

**GENERAL TERMS AND CONDITIONS**

**1. Applicability**

These General Terms and Conditions apply to all classes of Gas service unless otherwise indicated on the rate schedule.

**2. Point of Service Attachment**

Point of service attachment is defined as that point where the facilities of the Company are physically connected to the facilities of the customer. In general, the point of service attachment is on the outlet side of the meter where the customer's fuel piping connects with the meter.

**3. Customer's Installation**

The customer will furnish, install and own all fuel piping, equipment, appliances, fixtures and other devices necessary to distribute gas service from the point of service attachment. All such items furnished by the customer will be maintained by the customer at all times in conformity with the requirements of the constituted authorities and with the terms and conditions of the Company.

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**4. Customer Connection Charge**

Customer Connection is defined as attaching a customer to receive utility service upon a request for service or reconnection of discontinued service. The Company may require the Customer, Landlord or representative (at least the legal age of majority) to be present during the Service turn-on. The connection charge will be billed to all customers applying for utility service. (Customer Connection does not include the reconnection of a customer whose utility services were discontinued due to nonpayment of utility bills. Reconnection charges for such customers are based on the Company's hourly rates for service work with a one-hour minimum.) The amount of the Customer Connection Charge will be \$10.00 for all Customer Connections during normal business hours defined as 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding legal holidays, and \$75.00 for Customer Connections during other than regular business hours. Customers requesting service after the Company's normal business hours will be informed of the after hour service rate and encouraged to have the service performed during normal business hours. The Customer Connection Charge shall be paid by the Customer receiving utility service from the Company, and is due and payable upon presentation. If a bill is not paid, the Company shall have the right to refuse service.

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Seasonal Use Customers (Grain Dryers, Asphalt Plants, Municipal Pools etc.) will be charged \$80 for all Customer Connections during normal business hours defined as 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding legal holidays, and \$125.00 for Customer Connections during other than regular business hours. The Customer Connection Charge shall be paid by the Customer receiving utility service from the Company, and is due and payable upon presentation. If a bill is not paid, the Company shall have the right to refuse service.

**5. Owner's Consent To Occupy**

In case the Customer is not the owner of the premises or of the intervening property between the premises and the Company's lines, the Customer will obtain from the property owner(s) the necessary consent to install and maintain in said premises all such gas equipment as is necessary or convenient for supplying gas to the Customer.

**6. Service & Mains**

**Residential:** For services except mobile homes in mobile home parks, the Company will install a service or main extension along the shortest feasible route from the current gas main to the customer's building upon the customer making a non-refundable contribution, if required, based upon the distance from the current gas main to the point of service attachment as follows:

For residential customers using natural gas as their primary heating source and for water heating: the Company will extend service without charge for the first 150 feet of service pipe. Any distance beyond 150 feet may result in the company requiring an Advance for Construction or a Contribution in Aid of Construction based on the consideration of revenues from the project and the cost of the construction as described in the Economic Feasibility section below. C  
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For residential customers using natural gas for space heating only, fireplace only, water heating only, natural gas grill only, or any combination other than primary space heating and water heating as described above: the Company will consider the total cost of serving the Customer and the expected revenue from the Customer. In this determination, if the project is not economically feasible as described in the Economic Feasibility section below, the Company may require an Advance for Construction or a Contribution in Aid of Construction from the customer to aid in the construction expense to serve the Customer.

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For services to mobile homes in mobile home parks, the Company will extend service without charge for services up to 50 feet of horizontal piping in the mobile home lot. For services over 50 feet, or where the load does not consist of a natural gas furnace and a natural gas water heater, a non-refundable contribution may be required as described on Sheet 1a, for residential customers.

