

**Docket Number:** EL16-027  
**Subject Matter:** First Data Request  
**Request to:** NorthWestern Energy (NorthWestern or Company)  
**Request from:** South Dakota Public Utilities Commission Staff  
**Date of Request:** August 3, 2016  
**Responses Due:** August 17, 2016

1-1. Refer to proposed Section No. 6 4th Revised Sheet No. 23.

- a) Staff suggests replacing “would need” in the last sentence of the first paragraph with “needs”.

Wording has been changed to “needs”.

On other form letters, NorthWestern includes the language “(fees may apply)” after the statement “If you have any questions or would like to make payment”. Do additional fees apply in this situation? If so, please revise this sheet accordingly.

NorthWestern has added the language “(fees may apply)” to sheets 23, 25 and 28.

1-2. Refer to proposed Section No. 6 1st Revised Sheet No. 25.

Does this letter apply only to customers who have a balance owed, or also to customers who overpaid during the previous 12 months? If the letter applies only to customers who have a balance owed, what happens to customers who overpaid during the last 12 months? Do these customers simply receive the letter on Sheet No. 26 if there is a large credit and if the Company considers it a small credit leave as is? If the letter applies to both situations, this letter could appear to only apply to those who have a balance owed. Perhaps the Company could add some additional language to indicate the base Budget Bill amount may be going down as well.

This letter applies to both situations. NorthWestern added the word “subtracted” and changed the sentence accordingly (please see below).

We also divided your actual balance of  $\$(\text{var id=ARBALANCE})$  by 12 and added or subtracted it to your base Budget Bill amount to arrive at the new monthly amount. ~~You may make an additional payment to decrease your actual balance owing to lower your new Budget Bill amount. If a balance is owing on your account, you may make an additional payment to decrease the balance to lower your new Budget Bill amount.~~

Staff suggests replacing the word “owing” with “owed” in the sentence: “You may make an additional payment to decrease your actual balance owing to lower your new Budget Bill amount.”

NorthWestern changed this sentence to: “If a balance is owing on your account, you may make an additional payment to decrease the balance to lower your new Budget Bill amount.”

On other form letters, NorthWestern includes the language “(fees may apply)” after the statement “If you have any questions or would like to make payment”. Do additional fees apply in this situation? If so, please revise this sheet accordingly.

NorthWestern added “(fees may apply)” after the statement as requested.

1-3. Refer to proposed Section No. 6 Original Sheet No. 26.

- a) How is the large credit returned to customers? Staff suggests including some information in the letter to inform the customer that they will be receiving the credit, how, and when.

The credit is not refunded unless the customer calls and requests a refund. The credit balance is applied to future bills.

- b) Do customers receive any notice prior to this letter that they may be removed from the Budget Billing Program?

We attempt to contact the customer by phone to discuss the customer’s account and the options available to the customer. The letter serves as notice if contact with the customer is not successful.

- c) Why does it get to the point that it is such a large credit? How often does NorthWestern do a quality review?

In most situations it’s due to the customer paying more than the proposed budget amount. Quality reviews are completed quarterly and an annual review is also done.

- d) Why does the customer have to be removed from the Budget Billing Program? Could the customer get a one-time credit/refund on their bill and have their budget billing payment recalculated?

The system will not calculate a budget amount if there is a large credit balance, therefore the account is removed from Budget Billing.

Yes, when Northwestern contacts the customer we review the options they have:

1. Removal and use credit for future bills until the balance is used up. If the customer wishes to go back on Budget Billing they will need to contact us to request being placed back on Budget Billing once the credit balance is zeroed.
2. Removal and refund, and not be on budget billing.
3. Removal and refund and go back on budget the following month, with current proposed budget amount.

- 1-4. Refer to proposed Section No. 6 1st Revised Sheet No. 28.
- a) Does this letter apply only to customers who have a balance owed, or also to customers who overpaid during the previous 12 months? If the letter applies only to customers who have a balance owed, what happens to customers who overpaid during the last 12 months? Do these customers simply receive the letter on Sheet No. 26 if there is a large credit and if the Company considers it a small credit leave as is? If the letter applies to both situations, this letter could appear to only apply to those who have a balance owed. Perhaps the Company could add some additional language to indicate the base Budget Bill amount may be going down as well.

The letter applies to both situations. NorthWestern added the word “subtracted” and changed the sentence to conform with staff’s request.

We also divided your actual balance of \${var id=ARBALANCE} by 12 and added or subtracted it to your base Budget Bill amount to arrive at the new monthly amount. ~~You may make an additional payment to decrease your actual balance owing to lower your new Budget Bill amount.~~ If a balance is owing on your account, you may make an additional payment to decrease the balance to lower your new Budget Bill amount.

- 2- Staff suggests replacing the word “owing” with “owed” in the sentence: “You may make an additional payment to decrease your actual balance owing to lower your new Budget Bill amount.”

Changed this sentence to: “If a balance is owing on your account, you may make an additional payment to decrease the balance to lower your new Budget Bill amount.”

- a) Should “comment” be replaced with “payment” in: “If you have any questions or would like to make an additional comment...”? If so, on other form letters, NorthWestern includes the language “(fees may apply)” after the statement “If you have any questions or would like to make payment”. Do additional fees apply in this situation and if so, please revise this sheet accordingly.

Yes, NorthWestern agrees that “comment” should be replaced with “payment” and added the language “(fees may apply)” in the proposed tariff revisions.