

# **Settlement Stipulation**

## **Exhibit 3**

### **Bill Insert Notice**

**3 Pages**



# CUSTOMER NOTICE NATURAL GAS RATE INCREASE

Recently, the South Dakota Public Utilities Commission (SDPUC) approved NorthWestern Energy's first natural gas base rate increase since 2011. NorthWestern's rates have remained the same for thirteen years.

On June 21, 2024, NorthWestern Energy requested a regulatory review by the SDPUC of natural gas rates. NorthWestern Energy's application requested a 9.1 % total bill increase or a 30.0% *base rate increase*, which reflects a requested increase of \$6 million in South Dakota natural gas revenues.

The SDPUC approved NorthWestern Energy's settlement agreement with SDPUC Staff, authorizing a rate increase of \$4.6 million, which is a 7.0% total bill increase or a 23.5% *increase in base rates*. This increase is effective Dec. 19, 2024.

A typical residential customer using an average of 100 therms of natural gas a month will see an increase of \$6.47 in their monthly bill.

Current base rates have been in effect for thirteen years. Since that time, NorthWestern Energy has invested \$82.1 million in our South Dakota natural gas infrastructure to continue our commitment to providing reliable, sustainable energy service at the most affordable rates possible to our South Dakota customers.

NorthWestern Energy requested the regulatory rate review to ensure that our customers will continue to be served by a financially sound company with access to low-cost capital to continue efficient investments that ensure reliable, safe energy service for customers.

Below is a sample of new rates, based on average use by customer class.

### RESIDENTIAL CUSTOMERS

Monthly Usage (therms)	Monthly Natural Gas Bill under Prior Rates	Monthly Natural Gas Bill under New Rates	Amount of Increase	Percentage Increase
10	\$19.32	\$21.82	\$2.50	13.0%
50	\$60.42	\$64.78	\$4.36	7.2%
100	\$106.58	\$113.05	\$6.47	6.1%
200	\$198.90	\$209.59	\$10.69	5.4%
300	\$291.21	\$306.13	\$14.92	5.1%
500	\$475.85	\$499.21	\$23.36	4.9%

### SOUTH DAKOTA RESIDENTIAL BASE RATE COMPARISON

	Prior Rate	New Rate
<b>Customer Charge</b>	\$8.00	\$10.00
<b>First 30 therms</b>	\$0.3788	\$0.3941
<b>More than 30 therms</b>	\$0.1700	\$0.1770

### SOUTH DAKOTA SMALL COMMERCIAL BASE RATE COMPARISON

	Prior Rate	New Rate
<b>Customer Charge</b>	\$10.00	\$12.00
<b>First 400 therms</b>	\$0.1728	\$0.1956
<b>Next 1,600 therms</b>	\$0.1100	\$0.1239
<b>More than 2,000 therms</b>	\$0.0865	\$0.0978

### OTHER SOUTH DAKOTA RATES BASE RATE COMPARISON

<b>Rates 84 &amp; 85 A</b>	Prior Rate	New Rate
Customer Charge	\$100	\$120
All therms	\$0.0662	\$0.0832
<b>Rates 84 &amp; 84 B</b>		
Customer Charge	\$300	\$320
All therms	\$0.0335	\$0.0438
<b>Rate 86 A</b>		
Customer Charge	\$150	\$150
All therms	\$0.0662	\$0.0832
<b>Rate 86 B</b>		
Customer Charge	\$350	\$370
All therms	\$0.0335	\$0.0438
<b>Rate 87 A</b>		
Customer Charge	\$150	\$150
All therms	\$0.0662	\$0.0832
<b>Rate 87 B</b>		
Customer Charge	\$350	\$370
All therms	\$0.0335	\$0.0438



We recognize that our rate request will impact our customers during a period when other prices are also increasing. NorthWestern Energy is committed to helping customers who may be struggling with their bills. Customers concerned about their ability to pay their energy bill can contact NorthWestern Energy for information about energy assistance programs and to arrange flexible payment options. NorthWestern Energy also helps customers with access to critical government and community assistance funding programs through the Low Income Home Energy Assistance Program (LIHEAP), the Weatherization Assistance program and the Energy Crisis Intervention Program.

**Find more information at  
[NorthWesternEnergy.com/SDRateReview](https://www.northwesternenergy.com/SDRateReview)  
or call our customer service number at  
800-245-6977.**

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