BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILING BY) PUBLIC NORTHWESTERN ENERGY) SERVICE CORPORATION DBA) NORTHWESTERN ENERGY FOR APPROVAL) OF A CONTRACT WITH DEVIATIONS WITH CLARK RNG LLC) ORDER APPROVING CONTRACT WITH DEVIATIONS AND APPROVING TARIFF REVISIONS

NG24-011

On October 4, 2024, the South Dakota Public Utilities Commission (Commission) received a filing from NorthWestern Energy Public Service Corporation dba NorthWestern Energy (NorthWestern) for approval of a contract with deviations with Clark RNG, LLC (Customer). Customer intends to build a renewable natural gas (RNG) production facility in Clark County and deliver RNG produced from this facility to NorthWestern for the purpose of transportation to the Northern Natural Gas Company (NNG) pipeline system. Customer desires to have NorthWestern install a natural gas pipeline that is approximately 1.82 miles in length to transport the RNG to an NNG tap. NorthWestern states that based on the cost of the project, it requires a surcharge rate, take or pay volumes, pass-through of NNG costs and NNG tariff requirements, termination conditions, and a security for the capital investment cost in order to protect its legacy customers. NorthWestern has also included natural gas quality standards the Customer must achieve to have gas transported in the pipeline. The contract includes recovery of the pipeline project costs over a 15-year period. Project costs and tariff delivery charges will be recovered through Tariff Rate No. 87 and a surcharge rate. An annual review will be conducted to determine if volumes have met the volumetric requirement defined in the agreement.

On October 10, 2024, the Commission electronically transmitted notice of the filing and the intervention deadline of October 25, 2024, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were filed. The revised tariff sheet is as follows:

South Dakota Gas Rate Schedule

Section No. 4 2nd Revised Sheet No.4

Cancelling 1st Revised Sheet No.4

The Commission has jurisdiction over this matter pursuant to SDCL 49-34A, specifically 49-34A-6, 49-34A-8, 49-38A-8.3, 49-34A-10, and 49-34A-11.

At its regular meeting on November 7, 2024, the Commission considered this matter. Commission Staff recommended approval. 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 December 1, 2024. It is therefore

ORDERED, that NorthWestern's request seeking approval of a contract with deviations is hereby granted with an effective date of December 1, 2024. It is further

ORDERED, that the revisions of the above-referenced tariff sheet to reflect the contract with deviations are approved, effective December 1, 2024.

Dated at Pierre, South Dakota, this <u>Str</u> day of November 2024. CERTIFICATE OF SERVICE BY ORDER OF THE COMMISSION:

atil

this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.

The undersigned hereby certifies that

By Date:

KRISTIE FIEGEN, Chairperson

GARY HANSON, Commissioner

CHRIS NELSON, Commissioner