BEFORE THE PUBLIC SERVICE COMMISSION OF NEBRASKA

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In The Matter of Northwestern Energy Public Service Corporation d/b/a NorthWestern Energy, Seeking Approval of a Natural Gas Rate Increase. Application No. NG-122

NOTICE OF SETTLEMENT

NorthWestern Energy Public Service Corporation d/b/a NorthWestern Energy ("NorthWestern"), by and through its attorneys of record, hereby respectfully submits this Notice of Settlement to the Nebraska Public Service Commission (the "Commission").

Pursuant to NEB. REV. STAT. § 66-1838(13), NorthWestern, the village of Alda, and the cities of Grand Island, Kearney, and North Platte, (collectively "the Parties") with this Notice of Settlement submit the written Settlement Agreement ("Agreement"), the negotiated Tariff Changes (<u>Attachment A</u>), the negotiated Depreciation Rates (<u>CONFIDENTIAL Attachment B</u>), Proposed Findings of Fact and Conclusions of Law (<u>Attachment C</u>), and a Proposed Order (<u>Attachment D</u>). Because NEB. REV. STAT. § 66-1838(14) mandates that the Agreement shall be presumed in the public interest, and because no clear evidence on the face of the Agreement demonstrates that the Agreement is contrary to the standards and provisions of the State Natural Gas Regulation Act, the Parties respectfully request that the Agreement be approved by the Commission within a reasonable time.

Dated this 28th day of April 2025.

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION D/B/A NORTHWESTERN ENERGY

- By: REMBOLT LUDTKE LLP 3 Landmark Centre 1128 Lincoln Mall, Suite 300 Lincoln, NE 68508 (402) 475-5100
- By: <u>/s/ Andrew S. Pollock</u> Andrew S. Pollock (#19872) apollock@remboltlawfirm.com

CITY OF ALDA

- By: SMITH, JOHNSON, ALLEN, CONNICK & HANSON 104 N Wheeler Avenue Grand Island, NE 68801 (308) 382-1930
- By: <u>/s/ Jarrd Krejci</u> Jared Krejci jkrejci@gilawfirm.com

CITY OF GRAND ISLAND

- By: CITY OF GRAND ISLAND 100 East First Street Grand Island, NE 68802 (308) 385-5420
- By: <u>/s/ Kari Fisk</u> Kari Fisk karif@grand-island.com

CITY OF NORTH PLATTE

- By: BROUILLETTE LAW OFFICE 810 S. Dewey North Platte, NE 69101 (308) 532-1600
- By: <u>/s/ William Troshynski</u> William Troshynski bill@wneblaw.com

CITY OF KEARNEY

- By: TYE & ROWLING P.C., LLO 1419 Central Avenue Kearney, NE 68847 (308) 237-3155 mjt@tyelaw.com
- By: <u>/s/ Michael J. Tye</u> Michael J. Tye

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of this *Notice of Settlement* was sent via electronic mail, on this 28th day of April 2025, addressed as shown below, to the following:

Public Service Commission psc.naturalgas@nebraska.gov

Chris Dibbern Chrisdibbern33@gmail.com

Staci Urbom WoodRiver Energy Stacci.urbom@woodriverenergy.com

Jonathan R. Brandt Anderson, Klein, Brewster and Brandt jonbrandt@kleinbrewster.com

Kari Fisk City of Grand Island City Attorney karif@grand-island.com

Michael J. Tye Tye & Rowling, PC. LLO <u>mjt@tyelaw.com</u> Nichole Mulcahy Public Service Commission nichole.mulcahy@nebraska.gov

Don Krattenmaker WoodRiver Energy don.krattenmaker@woodriverenergy.com

Alex Goldberg Eversheds Sutherland (US) LLP <u>alexgoldberg@eversheds-sutherland.com</u>

Jared Krejci Smith, Johnson, Allen, Connick & Hansen jkrejci@gilawfirm.com

William Troshynski Brouillette Law Office <u>bill@wneblaw.com</u>

<u>/s/ Andrew S. Pollock</u> Andrew S. Pollock

4918-1066-5509, v. 3

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into between NorthWestern Energy Public Service Corporation, doing business as NorthWestern Energy, a Delaware corporation ("NorthWestern"), and the City of Grand Island, Nebraska, the City of Kearney, Nebraska, the City of North Platte, Nebraska, and the Village of Alda, Nebraska (collectively, the "Cities).

WHEREAS, NorthWestern and the Cities last negotiated a natural gas rate adjustment in 2007 pursuant to the State Natural Gas Regulation Act, NEB. REV. STAT. §§ 66-1801 – 66-1868 ("Act");

WHEREAS, on June 6, 2024, NorthWestern filed an Application for a Natural Gas Rate Increase ("Application") with the Nebraska Public Service Commission ("Commission");

WHEREAS, the Commission assigned the Application docket No. NG-122 ("NG-122");

WHEREAS, in its Application and based on a test year ending December 31, 2023, NorthWestern requested an annual rate recovery increase of approximately \$3,561,279 for an overall increase of 5.94%, equating to a proposed increase of 7.44% for its residential customers and 3.66% for its commercial accounts;

WHEREAS, pursuant to NEB. REV. STAT. § 66-1838(2), NorthWestern provided requisite notice to the Cities simultaneously with the filing of its Application;

WHEREAS, Section 66-1838 of the Act authorizes jurisdictional utilities such as NorthWestern to negotiate directly with affected municipalities with respect to a proposed general rate change provided, among other things, municipalities representing more than fifty percent (50%) of the ratepayers within the affected municipalities adopt resolutions evidencing their intent to negotiate with the jurisdictional utility;

WHEREAS, on July 9, 2024, the Village of Alda adopted a resolution to negotiate directly with NorthWestern as permitted by NEB. REV. STAT. § 66-1838;

WHEREAS, on July 16, 2024, the City of North Platte adopted a resolution to negotiate directly with NorthWestern as permitted by NEB. REV. STAT. § 66-1838;

WHEREAS, on July 23, 2024, the City of Grand Island adopted a resolution to negotiate directly with NorthWestern as permitted by NEB. REV. STAT. § 66-1838;

WHEREAS, on July 23, 2024, the City of Kearney adopted a resolution to negotiate directly with NorthWestern as permitted by NEB. REV. STAT. § 66-1838;

WHEREAS, the Village of Alda, the City of North Platte, the City of Grand Island, and the City of Kearney, combined represent more than fifty (50%) of NorthWestern's ratepayers in Nebraska;

WHEREAS, on August 6, 2024, the Commission entered an Order Certifying Case for Negotiations in NG-122;

WHEREAS, pursuant to NEB. REV. STAT. § 66-1838, NorthWestern and the Cities entered into good faith negotiations regarding NorthWestern's Application;

WHEREAS, the Cities retained the consulting services of Kennedy & Associates to advise and otherwise assist the Cities and their respective city attorneys with reviewing and analyzing NorthWestern's Application;

WHEREAS, after notifying the Cities and Commission, NorthWestern implemented interim natural gas rates in Nebraska on October 1, 2024, consistent with NEB. REV. STAT. § 66-1838(10)(a);

WHEREAS, the parties stipulated to five extensions of time to complete negotiations, which were filed with the Commission;

WHEREAS, the parties exchanged information as part of the discovery process and engaged in settlement discussions which culminated in this Agreement;

WHEREAS, NorthWestern and the Cities have reached agreement upon new natural gas rates for NorthWestern in Nebraska;

WHEREAS, on March 25, 2025, the City of Kearney adopted a resolution, approving the settlement terms set forth herein;

WHEREAS, on April 1, 2025, the Village of Alda adopted a resolution, approving the settlement terms set forth herein;

WHEREAS, on April 1, 2025, the City of North Platte adopted a resolution, approving the settlement terms set forth herein;

WHEREAS, on April 9, 2025, the City of Grand Island adopted a resolution, approving the settlement terms set forth herein; and

WHEREAS, the Agreement's terms and conditions for new natural gas rates for NorthWestern in Nebraska are just and reasonable and are consistent with the public interest.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable considerations exchanged between the parties, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Settlement Terms.

