

Settlement Stipulation

Exhibit 5

Bill Insert Notice

3 Pages



DRAFT CUSTOMER NOTICE ELECTRIC RATE INCREASE

On June 15, 2023, NorthWestern Energy requested a regulatory review by the South Dakota Public Utilities Commission (SDPUC) of electric rates. NorthWestern Energy's application requested a 16.32% increase in total electric bills, or a 25.78% increase in base electric rates. The request was an increase of \$30.9 million in South Dakota electric revenues since rates were determined by the South Dakota Public Utilities using cost information from 2014.

The South Dakota Public Utilities Commission approved NorthWestern Energy's settlement agreement with SDPUC staff which allows for an 11.38% increase in NorthWestern Energy total electric bills, or a 17.97% increase in base electric rates, from a \$21.52 million increase in South Dakota electric revenues effective Jan. 10, 2024.

A typical residential customer using an average of 750 kilowatt-hours of energy a month will see an increase of \$13.67 in their monthly bill.

The increase represents a 1.42% yearly increase since rates were established in 2015. Since then, NorthWestern Energy has invested \$267 million in our South Dakota electric infrastructure to continue our commitment to providing reliable, sustainable energy service at the most affordable rates possible to our South Dakota customers.

NorthWestern Energy requested the regulatory rate review to ensure that our customers will continue to be served by a financially sound company with access to low-cost capital to continue efficient investments that ensure reliable, safe energy service for customers.

Below is a sample of new rates, based on average use by customer class.

RESIDENTIAL CUSTOMERS

Monthly Usage (kWh)	Monthly Electric Bill under Prior Rates	Monthly Electric Bill under New Rates	Amount of Increase	Percentage Increase
400	\$58.62	\$66.40	\$7.78	13.3%
500	\$71.70	\$81.16	\$9.46	13.2%
600	\$84.78	\$95.92	\$11.14	13.1%
750	\$104.39	\$118.06	\$13.67	13.1%
1000	\$135.24	\$152.78	\$17.54	13.0%
2000	\$211.42	\$234.68	\$23.26	11.0%

SOUTH DAKOTA RESIDENTIAL RATE COMPARISON

	Prior Rate	New Rate
Customer Charge	\$6.00	\$7.00
First 200 kWh	\$0.09476	\$0.11186
Next 600 kWh	\$0.09322	\$0.11004
Next 200 kWh	\$0.08397	\$0.09913
Next 200 kWh	\$0.06701	\$0.07909
Over 1,200 kWh	\$0.03153	\$0.03565
Ad valorem taxes	\$0.00349	\$0.00349
Delivered Cost of Energy	\$0.00939	\$0.00939
Delivered Cost of Fuel	\$0.02468	\$0.02468

COMMERCIAL CUSTOMERS

Monthly Usage (kWh)	Monthly Electric Bill under Prior Rates	Monthly Electric Bill under New Rates	Amount of Increase	Percentage Increase
400	\$71.08	\$79.87	\$8.79	12.4%
1,000	\$158.40	\$176.74	\$18.34	11.6%
*5,000	\$576.84	\$639.82	\$62.98	10.9%
*10,000	\$1,153.70	\$1,279.64	\$125.94	10.9%
*50,000	\$4,670.54	\$5,256.56	\$586.02	12.5%
*100,000	\$9,215.09	\$10,362.31	\$1,147.22	12.4%
*1,000,000	\$88,147.01	\$98,847.02	\$10,700.01	12.1%

*Assumes a 50% load factor



We recognize that our rate request will impact our customers during a period when other prices are also increasing. NorthWestern Energy is committed to helping customers who may be struggling with their bills. Customers concerned about their ability to pay their energy bill can contact NorthWestern Energy for information about energy assistance programs and to arrange flexible payment options. NorthWestern Energy also helps customers with access to critical government and community assistance funding programs through the Low Income Home Energy Assistance Program (LIHEAP), the Weatherization Assistance program and the Energy Crisis Intervention Program.

**Find more information at
NorthWesternEnergy.com/SDRateReview
or call our customer service number at
800-245-6977.**

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