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**Commercial and Industrial Customers:** The Company may install natural gas service or main without charge where the Company deems the anticipated revenue from the customer is sufficient to justify the service or main extension. The Company will apply the general principle that the rendering of natural gas service to the applicant shall be economically feasible so that the cost of extending such service will not have an undue burden on other customers. In determining whether the expenditure of natural gas service or main is economically feasible, the Company shall take into consideration the total cost of serving the Customer and the expected revenue from the Customer as described in the Economic Feasibility section below. If the Company determines that the extension of service or main to the Customer is not economically feasible, the Company may require an Advance for Construction or a Contribution in Aid of Construction from the customer or customers to aid expansion. In instances where the project is not paid in advance, the Company may require take or pay volumes and a Letter of Credit or other Guarantee to secure the cost of the project. Projects that term longer than one year will carry interest at the rate of the allowed rate of return in the Company's most recent gas cost of service determination. A construction cost recovery surcharge will be added to the customer's bill for the duration of the recovery period.

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**Economic Feasibility:** For determining contributions on facility extensions, annual revenue will be determined by multiplying the projected volumes by the projected tariff delivery rate. The annual revenue will be reduced by the annual projected Operating, Maintenance, and Property Tax Expenses. The resulting net margin will be divided by the current allowed rate of return, grossed up for taxes to determine the level of investment the load will support. Any project costs over and above the determined level of investment will be collected from the customer.

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**SOUTH DAKOTA GAS RATE SCHEDULE**  
**NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY**  
**SIOUX FALLS**  
**SOUTH DAKOTA**

Section No. 5  
 Sheet No. 1c  
 Canceling 1st Revised Original Sheet No. 1c

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In instances where a Contribution in Aid of Construction is required, three years after the project has been completed, the Company will review the three-year average use. If the actual volumes vary from projected volumes by 20% or more, the Company will charge or credit the customer for the variance, without interest, in projected Contribution in Aid of Construction. The original project revenues will be recalculated using the actual average volumes, normalized for weather, from the three-year period. The costs and rates used in the original calculation will remain unchanged.

Installation of gas service lines are scheduled by the Company for completion during the regular construction season. The Company may make a charge for added cost of the construction of a gas service line if the installation is required when the ground is frozen.

The Company will not install Gas Services and Mains until the surface has been graded to within six inches of a permanent established elevation.

**7. Meter Test By Customer Request**

Any customer may request the Company to test its gas meter. The Company shall make such test as soon as possible after receipt of the request. If a request is made within one year after a previous request, the Company may require a residential customer to pay a \$10 deposit and may require any other customer to pay a deposit in the following amount:

Meters rated at 425 CFH or less	\$10.00
Meters rated at 426 CFH to 1000 CFH	\$20.00
Meters rated over 1000 CFH	\$60.00

The deposit shall be refunded only if the meter is found to have an unacceptable error, as defined in the Commission's regulations.

**8. Excess Flow Valves**

In accordance with 49 C.F.R Sec. 192.383, at the Customer's request, the Company will install an excess flow valve on an existing Service Line. The actual costs associated with the installation of the excess flow valve will be assessed to the customer.

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**GENERAL TERMS AND CONDITIONS**  
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ACCESS TO PREMISES

The Company has the right of access to the Customer's premise at all reasonable times for the purpose of installing, reading, inspecting, or repairing any meters, devices and other equipment used in connection with furnishing of any or all service, or for the purpose of removing its property and for all other proper purposes. In addition, the Company may require the customer, Landlord or representative (at least the legal age of majority), be present when performing work inside a Customer's facility.

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Access to the meter is required for the Company to read the meter. If access is not provided, the Company may estimate the billing for up to three consecutive months. The Company will notify the Customer upon each unsuccessful attempt to access the meter. If access has not been provided at the end of the three consecutive month period, the Company may charge a \$20 Special Access Fee in order to secure an actual read of the meter.

**PROTECTION OF COMPANY'S PROPERTY**

The Customer will properly protect the Company's property on the Customer's premises from loss or damage and will permit no one who is not an agent of the Company to remove or tamper with the Company's property.