1.1 In order to provide just and reasonable rates for services to the citizens of the Cities and in order to provide an opportunity for NorthWestern to earn a fair rate of return in its natural gas service in the Cities, the parties agree to an annual rate recovery increase of \$2,435,819. This would represent an increase in residential sales service rates of \$1,818,846, and an increase in other sales and delivery services of \$616,973 ("Settled Rates") effective as of July 1, 2025. On an annual basis and would yield a rate of return on common equity of 9.55%.

1.2 The Cities and NorthWestern agree to certain Tariff Changes, which are attached hereto as <u>Attachment A</u> and incorporated herein by this reference.

1.3 The Cities and NorthWestern agree to certain Depreciation Rates, which are set forth in <u>Attachment B</u>. The parties separately submitted <u>Attachment B</u> as CONFIDENTIAL pursuant to the Protective Order entered in NG-122.

1.4 Based on the particular desires and approvals of each of the Cities, the parties agree that NorthWestern will contribute \$228,000.00 to the economic development funds of the Cities in the following amounts: (a) \$0.00 annually to an economic development fund for the benefit of the Village of Alda; (b) \$109,000.00 annually to an economic development fund for the benefit of the City of Grand Island; (c) \$61,000.00 annually to an economic development fund for the benefit of the benefit of the City of Kearney; and \$58,000.00 annually to an economic development fund for the benefit of the benefit of the City of the City of North Platte. The parties agree that NorthWestern's contributions to the economic development funds for the benefit of the foregoing cities will be recovered by NorthWestern by a customer surcharge as reflected in the Tariff Changes in <u>Attachment A</u>. The Public Advocate has reviewed <u>Attachment A</u> and has represented to the Parties that she has no objection to the Tariff Changes, subject to the provisions of Section 1.7 below.

1.5 The parties shall jointly file this Agreement with the Commission and recommend its approval by the Commission in its entirety without condition or modification. Should any term of this Agreement be rejected by the Commission, this Agreement shall be voidable at the option of any of the parties.

1.6 The parties shall jointly file *Proposed Findings of Fact and Conclusions of Law* with the Commission pursuant NEB. REV. STAT. § 66-1838(13) in form and content identical to that of <u>Attachment C</u>.

1.7 The parties shall jointly file the *Proposed Commission Order* with the Commission pursuant NEB. REV. STAT. § 66-1838(13) in form and content identical to that of <u>Attachment D</u>. The Public Advocate has reviewed <u>Attachment D</u> and has represented to the Parties that she and has no objection to its form or content.

1.8 NorthWestern will, at its option, file and implement rates, effective July 1, 2025, that reflect the terms of this Agreement.

1.9 This Agreement resolves all issues regarding the Application.

2. General Provisions.

2.1 Representations and Warranties.

a. Each party hereby represents and warrants to the other parties that: (i) it has full power and authority to execute, deliver and perform this Agreement; and (ii) this Agreement has been executed and delivered on behalf of such party by its duly authorized agent and constitutes the valid and binding obligation of such party enforceable in accordance with its terms.

b. Each party hereby represents and warrants to the other parties that the execution, delivery and performance of this Agreement and the consummation by it of the obligations contemplated hereby will not result in a violation of its certificate of incorporation or by-laws, or any law, rule, regulation, order, judgment or decree applicable to it or by which any of its properties or assets is bound or affected.

c. Each party warrants that it is represented by competent counsel with respect to this Agreement and all matters covered by it; that it has read and understood all aspects of this Agreement and all its effects; that it has been fully advised by said counsel with respect to its rights and obligations and with respect to the execution of this Agreement; and that it authorizes and directs its attorneys to execute such papers and to take such other action as is necessary and appropriate to effectuate the terms of this Agreement.

d. The individuals signing on behalf of each party represent to the other parties that they are fully authorized to sign and enter into this Agreement on behalf of the entity or entities for which they are signing, that they are legally competent to execute this Agreement, and that they do so of their own free will and accord and without reliance on any representation of any kind or character not expressly set forth herein. Each such individual further acknowledges that he or she understands that the other parties are signing this Agreement and agreeing hereto based upon the truth of the foregoing representations, and that otherwise the other parties would not sign or enter into this Agreement or take any action based upon this Agreement.

2.2 This Agreement is a compromise and settlement of the issues related to the Application and is a product of arms-length negotiations and the drafting of both parties.

2.3 No party, nor any third-party, may cite or otherwise rely upon this Agreement as precedent in any future general rate proceedings in Nebraska.

2.4 No waiver of this Agreement or of any of the promises, obligations, terms, or conditions hereof shall be valid unless it is written and signed by the party against whom the waiver is to be enforced.

2.5 This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors, assigns, and affiliates.

2.6 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Nebraska.

This Agreement may be executed in one or more counterparts, 2.7 each of which shall be considered an original, and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized representatives as of the following date:

April 22, 2025

NORTHWESTERN CORPORATION

VILLAGE OF ALDA

ail

CITY OF GRAND ISLAND

CITY OF KEARNEY

By: ____ Its: _____

CITY OF NORTH PLATTE

By: ______ Its: ______

2.3 No party, nor any third-party, may cite or otherwise rely upon this Agreement as precedent in any future general rate proceedings in Nebraska.

2.4 No waiver of this Agreement or of any of the promises, obligations, terms, or conditions hereof shall be valid unless it is written and signed by the party against whom the waiver is to be enforced.

This Agreement shall be binding upon and shall inure to the 2.5 benefit of the parties, their successors, assigns, and affiliates.

2.6 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Nebraska.

2.7 This Agreement may be executed in one or more counterparts, each of which shall be considered an original, and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized representatives as of the following date:

April 22, 2025

NORTHWESTERN CORPORATION

Its: _____ By: _

CITY OF GRAND ISLAND

By: ____

VILLAGE OF ALDA By: Its: / alma

CITY OF KEARNEY

11	s		

Its:_____ By: ____

CITY OF NORTH PLATTE

By: ___ Its:_____

2.3 No party, nor any third-party, may cite or otherwise rely upon this Agreement as precedent in any future general rate proceedings in Nebraska.

2.4 No waiver of this Agreement or of any of the promises, obligations, terms, or conditions hereof shall be valid unless it is written and signed by the party against whom the waiver is to be enforced.

2.5 This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors, assigns, and affiliates.

2.6 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Nebraska.

2.7This Agreement may be executed in one or more counterparts. each of which shall be considered an original, and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized representatives as of the following date:

April 22, 2025

NORTHWESTERN CORPORATION

VILLAGE OF ALDA

By: ___ Its:

CITY OF GRAND ISLAND

By: Roger Stule

CITY OF KEARNEY

CITY OF NORTH PLATTE

By: ____ Its:

No party, nor any third-party, may cite or otherwise rely upon this 2.3 Agreement as precedent in any future general rate proceedings in Nebraska.

2.4 No waiver of this Agreement or of any of the promises, obligations, terms, or conditions hereof shall be valid unless it is written and signed by the party against whom the waiver is to be enforced.

2.5 This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors, assigns, and affiliates.

2.6 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Nebraska.

2.7 This Agreement may be executed in one or more counterparts, each of which shall be considered an original, and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized representatives as of the following date:

April 22, 2025

NORTHWESTERN CORPORATION

VILLAGE OF ALDA

By: ______ Its: ______

CITY OF GRAND ISLAND

Its:_____ By: ___

CITY OF NORTH PLATTE

By: ______ Its: ______

Its: By: ___

CITY OF KEARNEY By: Br The /like

2.3 No party, nor any third-party, may cite or otherwise rely upon this Agreement as precedent in any future general rate proceedings in Nebraska.

2.4 No waiver of this Agreement or of any of the promises, obligations, terms, or conditions hereof shall be valid unless it is written and signed by the party against whom the waiver is to be enforced.

