



2022

SOUTH DAKOTA
NEBRASKA
AT A GLANCE
JUNE

NorthWestern[®]
Energy
Delivering a Bright Future

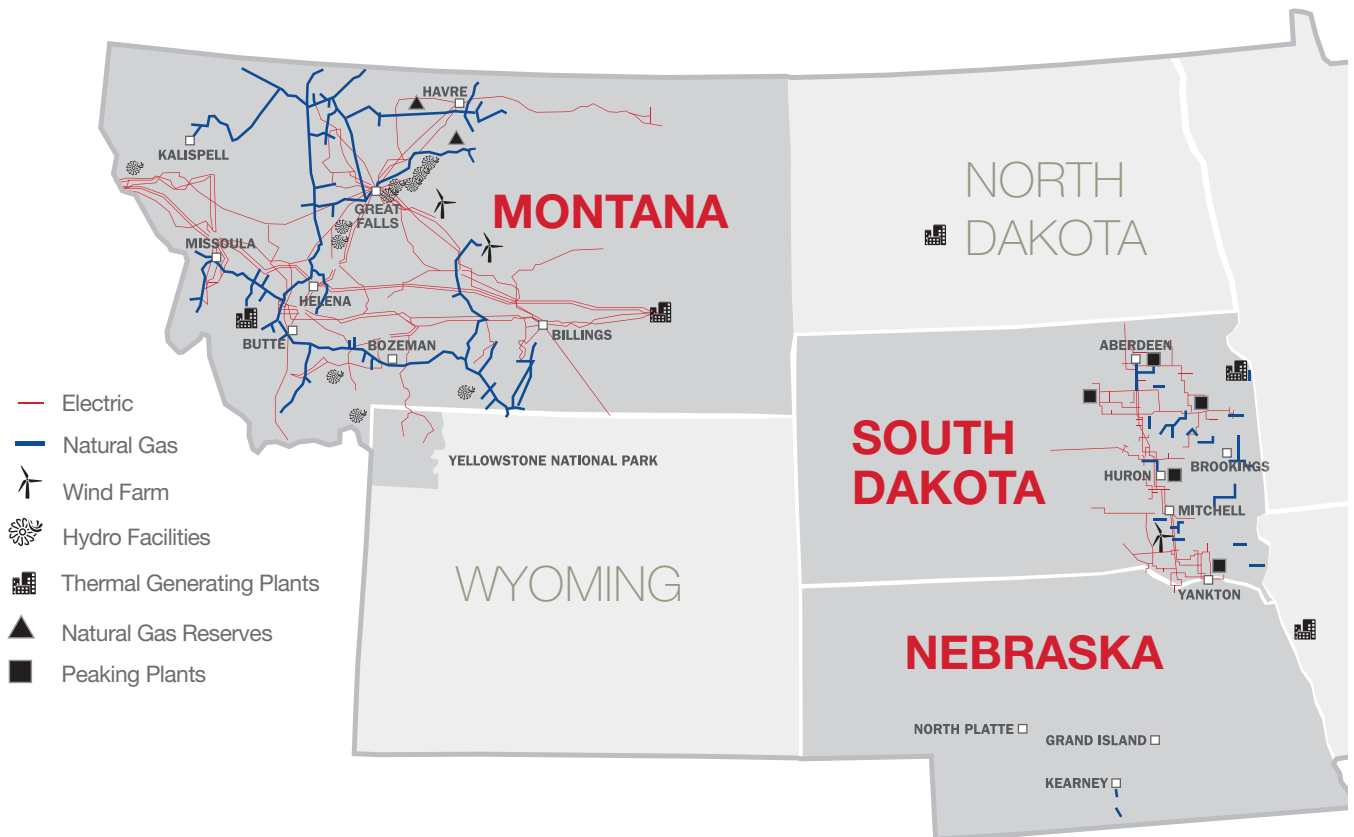
INTRODUCTION

NorthWestern Energy is a major, regional provider of electricity, natural gas and related services to approximately 753,600 customers in Montana, South Dakota and Nebraska. Our electric system has more than 28,624 miles of transmission and distribution lines and associated facilities serving 318 communities and surrounding rural areas in Montana and eastern South Dakota. Our natural gas system includes approximately 9,686 miles of transmission 183 communities and surrounding rural areas in Montana, South Dakota and central Nebraska. NorthWestern Energy has approximately 1,483 full-time employees.