METERING

The service used will be measured by a meter or meters to be furnished and installed by the Company at its own expense and upon the registration of said meters all bills will be calculated. If more than one meter is installed on different classes of service (each class being charged for at different rates) each meter will be considered by itself in calculating the amount of any bill, except as otherwise provided on a specific rate schedule. Meters include all measuring instruments.

**BYPASSING OR TAMPERING WITH METERING FACILITIES**

Customers shall not interfere in any way with the metering facilities after they have been set in place. In cases where the meter seal is broken or the working parts of the meter have been tampered with or the meter damaged or there is evidence that a bypass has been used, the Company may render a bill for the current billing period based upon the estimated use, considering past experience under similar conditions and may, in addition thereto, charge for the actual cost of repairing or replacing said meter and connections. In instances where a disconnected customer has reconnected their own service, the Company may charge \$100 to correct the unauthorized changes and reconnect the service. Service may be discontinued or refused at the premises where such bypassing or tampering has occurred until all such charges are paid. Legal action may also be pursued in the instance of meter tampering. This section does not apply to metering facilities that are damaged by acts of God.

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**Date Filed:** December 17, 2015

**Effective Date:** January 1, 2016

Effective on less than 30 days notice by authority of the  
Public Utilities Commission of South Dakota, dated 12/17/2015.

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**Jeffrey Decker**  
**Issued By: Regulatory Department**

**SOUTH DAKOTA GAS RATE SCHEDULE**  
**NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY**  
**SIOUX FALLS** **Section No. 5**  
**SOUTH DAKOTA** **Sheet No. 2**  
1st Revised  
Canceling Original **Sheet No. 2**

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Budget Payment Plan

The Company's Budget Bill Plan (BBP) is available to residential and commercial customers. It may be initiated for a customer at any time during the year, provided that the customer has paid all outstanding utility charges due the Company.

The company will have a billing practice under which a Customer may be billed monthly for a percentage or portion of the Customer's total annual consumption as estimated by the Utility. The purpose of such budget billing is to provide, insofar as it is practicable to do so, a uniform monthly bill.

Each BBP account will be reviewed by the Company at least semi-annually, based on their Budget Billing start date, to determine if an adjustment to the budget amount is necessary, to minimize annual over/under collection balances. The new BPP will be determined by adding the customer's actual debit or credit balance, at the time of review, to the customer's prior 12 months billings under current tariff rates, adjusted for normal weather, known changes in consumption, and projected Adjustment Clause price increases or decreases, the sum of which is divided by twelve. Where prior billings are not available, the Company will estimate billings using the best available information of customer's consumption.

Should a customer request that the Company not take the actual debit or credit balance into consideration when calculating a revised budget amount, the Company will issue a check to a customer with a credit balance or bill the customer for any debit balance.

Service to customers participating in the BPP shall be pursuant to the General Terms and Conditions of service including the Terms of Payment provisions contained therein, provided, however, that service to a BBP customer will not be disconnected for non-payment if the customer has a credit balance in his account. A customer may discontinue participation in the BBP at any time.

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Date Filed: June 1, 2007

Effective Date: December 1, 2007

Jeff J. Decker  
Issued By: Rates Analyst

GENERAL TERMS AND CONDITIONS

MASTER METERING

All buildings, mobile home parks, and trailer courts for which construction was begun after June 13, 1980, shall be meters separately for each residential or commercial unit, with the exception of hospitals; nursing homes; transient hotels and motels; dormitories; campgrounds; other residential facilities of a purely transient nature; central heating or cooling systems; central ventilating systems; central hot water systems; multiple occupancy residential buildings where otherwise non-exempt gas service is provided only for gas ranges or dryers, residential multiple occupancy building of only two units, one of which unit is occupied by the owner of the building; and multiple occupancy buildings constructed, owned, or operated with funds appropriated through the Department of Housing and Urban Development or any other federal or state government agency. Any existing multiple occupancy building receiving master metered service which is substantially remodeled or renovated for continued use as a multiple occupancy building, if such remodeling or renovation is begun after June 13, 1980, shall be individually metered, unless the building meets any of the exceptions listed above or unless the owner of such building demonstrates to the satisfaction of the Public Utilities Commission that conversion from master metering to individual metering would be impractical uneconomical, or unfeasible.