2.5 This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors, assigns, and affiliates.

2.6 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Nebraska.

2.7 This Agreement may be executed in one or more counterparts, each of which shall be considered an original, and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized representatives as of the following date:

April 22, 2025

NORTHWESTERN CORPORATION

VILLAGE OF ALDA

By: _______Its:

CITY OF GRAND ISLAND

CITY OF KEARNEY

By: ______ Its: _____

CITY OF NORTH PLATTE

By: <u>Mayor</u>

ATTACHMENT A

TARIFF CHANGES

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

		ī	anceling	2nd Revised 1st Revised	Section No. Sheet No Sheet No	1
-	SS OF SERVICE: E DESIGNATION:	Residential Gas Servio Firm Sales	0		Rate No. <u>91</u>	
1.	more than 200 therms	to domestic customers who s per day. The nameplate i ustomer's maximum requir	nput ratings o	of all gas burning e	equipment shall	
2.	Territory The area served with	natural gas by the Compan	y in Nebrask	a.		
3.	Rates					
	Monthly Charges:					
	Customer Cha	r ge per Meter:			\$ 10.00	
		nodity Charge:				
		First 30 therms, per the	rm		\$ 0.30645	
		Over 30 therms, per the			\$ 0.11500	
	Standby Capac	ity Charge - December thr			\$ 12.00	
	• -	Economic Development S	-		\$ 0.00461	
	Minimum Monthly B	<u>ill:</u>			\$ 10.00	
	Adjustment Clauses:					

a. Purchased Gas Cost Adjustment Clause shall apply. (Sheet Nos. 7, 7.1)

b. BTU Adjustment Clause shall apply. (Sheet Nos. 8, 8.1)

4. Other Provisions

The Standby Charge is applicable to customers using service pursuant to this schedule as a backup fuel source to an alternately fueled heating system. This charge is not applicable where natural gas service is the primary heating fuel source.

Service will be furnished under the Company's General Terms and Conditions.

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

			Canceling	2nd Revised 1st Revised	Section No. 3 Sheet No. 2 Sheet No. 2
	SS OF SERVICE: TE DESIGNATION:	General Gas Service Firm Sales	e		Rate No. <u>92</u>
1.	are not more than 200	to non-residential custor) therms per day. If no h s burning equipment sha	nistorical peak d	ay usage is availab	ole, the nameplat
2.	Territory The area served with	natural gas by the Comp	oany in Nebrask	a.	
3.	Rates Monthly Charges: Customer Char Non-Gas Com	nodity Charge:			\$ 11.00
		First 400 therms, per Next 1,600 therms, p Over 2,000 therms, p	er therm		\$ 0.16018 \$ 0.07643 \$ 0.04483
		<i>ity Charge - December</i> <i>Economic Development</i>	through March:		\$ 37.00 \$ 0.00461
	Minimum Monthly B	<u>ill:</u>			\$ 11.00
		d Gas Cost Adjustment (ustment Clause shall ap			7.1)
4.	backup fuel source to	is applicable to customer an alternately fueled he the primary heating fuel	ating system. T	*	
	G · · · · · · · · · · · ·				

Service will be furnished under the Company's General Terms and Conditions.

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

				and Dowigod	Section No. 3
			Canceling	3rd Revised 2nd Revised	Sheet No3 Sheet No3
	SS OF SERVICE: DESIGNATION: Applicability	Commercial and Ir Firm Sales	ndustrial		Rate No. <u>94</u>
	This rate is available	for firm gas volumes, to terruptible gas in excess			ners who may also
2.	Territory The area served with	natural gas by the Com	pany in Nebrask	a.	
3.	Rates Monthly Charges: Customer Char	r ge per Meter:			\$ 100.00
		modity Charge:			• • • • • • • • • • • • • • • • • •
		se, per therm <i>Economic Developmen</i>	t Surcharge		\$ 0.07683 \$ 0.00461
	Minimum Monthly B	ill - Amount for therms	of demand bille	ed and the custome	er charge

Adjustment Clauses:

- a. Purchased Gas Cost Adjustment Clause shall apply. (Sheet Nos. 7, 7.1)
- b. BTU Adjustment Clause shall apply. (Sheet Nos. 8, 8.1)

4. **Penalty Provision**

If the customer takes unauthorized gas during the periods of curtailment, a penalty of \$3.00 per therm shall be paid to the Company in addition to the commodity rate specified herein. In addition, the new daily use may then become the daily firm demand in place of the previous demand determined by the customer and cannot be reduced by the customer for a period of twelve months.

5. Other Provisions

Service will be furnished under the Company's General Terms and Conditions and the following provisions:

1. Daily firm demand shall be assigned by the Company based on 1) a 24 hour cold day read or 2) if a 24 hour cold day read is not available, the daily average of the customer's highest usage month, or 3) in the instance of a customer new to the system, the firm demand will be established based on an agreed upon connected load between the Company and the customer, and will be updated with items 1) or 2) as the information becomes available.

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

			Section No. 3
		2nd Revised	Sheet No4
	Canceling	1st Revised	_Sheet No. 4
CLASS OF SERVICE: Commercial and Industrial	– Interruptible	Rate	Nos. <u>93 & 95</u>
		Irrigatio	n Service - 93
		Standar	d Service - 95

1. Applicability

Gas service under this rate schedule is available on an interruptible basis to any customer for commercial and industrial or irrigation purposes, provided that the customer's premises are adjacent to the Company's mains and that the capacity of the Company's system and the supply of gas available to it from its supplier is in excess of the requirements of its existing customers.

2. Territory

The area served with natural gas by the Company in Nebraska.

3. Rates

Monthly Charges:	
Customer Charge per Meter:	
Irrigation Service – 93	\$ 0.00
Standard Service – 95	\$ 100.00
Non-Gas Commodity Charge all use, per therm:	
Irrigation Service – 93	\$ 0.11857
Standard Service - 95	\$ 0.07683
City Approved Economic Development Surcharge	\$ 0.00461
Minimum Monthly Bill:	
Irrigation Service – 93	\$ 0.00

Standard Service – 95 \$ 0.00

Adjustment Clauses:

a. Gas Cost Adjustment Clause shall apply. (Sheet Nos. 7, 7.1)

b. BTU Adjustment Clause shall apply. (Sheet Nos. 8, 8.1)

4. **Procedure For Curtailment Of Service**

Service rendered under this rate schedule shall be subject to curtailment by the Company in accordance with the priority guidelines as established by the Federal Regulatory Commission.

5. Penalty Provision

If Customer fails to comply with Company's request to curtail the use of gas, then all unauthorized gas so used shall be "Penalty Gas" and be paid for by the Customer at a rate based on the maximum penalty charges permitted to be made by the Company's supplier for takes of natural gas, in addition to the regular commodity charge for such gas.

