



September 21, 2015

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street N.E.
Washington, DC 20426

via eFiling

Re: *NorthWestern Corporation (South Dakota)*, Docket No. ER15-_____
Rate Schedule FERC No. 38-SD | Agreements with Western Area Power Administration

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d, and 18 C.F.R. § 35.12 of the Federal Energy Regulatory Commission's regulations, NorthWestern Corporation d/b/a NorthWestern Energy hereby submits for filing and acceptance Rate Schedule FERC No. 38-SD. This rate schedule comprises the following agreements between the United States of America, acting by and through its Administrator, Western Area Power Administration, Department of Energy ("WAPA"), and NorthWestern Corporation d/b/a NorthWestern Energy: Contract for Interconnection and Tie Line(s) (Contract No. 15-UGPR-76); Contract for Consolidated Facility Arrangements (Contract No. 15-UGPR-77); and WAPA General Interconnection Contract Provisions.

NorthWestern Energy respectfully requests waiver of the prior notice requirement to permit Rate Schedule FERC No. 38-SD to become effective September 22, 2015, which is one day after filing.

I. Background

NorthWestern Energy is a regulated public utility engaged in the generation, transmission, and distribution of electricity and the supply and distribution of natural gas. Its facilities are located primarily in Montana and South Dakota. NorthWestern Energy's Montana and South Dakota transmission facilities are not physically connected and are not in the same electric reliability region. Accordingly, NorthWestern Energy maintains separate open access transmission tariffs for operations in each state. This filing concerns NorthWestern Energy's South Dakota operations.



II. Description of Filing

On August 5, 2015, NorthWestern Energy and WAPA entered into two contracts, described below, that together compose Rate Schedule FERC No. 38-SD.

The first is the Contract for Interconnection and Tie Line(s) (Contract No. 15-UGPR-76) that provides for points of interconnection and applicable tie lines, as described in Exhibit A to the contract. This contract describes the location, facilities, ownership, and responsibilities for each point at which NorthWestern's equipment attaches to WAPA's equipment. In addition, the contract describes the facilities and responsibilities for tie line metering.

The second is the Contract for Consolidated Facility Arrangements (Contract No. 15-UGPR-77), under which Western will perform various maintenance, replacement, or modification (MRM) of facilities work at NorthWestern's expense. This includes recurring MRM, non-recurring MRM, and emergency MRM. Exhibit A to the contract describes the facilities, the MRM to be performed, the annual charges to be paid to WAPA by NorthWestern, and the allocation of responsibilities for certain other associated costs. WAPA performs MRM on certain facilities at its own expense, and NorthWestern performs MRM on certain facilities at its own expense. In addition, WAPA performs recurring MRM on certain facilities at NorthWestern's expense. NorthWestern pays WAPA an annual charge for this recurring MRM. These annual charges, which are broken down in Section 3 of Exhibit A, total \$25,125. NorthWestern does not charge WAPA for any recurring MRM under this agreement.

WAPA General Interconnection Contract Provisions are standard contract provisions that are included in WAPA's interconnection contracts.

III. Proposed Effective Date & Request for Waiver

Pursuant to 18 C.F.R. § 35.11 and for good cause shown, NorthWestern Energy respectfully requests waiver of the prior notice filing requirement under 18 C.F.R. § 35.3 of the Commission's regulations to permit Rate Schedule FERC No. 38-SD to become effective on September 22, 2015. The Commission's policy permits waivers of the 60-day prior notice filing requirement in the case of uncontested filings that do not change rates.¹

¹ See *Central Hudson Gas & Electric Corp.*, 60 FERC ¶ 61,106, *reh'g denied*, 61 FERC ¶ 61,089 (1992), and *Prior Notice & Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *clarified*, 65 FERC ¶ 61,081 (1993).



IV. General Information

Pursuant to the Commission's regulations, NorthWestern Energy provides the following information:

A. List of Documents Submitted

This filing includes the following documents:

- 1) This transmittal letter; and
- 2) Clean version of Rate Schedule FERC No. 38-SD, which includes the Contract for Interconnection and Tie Line(s), Contract for Consolidated Facility Arrangements, and WAPA General Interconnection Contract Provisions.

B. Names and Address of Persons to Whom a Copy of this Filing has been Provided

A copy of this filing has been provided to:

Lloyd Linke
Vice President of Operations for UGPR
Western Area Power Administration
1330 41st Street SE
Watertown, SD 57201
Lloyd@wapa.gov

A copy of this filing is available for public inspection during normal business hours at NorthWestern Energy's Corporate Office, 3010 West 69th Street, Sioux Falls, South Dakota.

C. Description of the Filing

A description of this filing is set forth above.

D. Requisite Agreement

WAPA and NorthWestern Energy have executed the agreements. Accordingly, all requisite approval to the rate schedule change has been obtained.



E. Statement Regarding Inclusion of any Expenses or Costs in Cost of Service Statement that Have Been Alleged or Adjudged Illegal, Duplicative, or Unnecessary Costs that are Demonstrably the Product of Discriminatory Employment Practices

There are no expenses or costs that have been alleged or judged to be illegal, duplicative, or unnecessary that are demonstrably the product of discriminatory employment practices.

F. Cost of Service and Revenue Information to Support Filing

Because of the nature of the agreements being submitted with this filing, NorthWestern Energy respectfully requests waiver of the requirements in 18 C.F.R. § 35.12 to provide detailed cost information related to the agreements.

G. Concurrence and Designation

By executing the agreements, WAPA and NorthWestern Energy have concurred with the terms.

H. Request for Waiver

NorthWestern Energy respectfully submits that the requirements of 18 C.F.R. § 35.12 that have not been specifically addressed are inapplicable to this filing. To the extent that the Commission determines the requirements of Section 35.12 or any other rules to be applicable, NorthWestern Energy respectfully requests waiver of the requirements of such provisions.

V. Communications

Communications concerning this filing should be directed to the following persons, who should be included on the official service list compiled by the Secretary in this proceeding:

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Vice President – Transmission
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VI. Conclusion

For the foregoing reasons, NorthWestern Energy respectfully requests the Commission to accept the enclosed Rate Schedule FERC No. 38-SD for filing; grant waiver of the prior notice filing requirement to permit Rate Schedule FERC No. 38-SD to become effective September 22, 2015, as requested; and grant waiver of any other Commission regulations deemed applicable this filing.

Respectfully submitted,

s/ M. Andrew McLain

M. Andrew McLain

Corporate Counsel & FERC Compliance Officer

andrew.mclain@northwestern.com

○ 406-443-8987

MAM/dq

Attachments

cc: Lloyd Linke, WAPA-UGPR
South Dakota Public Utilities Commission



Certificate of Service

I hereby certify that I have this day served the foregoing document upon each person designated in the foregoing transmittal letter, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

Dated this 21st day of September, 2015.

s/ M. Andrew McLain

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