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June 16, 2009

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PUBLIC SERVICE COMMISSION

Illona A. Jeffcoat-Sacco
Director Public Utilities
North Dakota Public Service Commission
State Capitol Building
Bismarck, North Dakota 58505

NorthWestern Energy - South Dakota, a division of NorthWestern Corporation, herein provides the 2009 Ten-Year Plan in compliance with Chapter 49-22, NDCC, Energy Conversion and Transmission Facility Siting. Ten copies are enclosed.

Very truly yours,

Dennis L. Wagner
General Manager-South Dakota
Production & Generation

cc: Dave Gates
Ray Brush

enclosure(s)

NORTHWESTERN ENERGY – SOUTH DAKOTA
Ten-year Plan
June 16, 2009

NorthWestern Energy – South Dakota, a Division of NorthWestern Corporation ("NorthWestern") submits this "Ten-year Plan" for North Dakota facilities in accordance with the rules and regulations the North Dakota Public Service Commission governing the siting of energy conversion and transmission facilities pursuant to Chapter 49-22 of the North Dakota Century Code.

Section A: Existing Energy Conversion Facilities

1. Coyote Generating Station, located near Beulah in Mercer County began commercial operation May 1, 1981. The owners of the plant are Otter Tail Power Company (35%), Minnkota Power Cooperative, Inc. (30%), Montana-Dakota Utilities Co. (25%), and NorthWestern Energy (10%). Please refer to Otter Tail's Ten-year Plan for additional data.
2. NorthWestern has no generating facilities in North Dakota that are planned for the next ten years. NorthWestern proposes two simple cycle 45 MW combustion turbine additions at Aberdeen and Mitchell, South Dakota within our South Dakota service territory during the next five years. These requirements were identified in March, 1995 Integrated Resource Plan which is available upon request.

Section B(a): Proposed Energy Conversion Facilities Under Construction

NorthWestern has no energy conversion facilities under construction in the state of North Dakota.

Section C: Proposed Energy Conversion Facilities on Which Construction is Intended Within the Ensuing Five Years

NorthWestern does not propose to start construction of additional energy conversion facilities in North Dakota within the ensuing five years.

Section D: Proposed Energy Conversion Facilities During the Next Ten-year Time Period

NorthWestern does not propose to construct any additional energy conversion facilities in North Dakota during the next ten-year period. NorthWestern proposes two simple cycle 45 MW combustion turbine additions at Aberdeen and Mitchell, South Dakota within our South Dakota service territory during the next five years. These requirements were identified in March, 1995 Integrated Resource Plan which is available upon request.

Section E: Existing Transmission Facilities (Electric)

1. NorthWestern's Transmission Facilities in North Dakota are a segment of a 115 KV line from Ellendale south to the South Dakota border, and approximately the first 23 miles of the 345 KV line from the Coyote Plant towards Center.
2. We do not project the retirement of any transmission facility rated 115 KV or above within the next ten-year time period.

Section F: Existing Transmission Facilities (Pipeline)

NorthWestern has no existing pipeline facilities in North Dakota.

Section G: Proposed Transmission Facilities on which Construction is Intended Within the Ensuing Five-years (Electric)

NorthWestern does not propose to start construction of additional transmission facilities in North Dakota within the ensuing five years.

Section H: Proposed Transmission Facilities During the Next Ten-year Time Period (Electric and Pipeline)

NorthWestern does not propose to construct any additional facilities in North Dakota in the next ten years.

Section J: Regional Coordination

NorthWestern Energy – South Dakota is a member of the Mid-Continent Area Power Pool (MAPP) and Midwest Reliability Organization (MRO). The Company has been coordinating and planning with other systems since 1950 resulting in interconnections, interchange contracts and the joint construction of facilities.

In North Dakota, the Company has interconnection agreements with Otter Tail Power Company and Montana-Dakota Utilities Co. The Company is a participant in the 42.7 MW Coyote Generating Station and its associated bulk transmission facilities with Minnkota Power Cooperative, Inc., Otter Tail Power Company, and Montana-Dakota Utilities Co. This joint venture, and similar joint ventures in South Dakota and Iowa, permits NorthWestern and the other owners to realize economies in construction of large generation stations and to provide services required by our customers through fewer facilities with minimal environmental impact.

Montana-Dakota Utilities, Northern States Power, Otter Tail Power, Minnkota Power Cooperative, Minnesota Power and NorthWestern Public Service formed the Dakotas-Montana Power Suppliers Group in 1979. The objective of the Group is to provide regional planning coordination to the respective State regulatory bodies.

Section K: Environmental Impact

The record of Coyote's Certificate Hearing, including the Environmental Impact Statement issued by the Rural Electrification Administration for the Coyote Project illustrate the concern and the efforts of NorthWestern to manage all impacts created by each proposed energy conversion facility and transmission facility.

