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FAX COVER SHEET

June 21, 2006

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FROM: Bill Taylor

RE: In the Matter of the Merger Between Northwestern Corporation and
BBI Glacier Corp., a Subsidiary of Babcock & Brown Infrastructure
Limited DOCKET NO. GE06-001

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June 21, 2006

William Taylor
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VIA FACSIMILE AND U.S. MAIL
605-773-3809

Public Utilities Commission
Capitol Building, 1st floor
500 East Capitol Avenue
Pierre, SD 57501-5070

Re: In the Matter of the Merger Between Northwestern Corporation and BBI
Glacier Corp., a Subsidiary of Babcock & Brown Infrastructure Limited
DOCKET NO. GE06-001

Dear Public Utilities Commission:

Enclosed herewith is South Dakota Power Company's Petition to Intervene in regard to the above-referenced matter. The original and ten copies will follow in the mail. Please file the fax copy today. Thank you.

Yours sincerely,

WOODS, FULLER, SHULTZ & SMITH P.C.


William Taylor

Enclosures

cc: David A. Gerdes
Brett Koenecke
Thomas J. Knapp
Patrick Corcoran
Pam Bonrud
Michael Garland
Nancy Zajac
Curt Bernhard
Yvonne Taylor

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Northwestern accepted the offer to merge/sell that is the subject of Northwestern's proceedings in this matter. Based on its study of Northwestern, SDPC is uniquely situated to comment on the business, finances and business activities and prospects of Northwestern in South Dakota.

2. Law Supporting Intervention

SDCL 49-1-11(4) permits the Public Utilities Commission to make rules regarding proceedings before the Commission. SDCL 1-26-17.1 permits intervention in administrative proceedings by persons who are not original parties. The administrative rules of the Public Utilities Commission implement those statutes.

ARSD 20:10:01:15.02, permits persons not an original party to a proceeding before the Commission to petition to intervene. ARSD 20:10:01:15.05 provides, in part,

A petition to intervene shall be granted by the commission if the petitioner shows that the petitioner . . . by the outcome of the proceeding . . . will be bound and affected either favorably or adversely with respect to an interest peculiar to the petitioner as distinguished from an interest common to the public or the taxpayers in general . . .

SDPC, a public interest non-profit corporation directed by representatives of municipalities that rely on Northwestern for utility service and other persons interested in public power in South Dakota, is interested in assuring that the scope of Public Utility Commission regulatory authority not be artificially narrowed, in particular to guarantee that actions of the stockholders of an investor owned utility company are appropriately controlled so as to assure that the public interest in safe, stable and reliable electrical

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energy is protected. On those grounds and for those reasons, SDPC asserts that it has standing to be admitted as an intervener in the proceedings on Northwestern Corporation's request for declaratory ruling.

The continued economic viability of Northwestern Corporation and its concomitant ability to provide adequate, efficient and reasonable utility service to the cities it serves is vitally important to SDPC. On those grounds and for those reasons, SDPC asserts that it has standing to be admitted as an intervener in the proceedings on Northwestern Corporation's request for approval of its merger/sale.

3. SDPC's Position on the Merits

SDPC will advocate that the Public Utility Commission has jurisdiction over the proposed merger/sale of Northwestern Corporation to protect adequate, efficient and reasonable public utility service in South Dakota.

SDPC will advocate that the Public Utility Commission must review the proposed merger/sale of Northwestern Corporation to determine if the surviving company can bear the financial burden of the acquisition without adverse impact on public utility service in South Dakota, and to condition approval of the transaction with reasonable assurances that provision of adequate, efficient and reasonable public utility service in South Dakota is protected.

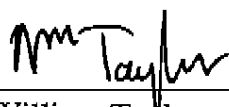
WHEREFORE, SDPC respectfully requests the Commission enter its order

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- A. Setting a schedule for briefing and a date for hearing on this petition to intervene;
- B. Upon hearing, allow SDPC to intervene as a party to the declaratory judgment proceeding;
- C. Setting a schedule for discovery, motions, briefing and trial of the declaratory judgment proceeding;
- D. In the event the Commission declares that it has jurisdiction over the proposed merger and sale of applicant Northwestern Corporation, allowing SDPC to intervene as a party to the proceedings on Northwestern Corporation's petition for approval of the proposed merger and sale; and any other further relief the Commission deems appropriate under the circumstances.

Dated this 21st day of June, 2006.

WOODS, FULLER, SHULTZ & SMITH P.C.

By 
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**Contact Information for
South Dakota Power Company**
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Yvonne Taylor, Secretary
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Presho, SD 57568

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Page 5

CERTIFICATE OF SERVICE

I hereby certify that on the 21st day of June, 2006, I sent by United States mail, postage prepaid, a true and correct copy of the foregoing Petition to Intervene to the following:

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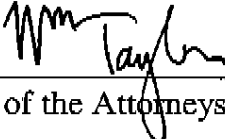
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