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May 15, 2006

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South Dakota Public Utilities Commission 500 E. Capitol Pierre, SD 57501

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RE:

DAVID A. GERDES

TIMOTHY M. ENGEL

MICHAEL F. SHAW NEIL FULTON

BRETT KOENECKE CHRISTINA L. FISCHER

BRITTANY L. NOVOTNY

CHARLES M. THOMPSON

ROBERT B. ANDERSON BRENT A. WILBUR

IN THE MATTER OF THE PETITION FOR ELECTRICAL SERVICE BY DAKOTA VINYL EXTRUSIONS, INC. TO HAVE NORTHWESTERN ENERGY ASSIGNED AS ITS ELECTRIC PROVIDER IN THE SERVICE AREA OF CODING-CLARK ELECTRIC COOPERATIVE, INC.

OUR FILE 0230

Dear Commissioners:

Enclosed please find the original and 10 copies of the Petition for Electrical Service with attached exhibits and Notice of Appearance and Request for Documents by Brett Koenecke, and Notice of Appearance and Request for Documents by John Archer.

By copy of this letter I am serving counsel.

Very truly yours,

MAY, ADAM, GERDES & THOMPSON LLP

BRETT KOENECKE

B**K**/jml

Enclosures

cc: John Archer

Jay Morris Mike Young Darryl Tonak

STATE OF SOUTH DAKOTA BEFORE THE PUBLIC UTILITIES COMMISSION

RECEIVED MAY 15 2006

SOUTH DAKOTA PUB. UTILITIES COMMIGGIC

In the Matter of the Petition for Electrical Service)		
by Dakota Vinyl Extrusions, Inc. to Have)		
NorthWestern Energy Assigned as its)	Docket No. EL06	
Electric Provider in the Service Area of)		
Codington-Clark Electric Cooperative, Inc.)		

PETITION FOR ELECTRICAL SERVICE

Comes now Dakota Vinyl Extrusions, Inc. ("Dakota Vinyl"), by and through its President and General Manager Darryl Tonak, and John Archer, its attorney, and pursuant to SDCL 49-34A-56, respectfully petitions the South Dakota Public Utilities Commission (the "Commission") as follows:

I. DAKOTA VINYL AS QUALIFYING CUSTOMER

A. Dakota Vinyl is constructing and will operate a manufacturing plant, which will extrude vinyl into consumer products, at a site located in the following tract of land in South Dakota:

NW1/4 of Section 8, Township 116N, Range 57W, just east of Clark, SD, in Clark County.

The location is noted as building pad #4 on the attached Exhibit A.

B. Dakota Vinyl is a new customer, seeking electrical service to a new location, which has developed since March 21, 1975, and such location is outside the territory of NorthWestern Energy and municipal boundaries of the City of Clark as such boundaries existed on March 21, 1975, all pursuant to SDCL 49-34A-56. The new location is within the boundaries of the territory served by Codington-Clark Electric.

C. Dakota Vinyl's facility will have electric service requirements with a contracted minimum demand in excess of two thousand kilowatts.

II. REQUESTED ELECTRIC SERVICE PROVIDER

- A. Dakota Vinyl desires to receive electrical service from NorthWestern Corporation, doing business as NorthWestern Energy ("NorthWestern Energy"), for all of its electrical needs at the facility.
- B. Dakota Vinyl is informed and believes that NorthWestern Energy can furnish electrical service to meet the Facility's needs, consistent with the factors of SDCL 49-34A-56 as follows:
 - (1) NorthWestern Energy can meet the electrical service requirements of the load to be served. NorthWestern Energy would power Dakota Vinyl from a point currently 3685 feet distant from the location.
 - (2) NorthWestern Energy has an adequate power supply, and can serve the new location by constructing 3685 feet of new line; The point from which NorthWestern proposes to serve the new location is marked as "Deadend Pole" on the map attached as Exhibit B.
 - (3) Serving the Facility will assist in the development and improvement of the NorthWestern Energy electric system, including economic factors relating thereto, because the Dakota Vinyl facility will become, upon construction, a part of the larger Clark community, a part of NorthWestern Energy's territory pursuant to law. Further, NorthWestern previously served the McCain Foods plant located in Clark, SD, which was shuttered. That plant was purchased by others and is now operating but at a small fraction of

the load when McCain's was operating it. Serving the load in this petition would allow NorthWestern to utilize capacity which was built to supply the huge load at McCain's. This is capacity not fully utilized since McCain's was closed.