(continued)

Date Filed: June 6, 2024

Effective Date: July 1, 2025 Issued By: Jeffrey Decker, Regulatory Department Phone (605) 353-8315

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

			2nd Revised	Section No. 3 Sheet No. <u>6</u>
		Canceling	1st Revised	Sheet No
CLASS OF SERVICE: Interr	uptible Transporta	tion Service		RATE No. <u>97</u>
<u>APPLICABILITY</u>				
This schedule is available per day and who have made arra supply delivered to a Company t	ngements to have na			
TERRITORY				
The area served with nat	ural gas by the Com	pany in Nebrask	a.	
<u>RATE</u> Customer charge per mo	nth			\$ 150.00
Negotiated Rate Not	to Exceed the Non-	Gas Transportati	on Rate (Rate 94)	\$0.0.07683
	o nomic Developmen , North Platte and G			\$ 21.07
Minimum Charge			Customer (Charge
Adjustment Clauses a. BTU Adjustr	nent Clause shall app	bly (Sheet Nos. 8	8, 8.1).	
OTHER PROVISIONS 1. The customer shall si following:	gn a Transportation	Service Agreem	ent, which shall ir	clude the
	er shall, as directed, o tice by the Company		tinue the use of na	utural gas upon two
b The custome	shall provide and m	aintain suitable	and adequate star	dby facilities and

b. The customer shall provide and maintain suitable and adequate standby facilities and have, at all times, adequate standby fuel to maintain continuous plant operation during periods of curtailment in the delivery of natural gas hereunder;

(continued)

Date Filed: June 6, 2024

Effective Date: July 1, 2025 Issued By: Jeffrey Decker, Regulatory Department Phone (605) 353-8315

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

	Canceling	1st Revised Original	Section No. 3 Sheet No. <u>6.5</u> _Sheet No. <u>6.5</u>
CLASS OF SERVICE: Large Customer Transj	portation Service	RA	ГЕ No. <u>99</u>
APPLICABILITY			
This schedule is available to firm or interrure requirements greater than 500 therms per day and we than the Company's normal pipeline supply (rates of station.	who have made arran	ngements to have	e natural gas other
<u>TERRITORY</u> The area served with natural gas by the Co	mpany in Nebraska.		
<u>RATE</u> <i>Customer charge</i> per month – negotiated r	rate not to exceed*		\$ 350.00
<i>Non-Gas Transportation Rate</i> (Rate 94)* Negotiated Rate Per Therm	n Not to Exceed		\$0.07683
<i>City Approved Economic Development Su</i> (Includes Kearney, North Platte and Grand		,	\$ 21.07
<i>Construction Surcharge</i> – All customers r sufficient to recover all related construction and applicable federal and state taxes, divid	n and capital costs, i	ncluding related	overhead, allowed 1
Minimum Charge	Customer Char		

*In no event shall the demand charge (if applicable), plus the total of the customer charge and the revenue from the transportation rate, be less than the incremental cost of serving each customer in this class.

Adjustment Clauses

- a. BTU Adjustment Clause shall apply (Sheet Nos. 8, 8.1).
- b. Purchased Gas Supply (Firm Supply Customers Only)

(continued)

Date Filed: June 6, 2024

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

		Section No. 4
	2nd Revised	Sheet No2
Canceling	1st Revised	Sheet No. 2
(continued)		

OWNER'S CONSENT TO OCCUPY

In case the Customer is not the owner of the premises or of the intervening property between the premises and the Company's lines, the Customer will obtain from the property owner(s) the necessary consent to install and maintain in said premises all such gas equipment as is necessary or convenient for supplying gas to the Customer.

ACCESS TO PREMISES

The Company has the right to access to the Customer's premises at all reasonable times for the purpose of installing, reading, inspecting, or repairing any meters, devices and other equipment used in connection or disconnection of any or all service equipment, for the purpose of removing its property, and for all other proper purposes. In addition, the Company may require the customer, Landlord or representative (at least the legal age of majority), be present when performing work inside a customer's facility.

Access to the meter is required for the Company to read the meter. If access is not provided, the Company may estimate the billing for up to three consecutive months. The Company will notify the Customer upon each unsuccessful attempt to access the meter. If access has not been provided at the end of the three consecutive month period, the Company may charge a \$20 Special Access Fee, in order to secure an actual read of the meter.

PROTECTION OF COMPANY'S PROPERTY

The Customer will properly protect the Company's property on the Customer's premises from loss or damage and will permit no one who is not an agent of the Company to remove or tamper with the Company's property.

METERING

The service used will be measured by a meter or meters to be furnished and installed by the Company at its own expense and upon the registration of said meters all bills will be calculated. If more than one meter is installed on different classes of service (each class being charged for at different rates) each meter will be considered by itself in calculating the amount of any bill, except as otherwise provided on a specific rate schedule. Meters include all measuring instruments.

BYPASSING OR TAMPERING WITH METERING FACILITIES

Customers shall not interfere in any way with the metering facilities after they have been set in place. In cases where the meter seal is broken or the working parts of the meter have been tampered with or the meter damaged or there is evidence that a bypass has been used, the Utility may render a bill for the current billing period based upon the estimated use, considering past experience under similar conditions and may, in addition thereto, charge for the actual cost of repairing or replacing said meter and connections. An additional fee of \$100 may be charged in instances where a customer has tampered with the meter, including reconnecting service without permission from Company. Service may be discontinued or refused at the premises where such bypassing or tampering has occurred until all such charges are paid. Legal action may also be pursued in the instance of meter tampering.

(continued)

Date Filed: June 6, 2024

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

			Section No. 4
		1st Revised	Sheet No. 3
	Canceling	Original	Sheet No. 3
	(continued)	-	
IBMETERING			

SUBMETERING

Submetering will not be permitted unless it is at the same premises and either the Customer or the Company have compelling reasons for not combining the existing services into one service and one meter. Under no circumstances shall a Customer's fuel piping cross a public street or alley.

MASTER METERING

All buildings, mobile home parks, and trailer courts for which construction was begun after June 13, 1980, shall be metered separately for each residential or commercial unit, with the exception of hospitals, nursing homes, transient hotels and motels, dormitories, campgrounds, other residential facilities of a purely transient nature, central heating or cooling systems, central ventilating systems, central hot water systems, residential multiple occupancy buildings constructed, owned or operated with funds appropriated through the Department of Housing and Urban Development or any other federal or state government agency. Any existing multiple occupancy building receiving master metered service which is substantially remodeled or renovated for continued use as a multiple occupancy building shall be individually metered unless the owner of such building demonstrates that conversion from master metering to individual metering would be impractical, uneconomical, or unfeasible.

MONTHLY BILLS

- Bills for service will be rendered monthly unless otherwise applied. (a)
- Failure to receive a bill in no way exempts Customers from the provisions of these Terms and (b) Conditions.
- The Company will attempt to read a meter at least bi-monthly, and any billings between actual (c) readings or when the Company is unable to read a meter after a reasonable effort has been made will be based upon prior usage, adjusted for weather conditions.
- (d) To the rates herein set forth, the Company may add all or any part of any special charge or special tax now imposed upon the Company by any governmental authority, or any new, special, or additional charge or tax which might be imposed as a result of laws, rules, regulations, or ordinances which may be amended, changed, adopted, or enacted by any governmental authority subsequent to the effective date hereof.

TERMS OF PAYMENT

Bills will be due upon receipt; timely payment may be made up until the 20th day. On the 20th day after billing, an account with an unpaid balance of \$5.00 or more will be considered late and a late payment charge will apply. The late payment charge shall be 1% of the unpaid balance plus a collection charge of \$2.00. Where a Customer is disconnected for nonpayment of a bill, a reconnection charge will be made in accordance with currently effective Company Re-Connection Policy. There will be a charge of \$25.00 for any check or draft submitted to the Company for payment which is dishonored or returned by the financial institution on which it is drawn.

(continued)

Date Filed: June 6, 2024

Effective Date: July 1, 2025 **Issued By: Jeffrey Decker, Regulatory Department** Phone (605) 353-8315

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

			Canceling	2nd Revised 1st Revised	Sh	ion No. 3 eet No. <u>1</u> ieet No. <u>1</u>
-	SS OF SERVICE: E DESIGNATION:	Residential Gas Ser Firm Sales				re No. <u>91</u>
1.	more than 200 therms	to domestic customers v s per day. The nameplat ustomer's maximum req	e input ratings c	of all gas burning e	quipm	nent shall be
2.	Territory					
* •		natural gas by the Comp	oany in Nebrask	a.		
·•	The area served with Rates	natural gas by the Comp	oany in Nebraska	a.		
	The area served with Rates Monthly Charges:		oany in Nebraska	a.	¢	8 0010 00
	The area served with Rates <u>Monthly Charges:</u> <i>Customer Char</i>	rge per Meter:	oany in Nebraska	a.	\$	8.00<u>10.00</u>
	The area served with Rates <u>Monthly Charges:</u> <i>Customer Char</i>	rge per Meter: modity Charge:		a.	·	
	The area served with Rates <u>Monthly Charges:</u> <i>Customer Char</i>	<i>rge</i> per Meter: <i>modity Charge:</i> First 30 therms, per t	herm	a.	\$ ().25283 0.306
	The area served with Rates <u>Monthly Charges:</u> <i>Customer Char</i> <i>Non-Gas Comp</i>	rge per Meter: modity Charge: First 30 therms, per t Over 30 therms, per t	herm		\$ (\$ ().25283 <u>0.30(</u>).09513 <u>0.11</u> 5
	The area served with Rates <u>Monthly Charges:</u> <i>Customer Char Non-Gas Comp</i> <i>Standby Capac</i>	<i>rge</i> per Meter: <i>modity Charge:</i> First 30 therms, per t	herm therm <i>through March</i> :		\$ (\$ (\$).25283 0.300

b. BTU Adjustment Clause shall apply. (Sheet Nos. 8, 8.1)

4. Other Provisions

The Standby Charge is applicable to customers using service pursuant to this schedule as a backup fuel source to an alternately fueled heating system. This charge is not applicable where natural gas service is the primary heating fuel source.

