NorthWestern Energy
Delivering a Bright Future

September 17, 2026

Ms. Leah Mohr, Executive Director
South Dakota Public Utilities Commission
State Capitol Building
Pierre, SD, 57501

Re: Gas Transportation Tariff Change - Fuel Retention Percentage

Dear Ms. Mohr:

Enclosed is 31st Revised Sheet No. 6.2 of Section No. 5 of NorthWestern's filed South Dakota Gas Rate Schedule. This filing is made to comply with the fuel retention provisions of Paragraph 7 of the Gas Transportation Tariff General Terms and Conditions. Those provisions call for the retention percentage for NorthWestern's South Dakota distribution system to be adjusted annually, to be effective November 1, and based on the actual percentage incurred for the prior 12-month period ending July 31.

Exhibit A, attached, shows the computation of the total percentage incurred by NorthWestern for the 12-month period ending July 31, 2026. The new fuel retention percentage for customers other than large-volume customers, proposed to be effective November 1, 2026 is 1.48%, as shown in Exhibit B. The retention percentage currently effective is 0.84%. The retention percentages effective October 1, 2023 and 2024 were 1.71% and 1.14%, respectively.

This filing also contains an updated fuel rate for large-volume customers with daily average use greater than 30,000 therms. These customers are primarily direct-connect customers whose gas systems are not subject to the normal losses of a distribution system. There are currently three customers that are served under this rate. The proposed rate is 0.45% compared to last year's rate of 0.25%.

NorthWestern requests approval for an effective date of November 1, 2026.

Sincerely,

Jeff J. Decker
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