



May 15, 2020

Ms. Patricia Van Gerpen  
South Dakota Public Utilities Commission  
State Capitol Building  
Pierre, SD

Dear Ms. Van Gerpen:

With this letter, NorthWestern Corporation doing business as NorthWestern Energy (“NorthWestern”), is filing with the South Dakota Public Utilities Commission (the “Commission”) revisions to its Natural Gas Tariff. NorthWestern respectfully requests Commission approval of these proposed revisions.

Pursuant to ARSD 20:10:13:36 and ARSD 20:10:13:39 NorthWestern states:

1. The documents submitted with this filing include:
  - The proposed revised tariff schedule, Section 4, 15<sup>th</sup> Revised Sheet No. 2, Summary List of Contracts with Deviations which includes a reference to the Natural Gas Transportation Service Agreement (the “Agreement”) between NorthWestern and Rustic Acres Hutterian Bretheran, Inc. (“Customer”) and the information required by ARSD 20:10:13:09
  - A copy of the executed proposed Agreement, for which confidential treatment has been requested, pursuant to ARSD 20:10:01:41 (see [Exhibit A](#) to this letter)
  - Confidential work papers showing the calculation of the project cost and cost recovery (see [Exhibit B](#) to this letter)
2. The proposed effective date for the tariff revisions is July 1, 2020.
3. The names and addresses of those to whom this filing has been emailed:

Rustic Acres Hutterian Bretheran, Inc.  
45545 242<sup>nd</sup> Street  
Madison, SD 57042-7214  
Attn: Thomas Hofer  
[tom@rahb.us](mailto:tom@rahb.us)
4. Brief description of the tariff changes:



Customer desires to have natural gas service extended to its location. Customer plans to use natural gas for heating and grain drying requirements. NorthWestern will run a gas line approximately 3.5 miles in order to serve this new customer. Based on the cost of the project, NorthWestern requires security for the capital investment cost and a monthly surcharge in order to protect its legacy customers.

The Agreement with the Customer includes recovery of the pipeline project costs over a fifteen year period. Per the Customer's request, the project costs and tariff delivery charges will be recovered through a fixed monthly charge. The fixed monthly charge will recover costs based on a projected annual volume of 25,000 MMBtu. An annual review will be conducted to determine if volumes exceed 25,000 MMBtu. Any volume used over that amount will be billed at tariff rate 87B.

The deviations from tariff requested in this filing include:

- Monthly billing based on a fixed monthly charge.
- Utilization of a review for volumes exceeding annual requirements.
- Requirement of a letter of credit or other security from Customer.
- Termination conditions as set forth in the Agreement.

With the exception of the deviations approved in this filing, Customer will be served under rate 87 tariff and all other conditions of the general terms and conditions.

5. Reasons for the proposed tariff changes:

NorthWestern desires to provide the Customer with natural gas service. The additional protections included in this Agreement provide security for NorthWestern and its legacy customers.

6. Number of customers whose cost of service will be affected and annual changes in cost of service to such customers.

Rustic Acres Hutterian Bretheran, Inc. will be the only customer affected by this filing.

Sincerely,

**Jeff J. Decker**  
*Regulatory Specialist*  
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