The South Dakota and Nebraska energy operations, provide electric and natural gas distribution services to approximately 64,200 electric customers and 91,400 natural gas customers in the eastern half of South Dakota and in four Nebraska communities.

NorthWestern Energy is dedicated to providing safe, reliable and cost-effective energy and services to all of its residential, commercial and industrial customers.

OUR SERVICE TERRITORY



PROGRAMS & SERVICES

Listed below is a summary of NorthWestern's programs and services.

- Retail electric and natural gas distribution, transmission and supply services.
- Wholesale electric services.
- Business retention, business expansion and business creation through Economic Development resources.
- Online customer services including account access, service requests and bill payment.



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Energy

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SYSTEM FACTS

SOUTH DAKOTA AND NEBRASKA OPERATIONS ¹

South Dakota Electric and Gas Operations Area	Electric services to 25 counties in eastern South Dakota with a combined population of 231,548 (2020 census). Natural Gas services to 20 counties in South Dakota with a combined population of 104,421 and 3 counties in Nebraska with a combined population of 97,571 (2020 census).		
Nebraska Gas Operations	Four cities in southcentral Nebraska		
Number of Employees	Approximately 296 employees in South Dakota and Nebraska		
Number of Customers and Types¹	Total	Residential	Commercial & Industrial
Electric	64,018	50,805	13,213
Natural Gas South Dakota	48,080	41,079	7,001
Natural Gas Nebraska	42,636	37,603	5,033
Major South Dakota & Nebraska Cities Served:	Cities	Electric Service	Natural Gas Service
NorthWestern Serves 141 communities in South Dakota and four communities in Nebraska. In addition to the cities listed here, we also serve in South Dakota. Please consult NorthWestern Energy to determine if we serve your location.	Aberdeen, SD	YES	YES
	Brookings, SD	NO	YES
	Huron, SD	YES	YES
	Mitchell, SD	YES	YES
	Yankton, SD	YES	NO
	Alda, NE	NO	YES
	Grand Island, NE	NO	YES
	Kearney, NE	NO	YES
	North Platte, NE	NO	YES

Electric and Natural Gas Retail Rates: South Dakota – Pricing for electric and natural gas retail services are established by tariffs filed with and approved by the South Dakota Public Utilities Commission. South Dakota has regulated natural gas and electric services. The commodity supply portion of the bill for natural gas and the fuel and purchased power portion of the electric bill is subject to monthly tracker cost adjustments. **Nebraska** – Pricing for natural gas retail services are established by tariffs filed with and approved by the Nebraska Public Service Commission. The supply portion of the bill for natural gas is subject to twice yearly fuel cost adjustments and is shown separately from the delivery charge. NorthWestern Energy's electric and natural gas tariff rates and an electric rate comparer with other utilities in the U.S. is available online at www.northwesternenergy.com.

ELECTRIC OPERATIONS - SOUTH DAKOTA

Service Area Size	25 counties in eastern South Dakota
Peak & Average Load	Peak demand was approximately 344 MWs, the average daily load was approximately 200 MWs, and 1.68 million megawatt hours were supplied to customers during 2021.
Generation & Supply	Own 395 MWs of capacity electric generation jointly with unaffiliated parties; composed of 210 MWs from three coal-burning baseload plants, 80 MWs from utility-owned natural gas plant, 80 MWs from a wind farm and 25 MWs from various natural gas and fuel oil peaking units. South Dakota has a voluntary renewable and recycled energy 40% of South Dakota's retail needs originated from renewable resources.
Distribution and Transmission Miles	2,320 miles distribution, 1,308 transmission and 120 substations
Transmission Interconnections	Transmission system has interconnections with the transmission facilities of Otter Tail Power Company, Montana Dakota Utilities Company, Xcel Energy Inc., and WAPA. We have emergency interconnections with the transmission facilities of East River Electric Cooperative, Inc., and West Central Electric Cooperative. We are a transmission owning member of SPP (Southwest Power Pool) for our South Dakota transmission operations.
Transmission Service	Transmission service is provided under the Southwest Power Pool (SPP) Open Access Transmission Tariff, available online at www.spp.org .