- (4) NorthWestern Energy has adequate facilities in proximity to the Facility from which electric service of the type required may be delivered. As discussed above, NorthWestern needs to run distribution line only as opposed to the construction of a substation and erecting transmission.
 - (5) Dakota Vinyl has a strong preference to be served by NorthWestern Energy; and
- (6) Other pertinent factors exist related to the furnishing of adequate electric service to fulfill Dakota Vinyl's requirements which support the ability of NorthWestern Energy to provide such service, including the fact that NorthWestern will provide gas service to the location.
- C. Dakota Vinyl has negotiated with NorthWestern Energy a proposed Electric Service Agreement, subject to Commission approval of this Petition, which Dakota Vinyl believes will allow it to receive reliable electrical service at an economic rate and without extensive development of facilities to provide such service. The agreement is attached hereto as Exhibit C. That agreement is based on Tariff Options N and L, attached hereto as Exhibit D.

III. CONCLUSION

A. Dakota Vinyl, as Petitioner, and as the owner of the Facility, hereby requests a hearing on this Petition as soon as possible to authorize Dakota Vinyl to receive permanent electrical service from NorthWestern Energy.

B. Dakota Vinyl also joins in support of the Joinder of NorthWestern Energy in this proceeding, which Joinder is attached to this Petition as Exhibit E.

WHEREFORE, Petitioner Dakota Vinyl requests the Commission, after notice and hearing in this matter, to assign NorthWestern Energy as the supplier of electrical service to the location described above.

Dated this / day of May, 2006.

DAKOFA VINYEEXTRUSIONS, Inc.

Darryl Tonak, Manager

Attorney for Dakota Vinyl

STATE OF SOUTH DAKOTA)
) SS
COUNTY OF CLARK),

On this day of May, 2006, before me, the undersigned Notary Public, personally appeared Darryl Tonak, known to me to be the President and General Manager of Dakota Vinyl Extrusions, Inc. a South Dakota Corporation, and that he, as President with full authority to do so, executed the foregoing Petition for the purposes contained by signing the name of the company by himself as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public South Dakota

My Commission Expires: My

Exhibit A

EXHIBIT A

IN WINESE WHEREON WE HAVE CA Illinids STATE OF SOUTH DAKOTA) COUNTY OF _ DUPAGE ON THIS THE DAY OF APPEARED RANDY MYLES, THE VICE PRAUTHORIZED REPRESENTATIVE AND WHO E IN WITNESS WHEREOF, I HEREU! December 2001 Scale: 1"=100' MY COMMISSION EXPIRES: Property Pin Rec. 1/2"x18" Capped Rebar Set I, MARTY W. MACK, A REGISTERED THAT AT THE INSTANCE AND REQUE: OWNER OF THE AFOREMENTIONED PI LAND AS SHOWN ON THE ACCOMPAN I FURTHER CERTIFY THAT THE SAIL SURVEYED AND PLATTED BY ME INTO "MUSSER ADDITION LOCATED II IN THE COUNTY OF CLARK, I HEREBY

Lot 1 6.0 Acres - Lot Musser S89°51'34" E 30.02 20. Lot H1 Section Line

240'

Outlot 2

Outlot 1

Kasel

ट् of US Highway 212

S88"1"21"E

Outlot 4

Outlot 3

fairfield Products

Kasel

S89°5'12" E

PÇ -

484.09

Curve Data

1810.12' 24,555.33'

US Highway No. 212

SERVICE AGREEMENT

This Service Agreement (the "Agreement") is made this _____ day of October, 2005, by and between NorthWestern Corporation, a Delaware corporation, doing business as NorthWestern Energy ("NorthWestern") and Dakota Vinyl Extrusions, LLC, a South Dakota limited liability company ("Dakota Vinyl"). NorthWestern and Dakota Vinyl may individually and collectively be referred to herein as a "Party" and "Parties" respectively.

