



2020
SOUTH DAKOTA
NEBRASKA
AT A GLANCE
JULY



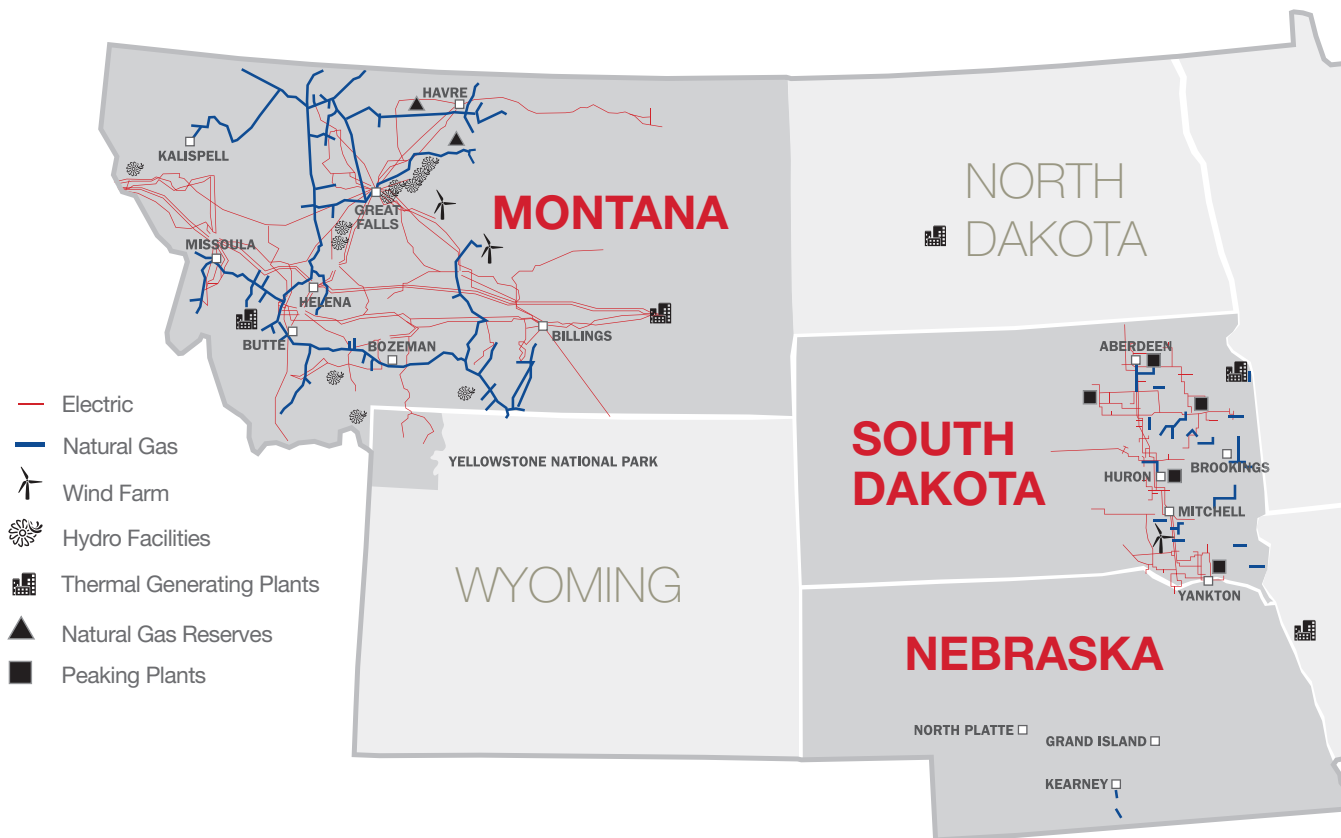
INTRODUCTION

NorthWestern Energy is a major, regional provider of electricity, natural gas and related services to approximately 738,400 customers in Montana, South Dakota and Nebraska. Our electric system has more than 28,310 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 9,483 miles of natural gas pipelines serving 180 communities and surrounding rural areas in Montana, South Dakota and central Nebraska. NorthWestern Energy has approximately 1,533 full-time employees.