NATURAL GAS OPERATIONS - SOUTH DAKOTA & NEBRASKA

Service Area Size	We provide natural gas to approximately 48,600 customers in 62 eastern South Dakota communities and 42,800 customers in four Nebraska communities.
Annual Deliveries	For year-end 2021, our supply deliveries (retail and transport) were approximately 27.5 Bcf for South Dakota and 3.7 Bcf for Nebraska.
Natural Gas Distribution and Transmission	We have 2,517 miles of distribution pipelines, 55 miles of transmission pipeline and 41 city gate stations in South Dakota and Nebraska.
System Interconnections	Pipeline interconnections with Northern Natural Gas, Northern Border, and Tallgrass.
On System-Transportation	End-use customers can contract for on-system transportation services. On-system services include firm and interruptible distribution transportation and are regulated by the South Dakota Public Utilities Commission. Customers not interconnected with NorthWestern's regulated system negotiate a separate rate. Customers with large loads and bypassable locations that are connected with the regulated system may receive rate deviation from the PUC.

¹ Customer Counts as of December 31, 2021. Sources: NorthWestern Energy SEC filings and internal documents.



RATES

RELIABLE SUPPLY

NorthWestern Energy distributes electricity in South Dakota and relies on its own generation to provide a reliable supply and reasonable prices for its electric customers. Electric services to customers generally involve only one point of delivery and power supply source. Customers with special needs for redundant power sources will typically be responsible for additional costs related to redundant power delivery. If a project has special needs for redundant power sources, the developers must coordinate these with NorthWestern Energy and contact the utility early in the project development process.

NorthWestern Energy distributes natural gas to customers in South Dakota and Nebraska. Supply requirements are fulfilled through third-party fixed-term purchase contracts, natural gas storage services contracts and short-term market purchases. This supply flexibility or portfolio approach enables us to maintain a diversified supply of natural gas sufficient to meet our supply requirements.

REGULATION AND RATES

South Dakota utilities are regulated by the South Dakota Public Utilities Commission with respect to electric and natural gas service, territorial integrity, rates, terms and conditions of service, accounting records and other aspects of our operations. We provide electric service in South Dakota in an area comprised of 25 counties with a combined population of 231,548 (2020 census) and natural gas services to 20 counties in South Dakota with a combined population of 104,421 (2020 census).

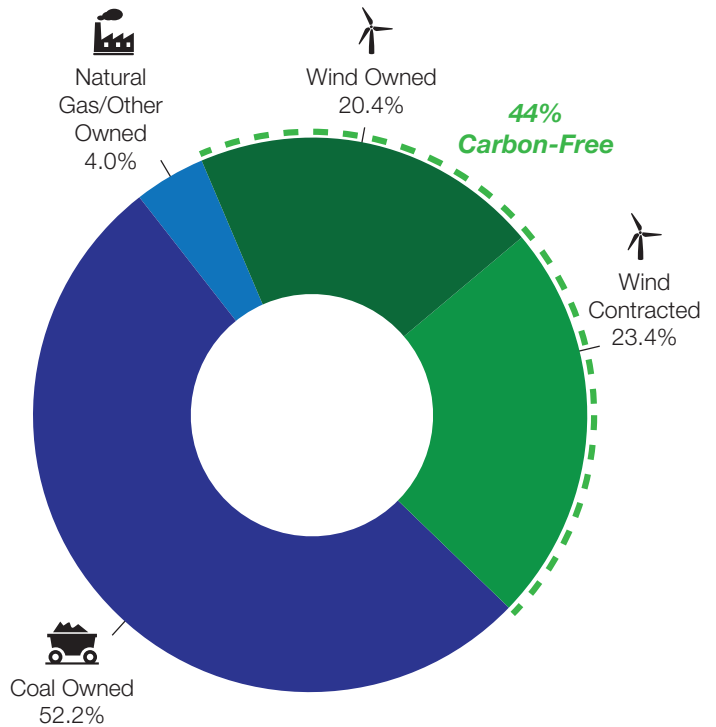
The Nebraska Public Service Commission has jurisdiction over our natural gas operations in Nebraska, in a service area comprised of 3 counties with a combined population of 97,571 (2020 census).