WHEREAS, Dakota Vinyl proposes to receive electric and natural gas service from NorthWestern under the terms of NorthWestern's electric and natural gas tariffs on file with, and made effective by approval of, the South Dakota Public Utilities Commission (the "Commission"), with electric service to be provided by NorthWestern if Dakota Vinyl is successful in its petition for electric service to be filed with the Commission;

WHEREAS, NorthWestern and Dakota Vinyl have negotiated this Agreement for electric and natural gas service; and

WHEREAS, Dakota Vinyl plans to file a petition for electric service, pursuant to SDCL 49-34A-56, with the Commission, as a new large load customer at a new location, and NorthWestern plans to support such petition before the Commission;

NOW, THEREFORE, in consideration of the premises, and mutual covenants and conditions contained in this Agreement, the Parties agree as follows:

1. Definitions

All terms used in this Agreement shall have the same definition as the same terms in NorthWestern's Rate 34 Large Commercial and Industrial Service tariff, its Options N New Business Incentive Rider tariff, and its Option L Large Customer Incentive Rider tariff for electric service and NorthWestern's Rate 84 Commercial and Industrial Firm Sales Service for natural gas service, as well as the general terms and conditions of service related to both types of service (collectively, the "Tariffs") unless otherwise noted. Should any term be changed, added or deleted from the Tariffs, the meaning of that particular term as used in the Tariffs on the Effective Date of this Agreement shall be used.

2. Rates

During the term of this Agreement Dakota Vinyl shall receive service under NorthWestern's Tariffs, as approved by the Commission and as in effect from time to time.

3. Term and Termination

- A. This Agreement shall be effective with approval by the Commission of the petition for electric service to be filed by Dakota Vinyl and shall continue for an initial term of ten (10) years. Following such initial term, electric service by NorthWestern to Dakota Vinyl shall be pursuant to the Tariffs or as otherwise agreed by the Parties. Dakota Vinyl shall receive electric service under Option N for the first five (5) years of service under this Agreement and electric service under Option L for the succeeding five (5) years of service, with service under Option L continuing thereafter, as agreed by the Parties.
- B. Should Dakota Vinyl not be granted its petition to be served by NorthWestern, the provisions for electric service in this Agreement shall be eliminated, and NorthWestern shall solely provide natural gas service to Dakota Vinyl.

- C. Should the Commission approve such petition, but require material modifications to this Agreement, the Parties shall meet within ten (10) days of the Commission's action to negotiate, in good faith, an amendment to this Agreement that is mutually acceptable and that complies with the Commission's ruling. Should the Parties be unable to negotiate such an amendment, either Party may terminate this Agreement forthwith by providing the other Party written notice of termination.
- D. Should this Agreement be changed or amended after the Effective Date by a regulatory authority exercising jurisdiction, then the Parties shall meet within thirty (30) days to negotiate, in good faith, revisions to this Agreement that would provide for continued delivery service from NorthWestern. Should the Parties be unable to agree upon a revision of this Agreement within thirty (30) days from the initial meeting, then either Party may terminate this Agreement forthwith.

4. Notices

Any notice, request, demand, monthly statement or payment provided for in this Agreement, or any notice which either Party may desire to give to the other, shall be in writing and shall be considered as duly delivered when delivered in person, mailed by first-class, postage prepaid United States mail, or by prepaid overnight delivery to the other Party by the United States Postal Service, Federal Express or other overnight delivery service addressed to the other Party at its address indicated below, or at such other address as either Party may designate for itself in writing to the other Party. Notices that are required to be given or that may be given by telephone or facsimile transmission shall be directed to the telephone numbers indicated below or at such other telephone number as either Party may designate for itself in writing to the other Party.

NorthWestern

Dakota Vinyl

Contract Administration NorthWestern Energy 600 Market Street West Huron, SD 57350-1500 Attn: Jay Morris

Telephone: 605-353-7506

Fax: 605-353-7636

Payment
NorthWestern Energy
600 Market Street West
Huron, SD 57350-1500
Attn: Accounts Receivable

Invoices

5. Miscellaneous

A. This Agreement and its performance by both Parties shall be interpreted in accordance with the laws of the State of South Dakota and shall be subject to all applicable rules and regulations of regulatory authorities having jurisdiction. Questions or disagreements based upon cost of service analyses, the Tariffs and other issues within the jurisdiction of the Commission shall first be submitted to the Commission staff for

informal resolution. Nothing in the preceding sentence shall limit or preclude either Party from pursuing any and all of their respective legal remedies.

- B. This Agreement sets forth all understandings between the Parties respecting electric and natural gas service to Dakota Vinyl's facility subject hereto, and any prior contracts, agreements, understandings and representations, whether oral or written relating to such transportation service are superceded by this Agreement.
- C. A full copy of the Tariffs as in effect and approved by the Commission as of the date of this Agreement shall be furnished to Dakota Vinyl upon request.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed in duplicate as of the day and year first above written.