The South Dakota and Nebraska energy operations provide electric and natural gas distribution services to approximately 63,800 electric customers and 90,100 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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USDOT 410856

76073

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 226,200 (2010 census). Natural Gas services to 22 counties in South Dakota and Nebraska with a population of 357,507 (2010 census).		
Nebraska Gas Operations	Four cities in southcentral Nebraska		
Number of Employees	Approximately 313 employees in South Dakota and Nebraska		
Number of Customers and Types¹	Total	Residential	Commercial & Industrial
Electric	63,800	50,600	13,200
Natural Gas South Dakota	47,500	40,600	6,900
Natural Gas Nebraska	42,600	37,600	5,000
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 numerous small towns 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 333 MWs, the average daily load was approximately 200 MWs, and 1.72 million megawatt hours were supplied to customers during 2019.
Generation & Supply	Own 404 MWs of capacity electric generation jointly with unaffiliated parties; composed of 210 MWs from three coal-burning baseload plants, 73 MWs from utility-owned natural gas plant, 80 MWs from a wind farm and 41 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	3,529 miles distribution and transmission and 128 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 Wholesale Rate	Transmission services for retail access are provided under the Federal Energy Regulatory Commission Electric Open Access Transmission Tariff, available online at www.northwesternenergy.com .

NATURAL GAS OPERATIONS - SOUTH DAKOTA & NEBRASKA

Service Area Size	We provide natural gas to approximately 90,100 customers in 60 eastern South Dakota communities and four Nebraska communities.
Annual Deliveries	For year-end 2019, our supply deliveries (retail and transport) were approximately 34.5 Bcf for South Dakota and 8.5 Bcf for Nebraska.
Natural Gas Distribution and Transmission	We have 2,453 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, 2019. Sources: NorthWestern Energy SEC filings and internal documents.



NorthWestern
Energy

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 have the exclusive right to serve an assigned service area in South Dakota comprised of 25 counties with a combined population of approximately 226,200 people, according to the 2010 census.

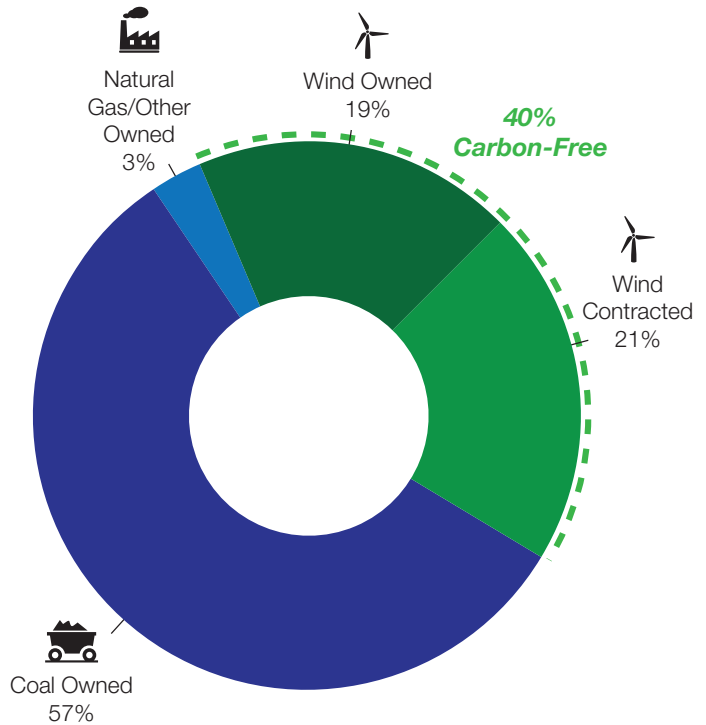
The Nebraska Public Service Commission has jurisdiction over our natural gas operations in Nebraska.

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

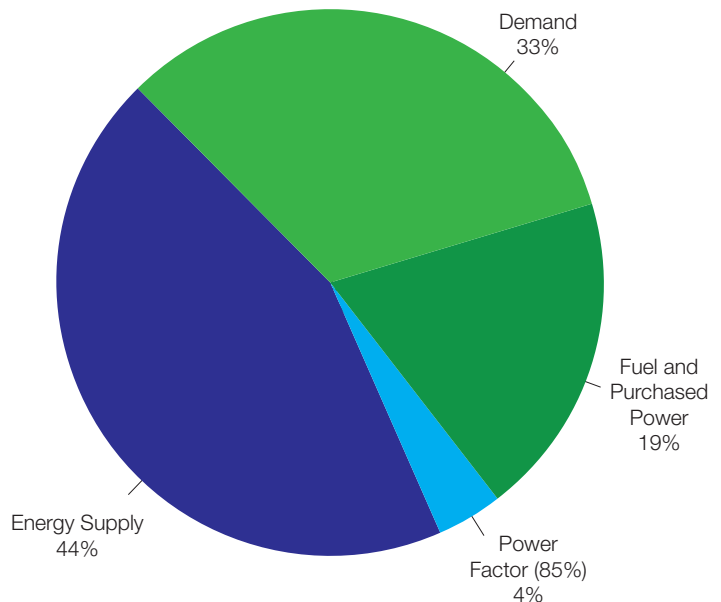
Components displayed on the bill include: energy, demand, fuel and power factor. The fuel and purchased power portion of the bill is subject to a quarterly tracker cost adjustment. The chart to the right shows these various billing components for a NorthWestern Energy commercial customer with a monthly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