Service will be furnished under the Company's General Terms and Conditions.

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

		Canaoling	2nd Revised	S	ction No. 3 Sheet No. 2
		Canceling	1st Revised	>	heet No. <u>2</u>
SS OF SERVICE: E DESIGNATION:	General Gas Service Firm Sales	2		R	Rate No. <u>92</u>
are not more than 200	to non-residential custon) therms per day. If no h s burning equipment sha	istorical peak d	ay usage is availa	ble, t	he nameplate
Territory The area served with	natural gas by the Comp	any in Nebraska	a.		
·	natural gas by the Comp	any in Nebrask	a.		
The area served with	natural gas by the Comp	any in Nebrask	a.		
The area served with Rates		any in Nebrask	a.	\$	9.00<u>11.0</u>
The area served with Rates Monthly Charges: Customer Char	rge per Meter:	any in Nebrask	a.	\$	9.00<u>11.0</u>
The area served with Rates Monthly Charges:	rge per Meter:		a.		<u>9.0011.0</u> 0.13332 <u>0.16(</u>
The area served with Rates Monthly Charges: Customer Char	rge per Meter: modity Charge:	therm	a.	\$	
The area served with Rates Monthly Charges: Customer Char	rge per Meter: modity Charge: First 400 therms, per	therm er therm	a.	\$ \$	0.13332 0.160
The area served with Rates Monthly Charges: Customer Char Non-Gas Comp	rge per Meter: modity Charge: First 400 therms, per Next 1,600 therms, per Over 2,000 therms, per ity Charge - December t	therm er therm er therm through March:		\$ \$	0.133320.16 0.063430.07
The area served with Rates Monthly Charges: Customer Char Non-Gas Comp	rge per Meter: modity Charge: First 400 therms, per Next 1,600 therms, per Over 2,000 therms, per	therm er therm er therm through March:		\$ \$ \$	0.133320.160 0.063430.070 0.037430.044

Adjustment Clauses:

a. Purchased Gas Cost Adjustment Clause shall apply. (Sheet Nos. 7, 7.1)

b. BTU Adjustment Clause shall apply. (Sheet Nos. 8, 8.1)

4. Other Provisions

The Standby Charge is applicable to customers using service pursuant to this schedule as a backup fuel source to an alternately fueled heating system. This charge is not applicable where natural gas service is the primary heating fuel source.

Service will be furnished under the Company's General Terms and Conditions.

Date Filed: June 6, 2024

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

		Cance	ling	3rd Revised 2nd Revised	SI	tion No. 3 heet No. <u>3</u> heet No. <u>3</u>
0111	SS OF SERVICE:	Commercial and Industrial	l			Rate No. <u>94</u>
RAT 1.	E DESIGNATION: Applicability	Firm Sales				
1.	This rate is available	for firm gas volumes, to comme terruptible gas in excess of firm			mers	who may also
2.	Territory The area served with	natural gas by the Company in I	Nebraska			
3.	Rates					
	Monthly Charges:					
	Customer Cha	<i>rge</i> per Meter:			\$	80.00<u>100.00</u>
	Demand Char	ge:				
	Per t	herm daily firm demand				
			s than 50	therms)		0.24590
		Over 500 therms/day				-0.00000
	Non-Gas Com	modity Charge:				
	All ı	ise, per therm			\$	<u>0.05911</u> 0.07683
	City Approved	Economic Development Surcha	ırge		\$	<u>0.002540.00461</u>

<u>Minimum Monthly Bill</u> - Amount for therms of demand billed and the customer charge <u>Adjustment Clauses:</u>

- a. Purchased Gas Cost Adjustment Clause shall apply. (Sheet Nos. 7, 7.1)
- b. BTU Adjustment Clause shall apply. (Sheet Nos. 8, 8.1)

4. **Penalty Provision**

If the customer takes unauthorized gas during the periods of curtailment, a penalty of \$3.00 per therm shall be paid to the Company in addition to the commodity rate specified herein. In addition, the new daily use may then become the daily firm demand in place of the previous demand determined by the customer and cannot be reduced by the customer for a period of twelve months.

5. Other Provisions

Service will be furnished under the Company's General Terms and Conditions and the following provisions:

1. Daily firm demand shall be assigned by the Company based on 1) a 24 hour cold day read or 2) if a 24 hour cold day read is not available, the daily average of the customer's highest usage month, or 3) in the instance of a customer new to the system, the firm demand will be established based on an agreed upon connected load between the Company and the customer, and will be updated with items 1) or 2) as the information becomes available.

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

		;	Section No. 3
		2nd Revised	_Sheet No. <u>4</u>
Car	ıceling	1st Revised	Sheet No. 4
CLASS OF SERVICE: Commercial and Industrial – In	nterruptible	Rate 1	Nos. <u>93 & 95</u>
		Irrigation	n Service - 93
		Standar	d Service - 95

1. Applicability

Gas service under this rate schedule is available on an interruptible basis to any customer for commercial and industrial or irrigation purposes, provided that the customer's premises are adjacent to the Company's mains and that the capacity of the Company's system and the supply of gas available to it from its supplier is in excess of the requirements of its existing customers.

2. Territory

The area served with natural gas by the Company in Nebraska.

3. Rates

Monthly Charges:	
Customer Charge per Meter:	
Irrigation Service – 93	\$ 0.00
Standard Service – 95	\$ 70.00<u>100.00</u>
Non-Gas Commodity Charge all use, per therm:	
Irrigation Service – 93	\$ <u>0.10574</u> 0.11857
Standard Service - 95	\$ <u>0.059110.07683</u>
City Approved Economic Development Surcharge	\$ 0.00254 <u>0.00461</u>
Minimum Monthly Bill:	
Irrigation Service – 93	\$ 0.00
Standard Service – 95	\$ 70.00<u>100.00</u>

Adjustment Clauses:

a. Gas Cost Adjustment Clause shall apply. (Sheet Nos. 7, 7.1)

b. BTU Adjustment Clause shall apply. (Sheet Nos. 8, 8.1)

4. Procedure For Curtailment Of Service

Service rendered under this rate schedule shall be subject to curtailment by the Company in accordance with the priority guidelines as established by the Federal Regulatory Commission.

5. Penalty Provision

If Customer fails to comply with Company's request to curtail the use of gas, then all unauthorized gas so used shall be "Penalty Gas" and be paid for by the Customer at a rate based on the maximum penalty charges permitted to be made by the Company's supplier for takes of natural gas, in addition to the regular commodity charge for such gas.