The tariffs establish a range of service classifications for both electric and natural gas customers based on customer size and other circumstances. For customers who are not under the bundled tariffs, rates for transmission services are provided under a tariff filed with and approved by the Federal Energy Regulatory Commission.

ELECTRIC RATES

Components displayed on the bill include: energy, demand, fuel and power factor. The fuel and purchased power portion of the bill is subject to a quarterly tracker cost adjustment. The chart to the right shows these various billing components for a NorthWestern Energy commercial customer with a monthly usage of 14,000 kWh and 40 kW demand.

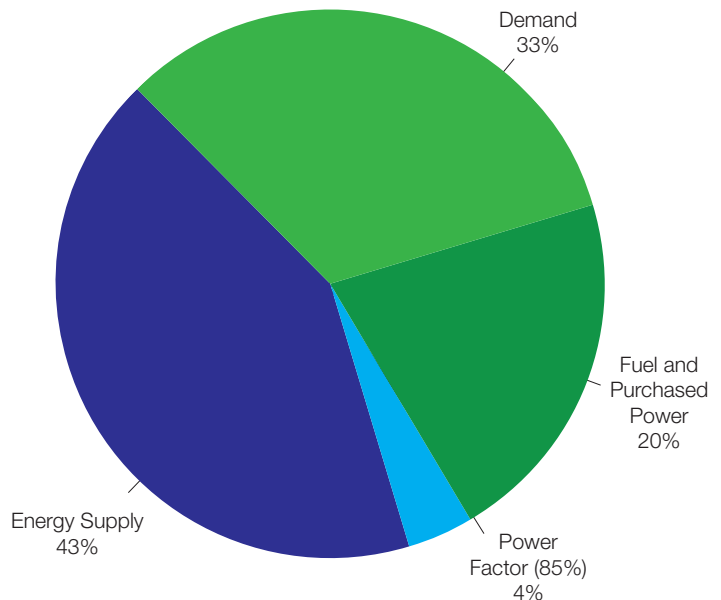
SOUTH DAKOTA 2021 ELECTRIC GENERATION PORTFOLIO BASED ON MWH OF OWNED AND LONG-TERM CONTRACTED RESOURCES



SOUTH DAKOTA NORTHWESTERN ENERGY COMMERCIAL CUSTOMER MONTHLY ELECTRIC BILLING COMPONENTS

JANUARY 1, 2022

USING 14,000 KWH & 40 KW DEMAND PER MONTH



RATES

NORTHWESTERN ENERGY'S JANUARY 1, 2022 ELECTRIC COSTS BY SIZE & CUSTOMER TYPE¹

	Residential	Commercial and Industrial			
		Rate 21	Rate 33	Rate 34	Rate 34
Monthly kWh	750	1,500	14,000	180,000	650,000
Peak Monthly kW Demand	N/A	0	40	500	1,000
ACTUAL MONTHLY ELECTRIC BILL JANUARY 1, 2022					
Average Monthly Cost per kWh for Supply and Delivery	\$ 0.138	\$ 0.146	\$ 0.121	\$ 0.095	\$ 0.068
Average Monthly Cost	\$ 103.78	\$ 219	\$ 1,689	\$ 17,181	\$ 44,397
1 Rates effective January 1, 2022; fuel and purchase power portion of bill is adjusted quarterly.					