**SOUTH DAKOTA
2019 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, 2020
USING 14,000 KWH & 40 KW DEMAND PER MONTH



RATES

NORTHWESTERN ENERGY'S JANUARY 1, 2020 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, 2020					
Average Monthly Cost per kWh for Supply and Delivery	\$0.136	\$0.144	\$0.118	\$0.093	\$0.066
Average Monthly Cost	\$101.97	\$216	\$1,657	\$16,766	\$42,968
1 Rates effective JANUARY 1, 2020; fuel and purchase power portion of bill is adjusted quarterly.					

Regional Utilities Monthly "Bundled" Electric Bills As of January 1, 2020¹

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	\$126.49	\$217	\$1,918	\$21,108	\$55,333
	Public Service Company of Colorado	\$77.66	\$136	\$1,279	\$14,914	\$39,817
ILLINOIS	Ameren Illinois (All Rate Zones)	\$76.16	\$163	\$1,264	\$7,390	\$12,768
	Commonwealth Edison Company	\$103.35	\$169	\$1,451	NA	NA
IOWA	MidAmerican Energy - East System	\$72.44	\$134	\$918	\$10,304	\$32,088
	MidAmerican Energy-North System	\$70.02	\$125	\$857	\$9,620	\$29,618
	MidAmerican Energy-South System	\$72.49	\$137	\$918	\$9,980	\$30,918
KANSAS	Westar Energy-KGE	\$98.54	\$174	\$1,456	\$17,069	\$42,907
	Westar Energy-KPL	\$98.54	\$174	\$1,456	\$17,069	\$42,907
MICHIGAN	Upper Peninsula Power Company	\$97.16	\$178	\$1,419	\$15,749	\$42,343
MINNESOTA	Minnesota Power Company	\$77.59	\$177	\$1,428	\$15,901	\$49,828
	Northern States Power Company (MN)	\$97.82	\$175	\$1,377	\$17,192	\$47,353
	Otter Tail Power Company	\$85.38	\$208	\$1,369	\$17,251	\$52,298
MONTANA	Montana-Dakota Utilities Company	\$78.68	\$122	\$1,384	\$16,596	\$49,142
	NorthWestern Energy	\$94.04	\$198	\$1,564	\$18,924	\$53,251
NORTH DAKOTA	Montana-Dakota Utilities Company	\$84.64	\$149	\$1,267	\$15,486	\$47,676
	Otter Tail Power Company	\$71.01	\$160	\$1,078	\$13,462	\$36,559
SOUTH DAKOTA	Black Hills Power, Inc. d/b/a Black Hills Energy	\$105.17	\$179	\$1,024	\$18,888	\$57,279
	MidAmerican Energy	\$72.84	\$168	\$974	\$11,689	\$30,422
	Montana-Dakota Utilities Company	\$92.56	\$161	\$1,309	\$14,390	\$46,046
	NorthWestern Energy	\$101.97	\$216	\$1,657	\$16,766	\$42,968
	Otter Tail Power Company	\$82.08	\$190	\$1,079	\$13,514	\$41,370
WISCONSIN	Madison Gas & Electric Company	\$113.69	\$193	\$1,658	\$19,316	\$54,481
	Northern States Power Company (WI)	\$97.25	\$179	\$1,308	\$17,441	\$49,097
	Superior Water, Light & Power Company	\$90.00	\$169	\$1,244	\$15,548	\$46,908
	Wisconsin Public Service	\$98.59	\$174	\$1,337	\$14,546	\$41,373
WYOMING	Black Hills Power, Inc. d/b/a Black Hills Energy	\$97.21	\$175	\$1,616	\$19,748	\$58,400
	Cheyenne Light, Fuel & Power d/b/a Black Hills Energy	\$107.34	\$216	\$1,858	\$20,122	\$54,852
	Montana-Dakota Utilities Company	\$78.35	\$103	\$1,093	\$12,229	\$34,562
NORTHWESTERN ENERGY RANKING FOR UTILITIES SHOWN		24 of 29	27 of 29	26 of 29	17 of 28	14 of 28
UNITED STATES AVERAGE MONTHLY BILL FOR JANUARY 2020		\$105.05	\$200	\$1,595	\$18,636	\$53,277

