



May 21, 2014

Patricia Van Gerpen  
Executive Director  
South Dakota Public Utilities Commission  
500 E. Capitol  
Pierre, SD 57501

RE: GE12-001 – In the Matter of a Filing by NorthWestern Corporation, d.b.a. NorthWestern Energy, for Approval of Tariff Revisions to its South Dakota Demand Side Management Plan

Dear Ms. Van Gerpen:

During the South Dakota Public Utilities Commission (Commission) meeting held on May 13, 2014, the Commission considered the above referenced matter and requested that NorthWestern Energy (NorthWestern) provide responses to Commissioners' questions posed during the meeting. A summary of those questions follows.

Commissioner Fiegen asked NorthWestern to provide responses to the following data requests:

1. Provide a listing of DSM programs proposed by NorthWestern in 2009, 2012 and 2014.
2. Provide a comparison of DSM program budgets proposed by NorthWestern in 2009, 2012 and 2014.
3. Provide NorthWestern's most recent five year report to the Montana PSC regarding its DSM program.
4. Provide NorthWestern's yearly electric and natural gas tracker dockets filed with the Montana PSC.
5. Documentation of the "give and take" between NorthWestern and staff over the years of 2009-2014 regarding the most recent DSM proposal.
6. Can the "start-up costs" for implementing NorthWestern's proposed DSM program be "stretched out" so that future customers share the burden?

Commissioner Nelson requested that NorthWestern quantify values for the boxes containing question marks in the chart that he developed and filed on May 13, 2014 as part the docket. There are three boxes that Commissioner Nelson requested information from NorthWestern:

Box One: "Value of Energy and Capacity Savings reflected in tariff rate reduction or reduction in tariff rate increase",

Box Two: "Audit Value to Customer", and;

Box Three: "Total Customer Return".



Chairman Hanson had one additional data request at the suggestion of Brian Rounds. The Chairman requested that NorthWestern evaluate the effect of moving the TRC value from 0.9 to 1.0 to NorthWestern's proposed DSM plan under consideration in this docket.

With this communication, NorthWestern is submitting its responses to Commissioner Fiegen's questions numbered 3 and 4, above and requests that these responses be made a part of the formal docket. NorthWestern's responses to the remaining questions from Commissioner Fiegen, Commissioner Nelson and Chairman Hanson will follow under separate covers.

If there are any additional questions, please feel free to contact me at your convenience.

Sincerely,

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