Regional Utilities Monthly "Bundled" Electric Bills As of January 1, 2022¹

STATE	UTILITY COMPANY	Residential	Commercial			Industrial
		750 kWh	1,500 kWh	14,000 kWh & 40 kW	180,000 kWh & 500 kW	650,000 kWh & 1,000 kW
COLORADO	Black Hills/Colorado Electric	\$135.97	\$235	\$2,087	\$23,241	\$62,660
ILLINOIS	Ameren Illinois (All Rate Zones)	\$82.94	\$172	\$1,323	\$8,081	\$13,297
	Commonwealth Edison Company	\$110.01	\$183	\$1,608	NA	NA
IOWA	MidAmerican Energy - East System	\$75.08	\$130	\$888	\$10,434	\$32,348
	MidAmerican Energy-South System	\$75.10	\$131	\$932	\$10,326	\$31,958
	MidAmerican Energy-North System	\$74.28	\$127	\$861	\$10,207	\$31,529
KANSAS	Westar Energy-KGE	\$100.31	\$177	\$1,440	\$17,252	\$43,444
	Westar Energy-KPL	\$100.31	\$177	\$1,440	\$17,252	\$43,444
MINNESOTA	Minnesota Power Company	\$103.20	\$187	\$1,535	\$17,131	\$54,684
	Northern States Power Company (MN)	\$103.20	\$187	\$1,535	\$17,131	\$54,684
	Otter Tail Power Company	\$103.20	\$187	\$1,535	\$17,131	\$54,684
MONTANA	Montana-Dakota Utilities Company	\$79.96	\$125	\$1,407	\$16,890	\$50,242
	NorthWestern Energy	\$88.21	\$189	\$1,483	\$17,488	\$47,488
NORTH DAKOTA	Montana-Dakota Utilities Company	\$88.94	\$158	\$1,331	\$16,309	\$50,647
	Otter Tail Power Company	\$91.15	\$203	\$1,415	\$17,731	\$49,499
SOUTH DAKOTA	Black Hills Power, Inc. d/b/a Black Hills Energy	\$106.86	\$181	\$1,044	\$19,131	\$58,157
	MidAmerican Energy	\$79.22	\$182	\$1,104	\$13,295	\$36,220
	Montana-Dakota Utilities Company	\$94.05	\$164	\$1,337	\$14,748	\$47,340
	NorthWestern Energy	\$103.78	\$219	\$1,689	\$17,181	\$44,397
WISCONSIN	Otter Tail Power Company	\$83.33	\$193	\$1,113	\$13,966	\$42,146
	Northern States Power Company (WI)	\$110.67	\$205	\$1,500	\$19,745	\$56,765
	Superior Water, Light & Power Company	\$111.23	\$212	\$1,640	\$20,642	\$67,025
WYOMING	Wisconsin Public Service	\$108.97	\$193	\$1,487	\$16,337	\$47,025
	Black Hills Power, Inc. d/b/a Black Hills Energy	\$101.50	\$183	\$1,696	\$20,787	\$62,188
	Cheyenne Light, Fuel & Power d/b/a Black Hills Energy	\$111.25	\$225	\$1,940	\$21,175	\$58,655
	Montana-Dakota Utilities Company	\$84.17	\$115	\$1,201	\$13,624	\$39,599
	PacifiCorp	\$75.75	\$132	\$1,182	\$14,564	\$38,302
NORTHWESTERN ENERGY RANKING FOR UTILITIES SHOWN		20 of 27	25 of 27	24 of 27	16 of 26	11 of 26
UNITED STATES AVERAGE MONTHLY BILL FOR JANUARY 2022		\$ 115.62	\$ 220	\$ 1,798	\$ 22,273	\$ 62,825

* Source: Edison Electric Institute Typical Bills and Average Rates Report (Winter) (January 2022)

RATES

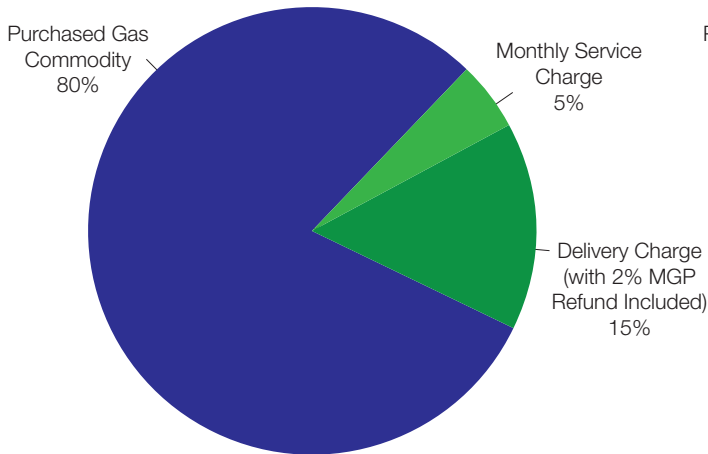
NATURAL GAS RATES

Customers see supply and delivery charges on their monthly bills. The NorthWestern Energy natural gas supply portion of the bill is subject to monthly cost adjustments in South Dakota and semi-annual adjustments in Nebraska. Current natural gas tariffs and natural gas service rules are available online at NorthWesternEnergy.com.

