

**SAMPLE FORMS**

**UTILITY SERVICE CONSTRUCTION AGREEMENT**

This Utility Service Construction Agreement (the “*Agreement*”) is made and entered into effective as of \_\_\_\_\_, 20\_\_ by and between NorthWestern Energy (the “*Company*”) and \_\_\_\_\_ (the “*Customer*”). Capitalized terms have the meaning set forth in NorthWestern Energy’s Electric Rate Schedule and the NorthWestern Energy Gas Rate Schedule (collectively the “*Tariffs*” and individually the “*Gas Tariff*” or “*Electric Tariff*”), which sets forth service, installation and contribution rules and regulations established by the South Dakota Public Utilities Commission (the “*Commission*”). The Tariffs are available at <http://www.northwesternenergy.com/account-services/whats-included-in-your-total-bill/tariffs-and-rates/south-dakota-tariffs-and-rates>.

**RECITALS**

WHEREAS, Customer has applied for natural gas or electrical service from the Company; and

WHEREAS, in accordance with the Tariffs, the Company and Customer are entering into this Agreement to clarify the rights and responsibilities of the parties related to the installation of the facilities required to provide service to Customer’s premises;

NOW, THEREFORE, the parties agree as follows:

**AGREEMENT**

**1. SERVICE AND CONTRIBUTION REQUIREMENTS.** Company agrees to install, operate and maintain facilities generally described as \_\_\_\_\_ and specifically described in Quote \_\_\_\_\_, which is incorporated herein by this reference (the “*Quote*”), to serve Customer at \_\_\_\_\_ in accordance with the requirements of the Tariffs. Customer agrees to comply with the terms and conditions of this Agreement and remit to Company the total contribution of \$\_\_\_\_\_, which may include a federal tax surcharge and administrative/engineering fees and is more fully described as follows:

1.1 Service. Customer has requested the following service pursuant to the Tariffs:

**ELECTRICAL**

**NATURAL GAS**

<input type="checkbox"/> Residential (Rate 10)	<input type="checkbox"/> Residential Gas Service (Rate 81)
<input type="checkbox"/> Residential with Space Heating (Rate 11)	<input type="checkbox"/> General Gas Service (Rate 82)
<input type="checkbox"/> Residential Space Heating and Cooling (Rate 14)	<input type="checkbox"/> Commercial and Industrial Firm (Rate 84)
<input type="checkbox"/> Residential Dual-Fuel and Controlled (Rate 15)	<input type="checkbox"/> Commercial & Industrial Interruptible (Rate 85)
<input type="checkbox"/> Interruptible Irrigation (Rate 16)	<input type="checkbox"/> Commercial and Industrial Contract (Rate 86)
<input type="checkbox"/> Irrigation (Rate 17)	<input type="checkbox"/> Gas Transportation Customer (Rate 87)
<input type="checkbox"/> General Service (Rate 21)	
<input type="checkbox"/> Commercial Water Heating (Rate 23)	
<input type="checkbox"/> Commercial Space Heating and Cooling (Rate 24)	
<input type="checkbox"/> All-Inclusive Commercial (Rate 25)	
<input type="checkbox"/> Commercial and Industrial (Rate 33)	
<input type="checkbox"/> Large Commercial and Industrial (Rate 34)	
<input type="checkbox"/> Point to Point Distribution Only (Rate 38)	
<input type="checkbox"/> Controlled Off Peak (Rate 70)	
<input type="checkbox"/> Reddy Guard (Rate 19)	
<input type="checkbox"/> Street and Area Lighting System (Rate 56)	

1.2 Electrical. Company may elect to install overhead or underground facilities to extend service to Customer; provided, however, that the Customer may request underground service pursuant to the Electric Tariff. The parties agree to the following electrical service installation in accordance with the Electrical Tariff:

Underground extension of 0-150500 feet. For underground electric services, Company will install facilities to extend a service line without charge to the extent of 150500 feet of cable along the shortest feasible route from the distribution line to the point of service attachment. C  
C

~~Underground extension of 150-500 feet. For underground electric services requiring more than 150 feet of cable, Customer will make a non-refundable contribution of \$1.00 per foot exceeding the 150 feet.~~ D  
D  
D

Overhead extension of 0-500 feet. For services with overhead extension lengths of 0-500 feet, Company will install facilities to extend a service line without charge along the shortest feasible route from the distribution line to the point of service attachment.