Section L: Projected Demand for Service

1. The past ten-year historical growth of NorthWestern's loads, all of which are geographically located in eastern South Dakota, is as follows:

| <u>Year</u> | <u>Demand (MW)</u> | <u>Increase (Pct.)</u> | <u>Increase (MW)</u> |
|-------------|------------------------|----------------------------|--------------------------|
| 1987 | 233 | 11.6 | 27 |
| 1988 | 239 | 2.5 | 6 |
| 1989 | 232 | (2.9) | (7) |
| 1990 | 233 | 0.4 | 1 |
| 1991 | 251 | 7.7 | 18 |
| 1992 | 192 | (23.5) | (59) |
| 1993 | 237 | 23.4 | 45 |
| 1994 | 230 | (3.0) | (7) |
| 1995 | 273 | 18.7 | 43 |
| 1996 | 260 | (4.8) | (13) |
| 1997 | 270 | 3.8 | 10 |
| 1998 | 277 | 2.6 | 7 |
| 1999 | 293 | 5.8 | 16 |
| 2000 | 287 | (2.0) | (6) |
| 2001 | 294 | 2.4 | 7 |
| 2002 | 286 | (2.7) | (8) |
| 2003 | 272 | (4.9) | (14) |
| 2004 | 276 | 1.5 | 4 |
| 2005 | 296 | 7.2 | 20 |
| 2006 | 307 | 3.7 | 11 |
| 2007 | 315 | 2.6 | 8 |
| 2008 | 284 | (9.8) | (31) |

The projected future growth for the next ten-year time period is as follows:

| <u>Year</u> | <u>Demand (MW)</u> | <u>Increase (Pct.)</u> | <u>Increase (MW)</u> |
|-------------|------------------------|----------------------------|--------------------------|
| 2009 | 346 | 4.6 | 16 |
| 2010 | 349 | 1.0 | 3 |
| 2011 | 352 | 1.0 | 3 |
| 2012 | 355 | 1.0 | 3 |
| 2013 | 358 | 1.0 | 3 |
| 2014 | 361 | 1.0 | 3 |
| 2015 | 364 | 1.0 | 3 |
| 2016 | 367 | 1.0 | 3 |
| 2017 | 370 | 1.0 | 3 |
| 2018 | 373 | 1.0 | 3 |
| 2019 | 376 | 1.0 | 4 |

These projections are based upon the March, 1995 Integrated Resource Plan Report adjusted for actuals. This forecast is based upon an econometric analysis techniques. End-use forecasts were used for comparison purposes.

2. NorthWestern proposes two simple cycle 45 MW combustion turbine additions at Aberdeen and Mitchell, South Dakota within our South Dakota service territory during next five years. These requirements were identified in March, 1995 Integrated Resource Plan which is available upon request.
3. NorthWestern has entered into a PPA agreement for 25 MW's of Wind Energy with BP at a Wind Farm located by Ree Heights, South Dakota. The Wind Farm hopes to be in commercial operation by December 31, 2009.
4. The following communities or load centers, all in South Dakota, have summer peaks in excess of 20 MW:
 1. Aberdeen
 2. Mitchell
 3. Huron
 4. Yankton


The Big Stone Plant is fueled by Wyoming Power River Basin Coal delivered by the Burlington Northern Railroad.

NOTICE OF FILING

Please take notice that on June 16, 2009 NorthWestern Energy of South Dakota, a division of NorthWestern Corporation, filed a Ten-year Plan with the North Dakota Public Service Commission in accordance with NDCC 49-22-04. Notice of the filing of this plan is given pursuant to R-49-22-05C5 of the North Dakota Public Service Commission's Rules Governing Energy Conversion and Transmission Facility Siting to the following state agencies and officers as designated in R-49-22-3G of the Commission's Rules:

1. Aeronautics Commission
2. Attorney General
3. Board of Vocational Education
4. Business and Industrial Development Dept
5. Department of Agriculture
6. Department of Health
7. Department of Labor
8. Employment Security Bureau
9. Administrative Office
10. Fire Marshall
11. Game and Fish Department
12. Geological Survey
13. Governor
14. Highway Department
15. Historical Society
16. Indian Affairs Commission
17. Industrial Commission
18. Land Department
19. Natural Resources Council
20. Outdoor Recreation Agency
21. Planning Agency
22. Secretary of State
23. Soil Conservation Committee
24. Water Conservation Committee
25. Workman's Compensation Bureau
26. Mercer County Auditor
27. Oliver County Auditor

NORTHWESTERN ENERGY

A handwritten signature in black ink, appearing to read "D-L Wagner", with a long horizontal flourish extending to the right.

Dennis L. Wagner
General Manager-South Dakota
Production & Generation