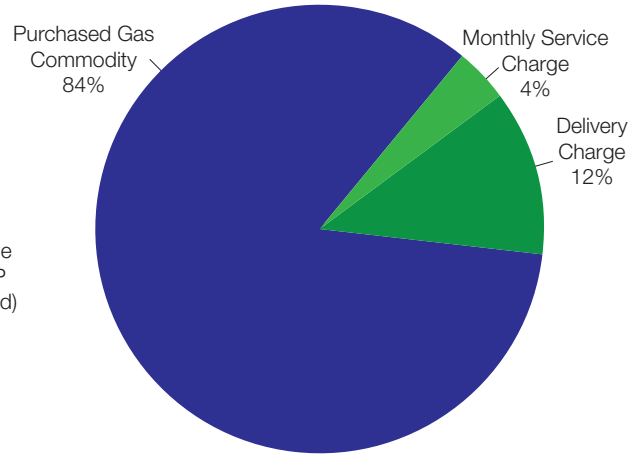
The major pieces of a gas bill for a NorthWestern Energy small commercial natural gas customer using 200 therms a month and a residential customer using 100 therms a month are illustrated below.

Note: Usage varies between winter and summer months, depending upon the heating and water heating needs.

**SOUTH DAKOTA NORTHWESTERN ENERGY
COMMERCIAL CUSTOMER
MONTHLY NATURAL GAS BILLING COMPONENTS**
JANUARY 1, 2022
USING 200 THERMS PER MONTH



**NEBRASKA NORTHWESTERN ENERGY
COMMERCIAL CUSTOMER
MONTHLY NATURAL GAS BILLING COMPONENTS**
JANUARY 1, 2022
USING 200 THERMS PER MONTH



JANUARY 2022 AVERAGE COST PER THERM NATURAL GAS SOLD TO RESIDENTIAL AND COMMERCIAL CUSTOMERS BY UTILITIES¹

	Residential	Commercial
Colorado	\$0.97	\$0.91
Illinois	\$1.02	\$0.93
Iowa	\$1.09	\$1.00
Kansas	\$1.11	\$1.00
Minnesota	\$1.02	NA
Missouri	\$1.19	NA
Montana	\$0.92	\$0.92
Nebraska	\$1.06	\$0.95
NorthWestern Energy NE²	\$0.88	\$0.87
North Dakota	\$0.87	\$0.90
South Dakota	\$1.10	\$0.97
NorthWestern Energy SD²	\$1.97	\$1.00
Wisconsin	\$0.97	\$0.87
Wyoming	\$1.10	\$0.98
AVERAGE FOR STATE REGION²	\$1.04	\$0.85
TOTAL AVERAGE U.S.	\$1.99	\$0.99
South Dakota - NorthWestern Energy Ranking (compared to states listed above)	8 of 13	6 of 13
Nebraska - NorthWestern Energy Ranking (compared to states listed above)	5 of 13	7 of 13

¹ Source: www.eia.doe.gov - US Natural Gas Sector Report for average cost of gas sold in January 2022.

² Source: NorthWestern Energy internal documents

³ Average for State Region is average for the 13 states listed (excludes NorthWestern Energy in NE & SD)

ECONOMIC & COMMUNITY DEVELOPMENT

Economic vitality is crucial to the future of South Dakota and Nebraska, and for more than 100 years, NorthWestern Energy has held a strong commitment to the communities it serves. In 2021, we provided \$1.77 million in support of our communities through local charitable donations and sponsorships, economic development opportunities, the United Way, chambers of commerce, scholarships, professional association dues and employee volunteer efforts. We sponsor employee volunteerism by offering paid time off for volunteer activities. When employees volunteer their time with an organization, NorthWestern donates grant funds to that organization up to \$400 annually to each organization. In 2021, NorthWestern awarded \$30,200 to 94 nonprofits through the Employee Volunteer Program.