DAKOTA VINYL EXTRUSIONS, LLC
Ву:
Name:
Title:

NORTHWESTERN PUBLIC SERVICE COMPAN HURON SOUTH DAKOTA	Y <u>Origina</u> Canceling	Section No. 3 No. 21 Sheet No. 21
Extended Service Ri	de <u>r</u>	OPTION <u>L</u>
CLASS OF SERVICE: Commercial and Indu	strial Service	
APPLICABILITY		
This rider is available to Commercial a represent either (1) a trailing 12 month average average load factor greater than 50 percent or greater than 75 percent and an average demand of this rider is subject to consummation of an a customer and shall be effective on a prospective responsibility for applying for service pursuant	e demand of 1,000 k (2) a trailing 12 mor d of 500 KW or great agreement between to be basis only. Custo	CW or greater and an anth average load factor ater. The applicability Northwestern and
TERRITORY		
Northwestern's Assigned Service Area	I	
RATE		
The following discounts shall be total demand and energy charg		n-fuel portion of the
Months Remaining in Contract Term		Discount
49 - 120 37 - 48 25 - 36 13 - 24 12 or less All provisions of Northwestern's filed		
schedule shall apply. Option L can be (Conti	contracted for a per	
Date Filed: October 20, 1997	Effective Date: Noven	nher 1. 1997

R. F. Leyendecker
Issued By: Vice-President, Market Development

NORTHWESTERN PUBLIC	SERVICE (COMPANY	7	5	Section No. 3
HURON		æ		Original	No. 21.1
SOUTH DAKOTA			Canceling_		Sheet No.21.1

Extended Service Rider

OPTION L

(Continued)

OTHER PROVISIONS

- 1) The applicability of monthly customer and minimum charges, adjustment clauses and other provisions is unaffected by this rider. Stated provisions of tariff schedule under which load is being served shall remain in effect.
- 2) This discount may not be used concurrently with any other discounting pursuant to tariff or special contract.
- 3) Option L may be renewed on an annual basis, at the discretion of Northwestern and the customer.
- 4) Northwestern reserves the right to reject customer loads for which sufficient capacity is not available or where said loads may otherwise jeopardize Northwestern's system or the welfare of existing customers.
- 5) Northwestern, at its option, may terminate the Option L agreement if the customers Demand or energy use is reduced on an annual basis by 10% or more.
- Revenues which may be lost by Northwestern by reason of its entering into agreements under Option L shall not be recovered from its customers irrespective of their customer class. The determination of whether revenues have been lost shall be made by the South Dakota Public Utilities Commission in a rate proceeding or in a proceeding pursuant to SDCL 49-34A-26.
- 7) Discounts offered under Option L shall be applied to standard rates as approved by the South Dakota Public Utilities Commission from time to time.

Date Filed: October 20, 1997	Effective Date: November 1, 1997
e s e e e	R. F. Leyendecker Issued By: Vice-President, Market Development

.

NORTHWESTERN PUBLIC SERVICE COMPAI HURON SOUTH DAKOTA	NY Original Canceling	
EXTENDED SERV	ICE AGREEMENT	
NAME(S)	DATE	
SERVICE ADDRESS	CITY	
ACCOUNT NORAT	E NOBILLING CYCL	,E
The undersigned Customer and Northwestern will be provided by Northwestern to Customer as follows:		agree that electricity
(1) Customer has either (1) a trailing 12 me average load factor greater than 50 percent or (2) a trailing percent and an average demand of 500 KW or greater under the rate listed above.	iling 12 month average load factor	or greater than 75
(2) During the term of this Agreement, the Northwestern to Customer will be subject to the disconnergy charges in accordance with the following:	rate per KWH of electricity deliverants on the non-fuel portion of the	ered by e demand and
Months Remaining in Contract Te	rm Discount	
49 - 120 37 - 48 25 - 36 13 - 24 12 or less	8 percent 4 percent 3 percent 2 percent 1 percent	
(3) The term of this Agreement shall beAgreement.	months, beginning with the exec	cution of this
(4) All provisions of Northwestern's filed Terms and Conditions, all as amended from time to the Commission, not specifically changed by this Agreem	me and filed with the South Dake	
Accepted and approved thisday of	,19	
NORTHWESTERN PUBLIC SERVICE	CUSTOMER	
Ву	Ву	
Title	Title	
Date Filed: October 20, 1997	Effective Date: November 1,	1997
Tonned 1	R. F. Levendec	

