



March 22, 2022

Re: NorthWestern Energy Firm Gas Storage - Open Season

NorthWestern Energy is offering 5,000 dekatherms per day of firm storage deliverability, and 370,000 dekatherms of firm storage capacity. Up to 92,500 dekatherms can be sourced for injection South of Mainline 3 for delivery into Dry Creek storage, and the balance sourced North of Mainline 3 for delivery into Cobb storage. It's also possible to source all 370,000 dekatherms North of Mainline 3 for delivery into Cobb storage.

**Term:** April 1, 2022 through March 31, 2024

In order to determine the Shipper(s) that will be allocated this firm storage service, NorthWestern Energy will accept bids and allocate capacity based on the bid(s) that creates the highest net present value (NPV) for NorthWestern Energy. The variables considered in the calculation of NPV will be the requested firm storage deliverability, reservation rate, and term of service. **Please note this storage service is being offered for a term not to exceed two storage years; which would be no longer than the 2023 to 2024 storage season.** Firm storage service will be allocated in order of priority from highest NPV to lowest NPV, subject to NorthWestern Energy's right to reject all bids that are less than maximum rate, or for a term of less than one year. If the offers of two or more Shippers produce the same NPV, they will be offered a pro rata share of the storage service based upon the applicable deliverability bid by the respective Shippers.

If the Shipper fails to execute the firm storage service agreement within 5 business days of the date tendered, Shipper's allocation shall be deemed null and void and it's allocated storage service shall be reallocate to those requesting Shippers that participated in the bidding process and have requests which are either partially or fully unsatisfied.

The current storage rates that apply to this service are as follows:

Withdrawal Reservation Rate:	\$4.8227760
Injection Commodity Rate:	\$0.0249250
Withdrawal Commodity Rate:	\$0.0249250
Capacity Commodity Rate:	\$0.0236760

Storage fuel will be charged the full tariff rate of 1.14% on injected quantities.

These rates are subject to change by the Montana Public Service Commission. This service will be provided pursuant to NorthWestern Energy's On-System General Terms and Operating Conditions and Firm Storage Rate Schedule T-FSG-1.



If you are interested in bidding for this service, please send a letter stating the terms that you are willing to accept. Bids must be received by **5:00 p.m. MST on Tuesday, March 29, 2022** to be considered. The letter should be addressed to Dean Vesco and should be submitted via email to [dean.vesco@northwestern.com](mailto:dean.vesco@northwestern.com) or [transportgas@northwestern.com](mailto:transportgas@northwestern.com).

Please call me at (406) 497-2208 if you have any questions. We appreciate your interest in using NorthWestern Energy's gas transmission system.

Sincerely,

Dean C. Vesco, Manager Gas Transportation, Measurement, & SCADA