NorthWestern Energy is committed to serving as a meaningful and dedicated contributor to the economic development process and see our role as “energizing the economy in South Dakota and Nebraska.” Our emphasis is on “Building for the future of South Dakota and Nebraska,” and the mission of our Economic Development team is to help retain existing jobs in South Dakota and Nebraska, promote business expansion and recruit new businesses to the states. Our economic development employees assist site selection consultants, economic development agencies, government agencies, existing businesses and potential new businesses. We are actively involved in economic development initiatives at the local, state, regional and national levels. Contacts for more information on any topic in this brochure or any other related subject are listed on the backside of this page and at www.NorthWesternEnergy.com.

We can answer questions about:

- utility rates
- power reliability
- availability of utility services
- energy efficiency
- utility operations



As an economic development partner in our region, NorthWestern Energy is a sponsor of **Advantage South Dakota**, which is composed of economic developers in NorthWestern Energy's service territory. This initiative focuses on workforce attraction and recruitment of businesses in our South Dakota service territory. The website is intended to be a comprehensive resource for site selectors and new and existing businesses looking for information on locating their business in the region. For more detailed information on this region of South Dakota go to: <https://www.advantagesouthdakota.com/>





ECONOMIC CONTRIBUTION

NorthWestern Energy spent about \$434.3 million in capital and spent \$310.2 million in operations/maintenance/general expenses across its service territory in 2021. This amount includes money spent on our energy system, the wages and benefits we pay employees and the cost of the projects intended to provide safe and reliable service to our customers.

ECONOMIC IMPACT

Researchers estimate that in 2021, NorthWestern Energy's operations in its three states generated more than \$2.59 billion in economic impact.

ECONOMIC BENEFITS SUMMARY	MONTANA	SOUTH DAKOTA & NEBRASKA	COMBINED
Local Job Benefit	13,931	1,263	15,194
Gross economic output	\$2.29 billion	\$299.1 million	\$2.59 billion
Gross county output	\$999.3 million	\$148.5 million	\$1.2 billion
Total Labor income	\$472.0 million	\$62.6 million	\$534.6 million
Capital income	\$486.6 million	\$82.9 million	\$569.5 million
Indirect business taxes & fees	\$166.6 million	\$11.3 million	\$177.9 million

CONTACT

Statewide Economic Development

Pamela Bonrud

Director - Government & Regulatory Affairs
Office: (605) 978-2990 3010 W 69th St
Cell: (605) 321-4025 Sioux Falls, SD 57108
Email: pam.bonrud@northwestern.com

Paul Mantz

Manager - National Key Accounts & Economic Development
Office: (605) 978-2913 3010 W 69th St
Cell: (605) 359-1371 Sioux Falls, SD 57108
Email: paul.mantz@northwestern.com

Tom Glanzer

Manager - Community Relations
Office: (605) 353-7558 600 Market St
Cell: (605) 941-2049 Huron, SD 57350
Email: tom.glanzer@northwestern.com

Angie Christiansen

Community Relations Specialist
Office: (605) 256-4527 104 N Egan Ave
Cell: (605) 270-2049 Madison, SD 57042
Email: angie.christiansen@northwestern.com

NEBRASKA OPERATIONS

Grand Island, Kearney, & North Platte

Dennis Placke
Manager, District Operations
Office: (308) 385-4519 3307 Island Circle
Cell: (308) 380-0869 Grand Island, NE 68802
Email: dennis.placke@northwestern.com

SOUTH DAKOTA NORTH OPERATIONS

Aberdeen & Huron

Mike Williams
Manager, Operations
Office: (605) 226-4174 113 S Centennial St
Cell: (605) 228-4150 Aberdeen, SD 57401
Email: mike.williams@northwestern.com

Brookings

Chad Egeberg
Manager, District Operations
Office: (605) 353-7506 1232 22nd Ave S
Cell: (605) 461-0064 Brookings, SD 57006
Email: chad.egeberg@northwestern.com

SOUTH DAKOTA SOUTH OPERATIONS

Mitchell & Yankton

Brad Wenande
Manager, Operations
Office: (605) 668-4609 313 Cedar St
Cell: (605) 660-0643 Yankton, SD 57078
Email: brad.wenande@northwestern.com