(continued)

Date Filed: June 6, 2024

Effective Date: July 1, 2025 Issued By: Jeffrey Decker, Regulatory Department Phone (605) 353-8315

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

		2nd Revised	Section No. 3 Sheet No6
	Canceling	1st Revised	Sheet No6
CLASS OF SERVICE: Interrup	tible Transportation Service		RATE No. <u>97</u>
APPLICABILITY			
This schedule is available t per day and who have made arrang supply delivered to a Company tow			
TERRITORY			
The area served with natura	al gas by the Company in Nebrask	a.	
RATE Customer charge per montl	1		\$ <u>116.90150.00</u>
Negotiated Rate Not to	Exceed the Non-Gas Transportation	ion Rate (Rate 94)	\$0. 05911<u>0.07683</u>
	o mic Development Surcharge<u>(per</u> Jorth Platte and Grand Island. Ale		\$ 0.00254 <u>21.0</u>
Minimum Charge		Customer C	harge
Adjustment Clauses a. BTU Adjustmer	nt Clause shall apply (Sheet Nos. 8	3, 8.1).	
OTHER PROVISIONS 1. The customer shall sign following:	a Transportation Service Agreem	ent, which shall in	clude the
	shall, as directed, curtail or discont e by the Company;	tinue the use of na	tural gas upon two
have, at all time	nall provide and maintain suitable s, adequate standby fuel to mainta ilment in the delivery of natural ga	in continuous plar	•
	(continued)		

Date Filed: June 6, 2024

Effective Date: July 1, 2025 Issued By: Jeffrey Decker, Regulatory Department Phone (605) 353-8315

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

	Canceling	1st Revised Original	Section No. 3 Sheet No. <u>6.5</u> _Sheet No. <u>6.5</u>
CLASS OF SERVICE: Large Customer Transpor	tation Service	RA	ГЕ No. <u>99</u>
APPLICABILITY			
This schedule is available to firm or interrupti requirements greater than 500 therms per day and who than the Company's normal pipeline supply (rates 91, station.	o have made arra	ngements to hav	e natural gas other
<u>TERRITORY</u> The area served with natural gas by the Comp	any in Nebraska		
<u>RATE</u> <i>Customer charge</i> per month – negotiated rate	not to exceed*		\$ 330.00 350.00
Demand Charge Extended Service: (Firm S Per therm daily contract dema	· · · · · · · · · · · · · · · · · · ·		
	ever less than 50	therms)	\$ 0.24590 \$ 0.00000
<i>Non-Gas Transportation Rate</i> (Rate 94)*	L.4.4. E		¢0.050110.07(02
Negotiated Rate Per Therm N			\$ <u>0.05911</u> 0.07683
<i>City Approved Economic Development Surch</i> (Includes Kearney, North Platte and Grand Is	0		\$ 0.00254 <u>21.0</u>

Construction Surcharge – All customers requiring utility construction will be required to pay a surcharge sufficient to recover all related construction and capital costs, including related overhead, allowed return, and applicable federal and state taxes, divided by the contract term divided by projected volumes.

Minimum Charge

Customer Charge + Demand Charge(if applicable)

*In no event shall the demand charge (if applicable), plus the total of the customer charge and the revenue from the transportation rate, be less than the incremental cost of serving each customer in this class.

Adjustment Clauses

- a. BTU Adjustment Clause shall apply (Sheet Nos. 8, 8.1).
- b. Purchased Gas Supply (Firm Supply Customers Only)

(continued)

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

		Section No. 4
	2nd Revised	Sheet No2
Canceling	1st Revised	Sheet No. 2
(continued)		

OWNER'S CONSENT TO OCCUPY

In case the Customer is not the owner of the premises or of the intervening property between the premises and the Company's lines, the Customer will obtain from the property owner(s) the necessary consent to install and maintain in said premises all such gas equipment as is necessary or convenient for supplying gas to the Customer.

ACCESS TO PREMISES

The Company has the right to access to the Customer's premises at all reasonable times for the purpose of installing, reading, inspecting, or repairing any meters, devices and other equipment used in connection or disconnection of any or all service equipment, for the purpose of removing its property, and for all other proper purposes. In addition, the Company may require the customer, Landlord or representative (at least the legal age of majority), be present when performing work inside a customer's facility.

Access to the meter is required for the Company to read the meter. If access is not provided, the Company may estimate the billing for up to three consecutive months. The Company will notify the Customer upon each unsuccessful attempt to access the meter. If access has not been provided at the end of the three consecutive month period, the Company may charge a \$20 Special Access Fee, in order to secure an actual read of the meter.

PROTECTION OF COMPANY'S PROPERTY

The Customer will properly protect the Company's property on the Customer's premises from loss or damage and will permit no one who is not an agent of the Company to remove or tamper with the Company's property.

METERING

The service used will be measured by a meter or meters to be furnished and installed by the Company at its own expense and upon the registration of said meters all bills will be calculated. If more than one meter is installed on different classes of service (each class being charged for at different rates) each meter will be considered by itself in calculating the amount of any bill, except as otherwise provided on a specific rate schedule. Meters include all measuring instruments.

BYPASSING OR TAMPERING WITH METERING FACILITIES

Customers shall not interfere in any way with the metering facilities after they have been set in place. In cases where the meter seal is broken or the working parts of the meter have been tampered with or the meter damaged or there is evidence that a bypass has been used, the Utility may render a bill for the current billing period based upon the estimated use, considering past experience under similar conditions and may, in addition thereto, charge for the actual cost of repairing or replacing said meter and connections. An additional fee of \$100 may be charged in instances where a customer has tampered with the meter, including reconnecting service without permission from Company. Service may be discontinued or refused at the premises where such bypassing or tampering has occurred until all such charges are paid. Legal action may also be pursued in the instance of meter tampering.

(continued)

Date Filed: June 6, 2024

for

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION d/b/a NORTHWESTERN ENERGY

			Section No. 4
		1st Revised	Sheet No. 3
	Canceling	Original	Sheet No. 3
	(continued)	-	
IBMETERING			

SUBMETERING

Submetering will not be permitted unless it is at the same premises and either the Customer or the Company have compelling reasons for not combining the existing services into one service and one meter. Under no circumstances shall a Customer's fuel piping cross a public street or alley.

MASTER METERING

All buildings, mobile home parks, and trailer courts for which construction was begun after June 13, 1980, shall be metered separately for each residential or commercial unit, with the exception of hospitals, nursing homes, transient hotels and motels, dormitories, campgrounds, other residential facilities of a purely transient nature, central heating or cooling systems, central ventilating systems, central hot water systems, residential multiple occupancy buildings constructed, owned or operated with funds appropriated through the Department of Housing and Urban Development or any other federal or state government agency. Any existing multiple occupancy building receiving master metered service which is substantially remodeled or renovated for continued use as a multiple occupancy building shall be individually metered unless the owner of such building demonstrates that conversion from master metering to individual metering would be impractical, uneconomical, or unfeasible.

MONTHLY BILLS

- Bills for service will be rendered monthly unless otherwise applied. (a)
- Failure to receive a bill in no way exempts Customers from the provisions of these Terms and (b) Conditions.
- The Company will attempt to read a meter at least bi-monthly, and any billings between actual (c) readings or when the Company is unable to read a meter after a reasonable effort has been made will be based upon prior usage, adjusted for weather conditions.
- (d) To the rates herein set forth, the Company may add all or any part of any special charge or special tax now imposed upon the Company by any governmental authority, or any new, special, or additional charge or tax which might be imposed as a result of laws, rules, regulations, or ordinances which may be amended, changed, adopted, or enacted by any governmental authority subsequent to the effective date hereof.

TERMS OF PAYMENT

Bills will be due upon receipt; timely payment may be made up until the 20th day. On the 20th day after billing, an account with an unpaid balance of \$5.00 or more will be considered late and a late payment charge will apply. The late payment charge shall be 1% of the unpaid balance plus a collection charge of \$2.00. Where a Customer is disconnected for nonpayment of a bill, a reconnection charge will be made in accordance with currently effective Company Re-Connection Policy. There will be a charge of \$25.00 for any check or draft submitted to the Company for payment which is dishonored or returned by the financial institution on which it is drawn.