NORTHWESTERN PUBLIC SERVICE COMPANY Section No. 3 No. 19 HURON 5th Revised SOUTH DAKOTA 4th Revised Sheet No. 19 Canceling OPTION N New Business Incentive Rider CLASS OF SERVICE: Commercial and Industrial Service **APPLICABILITY** This rider is available to new Commercial and Industrial customers for new loads which represent minimum additional demand requirements of 5 KW or greater. The applicability of this rider is subject to consummation of an agreement between the Company and customer and shall be effective on a prospective basis only. Customers have primary responsibility for applying for service pursuant to this rider. **TERRITORY** Company's Assigned Service Area RATE Qualifying loads applicable to new customers shall be eligible for: Non-Demand Accounts (Rate Nos. 21 & 25) A 20% discount applicable to standard rates (exclusive of fuel cost) otherwise applicable based upon the Company's filed retail tariff for a period of two years. Demand Accounts (Rate Nos. 33& 34) A 30% discount applicable to standard demand charges otherwise applicable based upon the Company's filed retail tariff for a period of five years. plus A bonus discount applicable to standard demand charges other wise applicable based upon achieved load factors during the billing period as follows: Achieved Load Factor Bonus Discount 50% 20% 60% 30% 70% 40% 80% 50% (continued) Date Filed: October 11, 1984 Effective Date: October 15, 1984

R. F. Levendecker

Issued By: Vice-President, Rates & Regulations

NORTHWESTERN PUBLIC SERVICE COMPANY HURON SOUTH DAKOTA	Canceling	1st Revised Original	Section No. 3No. 19.1 Sheet No.19.1
OUTH DAROTA		Original	SACCETOISE
New Business Incent	tive Rider		OPTION N
(continu	ued)	-	
OTHER PROVISIONS			
 The applicability of monthly custom clauses and other provisions is unaf- tariff schedule under which load is be 	fected by th	is rider. State	d provisions of
2) New customer load is defined as loa system for the first time or re-establ a period of twelve months. In the e ownership, the twelve month off ser on a case by case basis at the Comp	ished load t vent re-esta rvice provis	hat has been o blished load is ion may be re	off service for sunder new
3) This promotional rider is being offer condition on the Company's system customer loads for which sufficient loads may otherwise jeopardize the existing customers.	n. The Com capacity is	pany reserves not available	the right to rejector where said
Date Filed: October 11, 1984	Effective	Date: Octo	ber 15, 1984

R. F. Leyendecker
Issued By: Vice-President, Rates & Regulations

STATE OF SOUTH DAKOTA BEFORE THE PUBLIC UTILITIES COMMISSION

In the Matter of the Petition for Electrical Service by Dakota Vinyl Extrusions, Inc. to Have NorthWestern Energy Assigned as its Electric Provider in the Service Area of Codington-Clark Electric Cooperative, Inc.))))	Docket No. EL06
AFFIDAVIT OI	F JOINDER	

STATE OF SOUTH DAKOTA)) SS COUNTY OF BEADLE)

Jay I. Morris, being first duly sworn upon oath, deposes and says that he is the Huron Area Manager for NorthWestern Corporation, doing business as NorthWestern Energy ("NorthWestern Energy"), and makes this Affidavit for and on behalf of NorthWestern Energy, who joins in the Petition for Electrical Service as executed by Dakota Vinyl Extrusions, INC.. ("Dakota Vinyl"), and states:

- 1. Based upon information and belief, the Dakota Vinyl Extrusions facility (the "Facility") to be constructed for Dakota Vinyl is a new customer at a new location and will have a minimum contracted electrical demand of more than two thousand kilowatts.
- 2. NorthWestern Energy has an adequate power supply and can meet the electric service requirements of the Facility.
- 3. NorthWestern Energy has adequate facilities in close proximity to the Facility and can provide service with a minimum of construction of facilities.
- 4. By furnishing electricity to the Facility, NorthWestern Energy's customers and the public in general will be benefited.

- 5. Dakota Vinyl desires to have NorthWestern Energy supply electric service to the Facility, and NorthWestern Energy offers and agrees to comply with such request. To accomplish this, Dakota Vinyl and NorthWestern Energy have entered into an Electric Service Agreement, subject to the Commission's approval of this Petition.
- 6. NorthWestern Energy is ready, willing, and able to comply with the request for service of Dakota Vinyl, and respectfully urges the Commission to grant the Petition.

Dated this 19 day of April, 2006.

Jay I. Morris

Huron Area Manager NørthWestern Energy

Subscribed and sworn to before me this 17 day of April 2006.

RONALD L. GOGOLIN

OTARY PUBLIC (SEAL)

Notary Public South Dakota

My Commission Expires: