



December 30, 2020

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

via eFiling

ER21-763-000

Re: *NorthWestern Corporation (South Dakota)*, Docket No. ER21-__-000
Rate Schedule No. 37-SD First Revised | Electric Service Agreement Emergency-Type
Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

TYPE OF FILING CODE: 10

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act¹ and Part 35 of the Federal Energy Regulatory Commission's regulations,² NorthWestern Corporation d/b/a NorthWestern Energy hereby submits for filing and acceptance a revised Electric Service Agreement Emergency-Type Service (ESA) between NorthWestern and East River Electric Power Cooperative, Inc. This ESA is designated as Rate Schedule No. 37-SD First Revised under NorthWestern's Other Rate Schedules.³

NorthWestern respectfully requests waiver of the prior notice requirement to permit the revised ESA to become effective on January 1, 2021.

I. Background

A. NorthWestern Energy

NorthWestern is a public utility engaged in the generation, transmission, and distribution of electricity and the supply and transportation of natural gas. Its facilities are located primarily in Montana and South Dakota. In South Dakota, NorthWestern is a transmission owner within the Southwest Power Pool, Inc. (SPP) and has transferred functional control of its electric

¹ 16 U.S.C. § 824d.

² 18 C.F.R. Part 35.

³ NorthWestern Corporation, FERC FPA Electric Tariff, Other Rate Schedules, Rate Schedules – South Dakota, Rate Schedule 37-SD, RS 37-SD – East River Emergency Service Agreement.



transmission facilities to SPP. In Montana, NorthWestern is a transmission owner/operator and Balancing Authority Area operator within the Western Electricity Coordinating Council. NorthWestern's Montana and South Dakota transmission facilities are not physically connected and are not in the same electric reliability region. This filing concerns an agreement regarding NorthWestern's South Dakota operations.

B. East River Electric Power Cooperative, Inc.

East River is a non-jurisdictional, not-for-profit generation and transmission cooperative. East River delivers wholesale power to its members, which include 24 rural electric distribution cooperatives and one municipally-owned electric system in eastern South Dakota and western Minnesota. East River is also a transmission-owning member of SPP.

C. The Emergency Service Agreement

The electric systems of NorthWestern and East River are interconnected through manually operated air-break switches, oil circuit breakers, motor-operated switches, or jumpers. These interconnections are normally operated open, but can be closed to create an additional transmission path for use during contingencies such as storms, maintenance and repairs, or other similar conditions. NorthWestern and East River are parties to an ESA that sets forth the terms and conditions under which either party may utilize emergency connection facilities at designated points of interconnection. This agreement is on file with the Commission as NorthWestern Corporation FERC Electric Rate Schedule No. 37 (SD).⁴

II. Description of Filing

The current ESA between the parties continues until canceled by either party, or until one of the referenced contracts with the Western Area Power Administration (WAPA) expires.⁵ East River recently notified NorthWestern that the contract between East River and WAPA (Contract No. 89-BAO-332) expires at the end of this year, thus terminating this ESA.

East River and NorthWestern desire to keep the ESA in place, but also desire to amend the ESA to update certain provisions more fully than proposed in this filing. To avoid a gap in services, the parties have agreed to extend the existing ESA with the minimal revisions shown in the marked agreement included with this filing. This will provide NorthWestern and East River time to finalize a formal restatement of the existing ESA.

⁴ Accession No. 20091215-0038; *NorthWestern Corp.*, ER10-41-001 (Jan. 11, 2010) (delegated letter order).

⁵ Accession No. 20091215-0038 at Article IX.



Specifically, the parties have extended the term in Article IX to June 30, 2021. In addition, NorthWestern has corrected its corporate name throughout the ESA. The parties have also deleted references to specific WAPA contract numbers and updated contact information for notice in Article XII.

III. General Information

Pursuant to 18 C.F.R. § 35.13(a)(2)(iii) and (b), NorthWestern provides the following information:

- 1) This filing includes the following documents:
 - a. This transmittal letter;
 - b. Marked version of Rate Schedule No. 37-SD First Revised – Electric Service Agreement Emergency-Type Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.;
 - c. Clean version of version of Rate Schedule No. 37-SD First Revised; and
 - d. Electronic filing package containing the tariff record and associated metadata.

- 2) Pursuant to 18 C.F.R. § 35.11 and for good cause shown, NorthWestern respectfully requests waiver of the prior notice filing requirement under 18 C.F.R. § 35.3 of the Commission’s regulations to permit the revised ESA to become effective on January 1, 2021. This will allow the emergency services provided under this ESA to remain in place until the parties can restate the ESA in 2021. 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.⁶

- 3) A copy of this filing is being provided to:

Mark Hoffman
East River Electric Power Cooperative, Inc.
PO Box 227, 211 S. Harth Avenue
Madison, SD 57042
mhoffman@eastriver.com

NorthWestern will also provide a copy of this filing to the South Dakota Public Utilities Commission.

⁶ See *Central Hudson Gas & Electric Co.*, 60 FERC ¶ 61,106, *reh’g denied*, 61 FERC ¶ 61,089 (1992), and *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *clarified*, 65 FERC ¶ 61,081 (1993).



- 4) A description of this filing is set forth above.
- 5) East River and NorthWestern have executed the revised ESA. Accordingly, all requisite approval for the ESA has been obtained.
- 6) 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.
- 7) This filing does not involve a rate change.

NorthWestern respectfully submits that the requirements of Section 35.13 of the Commission's regulations that have not been specifically addressed herein are inapplicable to this filing. To the extent that the Commission determines the requirements of Section 35.13 or any other rules to be applicable, NorthWestern respectfully requests waiver of the requirements of such provisions.

IV. 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:

Michael Cashell
Vice President – Transmission
NorthWestern Energy
11 East Park
Butte, MT 59701
Phone: (406) 497-4575
michael.cashell@northwestern.com

M. Andrew McLain
Director – Transmission Market Strategy &
FERC Compliance Officer
NorthWestern Energy
11 East Park
Butte, MT 59701
Phone: (406) 433-8987
andrew.mclain@northwestern.com

V. Conclusion

For the foregoing reasons, NorthWestern respectfully requests the Commission to accept the revised ESA for filing; grant waiver of the prior notice filing requirement to permit the revised ESA to become effective January 1, 2021, as requested; and grant waiver of any other Commission regulations deemed applicable this filing.



Respectfully submitted,

s/ *M. Andrew McLain*

M. Andrew McLain

Director – Transmission Market Strategy & FERC Compliance Officer

andrew.mclain@northwestern.com

○ 406-433-8987

Enclosure

cc: East River Electric Power Cooperative, Inc.
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 30th day of December, 2020.

s/ Dori L. Quam

Dori Quam

Lead – Transmission Regulatory Support

dori.quam@northwestern.com

Rate Schedule No. 37-SD

First Revised

Electric Service Agreement Emergency-Type Service
between NorthWestern Energy
and East River Electric Power Cooperative, Inc.

Compared to Rate Schedule No. 37-SD

NorthWestern Corporation

Other Rate Schedules

Rate Schedules – South Dakota

**Electric Service Agreement
Emergency-Type Service
between NorthWestern Energy
and East River Electric Power Cooperative, Inc.**

This Agreement made and entered into as of this ~~15th~~ day of ~~June, 2009~~ December, 2020, by and between NorthWestern Corporation d/b/a NorthWestern Energy, ~~a division of NorthWestern Corporation~~, a Delaware corporation, of Sioux Falls, South Dakota (hereinafter called "NorthWestern"), and East River Electric Power Cooperative, Inc., a cooperative corporation organized and existing under the laws of the State of South Dakota (hereinafter called "East River"). NorthWestern and East River are collectively called the "Parties".

WHEREAS, NorthWestern is the owner of and operates an electric power system consisting of generating stations, transmission lines and other facilities in east central South Dakota, and has an agreement with the Western Area Power Administration (hereinafter called "WAPA"), under which WAPA agrees to accept delivery of power and energy from NorthWestern and redeliver such power and energy from NorthWestern at the points of interconnection established pursuant to such contract; ~~Contract No. 00-UGPR-101~~; and

WHEREAS, East River is the owner of and operates an electric power system consisting of transmission lines and other facilities in eastern South Dakota, and has an agreement with WAPA under which WAPA furnishes power and energy to East River; ~~Contract No. 89-BAO-332~~; and

WHEREAS, the electric systems of NorthWestern and East River are, or can economically be, interconnected through manually operated air-break switches, oil circuit breakers, motor operated switches or jumpers which will be normally operated open; and

WHEREAS, there may be times when either of the Parties hereto, because of unforeseen contingencies relating from (1) storms or other Acts of God, (2) the necessity for maintenance and repairs of its transmission system or (3) other similar conditions beyond the control of the Parties, is unable to maintain adequate service on portions of its own system (including electric power and energy wheeled for others) in the vicinity of these interconnections, by mean of its own facilities, and therefore, desires to have an additional source of electric power and energy available for use during such times (power and energy for such use being hereinafter referred to as "Emergency-Type Service"); and

WHEREAS, NorthWestern and East River entered into an Electric Service Agreement, Emergency-Type Service, ~~on March 3, 2004~~ dated as of June 15, 2009 (the "Agreement"); and

WHEREAS, the Parties desire to amend the Agreement to extend the current term until such time as a formal restatement of the Agreement is finalized,

NOW, THEREFORE, predicated on the premises above set forth, and in consideration of the benefits to be obtained by each of the Parties through the improvement of their respective services in the areas of the interconnection between these Parties through the establishment of additional sources of power

from their respective systems (including power and energy wheeled for others) in the event of emergencies thereon, and as hereinabove specified, the Parties agree as follows:

ARTICLE I

Termination of Existing Agreements

This Agreement supersedes and cancels the Parties' Electric Service Agreement, Emergency-Type Service entered on ~~March 3, 2004~~ June 15, 2009, as of the effective date of this Agreement.