The restrictions against master metering contained in the preceding paragraph are waived to the extent requests for variances are granted by the Public Utilities Commission.

MONTHLY BILLS

- (a) Bills for service will be rendered monthly unless otherwise specified.
- (b) Failure to receive a bill in no way exempts Customers from the provisions of these Terms and Conditions.
- (c) The Company will attempt to read a meter at least bi-monthly, and any billings between actual readings or when the Company is unable to read a meter after a reasonable effort has been made will be based upon prior usage, adjusted for weather conditions.

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Effective Date: January 1, 1995

R. F. Leyendecker  
Issued By: Vice-President, Energy Services

GENERAL TERMS AND CONDITIONS

TERMS OF PAYMENT

Bills are due and payable upon receipt and will be delinquent if not paid by the 20<sup>th</sup> day after billing. A late payment charge of 1% of the unpaid balance plus a collection fee of \$2.00 will be assessed against any delinquent account having an unpaid balance of \$5.00 or more at the time of processing of the next monthly bill. Where a customer has been disconnected for non-payment of a bill, a reconnection charge will be assessed in accordance with the Company's concurrent connection policy. There will be a charge of \$30.00 for any check or draft submitted to the Company for payment which is dishonored or returned by the financial institution on which it is drawn. I

DISCONTINUANCE OF SERVICE

In addition to the provisions of ARSD 20:10:20, the company has the right to discontinue service to a customer in the event that an unsafe service condition exists on the Customer's premises, which is likely to cause injury to person or property. The Company will notify the Customer prior to such disconnection, if practical under the circumstances.

RESALE PROHIBITED

All gas purchased under any rate schedule shall not be resold by the purchaser thereof in any manner with the exception of sales of natural gas for motorized transportation at commercial Compressed Natural Gas refueling stations.

PEAK SHAVING GAS SUPPLIES

The Company may supply gas from any stand-by equipment provided that the gas so supplied shall be reasonably equivalent to the natural gas normally supplied hereunder.

AGENTS CANNOT MODIFY AGREEMENT

No agent has power to amend, modify, alter or waive any of these Terms and Conditions, or to bind the Company by making any promise or representation not contained herein. However, the Company will continue its policy of attempting to accommodate customers and customer problems wherever possible.



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**BILLING DAY AND CURTAILMENT OF GAS**

The billing day for the purpose of determining the amount of gas used will be from 9:00 a.m. CCT one day until 9:00 a.m. CCT the next day. The Company shall have the right to curtail or limit the Customer's use of gas during any billing day to the Contract Demand then in effect when demand by firm and higher priority interruptible natural gas purchasers exceeds available pipeline supply. Curtailment of interruptible gas will commence at 9:00 a.m. CCT at the start of a new billing day. Under normal circumstances, notice of curtailment of interruptible gas will be given to Customer by 3:00 p.m. CCT, prior to the beginning of the gas day in which curtailment is to begin. However, in cases of emergency (to be determined solely by the Company) any notice prior to 9:00 a.m. CCT is deemed to place the curtailment in effect at 9:00 a.m. CCT, and such curtailment shall continue in effect until the Company notifies Customer that the curtailment is released. In cases of emergency when notice of curtailment cannot reasonably be given immediately prior to a new billing day, Customer will cooperate with the Company by curtailing its use of interruptible gas as soon as possible after notice of curtailment by Company. Proper notice of curtailment will be deemed to have been given, when any person or persons authorized to receive curtailment orders on behalf of Customer has been notified by telephone or in person by a representative of Company.

The Company will endeavor to give the Customer as much notice as possible with respect to curtailment of service. Customer agrees to provide and maintain complete standby facilities and have available at all times sufficient standby fuel to maintain continuous plant operations during complete curtailment in the delivery of natural gas.