* Source: Edison Electric Institute Typical Bills and Average Rates Report (Winter) (January 2020).

RATES

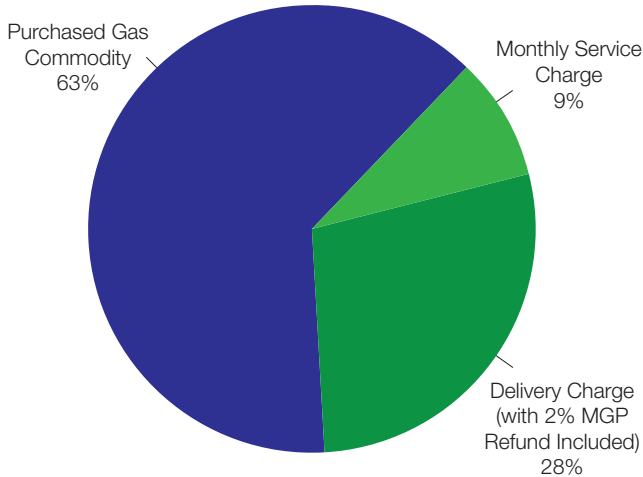
NATURAL GAS RATES

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.

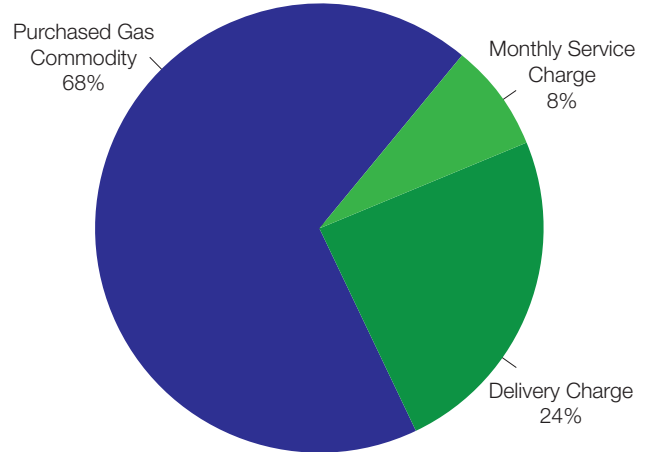
The major pieces of a gas bill for a NorthWestern Energy small commercial natural gas customer using 200 therms a month and a residential customer using 100 therms a month are illustrated below.

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, 2020
USING 200 THERMS PER MONTH



**NEBRASKA NORTHWESTERN ENERGY
COMMERCIAL CUSTOMER
MONTHLY NATURAL GAS BILLING COMPONENTS**
JANUARY 1, 2020
USING 200 THERMS PER MONTH



JANUARY 2020 AVERAGE COST PER THERM NATURAL GAS SOLD TO RESIDENTIAL AND COMMERCIAL CUSTOMERS BY UTILITIES¹

State	Residential	Commercial
Colorado	\$0.59	\$0.55
Illinois	\$0.64	\$0.56
Iowa	\$0.62	\$0.52
Kansas	\$0.72	\$0.63
Michigan	\$0.73	\$0.62
Minnesota	NA	NA
Missouri	\$0.85	\$0.68
Montana	\$0.65	\$0.64
Nebraska	\$0.64	\$0.54
NorthWestern Energy NE²	\$0.59	\$0.46
North Dakota	\$0.56	\$0.53
South Dakota	\$0.60	\$0.49
NorthWestern Energy SD²	\$0.64	\$0.44
Wisconsin	\$0.68	\$0.58
Wyoming	\$0.70	\$0.61
AVERAGE FOR REGION³	\$0.66	\$0.58
TOTAL AVERAGE U.S.	\$0.95	\$0.73
South Dakota - NorthWestern Energy Ranking (compared to states listed above)	6 of 14	1 of 14
Nebraska - NorthWestern Energy Ranking (compared to states listed above)	3 of 14	2 of 15

¹ Source: www.eia.doe.gov - US Natural Gas Sector Report for average cost of gas sold in January 2020.