(continued)

Date Filed: June 6, 2024

Effective Date: July 1, 2025 **Issued By: Jeffrey Decker, Regulatory Department** Phone (605) 353-8315

CONFIDENTIAL

ATTACHMENT B

DEPRECIATION RATES

The attached Depreciation Rates document is filed as CONFIDENTIAL pursuant to the Protective Order entered in Application No. NG-122.

ATTACHMENT C

PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

NorthWestern Energy Public Service Corporation, doing business as NorthWestern Energy, a Delaware corporation ("NorthWestern"), and the City of Grand Island, Nebraska, the City of Kearney, Nebraska, the City of North Platte, Nebraska, and the Village of Alda, Nebraska (collectively, the "Cities), hereby jointly submit the following proposed findings of fact and conclusions of law pursuant to NEB. REV. STAT. § 66-1838(13):

FINDINGS OF FACT

1. NorthWestern is a Delaware corporation authorized to do business in the state of Nebraska as a jurisdictional utility under a certificate of public convenience issued pursuant to the State Natural Gas Regulation Act, NEB. REV. STAT. §§ 66-1801 – 66-1868 ("Act").

2. NorthWestern maintains and operates natural gas distribution systems in the cities of Grand Island, Kearney, North Platte, and in the Village of Alda, all in the State of Nebraska.

3. NorthWestern and the Cities last negotiated a natural gas rate adjustment in 2007 pursuant to the requirements of the Act.

4. On June 6, 2024, NorthWestern filed an Application for a Natural Gas Rate Increase ("Application") with the Nebraska Public Service Commission ("Commission").

5. In its Application and based on a test year ending June 6, 2024, Northwestern requested an annual rate recovery increase of approximately \$3,561,279 for an overall increase of 5.94%, equating to a proposed increase of 7.44% for its residential customers and 3.66% for its commercial accounts.

6. Pursuant to NEB. REV. STAT. § 66-1838(2), NorthWestern provided requisite notice to the Cities simultaneously with the filing of its Application.

7. On July 9, 2024, the Village of Alda adopted a resolution to negotiate directly with NorthWestern as permitted by NEB. REV. STAT. § 66-1838;

8. On July 16, 2024, the City of North Platte adopted a resolution to negotiate directly with NorthWestern as permitted by NEB. REV. STAT. § 66-1838;

9. On July 23, 2024, the City of Grand Island adopted a resolution to negotiate directly with NorthWestern as permitted by NEB. REV. STAT. § 66-1838;

10. On July 23, 2024, the City of Kearney adopted a resolution to negotiate directly with NorthWestern as permitted by NEB. REV. STAT. § 66-1838;

11. The Village of Alda, the City of North Platte, the City of Grand Island, and the City of Kearney, combined represent more than fifty (50%) of NorthWestern's ratepayers in

Nebraska.

12. On August 6, 2024, the Commission entered an Order Certifying Case for Negotiations.

13. Pursuant to NEB. REV. STAT. § 66-1838, NorthWestern and the Cities entered into good faith negotiations regarding NorthWestern's Application for a general natural gas rate increase.

14. The Cities retained the consulting services of Kennedy & Associates to advise and otherwise assist the Cities and their respective city attorneys with reviewing and analyzing NorthWestern's Application.

15. The parties stipulated to five extensions of time to complete negotiation, which were filed with the Commission.

16. The parties exchanged information as part of the discovery process and engaged in settlement discussions which culminated in a *Settlement Agreement*, ("Agreement"), which the parties jointly filed with the Commission, together with these *Proposed Findings of Fact and Conclusions of Law*.

17. Under the terms of the Agreement, NorthWestern will receive an annual rate recovery increase of \$2,435,819.

18. Under the terms of the Agreement, the parties agreed to certain Tariff changes, which are attached hereto and incorporated herein by this reference.

19. Under the terms of the Agreement, the parties agreed to certain Depreciation Rates, which are attached hereto and incorporated herein by this reference.

20. On March 25, 2025, the City of Kearney adopted a resolution, approving the settlement terms set forth in the Agreement.

21. On April 1, 2025, the Village of Alda adopted a resolution, approving the settlement terms set forth in the Agreement.

22. On April 1, 2025, the City of North Platte adopted a resolution, approving the settlement terms set forth in the Agreement.

23. On April 9, 2025, the City of Grand Island adopted a resolution, approving the settlement terms set forth in the Agreement.

24. The Agreement will result in just and reasonable rates for NorthWestern's customers in the Cities and is in the public interest.

CONCLUSIONS OF LAW

1. NorthWestern has adhered to all statutory requirements of the Act in its Application and in all negotiations and other associated matters.

2. The Agreement will result in just and reasonable rates for NorthWestern's customers in Nebraska.

3. Pursuant to NEB. REV. STAT. § 66-1838(14), the Agreement shall be presumed in the public interest.

4. The Agreement is not contrary to the standards and provisions of the Act.

Respectfully submitted this 28th day of April 2025 by:

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION D/B/A NORTHWESTERN ENERGY

- By: REMBOLT LUDTKE LLP 3 Landmark Centre 1128 Lincoln Mall, Suite 300 Lincoln, NE 68508 (402) 475-5100
- By: <u>/s/ Andrew S. Pollock</u> Andrew S. Pollock (#19872) <u>apollock@remboltlawfirm.com</u>

CITY OF ALDA

- By: SMITH, JOHNSON, ALLEN, CONNICK & HANSON 104 N Wheeler Avenue Grand Island, NE 68801 (308) 382-1930
- By: <u>/s/ Jared Krejci</u> Jared Krejci <u>jkrejci@gilawfirm.com</u>

CITY OF GRAND ISLAND

- By: CITY OF GRAND ISLAND 100 East First Street Grand Island, NE 68802 (308) 385-5420
- By: <u>/s/ Kari Fisk</u> Kari Fisk <u>karif@grand-island.com</u>

CITY OF NORTH PLATTE

- By: BROUILLETTE LAW OFFICE 810 S. Dewey North Platte, NE 69101 (308) 532-1600
- By: <u>/s/ William Troshynski</u> William Troshynski <u>bill@wneblaw.com</u>

CITY OF KEARNEY

- By: TYE & ROWLING P.C., LLO 1419 Central Avenue Kearney, NE 68847 (308) 237-3155
- By: <u>/s/ Michael J. Tye</u> Michael J. Tye <u>mjt@tyelaw.com</u>

4896-4750-6725, v. 3

ATTACHMENT D

PROPOSED ORDER APPROVING SETTLEMENT AGREEMENT

BEFORE THE PUBLIC SERVICE COMMISSION OF NEBRASKA

In the Matter of NorthWestern) Energy Public Service Corporation) d/b/a NorthWestern Energy,) Seeking Approval of a Natural Gas) Rate Increase. Application No. NG-122

PROPOSED ORDER APPROVING SETTLEMENT AGREEMENT

BY THE COMMISSION:

BACKGROUND

On June 6, 2024, NorthWestern Energy Public Service Corporation, doing business as NorthWestern Energy ("NorthWestern") filed its Application for Approval of a Natural Gas Rate Increase (the "Application") in the above-captioned docket, accompanied by other documentation required by the Commission's applicable Rules and Regulations. Simultaneous with the filing of its Application, NorthWestern provided notice of the Application to each city that would be affected by the Application, including the Cities of Grand Island, Kearney, North Platte, and the Village of Alda (the "Cities"). In such notice to the Cities, NorthWestern indicated its desire to negotiate directly with the Cities pursuant to the State Natural Gas Regulation Act ("Act"), NEB. REV. STAT. § 66-1838. Notice of the Application was published on June 11, 2024, in *The Daily Record*, and the 30-day protest and formal intervention period expired on July 11, 2024.

The Commission entered a Protective Order on June 25, 2024.

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On June 24, 2024, the Public Advocate filed a Petition of Formal Intervention. On or about July 11, 2024, WoodRiver Energy, LLC, filed a Petition of Formal Intervention.