**CONTINUITY OF SERVICE, INTERRUPTIONS, AND LIABILITY**

The Company will endeavor to provide continuous service but does not guarantee an uninterrupted or undisturbed supply of gas service. The Company will not be responsible for any loss or damage resulting from the interruption or disturbance of service for any cause other than negligence of the Company. The Company will not be liable for any loss of profits or other consequential damages resulting from the use of service or any interruption or disturbance of service.

The Company shall use due care and diligence to furnish gas service near the normal pressure levels and in accordance with the acceptable levels of delivery pressure as may exist under operating conditions in the pipeline and distribution system.

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Because delivery pressure may vary, the customer shall install, operate, and maintain, at his own expense such pressure regulating devices as may be necessary to regulate the pressure of gas after its delivery to the customer. The Company shall not be liable for the control of gas pressure or gas after delivery of gas to the consumer. D

Neither Customer nor the Company shall have any claim against the other for damages sustained as a result of interruptions of gas deliveries caused by Acts of God, weather conditions, labor disturbances, fires, accidents, breakage or repair of pipeline, mechanical failure of any machinery, equipment or other mechanical devices, shortage of gas supply, or other causes or contingencies beyond the reasonable control of and occurring without negligence on the part of such other party. When such causes or contingencies cease to be operative, delivery and receipt of gas shall resume as soon as practicable. It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the party affected. Any such cause or contingency, however, exempting customers from liability for non-performance (except where prevented by valid orders or requirements of Federal, State, or other governmental regulatory bodies having jurisdiction in the premises) shall not relieve customer of its obligation to pay minimum charges in accordance with the applicable rate schedule.

The Customer agrees to save, indemnify and hold the Company harmless from any and all claims, damage, or injury to persons or property arising from any cause whatsoever after the delivery of gas by the Company to the point of service attachment, except where such injury or damage is shown to have been caused solely by the negligence of the Company. The Customer shall not be liable for any loss, damage, or injury to persons or property arising from any cause whatsoever before the actual delivery of gas to the point of service attachment, except where such injury or damage is shown to have arisen solely from the negligence of the Customer. The Customer shall assume responsibility for all service and equipment at and from the Customer's point of service attachments.

DELIVERY PRESSURE

The volume of gas measured, where delivered at other than 0.25 p.s.i.g. at the customer's meter, shall be adjusted to a base pressure equal to atmospheric pressure plus 0.25 p.s.i., in accordance with accepted standards for measurement of gas at varying pressures.

**PRIORITY OF SERVICE**

All Customers will be classified according to priorities. The Company may require curtailments of natural gas at any time in order to protect deliveries of natural gas having a higher priority. The Company shall have the right to curtail use of natural gas in any community due to capacity limitations of facilities of either the pipeline supplier or the Company, even though service is continued for lower priority customers in another community. When the Company is unable to supply the full natural gas requirements of all its customers, curtailment of natural gas service will progress in the following sequence: Priorities 4, 3, 2 and 1. Company, at its discretion, shall have the right to curtail / interrupt based on other operational factors.

**Priority 1:** Firm residential and small commercial requirements less than 500 therms on a peak day. Curtailment within this priority will, where operationally possible, be on a pro rata basis.

**Priority 2:** Firm commercial requirements from 500 through 1,999 therms on a peak day, and industrial requirements from 0 through 1,999 therms on a peak day. Curtailment within this priority will, where operationally possible, be on a pro rata basis.

**Priority 3:** Firm commercial and industrial requirements greater than 2,000 therms on a peak day. Curtailment within this priority will, where operationally possible, be on a pro rata basis.

**Priority 4:** Interruptible commercial and industrial requirements. The Company may curtail a customer's usage regardless of priority if the customer elects to take interruptible service. Curtailment, where possible, will be ordered on the basis of lowest to highest non-gas margin regardless of jurisdiction or end-use.