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 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. Community Works encompasses NorthWestern Energy's tradition of funding community activities, charitable efforts and economic development within its service territory. In 2019, NorthWestern Energy's Community Works programs provided \$2.1 million in funds for community sponsorships, charitable contributions and economic development organizations in Montana, South Dakota and Nebraska.

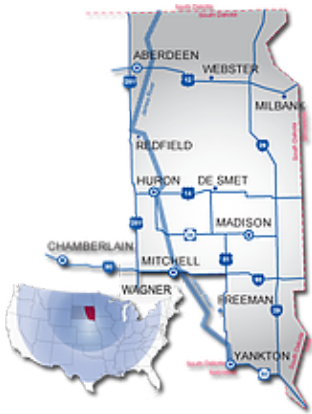
NorthWestern Energy is committed to serving as a meaningful and dedicated contributor to the economic development process and see our role as "energizing the economy in South Dakota and Nebraska." Our emphasis is on "Building for the future of South Dakota and Nebraska," and the mission of our Economic Development team is to help retain existing jobs in South Dakota and Nebraska, promote business expansion and recruit new businesses to the state. 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.

We can answer questions about:

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

Contacts for more information on any topic in this brochure or any other related subject are listed on the backside of this page. Information on our economic development activities is available online at NorthWesternEnergy.com.



Grow Your Business Here!

Advantage South Dakota is a group composed of business members from the James River Valley. The group's goal is to enhance the economic vitality of the region through collaboration and promotion of the positive outcomes that can be realized by relocating and/or expanding in this area.

The people and businesses of the James River Valley invite you to visit the area and learn more. **Contact Jerry Bertsch at 605-995-4404** for additional information.

Why Relocate Here?

- 3rd Most Productive Workforce (GDP per state)
- 9th Lowest State Nationally in Workers Comp
- 3rd Lowest State Nationally in Unemployment Insurance
- 82.5% High School Graduation Rate (Census Bureau)
- Ranked 2nd in "Trust In Neighbor" (Gallup Poll)
- Ranked 3rd in "Best State for Retirement" (MoneyRates.com)
- Ranked 5th in "Happiness Index" (Mainstreet.com)
- Lowest Crime Rate Nationally (U.S. Dept. of Justice)
- #1 State Business Tax Climate (Tax Foundation)
- #1 Environment for Entrepreneurs (Small Business & Entrepreneurship Council)
- #1 U.S. Economic Freedom Index (Pacific Research Institute/Forbes)
- #6 Corporate Business Environment (Polina Corporate Real Estate)
- Financing/Incentives through the Governor's Office of Economic Development
- Border to Border Interstate Highways
- Accessibility to Leaders to get the job done
- Excellent Technology infrastructure
- Existing Energy infrastructure
- No Corporate Income Tax, Personal Income Tax, Business Inventory Tax
- No Personal Property Tax
- Pro-Business environment
- Steady Supply of Workers eager to make a living



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: <http://www.advantagesouthdakota.com/asd>.



ECONOMIC CONTRIBUTION

NorthWestern Energy will invest and spend about \$398.9 million in capital in 2020, and spent \$318.2 million in operations/expense across its service territory in 2019. This amount includes money to be spent on improvements to 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. The gross economic impact of 2019 capital and expense spending in South Dakota & Nebraska was \$268.11 million.

ECONOMIC IMPACT

Researchers estimate that in 2019, NorthWestern Energy's operations in its three states generated more than \$2.15 billion in economic impact.

ECONOMIC BENEFITS SUMMARY	MONTANA	SOUTH DAKOTA & NEBRASKA
Local Job Benefit	11,417	1,132
Gross economic output	\$1.88 billion	\$268.11 million
Gross county output	\$819.09 million	\$133.09 million
Total Labor income	\$386.96 million	\$56.13 million
Capital income	\$398.84 million	\$74.29 million
Indirect business taxes & fees	\$165.36 million	\$2.66 million

CONTACT

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NEBRASKA OPERATIONS

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SOUTH DAKOTA SOUTH OPERATIONS

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