

SOUTH DAKOTA GAS RATE SCHEDULE

NORTHWESTERN CORPORATION d/d/a NORTHWESTERN ENERGY	Section No. 5
HURON	5th Revised <u>Sheet No. 1a</u>
SOUTH DAKOTA	Canceling 4th Revised <u>Sheet No. 1a</u>

(Continued)

Seasonal Use Customers (Grain Dryers, Asphalt Plants, Municipal Pools etc.) will be charged \$80 for all Customer Connections during normal business hours defined as 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding legal holidays, and \$125.00 for Customer Connections during other than regular business hours. The Customer Connection Charge shall be paid by the Customer receiving utility service from the Company, and is due and payable upon presentation. If a bill is not paid, the Company shall have the right to refuse service.

5. Owner's Consent To Occupy

In case the Customer is not the owner of the premises or of the intervening property between the premises and the Company's lines, the Customer will obtain from the property owner(s) the necessary consent to install and maintain in said premises all such gas equipment as is necessary or convenient for supplying gas to the Customer.

6. Service & Mains

Residential: For services except mobile homes in mobile home parks, the Company will install a service or main extension along the shortest feasible route from the current gas main to the customer's building upon the customer making a non-refundable contribution, if required, based upon the distance from the current gas main to the point of service attachment as follows:

For residential customers using natural gas as their primary heating source and for water heating: ~~the customer will be charged a \$90.00 connection fee~~ the Company will extend service without charge for the first 150 feet of service pipe. Any distance beyond 150 feet may result in the company requiring an Advance for Construction or a Contribution in Aid of Construction based on the consideration of revenues from the project and the cost of the construction as described in the Economic Feasibility section below.

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For residential customers using natural gas for space heating only, fireplace only, water heating only, natural gas grill only, or any combination other than primary space heating and water heating as described above: the Company will consider the total cost of serving the Customer and the expected revenue from the Customer. In this determination, if the project is not economically feasible as described in the Economic Feasibility section below, the Company may require an Advance for Construction or a Contribution in Aid of Construction from the customer to aid in the construction expense to serve the Customer.

(Continued)

SOUTH DAKOTA GAS RATE SCHEDULE

NORTHWESTERN CORPORATION d/d/a NORTHWESTERN ENERGY

Section No. 5

HURON

1st Revised

Sheet No. 1b

SOUTH DAKOTA

Canceling Original

Sheet No. 1b

(Continued)

For services to mobile homes in mobile home parks, ~~a non-refundable contribution of \$75.00 will be made by the customer~~ the Company will extend service without charge for services up to 50 feet of horizontal piping in the mobile home lot. For services over 50 feet, or where the load does not consist of a natural gas furnace and a natural gas water heater, an additional non-refundable contribution may be required as described on sheet 1a, for residential customers.

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Commercial and Industrial Customers: The Company may install natural gas service or main without charge where the Company deems the anticipated revenue from the customer is sufficient to justify the service or main extension. The Company will apply the general principle that the rendering of natural gas service to the applicant shall be economically feasible so that the cost of extending such service will not have an undue burden on other customers. In determining whether the expenditure of natural gas service or main is economically feasible, the Company shall take into consideration the total cost of serving the Customer and the expected revenue from the Customer as described in the Economic Feasibility section below. If the Company determines that the extension of service or main to the Customer is not economically feasible, the Company may require an Advance for Construction or a Contribution in Aid of Construction from the customer or customers to aid expansion. In instances where the project is not paid in advance, the Company may require a Letter of Credit or other Guarantee to secure the cost of the project. Projects that term longer than one year will carry interest at the rate of the allowed rate of return in the Company’s most recent gas cost of service determination.

Economic Feasibility: For determining contributions on facility extensions, annual revenue will be determined by multiplying the projected volumes by the projected tariff delivery rate. The annual revenue will be reduced by the annual projected Operating, Maintenance, Property Tax Expenses. The resulting net margin will be divided by the current allowed rate of return, grossed up for taxes to determine the level of investment the load will support. Any project costs over and above the determined level of investment will be collected from the customer.

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SAMPLE FORMS

NORTHWESTERN CORPORATION d/b/a NORTHWESTERN ENERGY
SIOUX FALLS
SOUTH DAKOTA

Section No. 6
2nd Revised
1st Revised
Sheet No. 9.1
Sheet No. 9.1

1.2 Electrical. Company may elect to install overhead or underground facilities to extend service to Customer; provided, however, that the Customer may request underground service pursuant to the Electric Tariff. The parties agree to the following electrical service installation in accordance with the Electrical Tariff:

____ Underground extension of 0-150 feet. For underground electric services, Company will install facilities to extend a service line without charge to the extent of 150 feet of cable along the shortest feasible route from the distribution line to the point of service attachment.

____ Underground extension of 150-500 feet. For underground electric services requiring more than 150 feet of cable, Customer will make a non-refundable contribution of \$1.00 per foot exceeding the 150 feet.

____ Overhead extension of 0-500 feet. For services with overhead extension lengths of 0-500 feet, Company will install facilities to extend a service line without charge along the shortest feasible route from the distribution line to the point of service attachment.

____ Underground and overhead extensions over 500 feet. For services with primary and/or secondary extension lengths over 500 feet, a contribution in aid of construction ("CIAC") may be required, based on the economics of the service.

Whenever an economic feasibility study is required by this Section 1.2, the Company will take into consideration the total cost of serving the Customer and the expected revenue. If the Company determines the extension of service to the Customer is not economically feasible, the Company may require a CIAC in accordance with Section 1.4 below.

1.3 Natural Gas. The parties agree to the following natural gas service installation in accordance with the Gas Tariff:

____ Residential – Primary Heating Source. ~~The Company will extend service for the first 150 feet of service pipe without charge to Residential customers using natural gas as their primary heating source and for water heating will be charged a \$90 will receive the service extension without charge connection fee for the first 150 feet of service pipe.~~ If the distance is beyond 150 feet, a CIAC may be required upon completion of an economic feasibility study. The distance is _____.

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____ Residential – Other Use. For residential customers using natural gas for space heating only, fireplace only, water heating only, natural gas grill only, or any combination other than primary space heating and water heating, as described above, a CIAC may be required upon completion of an economic feasibility study. The distance is _____.

____ Mobile Home. ~~The Company will extend service for the first 50 feet of service pipe without charge to Mobile Home customers using natural gas as their primary heating source and for water heating will be charged a \$75 will receive the service extension without charge connection fee for the first 50 feet of service pipe.~~ If the distance is beyond 50 feet, a CIAC may be required upon completion of an economic feasibility study. The distance is _____.

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____ Commercial and Industrial Customers. An economic feasibility study is required. A CIAC may be required upon completion of the study. The distance is _____.

Whenever an economic feasibility study is required by this Section 1.3, the Company will take into consideration the total cost of serving the Customer and the expected revenue. If the Company determines the extension of service to the Customer is not economically feasible, the Company may require a CIAC in accordance with Section 1.4 below.

1.4 Contribution in Aid of Construction – Electrical and Natural Gas. In consideration of the Company's agreement to install service, Customer agrees to pay a CIAC in the sum of \$ _____ for construction of the facilities identified in the Quote. If the value entered is zero, no CIAC was required by the Company.

In all instances where a CIAC is required, Company will subsequently review the three-year average use. If actual volumes vary from projected volumes by 20% or more, Company will charge or credit Customer for the variance, without interest, in projected CIAC.

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