



August 20, 2021

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, 16th 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 Crystal Springs Feeds, LLC. (“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 October 1, 2021.
3. The names and addresses of those to whom this filing has been emailed:

Crystal Springs Feeds, LLC
405 Washington Street
Brandt, SD 57218
Attn: Cody Eastman
cody.hidewoodag@gmail.com
4. Brief description of the tariff changes:



- 4.1. Customer desires to have natural gas service extended to its location. Customer plans to use natural gas for heating and grain processing requirements. NorthWestern will run a gas line approximately 1.3 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. 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 18,000 MMBtu. An annual review will be conducted to determine if volumes exceed 18,000 MMBtu. Excess volumes will be billed at tariff rate 87.

The deviations from tariff requested in this filing include:

- Monthly billing based on a fixed monthly charge.
- Review for volumes exceeding annual requirements.
- Required 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.

- 4.2. Included in this filing is the removal of the South Dakota Wheat Growers items 13 – 16 from the contract with deviation listing. The terms of their contract have been fulfilled and they are now served under rate 87.

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.

NorthWestern desires to remove the listing of the South Dakota Wheat Growers customers due to the completion of their contract obligations.

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

Crystal Springs Feeds, LLC. will be the only customer affected by this filing. The South Dakota Wheat Growers accounts were returned to tariff rates upon completion of their contract.

Sincerely,

Jeff J. Decker

Regulatory Specialist

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