ARTICLE II

Interconnection

Points of Interconnection

The transmission systems of East River and NorthWestern have Emergency-Type Connections at the points as designated in Exhibit A. The ownership of connection facilities is designated in Exhibit B.

Operation and Maintenance

Each Party will operate and maintain the facilities provided by it and identified in Exhibit "B", unless otherwise provided. The cost of replacement of such facilities will be borne by the Party owning the facilities unless damaged by the negligent act or omission of the other Party hereto, its agents or employees. Each Party will defend, indemnify, and hold harmless the other Party against any and all claims, liability, loss, damage, or expense caused by or resulting from the negligent acts or omissions of the indemnifying Party, its employees or agents.

All emergency interconnect switches shall have dual locking and tagging capabilities to insure the safety of crews working on either system.

ARTICLE III

Operation

Use of Transmission Facilities

The interconnection of transmission facilities will affect savings in capital investment by the Parties. In consideration thereof, each Party will allow the other to transmit electric power and energy through its systems between the several points of interconnection as defined in this Agreement to the extent that such system has capacity in excess of that required for its own needs.

Limitation on Use of Transmission Facilities

Notwithstanding any other provisions of this Agreement, neither Party shall be obligated to allow the other Party to schedule the transmission of electric power and energy through its system if such Party

does not have adequate capacity available in excess of its own system's requirements thereof or if such transmission will, in any way, interfere with the furnishing of service to its customers, it being understood that each Party shall have first claim upon its transmission facilities for the requirements of its own customers. The determination of capacity available to transmit power and energy shall be at the discretion of the Party from whom such power and energy is requested, and the requesting Party waives and relinquishes all of its legal and equitable rights and remedies to require the other Party to transmit such power and energy when in its discretion the other Party determines there is not adequate capacity available. A Party is not required to transmit electric power and energy under this Agreement to make up any deficiency in the normal source of electric service supply to the other Party's system.

Switching

At the interconnections where the two Parties' systems may not be in phase, each Party shall disconnect from its own system, the load to be supplied from the system of the other Party, so that the two systems will not be tied together during switching operations or operated in parallel.

ARTICLE IV Wheeling

In the event NorthWestern or East River requires Emergency-Type Service for its systems, the other Party, East River or NorthWestern, agrees to accept delivery of electric power and energy from WAPA, to the extent of the capacity available therefore, at its points of interconnection with WAPA, and to deliver to the Party requiring Emergency-Type Service an equivalent amount of power and energy adjusted as provided in Article V of this Agreement, in the form of three (3) phase alternating current at a nominal frequency of 60 hertz.

ARTICLE V Terms and Conditions

NorthWestern and East River agree to pay to the Party wheeling power and energy under this Agreement the higher of three and one-half mills (\$0.0035) per KWH or the wheeling rate as specified in either Party's present or successor agreement with WAPA, multiplied by metered energy increased by two percent (2%) for each transformation from the point of metering on WAPA's system to the point of delivery on the Party's system receiving wheeled energy under this Agreement. WAPA will credit the account of the Party wheeling power and energy under this Agreement with the metered amount of power and energy increased by two percent (2%) for each transformation for transformation losses and seven percent (7%) for transmission losses to compensate for such losses in the wheeling Party's transmission system.

For the Claremont Emergency Interconnection, the metered power and energy shall be increased an additional two percent (2%) for distribution losses.

For the Highmore Emergency Interconnection, NorthWestern agrees to pay East River an additional "Emergency Backup Capacity Charge" according to Exhibit C.

NorthWestern and East River agree to maintain a power factor at the interconnections of their systems of between 95 percent lagging and 95 percent leading, or such other higher percentages as may be provided in either Party's present or successor agreements with WAPA.

Billing for services provided under this Agreement will be monthly, with payment to be made within fifteen (15) days after billing.

Article VI Meter Testing

East River or NorthWestern may, at reasonable times and upon notice to the other Party, request that the metering equipment at the interconnections be tested. Any metering equipment found to be inaccurate shall be repaired, adjusted, or replaced by its owner at its expense. Bills for wheeling of power and energy will be adjusted by mutual agreement to compensate for errors or defects or failures in metering equipment. No adjustments will be made on bills where errors in the meters are less than two percent (2%). No adjustments will be made for a period greater than sixty (60) days unless the actual period of the metering error can be determined, and in no event will adjustments be made for a period greater than six (6) months.

Article VII Request for Service

It is understood that Emergency-Type Service will be supplied only upon request to the other Party and to WAPA by the Party desiring the service. The request shall specify the cause and nature of the emergency, the amount of power required, and the probable duration of the emergency period; said Party shall also notify the other Party and WAPA promptly when the emergency has ended. The supplying system will supply only that amount of power that is available above its own system's requirements.

Should either Party fail to make a request for Emergency-Type Service prior to closing the tie at one of the emergency interconnections, that Party shall pay a \$1,000 penalty to the other Party for each occurrence.

Article VIII Scheduled Maintenance

If Emergency-Type Service is required by either Party because of a scheduled outage of its transmission equipment, it shall consult with the other Party and WAPA and as far in advance as possible arrange such outage at a time which is most convenient to the other Party and WAPA.

Article IX Term

~~This Agreement shall be in force for a term commencing September 1, 2009 and shall continue in force thereafter until cancelled by either Party giving the other Party not less than twenty-four (24) months' written notice of cancellation or until expiration of the aforesaid agreement between NorthWestern and WAPA (Contract No. 00-UGPR-101) or until expiration of the aforesaid contract between East River and WAPA (Contract No. 89-BAO-332), whichever first occurs.~~ This Agreement shall be in force for a term commencing January 1, 2021, and shall continue in force until June 30, 2021.

Article X Approvals

This Agreement shall become effective upon execution by the Parties subject to acceptance by the Federal Energy Regulatory Commission and approval by USDA's Rural Development Utility Program (if such approval is required for East River). No other regulatory or governmental approval is needed to give this Agreement full force and effect.

Article XI Assignments

Each Party agrees to use the power and energy delivered under this Agreement only as herein stated and further agrees not to assign this Agreement except upon written consent of the other Party.

Article XII Notices

When practical, any notices, demands, or requests required or authorized by this Agreement shall be deemed properly given if emailed or mailed, postage prepaid to:

For NorthWestern:

~~Dennis Wagner~~ Jamie Hajek
~~General Manager—Production~~ Coordinator – South Dakota Transmission Operations
NorthWestern Energy
~~P.O. Box 1318~~
~~600 Market~~ 300 S. Burr Street
~~Huron~~ Mitchell, SD 57350
1
Jamie.Hajek@northwestern.com

For East River:

~~Jim Edwards~~ Mark Hoffman
~~Assistant General Manager – Operations~~ Chief Operations Officer
East River Electric Power Cooperative, Inc.
P.O. Box 227
~~121 S.E. First Street~~ 211 S. Harth Avenue
Madison, SD 57042
mhoffman@eastriver.com

When not practical due to switching and operational needs, requests for utilization of emergency service and approval of these requests shall be done verbally or telephonically before any switching shall be performed.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first above written, and the same shall be equally binding upon the respective Parties and each of their successors and assigns.

NORTHWESTERN ~~ENERGY~~ CORPORATION
~~A division of d/b/a NorthWestern Corporation~~ Energy

By _____

Name _____

Title _____

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By _____

Name _____

Title _____

Exhibit "A"

Points of Interconnection Electric Service Agreement Emergency-Type Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

Points of Interconnection

1. **Webster Interconnection:** East River has built an interconnecting line and NorthWestern has furnished and installed necessary air-break switches and oil circuit breaker at the south end of such interconnecting line in NorthWestern's NW Substation in Webster.
2. **Miller Interconnection:** NorthWestern has built an interconnecting line and East River has provided and installed necessary air-break switches where such line interconnects with the line of East River, and NorthWestern has provided and installed necessary switches and motor operated switches where such line interconnects with the lines of the City of Miller.
3. **Groton Interconnection:** NorthWestern and East River have interconnected through a manually operated, normally open air-break switch.
4. **Chamberlain Interconnection:** NorthWestern and East River have interconnected through a manually operated, normally open air-break switch at the following location:

Near the Northwest corner of Section Thirty-One (31), Township One Hundred Four North (T104N), Range Seventy West (R70W), Brule County, South Dakota.
5. **Platte Interconnection:** NorthWestern and East River have interconnected through a manually operated, normally open air-break switch at the following location:

Near the Southwest corner of Section One (1), Township Ninety-nine North (T99N), Range Sixty-eight West (R68W), Charles Mix County, South Dakota.
6. **Clark Interconnection:** NorthWestern and East River have interconnected through normally open jumpers at the following location:

Near the intersection of 429th Avenue and 172nd Street in the West Half (W1/2) of Section Thirty-six (36) Township One Hundred Seventeen North (T117N), Range Fifty-seven West (R57W), Clark County, South Dakota.
7. **Claremont Interconnection:** NorthWestern and East River have interconnected through normally open jumpers at the following location:

Near the intersection of 410th Avenue and 119th Street in the Southeast Quarter (SE1/4) of Section Two (2), Township One Hundred Twenty-Five North (T125N), Range Sixty West (R60W), Brown County, South Dakota.

8. **Highmore Interconnection:** NorthWestern has built and installed an interconnecting line with associated station equipment including breakers, switches, phase correcting transformer, communications, metering and all other associated station equipment and accessories. East River has installed necessary air-break switches where such line interconnects with East River. East River will provide required communications equipment to get information to the East River Highmore Station. The location of the interconnection is in the NW1/4 Sec 12, T112N, R72W of Hyde County, South Dakota.

Exhibit "B"

One-Line Diagrams and Division of Ownership Electric Service Agreement Emergency-Type Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

Index of Drawings

| | |
|---------|------------------------|
| Sheet 2 | Webster Connection |
| Sheet 3 | Miller Connection |
| Sheet 4 | Groton Connection |
| Sheet 5 | Chamberlain Connection |
| Sheet 6 | Platte Connection |
| Sheet 7 | Clark Connection |
| Sheet 8 | Claremont Connection |
| Sheet 9 | Highmore Connection |

Exhibit "C"

Highmore Interconnection for Electric Service Agreement Emergency-Type Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

A. Highmore Interconnection Facilities

1. NorthWestern will construct, own, operate and maintain a 69 KV line beginning at the existing NorthWestern line in the NE ¼ Sec 12 T112N R72W Corner of Hyde County, South Dakota, and extending east a distance of 363 feet to a point of interconnection with the existing East River 69 KV line located at the NE ¼ Sec 12 T112N R72W of Hyde County, South Dakota. The Point of Interconnection called the Highmore Interconnection shall be where NorthWestern's line interconnects with East River's existing 69 KV line. (See attached Highmore Interconnection site map DWH No. Highmore Interconnect.)
2. NorthWestern will install, own, operate and maintain all conductor and station equipment beyond the East River gang-operated air-break switch for the Highmore Interconnection.
3. East River will install, own, operate, and maintain the take-off pole with a gang-operated air-break switch for the Highmore Interconnection.
4. NorthWestern will pay for all of NorthWestern's and East River's costs associated with the Highmore Interconnection and will also pay East River an Emergency Backup Capacity Charge (Capacity Charge) for East River's system investment which provides backup capacity to NorthWestern. The Capacity Charge will be as set forth in this Exhibit.
5. NorthWestern will install, own and maintain 69 KV Time-of-Day revenue metering equipment to measure energy and demand transferred across the interconnection. NorthWestern will also provide East River and the Western Area Power Administration with the ability to remotely access and read the meter.
6. It is anticipated that construction of the Highmore Interconnection will be completed by August, 2009.

B. Highmore Interconnection Capacity Charge

1. In addition to the power and energy wheeling rate specified in the Agreement, NorthWestern shall pay East River a monthly Capacity Charge for the Highmore Interconnection based upon the following formula:

$$\text{Monthly Capacity Charge Payment} = (A \times B \times C)$$

Where:

A = Transmission Service Charge

East River's monthly Transmission Service Charge for 2009 is \$2.00 kW/month.

B = Backup Capacity Factor

The monthly Backup Capacity Factor will be 5,000 kW.

C = Emergency Tie Factor

Because this is emergency-type service, and not standard full time transmission service, 20% will be established as the Emergency Tie Factor.

2. If East River uses the Highmore Interconnection during any month to provide Emergency-Type Service to East River's transmission system, the monthly capacity charge payment for that month shall be zero. If East River uses the Highmore Interconnection during four separate months or more during a calendar year to provide Emergency-Type Service to East River's transmission system, the monthly capacity charge payment for all twelve months in that calendar year shall be zero.
3. East River retains the right to increase the Transmission Service Charge component, effective with the January 2013 billing period and similarly every five (5) years thereafter, provided at least ninety (90) days written notice of such change is furnished. The changes will be based on changes to East River's system-wide average costs.

The Parties agree that the billing formula is based on present loading conditions and shall be subject to change in the event that such loading conditions change.

IN WITNESS WHEREOF, the Parties hereto have caused this Exhibit to be executed.

NORTHWESTERN ~~ENERGY~~CORPORATION
A division of ~~d/b/a~~ NorthWestern ~~Corporation~~Energy

By _____

Name _____

Title _____

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By _____

Name _____

Title _____

Rate Schedule No. 37-SD

First Revised

Electric Service Agreement Emergency-Type Service
between NorthWestern Energy
and East River Electric Power Cooperative, Inc.

Requested Effective Date: January 1, 2021

NorthWestern Corporation

Other Rate Schedules

Rate Schedules – South Dakota

**Electric Service Agreement
Emergency-Type Service
between NorthWestern Energy
and East River Electric Power Cooperative, Inc.**

This Agreement made and entered into as of this 29th day of December, 2020, by and between NorthWestern Corporation d/b/a NorthWestern Energy, a Delaware corporation, of Sioux Falls, South Dakota (hereinafter called "NorthWestern"), and East River Electric Power Cooperative, Inc., a cooperative corporation organized and existing under the laws of the State of South Dakota (hereinafter called "East River"). NorthWestern and East River are collectively called the "Parties".

WHEREAS, NorthWestern is the owner of and operates an electric power system consisting of generating stations, transmission lines and other facilities in east central South Dakota, and has an agreement with the Western Area Power Administration (hereinafter called "WAPA"), under which WAPA agrees to accept delivery of power and energy from NorthWestern and redeliver such power and energy from NorthWestern at the points of interconnection established pursuant to such contract; and

WHEREAS, East River is the owner of and operates an electric power system consisting of transmission lines and other facilities in eastern South Dakota, and has an agreement with WAPA under which WAPA furnishes power and energy to East River; and

WHEREAS, the electric systems of NorthWestern and East River are, or can economically be, interconnected through manually operated air-break switches, oil circuit breakers, motor operated switches or jumpers which will be normally operated open; and

WHEREAS, there may be times when either of the Parties hereto, because of unforeseen contingencies relating from (1) storms or other Acts of God, (2) the necessity for maintenance and repairs of its transmission system or (3) other similar conditions beyond the control of the Parties, is unable to maintain adequate service on portions of its own system (including electric power and energy wheeled for others) in the vicinity of these interconnections, by mean of its own facilities, and therefore, desires to have an additional source of electric power and energy available for use during such times (power and energy for such use being hereinafter referred to as "Emergency-Type Service"); and

WHEREAS, NorthWestern and East River entered into an Electric Service Agreement, Emergency-Type Service, dated as of June 15, 2009 (the "Agreement"); and

WHEREAS, the Parties desire to amend the Agreement to extend the current term until such time as a formal restatement of the Agreement is finalized,

NOW, THEREFORE, predicated on the premises above set forth, and in consideration of the benefits to be obtained by each of the Parties through the improvement of their respective services in the areas of the interconnection between these Parties through the establishment of additional sources of power from their respective systems (including power and energy wheeled for others) in the event of emergencies thereon, and as hereinabove specified, the Parties agree as follows:

ARTICLE I

Termination of Existing Agreements

This Agreement supersedes and cancels the Parties' Electric Service Agreement, Emergency-Type Service entered on June 15, 2009, as of the effective date of this Agreement.

ARTICLE II

Interconnection

Points of Interconnection

The transmission systems of East River and NorthWestern have Emergency-Type Connections at the points as designated in Exhibit A. The ownership of connection facilities is designated in Exhibit B.

Operation and Maintenance

Each Party will operate and maintain the facilities provided by it and identified in Exhibit "B", unless otherwise provided. The cost of replacement of such facilities will be borne by the Party owning the facilities unless damaged by the negligent act or omission of the other Party hereto, its agents or employees. Each Party will defend, indemnify, and hold harmless the other Party against any and all claims, liability, loss, damage, or expense caused by or resulting from the negligent acts or omissions of the indemnifying Party, its employees or agents.

All emergency interconnect switches shall have dual locking and tagging capabilities to insure the safety of crews working on either system.

ARTICLE III

Operation

Use of Transmission Facilities

The interconnection of transmission facilities will affect savings in capital investment by the Parties. In consideration thereof, each Party will allow the other to transmit electric power and energy through its systems between the several points of interconnection as defined in this Agreement to the extent that such system has capacity in excess of that required for its own needs.

Limitation on Use of Transmission Facilities

Notwithstanding any other provisions of this Agreement, neither Party shall be obligated to allow the other Party to schedule the transmission of electric power and energy through its system if such Party does not have adequate capacity available in excess of its own system's requirements thereof or if such transmission will, in any way, interfere with the furnishing of service to its customers, it being understood that each Party shall have first claim upon its transmission facilities for the requirements of its own customers. The determination of capacity available to transmit power and energy shall be at the

discretion of the Party from whom such power and energy is requested, and the requesting Party waives and relinquishes all of its legal and equitable rights and remedies to require the other Party to transmit such power and energy when in its discretion the other Party determines there is not adequate capacity available. A Party is not required to transmit electric power and energy under this Agreement to make up any deficiency in the normal source of electric service supply to the other Party's system.

Switching

At the interconnections where the two Parties' systems may not be in phase, each Party shall disconnect from its own system, the load to be supplied from the system of the other Party, so that the two systems will not be tied together during switching operations or operated in parallel.

ARTICLE IV Wheeling

In the event NorthWestern or East River requires Emergency-Type Service for its systems, the other Party, East River or NorthWestern, agrees to accept delivery of electric power and energy from WAPA, to the extent of the capacity available therefore, at its points of interconnection with WAPA, and to deliver to the Party requiring Emergency-Type Service an equivalent amount of power and energy adjusted as provided in Article V of this Agreement, in the form of three (3) phase alternating current at a nominal frequency of 60 hertz.

ARTICLE V Terms and Conditions

NorthWestern and East River agree to pay to the Party wheeling power and energy under this Agreement the higher of three and one-half mills (\$0.0035) per KWH or the wheeling rate as specified in either Party's present or successor agreement with WAPA, multiplied by metered energy increased by two percent (2%) for each transformation from the point of metering on WAPA's system to the point of delivery on the Party's system receiving wheeled energy under this Agreement. WAPA will credit the account of the Party wheeling power and energy under this Agreement with the metered amount of power and energy increased by two percent (2%) for each transformation for transformation losses and seven percent (7%) for transmission losses to compensate for such losses in the wheeling Party's transmission system.

For the Claremont Emergency Interconnection, the metered power and energy shall be increased an additional two percent (2%) for distribution losses.

For the Highmore Emergency Interconnection, NorthWestern agrees to pay East River an additional "Emergency Backup Capacity Charge" according to Exhibit C.

NorthWestern and East River agree to maintain a power factor at the interconnections of their systems of between 95 percent lagging and 95 percent leading, or such other higher percentages as may be provided in either Party's present or successor agreements with WAPA.

Billing for services provided under this Agreement will be monthly, with payment to be made within fifteen (15) days after billing.

Article VI Meter Testing

East River or NorthWestern may, at reasonable times and upon notice to the other Party, request that the metering equipment at the interconnections be tested. Any metering equipment found to be inaccurate shall be repaired, adjusted, or replaced by its owner at its expense. Bills for wheeling of power and energy will be adjusted by mutual agreement to compensate for errors or defects or failures in metering equipment. No adjustments will be made on bills where errors in the meters are less than two percent (2%). No adjustments will be made for a period greater than sixty (60) days unless the actual period of the metering error can be determined, and in no event will adjustments be made for a period greater than six (6) months.

Article VII Request for Service

It is understood that Emergency-Type Service will be supplied only upon request to the other Party and to WAPA by the Party desiring the service. The request shall specify the cause and nature of the emergency, the amount of power required, and the probable duration of the emergency period; said Party shall also notify the other Party and WAPA promptly when the emergency has ended. The supplying system will supply only that amount of power that is available above its own system's requirements.

Should either Party fail to make a request for Emergency-Type Service prior to closing the tie at one of the emergency interconnections, that Party shall pay a \$1,000 penalty to the other Party for each occurrence.

Article VIII Scheduled Maintenance

If Emergency-Type Service is required by either Party because of a scheduled outage of its transmission equipment, it shall consult with the other Party and WAPA and as far in advance as possible arrange such outage at a time which is most convenient to the other Party and WAPA.

Article IX Term

This Agreement shall be in force for a term commencing January 1, 2021, and shall continue in force until June 30, 2021.

Article X Approvals

This Agreement shall become effective upon execution by the Parties subject to acceptance by the Federal Energy Regulatory Commission and approval by USDA's Rural Development Utility Program (if such approval is required for East River). No other regulatory or governmental approval is needed to give this Agreement full force and effect.

Article XI Assignments

Each Party agrees to use the power and energy delivered under this Agreement only as herein stated and further agrees not to assign this Agreement except upon written consent of the other Party.

Article XII Notices

When practical, any notices, demands, or requests required or authorized by this Agreement shall be deemed properly given if emailed or mailed, postage prepaid to:

For NorthWestern:

Jamie Hajek
Coordinator – South Dakota Transmission Operations
NorthWestern Energy
300 S. Burr Street
Mitchell, SD 57301
Jamie.Hajek@northwestern.com


For East River:

Mark Hoffman
Chief Operations Officer
East River Electric Power Cooperative, Inc.
P.O. Box 227
211 S. Harth Avenue
Madison, SD 57042
mhoffman@eastriver.com

When not practical due to switching and operational needs, requests for utilization of emergency service and approval of these requests shall be done verbally or telephonically before any switching shall be performed.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first above written, and the same shall be equally binding upon the respective Parties and each of their successors and assigns.

NORTHWESTERN CORPORATION
d/b/a NorthWestern Energy

By  Digitally signed by
Michael Cashell
Date: 2020.12.29
14:54:58 -07'00'

Name **Michael R. Cashell**
Title Vice President - Transmission

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By _____

Name _____

Title _____

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first above written, and the same shall be equally binding upon the respective Parties and each of their successors and assigns.

NORTHWESTERN CORPORATION
d/b/a NorthWestern Energy

By _____

Name

Title _____

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By **Thomas R. Boyko** Digitally signed by
Thomas R. Boyko
Date: 2020.12.29
14:41:45 -06'00'

Name **Thomas R. Boyko**

Title **General Manager / CEO**

Exhibit "A"

Points of Interconnection Electric Service Agreement Emergency-Type Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

Points of Interconnection

1. **Webster Interconnection:** East River has built an interconnecting line and NorthWestern has furnished and installed necessary air-break switches and oil circuit breaker at the south end of such interconnecting line in NorthWestern's NW Substation in Webster.
2. **Miller Interconnection:** NorthWestern has built an interconnecting line and East River has provided and installed necessary air-break switches where such line interconnects with the line of East River, and NorthWestern has provided and installed necessary switches and motor operated switches where such line interconnects with the lines of the City of Miller.
3. **Groton Interconnection:** NorthWestern and East River have interconnected through a manually operated, normally open air-break switch.
4. **Chamberlain Interconnection:** NorthWestern and East River have interconnected through a manually operated, normally open air-break switch at the following location:

Near the Northwest corner of Section Thirty-One (31), Township One Hundred Four North (T104N), Range Seventy West (R70W), Brule County, South Dakota.
5. **Platte Interconnection:** NorthWestern and East River have interconnected through a manually operated, normally open air-break switch at the following location:

Near the Southwest corner of Section One (1), Township Ninety-nine North (T99N), Range Sixty-eight West (R68W), Charles Mix County, South Dakota.
6. **Clark Interconnection:** NorthWestern and East River have interconnected through normally open jumpers at the following location:

Near the intersection of 429th Avenue and 172nd Street in the West Half (W1/2) of Section Thirty-six (36) Township One Hundred Seventeen North (T117N), Range Fifty-seven West (R57W), Clark County, South Dakota.
7. **Claremont Interconnection:** NorthWestern and East River have interconnected through normally open jumpers at the following location:

Near the intersection of 410th Avenue and 119th Street in the Southeast Quarter (SE1/4) of Section Two (2), Township One Hundred Twenty-Five North (T125N), Range Sixty West (R60W), Brown County, South Dakota.

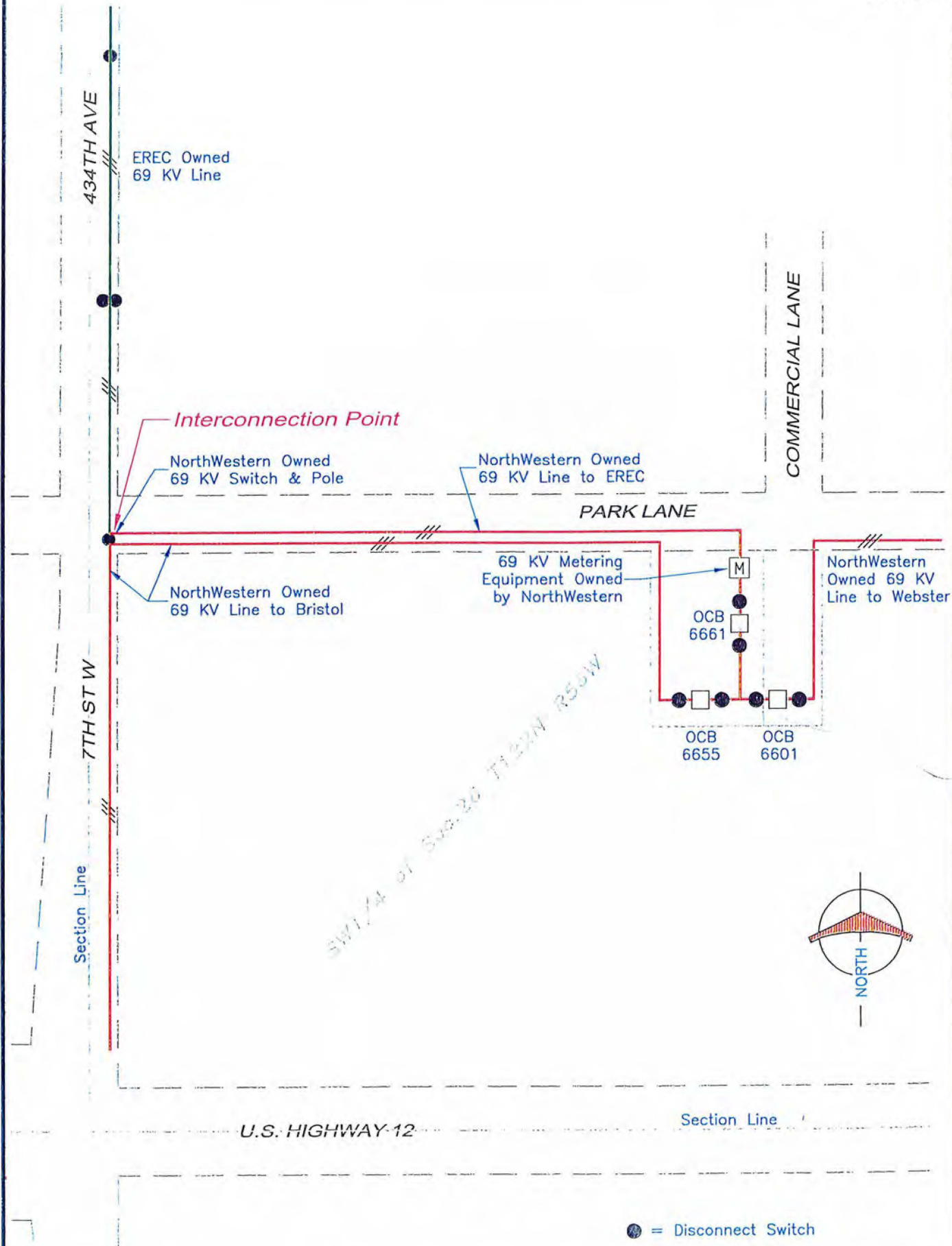
8. **Highmore Interconnection:** NorthWestern has built and installed an interconnecting line with associated station equipment including breakers, switches, phase correcting transformer, communications, metering and all other associated station equipment and accessories. East River has installed necessary air-break switches where such line interconnects with East River. East River will provide required communications equipment to get information to the East River Highmore Station. The location of the interconnection is in the NW1/4 Sec 12, T112N, R72W of Hyde County, South Dakota.

