

Phase-In Rate Plan Filing

Attachment C

Bill Insert Notice

2 Pages



NORTHWESTERN ENERGY NOTICE TO SOUTH DAKOTA ELECTRIC CUSTOMERS

PHASE IN RATE PLAN TRUE UP FILING

NorthWestern Energy filed an application with the South Dakota Public Utilities Commission requesting approval to adjust the Phase In Rate Plan approved in July 2025. The filing will true up the Phase In Rate Plan to reflect actual costs associated with electric generation investments that support reliable service for NorthWestern Energy's South Dakota customers.

This adjustment is only being proposed at this time and will not take effect unless approved by the South Dakota Public Utilities Commission.

The Phase In Rate Plan allows customers to begin paying for large, necessary investments over time in rates. The proposed true up would align rates with actual project costs, including:

- Replacement of Aberdeen Generating Station Unit 1, an obsolete unit that must be replaced to maintain reliable service and meet Southwest Power Pool capacity requirements
- Costs related to the Small Modular Nuclear Reactor study, evaluating future generation options to meet increasing demand in South Dakota
- Costs associated with the Aberdeen III Natural Gas Plant, a proposed facility to support long term electric reliability and system flexibility

If approved:

- A typical residential customer using 750 kilowatt hours per month will see an estimated increase of \$5.01 per month under the Phase In Rate Plan adjustment.
- An average commercial customer will see an estimated increase of \$28.38 per month
- An average industrial customer will see an estimated increase of \$2,692.80 per month

NorthWestern Energy's filing will be reviewed by the South Dakota Public Utilities Commission, which will determine whether the proposed adjustment is just and reasonable before taking action.

Customers will have the opportunity to review the filing and participate in the Commission's process. The filing is online at NorthWesternEnergy.com/SDElectricRateAdjustments and available for review in NorthWestern Energy's South Dakota customer walk in offices.

NorthWestern Energy recognizes that changes to energy bills can be challenging for some customers. Customers who may need assistance are encouraged to contact NorthWestern Energy to learn more about:

- Flexible payment arrangements
- Energy assistance programs including the Low Income Home Energy Assistance Program (LIHEAP)
- Community and government assistance resources

For more information, customers may contact NorthWestern Energy Customer Care at (800) 245-6977.