In accordance with NEB. REV. STAT. § 66-1838, the Cities each adopted a resolution to negotiate directly with NorthWestern as follows: on July 9, 2024, the Village of Alda; on July 16, 2024, the City of North Platte; and on July 23, 2024, the City of Grand Island and the City of Kearney.

All of the resolutions adopted by the Cities were timely filed with the Commission. The number of NorthWestern ratepayers represented by Grand Island, Kearney, North Platte, and Alda combine to equal more than fifty percent of the ratepayers within the affected Cities. Accordingly, the Commission entered an *Order Certifying Case for Negotiations* on August 6, 2024.

Following certification by the Commission, NorthWestern and the Cities entered into good faith negotiations regarding NorthWestern's Application for a general rate increase. The Cities retained the consulting services of Kennedy & Associates to advise and otherwise assist the Cities and their respective city attorneys with reviewing and analyzing NorthWestern's Application. The parties exchanged information as part of the discovery process and engaged in settlement discussions which culminated in a Settlement Agreement (the "Agreement").

During the negotiation process, the parties entered five stipulations for extensions of time to negotiate, all of which were filed with the Commission. Each of the Cities adopted a resolution approving the settlement terms set forth in the Agreement as follows: on March 25, 2025, the City of Kearney; on April 1, 2025, the Village of Alda; on April 1, 2025, the City of North Platte; and on April 9, 2025, the City of Grand Island.

The parties filed the Agreement with the Commission on April 28, 2025, along with *Proposed Findings of Fact and Conclusions of Law*, and a *Proposed Order* as required by the Act.

After notifying the Cities and Commission, NorthWestern implemented interim natural gas rates in Nebraska on October 1, 2024, consistent with NEB. REV. STAT. § 66-1838(10)(a).

THE APPLICATION

NorthWestern is a Delaware corporation authorized to do business in the state of Nebraska as a jurisdictional utility under a certificate of public convenience issued pursuant to the Act, NEB. REV. STAT. § 66-1853. NorthWestern maintains and operates natural gas distribution systems in the cities of Grand Island, Kearney, and North Platte as well as in the Village of Alda, all in the State of Nebraska. NorthWestern and the Cities last negotiated a natural gas rate adjustment in 2007 pursuant to the requirements of the Act.

In NorthWestern's Application filed on June 6, 2024, NorthWestern requested an additional \$3,561,279 in rate recovery. It explained that this would amount to an overall increase of 5.94%. NorthWestern requested a rate of return on rate base of 7.75% and a return on equity of 10.70%. NorthWestern explained that this equates to a proposed increase of 7.44% for its residential customers and 3.66% for its commercial accounts. NorthWestern further indicated that its capitalization ratios stood at 46.87% debt and 53.13% equity.

In its Application, NorthWestern also provided rationale for its requested rate increase and rate structure. NorthWestern explained that its current rate structure in Nebraska does not allow it to adequately recover its cost of doing business. Since its last rate filing in 2007, the costs associated with natural gas utility operations, and a host of other expenses have increased without any adjustment to NorthWestern's rate recovery mechanisms.

NorthWestern provided all information required under the Commission's Natural Gas and Pipeline Rules and Regulations. NorthWestern provided a description of the base year and test year. It provided a financial summary showing aggregate amounts for rate base, operating expenses, and rate of return for the base year and test year, plus operating revenue calculated using natural gas rates currently in effect and as proposed. NorthWestern also provided rate-base schedules showing the beginning and ending balances for the base year and test year of: utility plan and accumulated depreciation and amortization showing the balances by functional account totals; working capital, showing the manner in which it is calculated; other rate-base components; and allocated rate-base components showing the manner in which the components are calculated. NorthWestern further provided operating expense schedules for the base year and test year and the requisite rate-of-return and cost-of-capital schedules. In addition, it provided the operating revenue schedules required by the Commission's Rules and Regulations. In support of its Application, NorthWestern also filed pre-filed direct testimony and accompanying exhibits. Testimony was provided by Brian Bird, President and Chief Executive Officer of NorthWestern Energy Public Service Corporation, d/b/a NorthWestern Energy regarding company policy; Emilie Ng, Treasure regarding capital structure; Adrien Mckenzie, Return on Equity; Jeff Berzina, Controller – Normalization Adjustments; John Spanos, Depreciation Study; Brad Wenande, Overview of NorthWestern Nebraska Natural Gas System; and Jeff Decker, Lead Regulatory Specialist regarding weather normalization and class cost of service.

SETTLEMENT AGREEMENT

The Act specifically provides authority for and contemplates that NorthWestern and the affected Cities would negotiate an agreement on rates. The Act further provides that "[i]f cities representing more than fifty percent of the ratepayers within the cities affected by the proposed rate change enter into an agreement upon new rates and such agreement is filed with and approved by the commission, such rates shall be effective and binding upon all of the jurisdictional utility's ratepayers affected by the rate filing." NEB. REV. STAT. § 66-1838(13).

On April 28, 2025, NorthWestern and the Cities jointly filed their Settlement Agreement ("Agreement") pursuant to the Protective Order entered in this proceeding on June 25, 2024. Pursuant to the Agreement, in order to provide just and reasonable rates for services to the citizens of the Cities and in order to provide an opportunity for NorthWestern to earn a fair rate of return in its natural gas service in the Cities, the parties agreed to an annual rate recovery increase of \$2,435,819. This would represent an increase in residential sales service rates of \$1,818,846 and an increase in other sales and delivery services of \$616,973, effective as of July 1, 2025, on an annual basis.

Pursuant to NEB. REV. STAT. § 66-1838(13), the parties also agreed upon and filed *Proposed Findings of Fact and Conclusions of Law* with the Commission that reflect the terms of their Agreement. The parties agreed that the Agreement resolved all issues regarding the Application and each party recommended approval of the Agreement in its entirety and without condition or modification.

Economic Development Fund

The Nebraska Public Advocate along with the Cities have expressed their recognition of the importance of transparency in the economic development fund established through a surcharge on NorthWestern ratepayers' bills. The Cities and NorthWestern agreed to implementation of a surcharge, as they have done in at least their last two settlement agreements. The Public Advocate and Cities have also expressed the importance of long-term affordability, reliability, and sustainability of natural gas services for Nebraska ratepayers.

In an effort to minimize the uncertainty and the legal costs and risks of ambiguity and to establish a framework going forward, the economic development surcharge will not be automatically included in any future rate case unless the Nebraska Legislature authorizes it or the Commission inserts it into any future rate case as an authorized expense. For purposes of the present rate case, the surcharge imposed for economic development funding for this rate case per the settlement has been authorized by the Cities. Further, for the present case, the public advocate does not object to the surcharge set forth in the Agreement. The surcharge should be allowed as part of the Agreement.

The Cities and NorthWestern are encouraged to seek input from stakeholders throughout the natural gas economic development process.

DISCUSSION

When negotiations between a jurisdictional utility seeking a natural gas rate change and the affected cities reach resolution, the agreement is to be reduced to writing and filed with the Commission in accordance with the Act. NEB. REV. STAT. § 66-1838(13). "Any agreement filed with the commission shall be presumed in the public interest, and absent any clear evidence on the face of the agreement that it is contrary to the standards and provisions of the State Natural Gas Regulation Act, the agreement shall be approved by the commission within a reasonable time." NEB. REV. STAT. § 66-1838(14). As it did in 2007, the Commission recognizes the Legislature established this high standard of review in 2003, requiring great deference to settlements between jurisdictional utilities and cities.

[The Commission's consultants, ______, have reviewed and analyzed the Application and the Agreement. Based upon such review and analysis as well as that of the Commission and its staff, the Commission concludes that the Agreement is just and reasonable, is consistent with the standards and provisions of the Act and is consistent with the public interest.]

The Commission's approval of the Agreement shall not be construed to establish precedent on the issues relating to the economic development surcharge.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Agreement is approved.

MADE AND ENTERED at Lincoln, Nebraska, this ____ day of _____, 2025.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman:

ATTEST:

Executive Director