Exhibit "B"

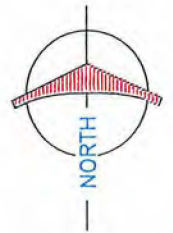
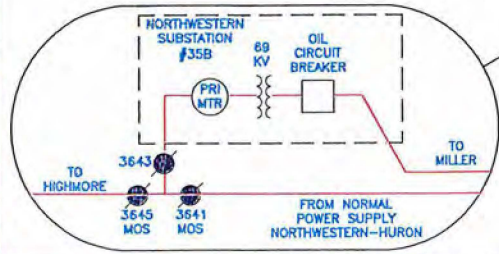
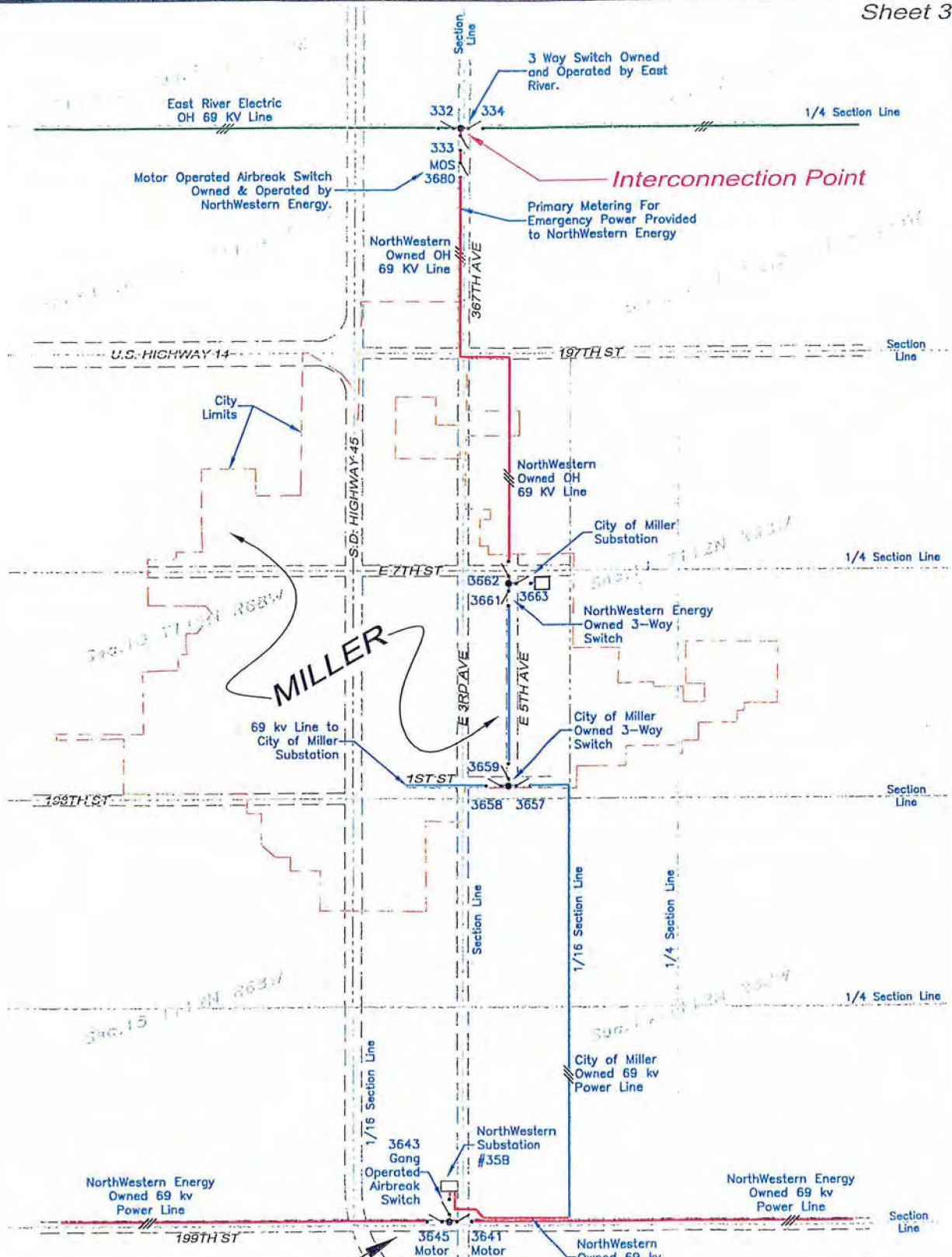
One-Line Diagrams and Division of Ownership Electric Service Agreement Emergency-Type Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

Index of Drawings

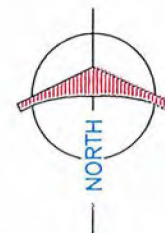
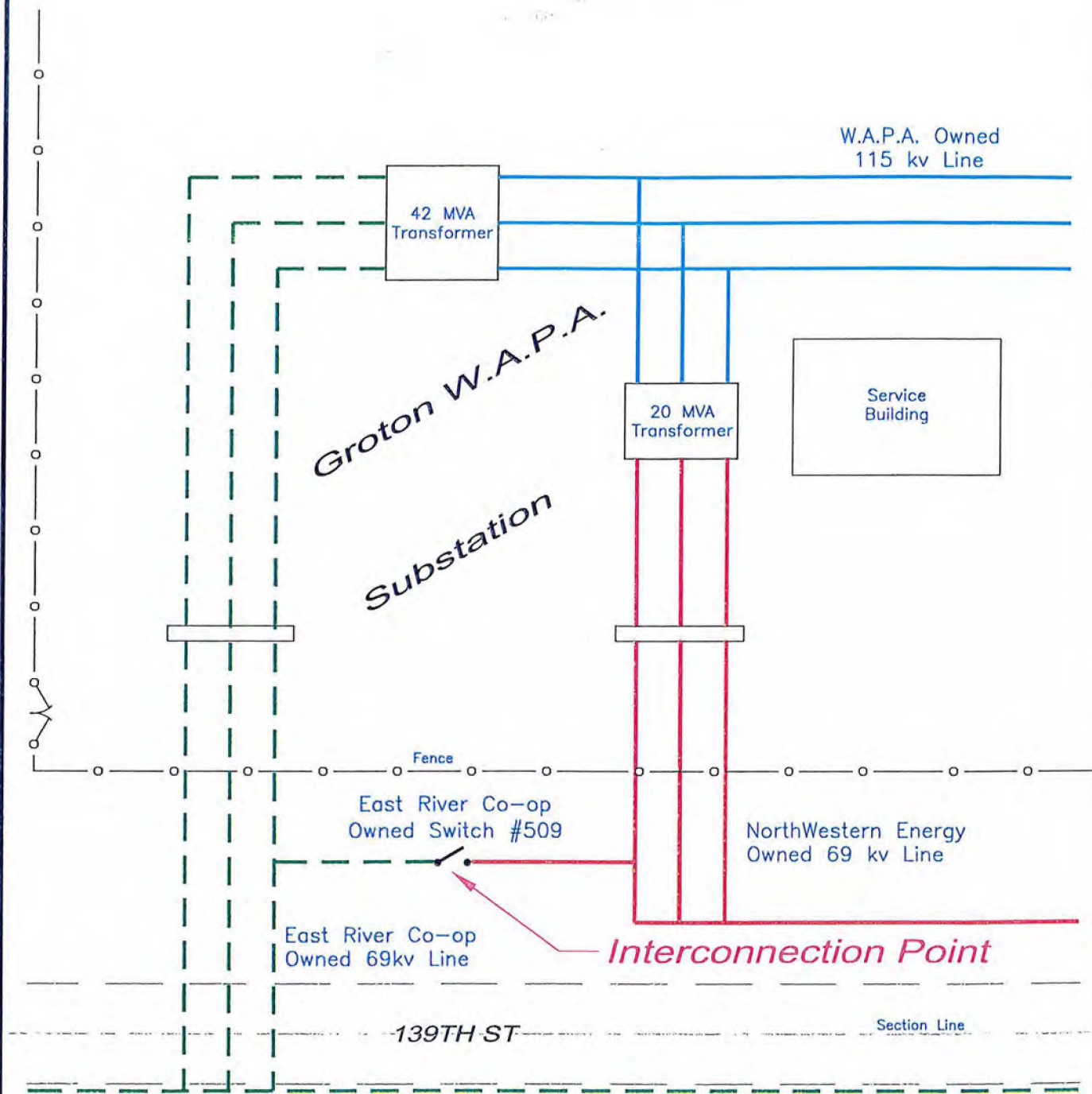
| | |
|---------|------------------------|
| Sheet 2 | Webster Connection |
| Sheet 3 | Miller Connection |
| Sheet 4 | Groton Connection |
| Sheet 5 | Chamberlain Connection |
| Sheet 6 | Platte Connection |
| Sheet 7 | Clark Connection |
| Sheet 8 | Claremont Connection |
| Sheet 9 | Highmore Connection |



