



November 17, 2021

Ms. Patricia Van Gerpen
South Dakota Public Utilities Commission
State Capitol Building
Pierre, SD 57501

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, 18th 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 Brightmark Mill Valley RNG 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)
 - Exhibit C showing a diagram of the renewable facility and pipeline.
2. The proposed effective date for the tariff revisions is December 21, 2021.
3. The names and addresses of those to whom this filing has been emailed:

Brightmark Mill Valley RNG LLC
1725 Montgomery St. FL3
San Francisco, CA 94111
Attn: Carly Filler
carly.filler@brightmark.com



4. Brief description of the tariff changes:

Customer intends to build a renewable natural gas facility near Milbank, South Dakota. This facility will be located at a dairy farm and will use the associated by-product to make biomethane. Exhibit C contains a diagram of the proposed facility. In order to market the renewable natural gas produced at this facility, the Customer requires a pipeline to transport the gas to an interconnection point roughly 1 mile South of Milbank. NorthWestern will build approximately 3 miles of pipeline from the Customer's facility to our town border station. Renewable natural gas to be transported on this line must meet quality standards as defined in the Agreement. Renewable natural gas not meeting NorthWestern's quality standards will be rejected, therefore disabled from flowing into our pipeline.

The Agreement includes provisions to recover the pipeline project costs over a fifteen year period. Project costs and tariff delivery charges will be recovered through tariff rate 87 plus a fixed monthly charge of \$6,804. The annual take or pay volume for this agreement is 64,750 MMBtu. An annual review will be conducted to determine if volumes meet the volumetric requirement defined in the Agreement.

The deviations from tariff requested in this filing include:

- A fixed monthly surcharge
- Review for annual take or pay volumes requirements.
- Required letter of credit or other security from Customer
- Natural Gas quality standard requirements
- Termination conditions as set forth in the Agreement

With the exception of the deviations approved in this filing, Customer will be served under the 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/RNG transportation 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.

Brightmark Mill Valley RNG LLC will be the only customer affected by this filing.

Sincerely,

Jeff J. Decker

Regulatory Specialist

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○ 605-353-8315