



September 20, 2023

Ms. Patricia Van Gerpen
South Dakota Public Utilities Commission
State Capitol Building, 1st Floor
500 E. Capitol Ave.
Pierre, SD 57501

via eFiling

Re: *Request for Approval of a Contract with Deviations with Brightmark Full Circle RNG LLC*

Ms. Van Gerpen:

With this letter, NorthWestern Corporation d/b/a 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 No. 4, 10th Revised Sheet No. 3, Summary List of Contracts with Deviations, which includes a reference to the Transportation Service Agreement dated August 18, 2023 (the “Agreement”) between NorthWestern and Brightmark Full Circle RNG LLC (“Customer”) and the information required by ARSD 20:10:13:09.
- A copy of the executed proposed Agreement, for which confidential treatment is being requested, pursuant to ARSD 20:10:01:41.
- Exhibit A: Request for Confidential Treatment.
- Exhibit B: Confidential work papers showing the calculation of the project cost and cost recovery.

2. *The proposed effective date is November 1, 2023.*

3. *The names and addresses of those to whom this filing has been emailed:*

Brightmark Full Circle RNG LLC
1725 Montgomery Street FL 3
San Francisco, CA 94111
Attn: Ryan Berger
ryan.berger@brightmark.com



4. *Brief description of the proposed tariff changes:*

This Agreement is the second transportation arrangement associated with Customer's renewable natural gas ("RNG") production facility located at 28101 452nd Avenue, Hurley, South Dakota, 57036. The Commission previously approved a Transportation Service Agreement (the "RNG TSA") dated August 25, 2021, in docket NG21-008. The RNG TSA addresses cost recovery of a new NorthWestern pipeline and related facilities that will be developed to transport biomethane produced at Customer's RNG facility. This Agreement addresses the cost recovery of a separate distribution line required by Customer to provide natural gas to activate the RNG production process.

A map of the infrastructure is illustrated on page 10 of the Agreement. The blue line depicts the pipeline to transport the RNG coming from the dairy. The green line depicts the distribution line to be installed to transport gas to Customer's facility under this Agreement.

This Agreement includes provisions to secure project costs and guarantee delivery volumes to support the project recovery over a 15-year period. Project costs and tariff delivery charges will be recovered through Tariff Rate No. 87. The annual take-or-pay volume for the Agreement is 45,623 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:

- Volumetric surcharge to recover costs
- Annual take-or-pay volume requirements
- Required letter of credit or other security from Customer
- Termination conditions as set forth in the Agreement

Except for the deviations described above, Customer will be served under Tariff Rate No. 87, 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 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 Full Circle RNG LLC will be the only customer affected by this filing.



Sincerely,

Jeff J. Decker

Regulatory Specialist

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