| | | | |
|--|--------------------------|--|----------------------|
| | DWN. BY: R.R.D. | DESCRIPTION | DATE: 12/19/2003 |
| | LAST REVISED: 12/30/2003 | WEBSTER INTERCONNECTION WITH EAST RIVER ELECTRIC POWER COOPERATIVE | DWG. NO. |
| | SCALE: 1" = 150' | Webster, S.D. | Webster Interconnect |



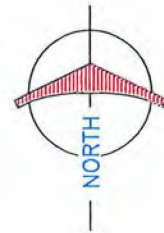
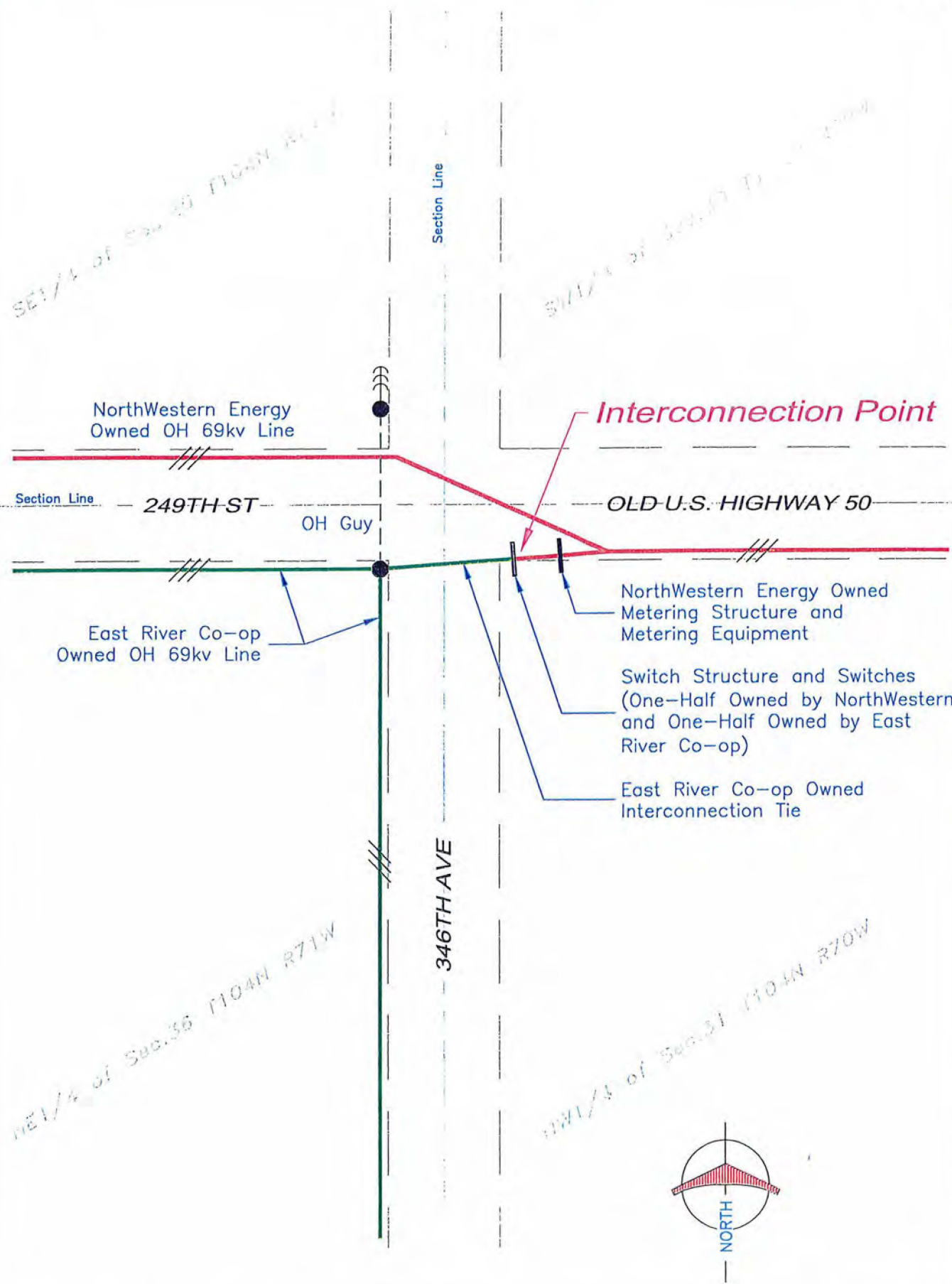
| | | | |
|--|------------------|---|------------------------------|
| | DVN. BY: R.R.D. | DESCRIPTION MILLER INTERCONNECTION WITH EAST RIVER ELECTRIC POWER COOPERATIVE Miller, S.D. | DATE: 12/22/2003 |
| | LAST REVISED: | | DWG. NO. Miller Interconnect |
| | SCALE: 1" = 900' | | |



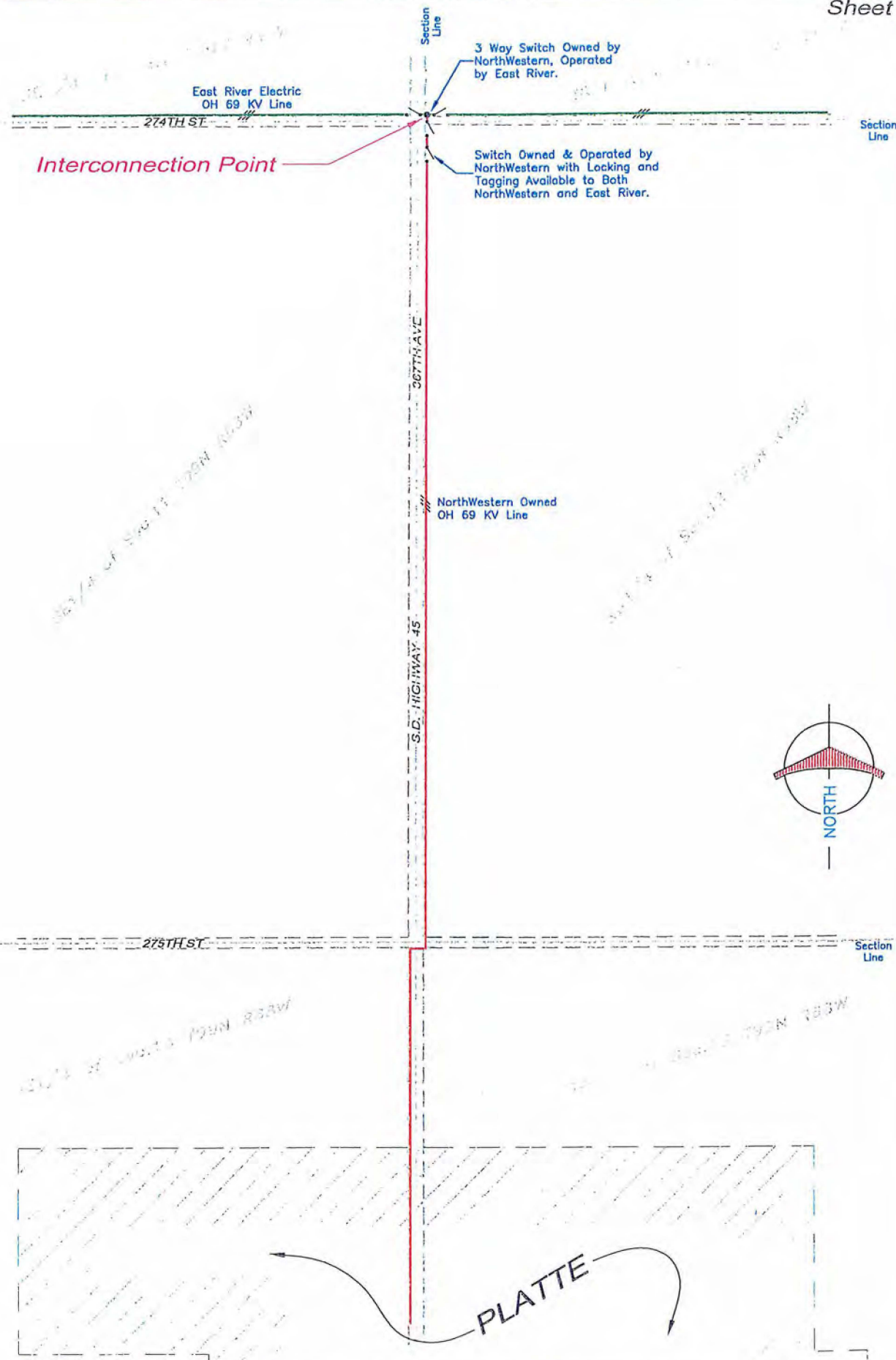
| | | | |
|--|------------------|--|---------------------------------|
| | DWN. BY: R.R.D. | DESCRIPTION INTERCONNECTION WITH EAST RIVER POWER COOPERATIVE AT THE GROTON W.A.P.A. SUBSTATION Groton, S.D. | DATE: 12/22/2003 |
| | LAST REVISED: | | DWG. NO. Groton Interconnect |
| | SCALE: 1" = 100' | | |

