

**Docket Number:** NG18-010  
**Subject Matter:** First Data Request  
**Request to:** NorthWestern Corporation dba NorthWestern Energy  
**Request from:** South Dakota Public Utilities Commission Staff  
**Date of Request:** July 13, 2018  
**Responses Due:** July 20, 2018

- 1-1. Provide Exhibit B as an Excel document with formulas attached, such as in NG18-007.

[See attached file "CONFIDENTIAL Dakota Ethanol Rate Calculation DR 1-1.xls"](#)

- 1-2. Provide a revised Project Economics sheet, in the same format as Appendix A – Project Economics from this project's original docket, NG99-004. In addition, please provide as an Excel document.

[See attached file "CONFIDENTIAL Dakota Ethanol Economics Appendix A 2018 DR 1-2.xls"](#)

- 1-3. How are ratepayers adequately protected by this new agreement?

[For the reasons explained in DR4 below, the agreement between Dakota Ethanol and NorthWestern does not provide additional protection for legacy customers.](#)

- 1-4. Why are there no minimum obligations or security provisions?

[NorthWestern incorporates take-or-pay obligations and requires security to mitigate risk to the company and legacy customers in the following instances: \(i\) new large customers with limited payment history or inadequate credit; \(ii\) investment of additional plant to meet customer demand; or \(ii\) customer capacity demand exceeding anticipated usage. In this instance, Dakota Ethanol's payment history has been excellent and its credit risk is low, NorthWestern is not required to make any plant investment as adequate capacity exists on the line, and the customer is currently expanding its facilities and has demonstrated a need for additional capacity. NorthWestern has determined that no minimum annual obligation or security is required in this instance to mitigate risk.](#)

- 1-5. Will there need to be additional investment to increase capacity for the customer?

[The current pipeline has the capacity available to satisfy the customer's request. No additional investment will be needed to serve the customer.](#)

- 1-6. When will construction costs for the contract be fully recovered?

[The plant will be fully depreciated by 2051.](#)