



July 11, 2024

Ms. Patricia Van Gerpen  
South Dakota Public Utilities Commission  
State Capitol Building, 1<sup>st</sup> Floor  
500 E. Capitol Avenue  
Pierre, SD 57501

via eFiling

Re: *Request for Approval of an Amended and Restated Contract with Deviations with L.G. Everist, Incorporated.*

Ms. Van Gerpen:

With this letter, NorthWestern Energy Public Service 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, 11th Revised Sheet No. 3, Summary List of Contracts with Deviations, which includes a reference to the Amended and Restated Natural Gas Service Agreement (the “Agreement”) between NorthWestern and L.G. Everist, Incorporated (“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 (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).

2. *The proposed effective date is September 1, 2024.*

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

L.G. Everist, Incorporated  
350 South Main Avenue, Suite 400  
Sioux Falls, SD 57104  
Attn: Lance Pollman  
[ldpollman@lgeverist.com](mailto:ldpollman@lgeverist.com)

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

In November 2022, NorthWestern and Ace Ready Mix Inc. entered into a Natural Gas Service Agreement that the Commission approved in NG22-010. That agreement stemmed from Ace



Ready Mix, Inc. relocating its concrete operations to a new facility near Harrisburg, South Dakota. Ace Ready Mix Inc. is a subsidiary of L.G. Everist, Incorporated.

Myrl and Roy's Paving, Inc., another subsidiary of L.G. Everist, Incorporated, is developing an asphalt facility on the same property as the Ace Ready Mix Inc. concrete plant, and asked NorthWestern to expand service to the new asphalt facility. This expansion is addressed in the Agreement. Since Ace Ready Mix, Inc. and Myrl and Roy's Paving, Inc. are subsidiaries of L.G. Everist, Incorporated, the parties agreed to update the "Customer" in the Agreement to the parent corporation.

In order to serve the asphalt facility, NorthWestern must install additional infrastructure, which includes approximately 0.18 miles of pipe and a meter. The map shown in Exhibit A on page 9 of the agreement illustrates the additional pipe infrastructure.

The project costs and tariff delivery charges will be recovered through tariff rates and a fixed surcharge rate for the volume of gas transported to the facilities. The Customer's annual obligation of 53,500 MMBtu includes the concrete facility and the asphalt facility, and replaces the 3,500 MMBtu in the original agreement. The Agreement includes a 15-year term. Annual reviews will be conducted to determine if the volume obligation is satisfied.

The deviations from tariff requested in this filing include:

- A fixed surcharge rate;
- Annual take-or-pay volume requirements;
- Requirement of a letter of credit or other security from Customer; and
- Termination conditions as set forth in the Agreement.

Except for the deviations described above, Customer will be served under tariff rates 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 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:*

L.G. Everist, Incorporated and its subsidiaries Ace Ready Mix, Inc. and Myrl and Roy's Paving, Inc. will be the only customers affected by this filing.

Sincerely,

**Jeff J. Decker**

*Regulatory Specialist*

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