

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

IN THE MATTER OF THE FILING BY)	ORDER APPROVING REVISED
NORTHWESTERN CORPORATION)	ENERGY EFFICIENCY ADJUSTMENT
DBA NORTHWESTERN ENERGY FOR)	RATES AND CANCELLATION OF
APPROVAL OF 2017 SOUTH DAKOTA)	ENERGY EFFICIENCY ADJUSTMENT
DEMAND SIDE MANAGEMENT PLAN)	TARIFFS
))
)	GE16-005

On November 18, 2016, the South Dakota Public Utilities Commission (Commission) received a filing from NorthWestern Corporation dba NorthWestern Energy (NWE) to revise its Demand Side Management Plan (DSM Plan) for 2017. Specifically, NWE requested approval of its proposed modifications to the 2017 DSM Plan and budgets. Further, NWE requested approval of the revised gas and electric Energy Efficiency Adjustment rates and tariff sheets that account for a true-up of tracker account balances and the 2017 DSM Plan proposed budgets, with an effective date of January 1, 2017.

On November 23, 2016, the Commission electronically transmitted notice of the filing and the intervention deadline of December 9, 2016, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were received.

On December 13, 2016, Commission staff (Staff) filed a letter requesting suspension of the 2017 DSM Plan until March 1, 2017, and allowing the current Energy Efficiency Adjustment rates to remain in effect until otherwise ordered by the Commission. On December 21, 2016, the Commission issued an order suspending NWE's 2017 DSM Plan until March 1, 2017. On January 31, 2017, NWE filed a letter notifying the Commission of its intent to discontinue the DSM program. On March 9, 2017, the Commission issued an order approving the termination of NWE's DSM Plan and the continuation of the existing Energy Efficiency Adjustment rates until a final true-up is provided.

On April 25, 2017, NWE filed its proposal for closing out the tracker accounts which included proposed tariff sheets for the final Energy Efficiency Adjustment rates and proposed tariff sheets upon termination of the Energy Efficiency Adjustment rates. In order to true-up the remaining tracker account balances, NWE proposed that the Energy Efficiency Adjustment rates be set at a credit of \$0.0005/kWh for electric service and a charge of \$0.0144/therm for gas service with an effective date of May 1, 2017. NWE further proposed that the Energy Efficiency Adjustment rates and tariffs be cancelled on June 1, 2017. Finally, for any balances remaining in the tracker accounts after the final true-up period, NWE requested that it be allowed to either write-off immaterial amounts due from customers as a non-recoverable expense or maintain the tracker account balances, with interest, until the next general rate filing and then include that amount in its cost of service. NWE's requested tariff revisions are as follows:

- 1) Tracker account balance true up rates to be effective on May 1, 2017

SOUTH DAKOTA ELECTRIC RATE SCHEDULE

Section No. 3

7th Revised Sheet No. 36

Canceling 6th Revised Sheet No. 36

SOUTH DAKOTA GAS RATE SCHEDULE

Section No. 3

7th Revised Sheet No. 11

Canceling 6th Revised Sheet No. 11

2) Energy Efficiency Adjustment Tariff cancellation to be effective on June 1, 2017

SOUTH DAKOTA ELECTRIC RATE SCHEDULE

Section No. 1
16th Revised Sheet No. 1 Canceling 15th Revised Sheet No. 1

Section No. 3
8th Revised Sheet No. 36 Canceling 7th Revised Sheet No. 36

SOUTH DAKOTA GAS RATE SCHEDULE

Section No. 1
33rd Revised Sheet No. 1 Canceling 32nd Revised Sheet No. 1

Section No. 3
8th Revised Sheet No. 11 Canceling 7th Revised Sheet No. 11

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically 49-34A-6, 49-34A-8, 49-34A-8.2, 49-34A-8.4, 49-34A-10, 49-34A-11, and 49-34A-12.

At its regularly scheduled meeting on April 27, 2017, this matter came before the Commission for consideration and action. Staff recommended that the Commission approve the Energy Efficiency Adjustment rates, the revised tariff sheets to be effective May 1, 2017, and June 1, 2017, and NWE's plan for managing any balances remaining in the tracker accounts after the true-up period. Finding the revisions to be just and reasonable, the Commission voted unanimously to approve the Energy Efficiency Adjustment rates and revised tariff sheets. It is therefore

ORDERED, that the Energy Efficiency Adjustment rates of a credit of \$0.0005/kWh for electric service and a charge of \$0.0144/therm for gas service, and associated tariff sheets as described above, are hereby approved with an effective date of May 1, 2017. It is further

ORDERED, that the revised tariff sheets cancelling the Energy Efficiency Adjustment tariff, as described above, are hereby approved with an effective date of June 1, 2017.

Dated at Pierre, South Dakota, this 9th day of May, 2017.

CERTIFICATE OF SERVICE
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 or by mail.
By: <u>Karen E. Bremer</u>
Date: <u>May 9, 2017</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Kristie Fiegen
KRISTIE FIEGEN, Chairperson

Gary Hanson
GARY HANSON, Commissioner

Chris Nelson
CHRIS NELSON, Commissioner