Underground and overhead extensions over 500 feet. For services with primary and/or secondary extension lengths over 500 feet, a contribution in aid of construction ("CIAC") may be required, based on the economics of the service.

Whenever an economic feasibility study is required by this Section 1.2, the Company will take into consideration the total cost of serving the Customer and the expected revenue. If the Company determines the extension of service to the Customer is not economically feasible, the Company may require a CIAC in accordance with Section 1.4 below.

1.3 Natural Gas. The parties agree to the following natural gas service installation in accordance with the Gas Tariff:

Residential – Primary Heating Source. The Company will extend service for the first 150 feet of service pipe without charge to residential customers using natural gas as their primary heating source and for water heating. If the distance is beyond 150 feet, a CIAC may be required upon completion of an economic feasibility study. The distance is \_\_\_\_\_.

Residential – Other Use. For residential customers using natural gas for space heating only, fireplace only, water heating only, natural gas grill only, or any combination other than primary space heating and water heating, as described above, a CIAC may be required upon completion of an economic feasibility study. The distance is \_\_\_\_\_.

Mobile Home. The Company will extend service for the first 50 feet of service pipe without charge to Mobile Home customers using natural gas as their primary heating source and for water heating. If the distance is beyond 50 feet, a CIAC may be required upon completion of an economic feasibility study. The distance is \_\_\_\_\_.

Commercial and Industrial Customers. An economic feasibility study is required. A CIAC may be required upon completion of the study. The distance is \_\_\_\_\_.

Whenever an economic feasibility study is required by this Section 1.3, the Company will take into consideration the total cost of serving the Customer and the expected revenue. If the Company determines the extension of service to the Customer is not economically feasible, the Company may require a CIAC in accordance with Section 1.4 below.

1.4 Contribution in Aid of Construction – Electrical and Natural Gas. In consideration of the Company's agreement to install service, Customer agrees to pay a CIAC in the sum of \$\_\_\_\_\_ for construction of the facilities identified in the Quote. If the value entered is zero, no CIAC was required by the Company.

In all instances where a CIAC is required, Company will subsequently review the three-year average use. If actual volumes vary from projected volumes by 20% or more, Company will charge or credit Customer for the variance, without interest, in projected CIAC.

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**NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY**  
**SIOUX FALLS**  
**SOUTH DAKOTA**

