

Phase-In Rate Filing

Attachment C

Customer Notice

3 Pages



CUSTOMER NOTICE PHASE-IN RATE PLAN ELECTRIC RATE INCREASE

On April 1, 2025, NorthWestern Energy requested approval of an electric rate Phase-In Rate Plan by the South Dakota Public Utilities Commission (SDPUC). NorthWestern Energy's application requested a \$4.58 million increase in South Dakota electric revenues. The increase was requested to begin recovery of the costs to rebuild the Aberdeen Generation Station and costs associated with our study of small modular nuclear generation in South Dakota.

The Aberdeen Generating Unit 1 is obsolete, and replacement generation is needed so that NorthWestern Energy can continue to serve customers reliably and meet the Southwest Power Pool capacity requirements. The estimated cost of the project is \$65.25 million. The 33 megawatt generating unit is projected to be online by the fall of 2026.

NorthWestern Energy is also evaluating the potential use of small modular reactor nuclear generation in South Dakota to meet increasing customer demand for electricity and to secure adequate generation resources as existing resources are nearing the end of their useful life. Study costs included in this request total approximately \$540,285.

A typical residential customer using 750 kilowatt-hours of electricity a month will see an increase of \$2.27 in their monthly bill.

Average Commercial customers will see an increase of \$12.96 in their monthly bill.

Average Industrial customers will see an increase of \$1,448.78 in their monthly bill.

The increase represents a 2.35% increase in total electric bills or 3.22% increase in base electric rates.

NorthWestern Energy requested the phase-in rate plan 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 are the Infrastructure Rider rates for each customer class.

Rate / Kwh	
Residential	\$0.00302
Irrigation	\$0.00292
Commercial	\$0.00311
Commercial & Industrial	\$0.00238
Municipal	\$0.00319
Lighting	\$0.00631
Controlled Off-Peak	\$0.00265

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.