BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

ORDER APPROVING
CONTRACT WITH
DEVIATIONS AND
APPROVING TARIFF
REVISIONS
NG23-015

On August 18, 2023, the South Dakota Public Utilities Commission (Commission) received a filing from NorthWestern Corporation dba NorthWestern Energy (NorthWestern) for approval of a contract with deviations with Valley Queen Cheese Factory, Inc. (Customer). The Customer currently receives firm transportation service pursuant to an Amended and Restated Transportation Service Agreement and is expanding its operation and requested additional capacity. The Customer elected to receive that additional capacity via interruptible transportation service, and NorthWestern will upgrade its distribution facilities to mitigate interruption to Customer. NorthWestern states that based on the cost of the project, it requires security for the capital investment cost and a surcharge rate in order to protect its legacy customers. The agreement is 15 years with interruptible transportation service capacity of 131,250 MMBtu for years 1-3 and 175,000 MMBtu for years 4-15, and the Customer must transport its 415,094 MMBtu base use prior to receiving credit towards the interruptible transportation service. An annual review will be conducted to determine if the volume requirement is met. NorthWestern requests an effective date for the tariff revisions of October 1, 2023.

The revised tariff sheet is as follows:

South Dakota Gas Rate Schedule

Section No. 4 21st Revised Sheet No. 2

Canceling 20th Revised Sheet No. 2

On August 24, 2023, the Commission electronically transmitted notice of the filing and the intervention deadline of September 8, 2023, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were filed. On September 14, 2023, NorthWestern filed responses to staff data requests.

The Commission has jurisdiction in this matter pursuant to SDCL Chapter 49-34A, specifically 49-34A-6, 49-34A-8, 49-34A-810, and 49-34A-11.

At its regular meeting on September 22, 2023, the Commission considered this matter. Commission staff recommended approval. Customer supported the recommendation. Finding that NorthWestern's request for approval of a contract with deviations with Customer and the associated tariff sheet is just and reasonable, the Commission voted unanimously to grant NorthWestern's request for approval of a contract with deviations and to approve the associated tariff sheet with an effective date of October 1, 2023. It is therefore

ORDERED, that NorthWestern's request seeking approval of a contract with deviations

with Customer is hereby granted with an effective date of October 1, 2023. It is further

ORDERED, that the revisions of the above-referenced tariff sheet to reflect the contract with deviations with Customer are hereby approved, effective October 1, 2023.

Dated at Pierre, South Dakota, this 26th day of September 2023.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically as by mail?

lectronically or by mail.

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(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

KRISTIE FIEGEN, Chairberson

GARY HANSON Commissioner

CHRIS NELSON, Commissioner