**Section No. 6**  
**Sheet No. 9.2**  
2nd Revised  
**Canceling** 1st Revised **Sheet No. 9.2**

**2. CONDITIONS TO INSTALLATION.**

- 2.1 Payment. Company may require payment of a Customer contribution or the CIAC prior to scheduling a construction start date. Company must receive contribution or the CIAC (if prior payment is required) and satisfactory evidence of required permits and right-of-way authority prior to ordering materials, scheduling crews or starting construction.
- 2.2 Right-of-Way and Access. Company has the right of access to the Customer's premise, including right-of-way, at all reasonable times for the purpose of installing, reading, inspecting, or repairing any service lines, meters, devices and other equipment and facilities used in connection with furnishing of any or all service, including any necessary repairs and maintenance, or for the purpose of removing its property and for all other proper purposes.
- 2.3 Permits. Customer shall provide all required permits from appropriate governmental agencies for the construction work and installation of the Company's facilities and Customer's equipment on Customer's premises and the property of third parties. The Company shall obtain required permits for work in the right-of-way. Copies of all permits must be provided to the Company.
- 2.4 Additional Costs. If Customer requests facilities be installed in frozen, rocky or hard ground, the Customer may be responsible for additional charges for installation. Company will notify the Customer of these charges prior to installation when feasible, and otherwise when encountered during the installation work. If Company requires additional charges prior to installation, and the basis for such extra cost is not encountered during the performance of the work, Company shall refund such charges to Customer.
- 2.5 Storm Water. Customer is solely responsible for compliance with all South Dakota Department of Environment and Natural Resources storm water regulations. All soil disturbing activities deemed necessary by the Company for the installation, operation and maintenance of the facilities must be incorporated by Customer in the Storm Water Pollution Prevention Plan. Customer shall operate and maintain all storm water best management practices at all times.
- 2.6 Underground Facilities. Prior to construction, all customer-owned, rented or leased underground facilities (including but not limited to sprinkler systems, septic systems propane tanks and associated lines, and communication and electric lines) must be properly identified and physically marked by Customer. Company is not responsible for damages resulting from mismarked or unidentified customer facilities. Contact the Company's Construction Department with questions related to appropriately marking Customer-owned facilities.
- 2.7 Customer's Equipment. Customer shall install Customer's facilities in accordance with the Company's "New Service Guide" and "Electric Service Requirements & Guidelines." The location of Customer's meter must be approved by Company prior to the installation of equipment owned by the Customer. Customer shall provide service entrance and termination points as specified by the Company's installation standards in effect at the time construction begins.
- 2.8 Trenching, Backfilling and Meter Set. For underground electric services, Customer shall arrange and pay for required trenching and backfilling, consistent with Company specifications required for installation of the service line. Customer shall provide conduit at the meter base and if required by Company, conduit in the trench. Company will not install a service line in an open trench or in Customer-supplied conduit unless the meter base for service is ready for connection, energization and installation of the meter.

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**Section No. 6  
Sheet No. 9.3  
Sheet No. 9.3**

2nd Revised  
Canceling 1st Revised

2.9 Restoration and Grading. Company will make a reasonable attempt to preserve private roadways and landscaping, but Customer is responsible for final compaction and restoration of private roadways and landscaping, including the removal of excess spoil piles. The Company will not install facilities until the surface has been graded to within six inches of a permanent established elevation. Should changes to grade be made in the future that result in Company's facilities being raised or lowered, Customer is responsible for the costs associated with this change.

**3. GENERAL CONDITIONS.**

3.1 All terms, prices and conditions set forth herein are subject to modification resulting from changes in applicable rules, Tariffs, regulations, ordinances, scope of project, and laws that may be amended or enacted after the date of this Agreement.

3.2 If construction has not commenced within a reasonable period due to any action, omission or failure to act by Customer, the project will be reviewed for any changes in the cost.

3.3 If the facilities required to serve Customer must be relocated or modified at the request of Customer after installation, Customer shall pay the costs of moving Company facilities.

3.4 Company agrees to establish service within a reasonable period of time after Customer's equipment passes inspection by the state and local authorities as required by law. Company will proceed with the survey, design and construction of its facilities in a normal manner using its existing work force (Company employees or contractors) and material supply sources. Installation will be performed during normal working hours and Company may reschedule the work to achieve efficient workload of Company forces. Availability of materials, weather conditions, frozen ground, access, or obtaining permits from governmental agencies or railroads may cause delays beyond the control of Company or Customer.

3.5 If Company is installing lights, the facilities will be placed in a location agreeable to both Customer and Company. Customer is responsible for notifying Company of any outage of Company-owned lights. Company will make repairs and replace defective or damaged facilities within a reasonable time after notice of any outage, but Company does not patrol the system to determine if the lights are in operating condition at all times.

3.6 In the event of a conflict between the terms of this Agreement and the Tariffs, the terms of the Tariffs prevail.

**4. ADDITIONAL CONDITIONS.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed in duplicate as of the day and year first above written.

**NORTHWESTERN ENERGY**

**CUSTOMER**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_