

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING BY)	ORDER APPROVING
NORTHWESTERN CORPORATION D/B/A)	CONTRACT WITH
NORTHWESTERN ENERGY FOR APPROVAL)	DEVIATIONS
OF A CONTRACT WITH DEVIATIONS WITH)	
REDFIELD ETHANOL PLANT)	EL06-021

On July 14, 2006, the Public Utilities Commission (Commission) received a filing by NorthWestern Corporation d/b/a NorthWestern Energy (NWE) requesting approval of a Contract with Deviations with Redfield Ethanol Plant (Redfield Ethanol). The proposed contract would offer a discount from Rate 34. NWE is proposing to serve Redfield Ethanol pursuant to SDCL 49-34A-56 which is being considered by the Commission in Docket EL06-016. NWE filed the following tariff sheet for Commission approval:

Section No. 4, 2nd Revised Sheet No. 1, Canceling 1st Revised Sheet No. 1

On October 5, 2006, at an Ad Hoc meeting, the Commission considered the request for approval of the Contract with Deviations. Commission Staff recommended approval, conditioned upon NWE providing a report to the Commission of all costs of constructing the pipeline extension upon completion and that the Commission finds that this approval does not pre-determine a Commission decision at the time of future rate case proceedings regarding rate treatment concerning possible cost recovery shortfalls resulting from rates approved in this docket.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34A, specifically, 49-34A-6, 49-34A-8, 49-34A-8.3, 49-34A-10, and 49-34A-11. Further, the Commission finds that NWE's request for approval of a Contract with Deviations and associated tariff revision is just and reasonable and shall be approved for service rendered on and after September 1, 2006, conditioned upon NWE providing a report to the Commission of all costs of constructing the pipeline extension upon completion and that the Commission finds that this approval does not pre-determine a Commission decision at the time of future rate case proceedings regarding rate treatment concerning possible cost recovery shortfalls resulting from rates approved in this docket. As the Commission's final decision in this matter, it is therefore

ORDERED, that the request seeking approval of a Contract with Deviations is in the public interest and is hereby granted, conditioned upon NWE providing a report to the Commission of all costs of constructing the pipeline extension upon completion and that the Commission finds that this approval does not pre-determine a Commission decision at the time of future rate case proceedings regarding rate treatment concerning possible cost recovery shortfalls resulting from rates approved in this docket; and it is further

ORDERED, that the request seeking approval of a Contract with Deviations is in the public interest and is hereby granted; and it is further

ORDERED, that the above-mentioned tariff is approved and is effective for service rendered on and after September 1, 2006.

Dated at Pierre, South Dakota, this 17th day of October, 2006.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: Helaine Koelbo

Date: 10/17/06

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Dustin M. Johnson
DUSTIN M. JOHNSON, Commissioner *dk*

Gary Hanson
GARY HANSON, Commissioner