SE 1/4 of Sec. 35 T104N R71W

SW 1/4 of Sec. 35 T104N R71W



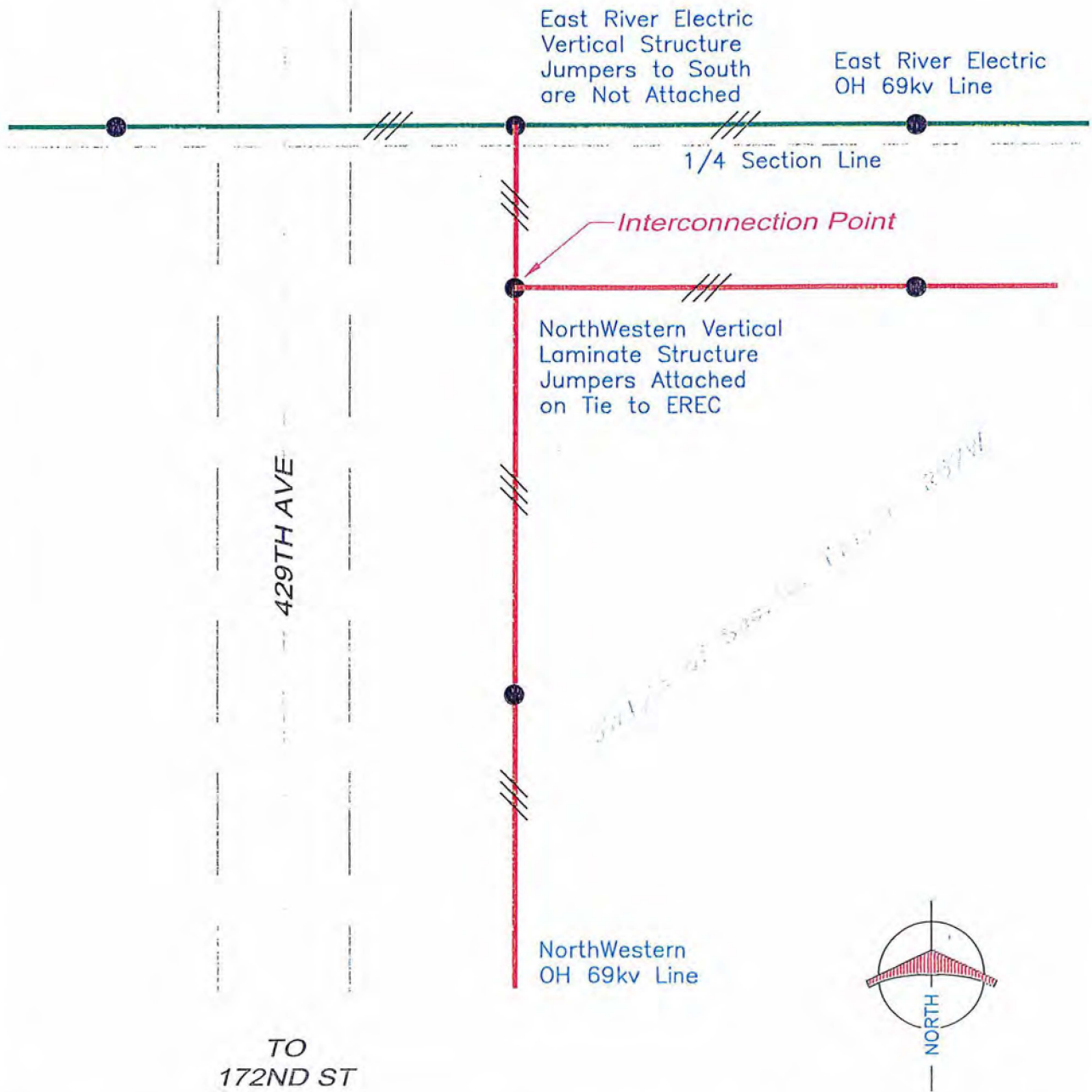
| | | | |
|--|-----------------|--|-----------------------------------|
| | DWN. BY: R.R.D. | DESCRIPTION CHAMBERLAIN INTERCONNECTION WITH EAST RIVER POWER COOPERATIVE Chamberlain, S.D. | DATE: 12/22/2003 |
| | LAST REVISED: | | DWG. NO. Chamberlain Interconnect |
| | SCALE: 1" = 80' | | |



DWN. BY: R.R.D.
 LAST REVISED:
 SCALE: 1" = 900'

DESCRIPTION
 PLATTE INTERCONNECTION
 WITH EAST RIVER ELECTRIC POWER COOPERATIVE
 Platte, S.D.

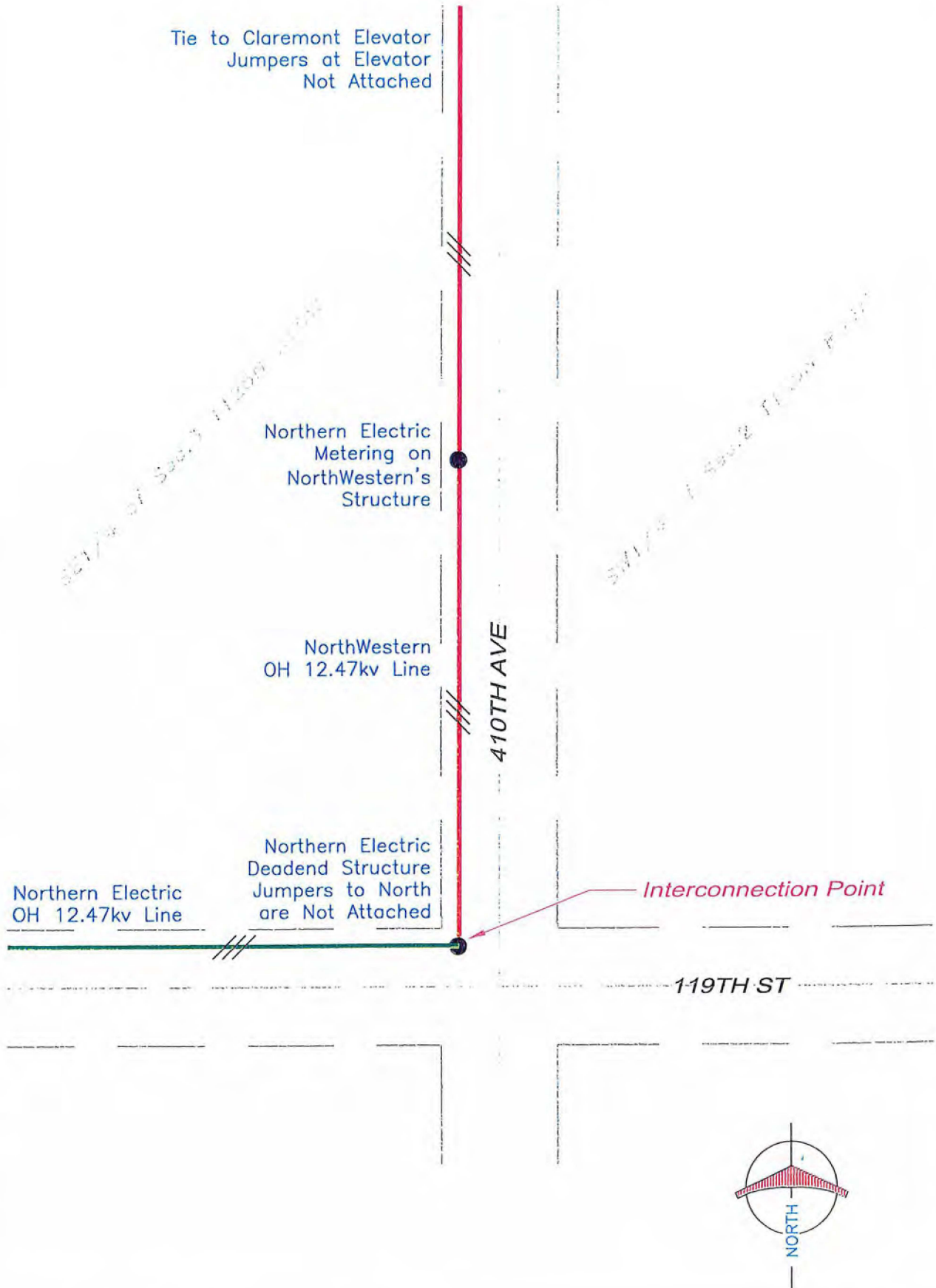
DATE: 12/22/2003
 DWG. NO. Platte Interconnect



