

ELECTRIC TARIFF



Original  
Canceling

Sheet No. 11.1  
Sheet No.

Schedule No. RSGTOUD-1

RESIDENTIAL SMART GRID TIME-OF-USE DEMONSTRATION

APPLICABILITY: Applicable to Customers receiving service under Schedule No. REDS-1, Residential Electric Delivery Service, except Customers receiving electric supply through a contract with a Competitive Supplier, who volunteer and are selected to participate in the utility's Smart Grid Time-Of-Use Demonstration located in Helena, Montana.

PURPOSE: The purpose of this Tariff is to allow the utility to apply a Time-Of-Use Credit to Customer bills when applicable.

RATES: Except as otherwise provided for in this Tariff, the rates, application of rates and special terms and conditions included in Schedule No. REDS-1 apply.

TIME-OF-USE RATES:

Where ES is the current residential electric supply rate:

Off-Peak Period Rate (\$/kWh) = ES x 0.5

Off-Peak Period Hours: 12am to 7am, January through December  
(applies to all days)

Middle Period Rate (\$/kWh) = ES x 0.8

Middle Period Hours: 7am to 8am, 11am to 1pm, 11pm to 12am - January through December  
(applies to all days) 8am to 11am, 8pm to 11pm - April through September  
1pm to 6pm - January through March and October through December

On-Peak Period Rate (\$/kWh) = ES x 1.5

On-Peak Period Hours: All hours that are not Off-Peak Period Hours or Middle Period Hours

DETERMINATION OF TIME-OF-USE CREDIT: The Time-Of-Use Credit is the Customer bill determined under Schedule No. REDS-1 minus what the Customer bill would have been had Time-Of-Use Rates applied. The Time-Of-Use Credit cannot be negative.

DETERMINATION OF NET BILL: The Net Bill is determined as follows:

(Bill Determined Under Schedule No. REDS-1) - (Time-Of-Use Credit) = Net Bill

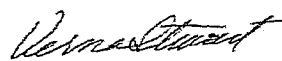
In instances where the Time-Of-Use Credit would have otherwise been equal to or less than zero (i.e., the bill determined under Schedule No. REDS-1 is equal to or less than the bill determined using Time-Of-Use Rates), the Time-Of-Use Credit is zero. Therefore, in no case can the bill be greater than what it would have been as determined under Schedule No. REDS-1.

(continued)

Commission Approved: March 20, 2012  
Docket No.: D2012.1.14  
Tariff Letter No. 222-E

Effective for service rendered on or after  
March 26, 2011

PUBLIC SERVICE COMMISSION

 Secretary

ELECTRIC TARIFF

NorthWestern  
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Sheet No. 11.2  
Sheet No.

Schedule No. RSGTOUD-1

RESIDENTIAL SMART GRID TIME-OF-USE DEMONSTRATION

SPECIAL TERMS AND CONDITIONS:

1. Definitions

- A. Smart Grid Time-Of-Use Demonstration: A limited scope demonstration aimed at testing the effectiveness of technologies designed to improve the efficiency of the Utility's electric distribution system and the effectiveness with which participating Customers consume electric energy.
- B. Time-Of-Use Credit: The amount to be subtracted from Customer bills determined under Schedule No. REDS-1 to compute the Net Bill.
- C. Time-Of-Use Rates: Illustrative rates determined by the Utility as part of the Smart Grid Time-Of-Use Demonstration. Such rates, which vary by time-of-day and change each month based on electricity supply rate changes, are made available to the Customer, at minimum, through a home display provided by the Utility as part of the Smart Grid Time-Of-Use Demonstration.
- D. Net Bill: The Customer bill determined under Schedule No: REDS-1 less any applicable Time-Of-Use Credit.

2. Termination of Service Under This Tariff: Customers may request termination of service under this Tariff at anytime.

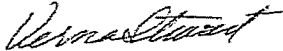
3. Term During Which Tariff Is In Effect: Unless otherwise ordered by the Public Service Commission of Montana, this Tariff is in effect through the earlier of August 1, 2014 or the completion of the Residential Smart Grid Time-Of-Use Demonstration.

SERVICE AND RATES SUBJECT TO COMMISSION JURISDICTION: All rates and service conditions under this Rate Schedule are governed by the rules and regulations of the Public Service Commission of Montana and are subject to revision as the Commission may duly authorize in the exercise of its jurisdiction.

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