, 2011. The Company requests the Commission approve these contracts with deviation on less than thirty day's notice.

- (2) The names and addresses of those to whom copies of this filing have been mailed:

Richard Bentley
South Dakota Wheat Growers
908 Lamont Street
Aberdeen, SD 57401

- (3) Brief description of the proposed deviation from the Company's standard rates:

In the summer and fall of 2010, NorthWestern constructed facilities to serve the Customer's expanded grain drying facilities. In the original contracts with each of the four customers, a rate or range of rates was stated that was to be updated, based on final construction costs. Due to changes in dryer location, lower Northern tap costs and lower material costs, the final rates are less than was stated in the contracts.

- (4) Reasons for the proposed deviation:

The Company has provided to the Customer a notice of distribution rate. Richard Bentley, SDWG COO, signed the notice as acknowledgement and agreement to the final rates. The company wishes to implement the lower rates with approval of this filing. The original contracts have an annual true-up clause that will be calculated based on the rates to be approved in this filing.

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

This proposed Contract will apply only to the four SD Wheat Growers customers and the affect on its cost of service is provided in the notice of distribution rate.

Sincerely,

Jeff Decker
Rates Analyst