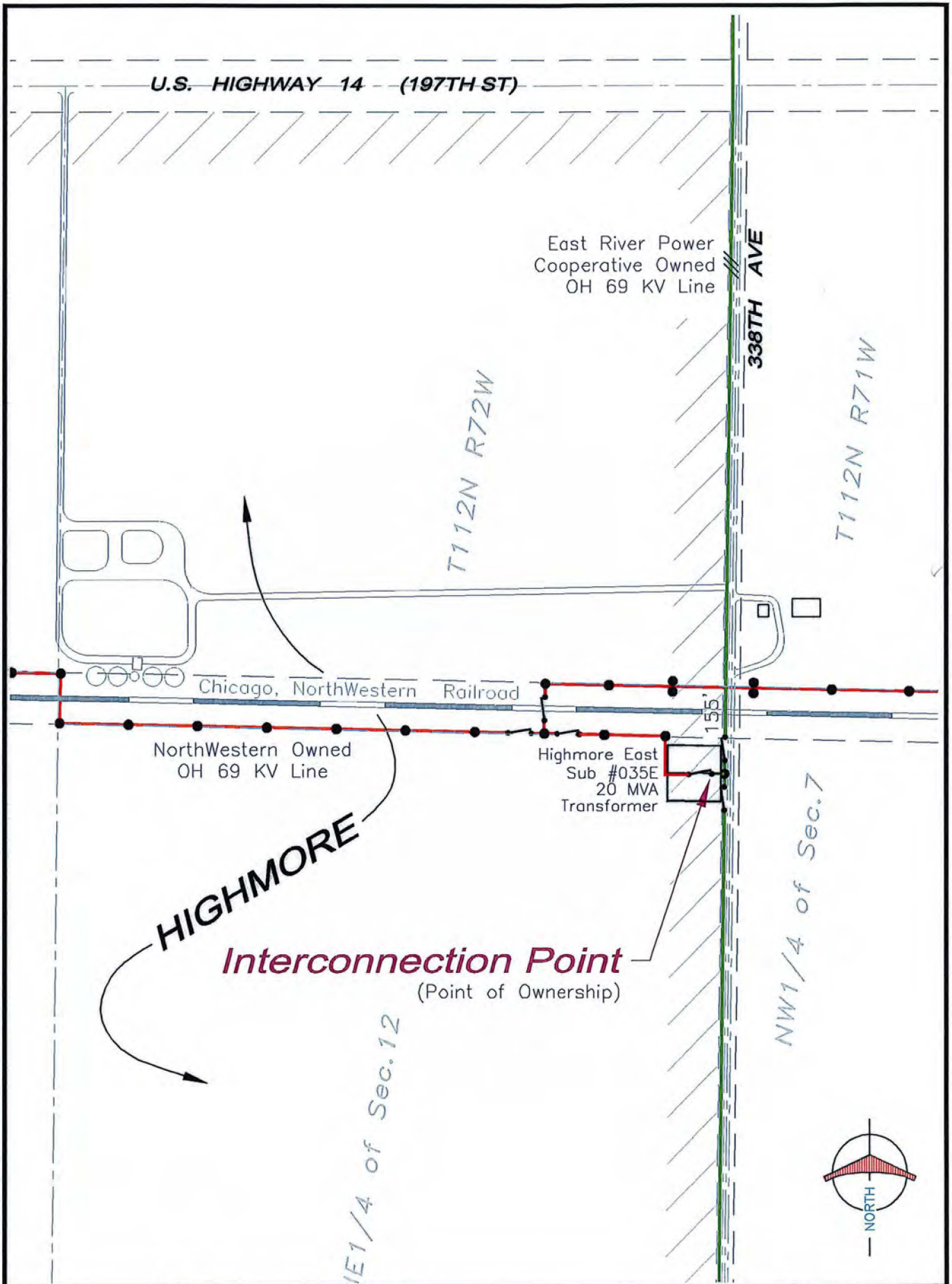
DWN. BY: R.R.D.
 LAST REVISED: 12/19/2003
 SCALE: 1" = 80'

DESCRIPTION
 CLARK INTERCONNECTION
 WITH EAST RIVER ELECTRIC POWER COOPERATIVE
 Clark, S.D.

DATE: 05/22/2003
 DWG. NO. Clark Interconnect



| | | | |
|--|--------------------------|---|---------------------------------|
| | DWN. BY: R.R.D. | DESCRIPTION CLAREMONT INTERCONNECTION WITH NORTHERN ELECTRIC Claremont, S.D. | DATE: 05/22/2003 |
| | LAST REVISED: 12/19/2003 | | DWG. NO. Claremont Interconnect |
| | SCALE: 1" = 80' | | |



U.S. HIGHWAY 14 (197TH ST)

East River Power
Cooperative Owned
OH 69 KV Line

338TH AVE

T112N R72W

T112N R71W

Chicago, NorthWestern Railroad

NorthWestern Owned
OH 69 KV Line

Highmore East
Sub #035E
20 MVA
Transformer

HIGHMORE

Interconnection Point

(Point of Ownership)

E1/4 of Sec.12

NW1/4 of Sec.7



DVN. BY: R.R.D.
LAST REVISED: 10/05/2009
SCALE: 1" = 1000'

DESCRIPTION
HIGHMORE INTERCONNECTION
WITH EAST RIVER ELECTRIC POWER COOPERATIVE
Highmore, S.D.

DATE: 02/27/2009
DWG. NO. Highmore Interconnect

Exhibit "C"

Highmore Interconnection for Electric Service Agreement Emergency-Type Service between NorthWestern Energy and East River Electric Power Cooperative, Inc.

A. Highmore Interconnection Facilities

1. NorthWestern will construct, own, operate and maintain a 69 KV line beginning at the existing NorthWestern line in the NE ¼ Sec 12 T112N R72W Corner of Hyde County, South Dakota, and extending east a distance of 363 feet to a point of interconnection with the existing East River 69 KV line located at the NE ¼ Sec 12 T112N R72W of Hyde County, South Dakota. The Point of Interconnection called the Highmore Interconnection shall be where NorthWestern's line interconnects with East River's existing 69 KV line. (See attached Highmore Interconnection site map DWH No. Highmore Interconnect.)
2. NorthWestern will install, own, operate and maintain all conductor and station equipment beyond the East River gang-operated air-break switch for the Highmore Interconnection.
3. East River will install, own, operate, and maintain the take-off pole with a gang-operated air-break switch for the Highmore Interconnection.
4. NorthWestern will pay for all of NorthWestern's and East River's costs associated with the Highmore Interconnection and will also pay East River an Emergency Backup Capacity Charge (Capacity Charge) for East River's system investment which provides backup capacity to NorthWestern. The Capacity Charge will be as set forth in this Exhibit.
5. NorthWestern will install, own and maintain 69 KV Time-of-Day revenue metering equipment to measure energy and demand transferred across the interconnection. NorthWestern will also provide East River and the Western Area Power Administration with the ability to remotely access and read the meter.
6. It is anticipated that construction of the Highmore Interconnection will be completed by August, 2009.

B. Highmore Interconnection Capacity Charge

1. In addition to the power and energy wheeling rate specified in the Agreement, NorthWestern shall pay East River a monthly Capacity Charge for the Highmore Interconnection based upon the following formula:

$$\text{Monthly Capacity Charge Payment} = (A \times B \times C)$$

Where:

A = Transmission Service Charge

East River's monthly Transmission Service Charge for 2009 is \$2.00 kW/month.

B = Backup Capacity Factor

The monthly Backup Capacity Factor will be 5,000 kW.

C = Emergency Tie Factor

Because this is emergency-type service, and not standard full time transmission service, 20% will be established as the Emergency Tie Factor.


2. If East River uses the Highmore Interconnection during any month to provide Emergency-Type Service to East River's transmission system, the monthly capacity charge payment for that month shall be zero. If East River uses the Highmore Interconnection during four separate months or more during a calendar year to provide Emergency-Type Service to East River's transmission system, the monthly capacity charge payment for all twelve months in that calendar year shall be zero.
3. East River retains the right to increase the Transmission Service Charge component, effective with the January 2013 billing period and similarly every five (5) years thereafter, provided at least ninety (90) days written notice of such change is furnished. The changes will be based on changes to East River's system-wide average costs.

The Parties agree that the billing formula is based on present loading conditions and shall be subject to change in the event that such loading conditions change.

IN WITNESS WHEREOF, the Parties hereto have caused this Exhibit to be executed.

NORTHWESTERN CORPORATION

d/b/a NorthWestern Energy

By  _____
Digitally signed by Michael Cashell
Date: 2020.12.29 14:55:39 -07'00'

Name Michael R. Cashell

Title Vice President - Transmission

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

Thomas R.

Digitally signed by
Thomas R. Boyko
Date: 2020.12.29
14:42:23 -06'00'

By Boyko

Name Thomas R. Boyko

Title General Manager / CEO