

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

<p>IN THE MATTER OF THE REQUEST FOR A DECLARATORY RULING BY NORTHWESTERN CORPORATION DBA NORTHWESTERN ENERGY REGARDING THE RECOVERY OF CURTAILED ENERGY COSTS THROUGH THE FUEL ADJUSTMENT CLAUSE</p>	<p>)))))))</p>	<p>DECLARATORY RULING REGARDING RECOVERY OF CURTAILED ENERGY COSTS</p> <p>EL12-057</p>
---	--	--

On November 16, 2012, NorthWestern Corporation d/b/a NorthWestern Energy (NorthWestern) filed a Petition for Declaratory Ruling with the South Dakota Public Utilities Commission (Commission) requesting a ruling that amounts NorthWestern is required to pay for generation curtailments directed by NorthWestern under its power purchase agreement (PPA) with Rolling Thunder I Power Partners, LLC (Rolling Thunder) in conjunction with the Titan I Wind Project may be included in the automatic adjustment of charges authorized by SDCL § 49-34A-25. NorthWestern requests that a ruling be issued prior to December 31, 2012, so the charges can be appropriately recorded in the correct account for year-end reporting.

On November 22, 2012, the Commission electronically transmitted notice of the filing and the intervention deadline of December 7, 2012, to interested individuals and entities. No petitions to intervene or comments were filed. The Commission has jurisdiction over this matter pursuant to SDCL 1-26-15, 49-34A-4, and 49-34A-25, and ARSD 20:10:01:34.

At its regularly scheduled meeting on December 18, 2012, the Commission considered this matter. Finding that the generation curtailment charges under its PPA with Rolling Thunder are part of the contract costs for wholesale energy delivered to NorthWestern for delivery to customers, a majority of the Commission, with Chairman Nelson dissenting, voted to allow recovery of such costs under the automatic adjustment provisions of SDCL 49-34A-25. It is therefore

ORDERED, that charges for curtailed energy that NorthWestern is required to pay to Rolling Thunder under the PPA for wholesale energy deliveries from the Titan I Wind Project may be included in NorthWestern's automatic adjustment of charges authorized by SDCL § 49-34A-25.

Dated at Pierre, South Dakota, this 27th day of December, 2012.

<p>CERTIFICATE OF SERVICE</p> <p>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.</p> <p>By: <u><i>[Signature]</i></u></p> <p>Date: <u>12.27.12</u></p> <p align="center">(OFFICIAL SEAL)</p>
--

BY ORDER OF THE COMMISSION:

CHRIS NELSON, Chairman, dissenting

Kristie Fiegen
KRISTIE FIEGEN, Commissioner

Gary Hanson
GARY HANSON, Commissioner