

CUSTOMER AGREEMENT

THIS AGREEMENT is made and entered into on 03/05/2010, by and between NorthWestern Energy "Company" and CITY OF BILLINGS of PO BOX 1178 , BILLINGS, MT 59103, "Customer".

I. THE COMPANY AGREES:

1. To install, operate and maintain utility facilities to provide services to the Customer at IRONWOOD PUMP STATION, BILLINGS, MT 59103 in accordance with the applicable rules and regulations and at rates set by the Montana Public Service Commission (MPSC). The Company shall locate lines and facilities on right of way provided and initially prepared and cleared as necessary by Customer. The lines and facilities shall remain the Company's property.
2. To abide by the general conditions and terms described in sections III and IV.

II. THE CUSTOMER AGREES:

1. To pay the Company an Advance (Rule 6-2) in the sum of \$ 380,358.00 , USD for construction of Primary UG 3 Phase lines and facilities in accordance with the applicable MPSC Rules. Customer shall make payment prior to Company scheduling the project for a construction start date.

In accordance with the applicable MPSC Rules, if new customers are permanently connected and served by the Company from these lines before 5 years from the completion date of this project, the Company will determine what refund of the advance, if any, is due the Customer.

The total sum refunded shall not exceed the amount of the Customer's Advance for construction, nor will any refund be made after the 5 year refund period. Any money not refunded pursuant to the terms of this Agreement will revert to a non-refundable Contribution in Aid of Construction and become the Company's property.

2. To pay the Company an Advance (Rule 6-2) in the sum of \$ 0.00 , USD for construction of Transformer Multi Phase UG lines and facilities in accordance with the applicable MPSC Rules. Customer shall make payment prior to Company scheduling the project for a construction start date.

In accordance with the applicable MPSC Rules, if new customers are permanently connected and served by the Company from these lines before 5 years from the completion date of this project, the Company will determine what refund of the advance, if any, is due the Customer.

The total sum refunded shall not exceed the amount of the Customer's Advance for construction, nor will any refund be made after the 5 year refund period. Any money not refunded pursuant to the terms of this Agreement will revert to a non-refundable Contribution in Aid of Construction and become the Company's property.

3. To pay the Company an Advance (Rule 6-2) in the sum of \$ 0.00 , USD for construction of Elect Svc-UG from Xfmr Com lines and facilities in accordance with the applicable MPSC Rules. Customer shall make payment prior to Company scheduling the project for a construction start date.

In accordance with the applicable MPSC Rules, if new customers are permanently connected and served by the Company from these lines before 5 years from the completion date of this project, the Company will determine what refund of the advance, if any, is due the Customer.

The total sum refunded shall not exceed the amount of the Customer's Advance for construction, nor will any refund be made after the 5 year refund period. Any money not refunded pursuant to the terms of this Agreement will revert to a non-refundable Contribution in Aid of Construction and become the Company's property.

4. To general conditions and terms as explained in sections III and IV.

III. GENERAL CONDITIONS:

1. All terms, prices and conditions set forth in this Agreement are subject to changes or additions due to rules, regulations, ordinances, changes in scope of project, and laws that may be amended or enacted.
2. Prices set forth in this agreement are in effect for 4 months from signature date of this agreement.
3. The Customer shall pay the costs of moving Company facilities or making other modifications required to meet city, state, or national codes.
4. The Customer shall provide service entrance and termination points as specified by the Company's installation standards in effect at the time construction begins.
5. The Company shall establish service within a reasonable period of time after the Customer's equipment passes inspection by the state and local authorities as required by law.
6. The Company will proceed with the survey, design and construction of its facilities in a normal manner using its existing work force and material supply sources. All work is to be done during normal working hours and the Company may reschedule the work to achieve efficient workload of Company forces. Availability of materials, weather conditions, frozen ground, access, or obtaining permits from governmental agencies or railroads may cause delays beyond the Company's or the Customer's control.
7. The customer requests utilities to be installed with the understanding that ground-level is to final grade. Should changes to grade be made in the future that result in NorthWestern Energy's facilities needing to be either raised or lowered, the customer is responsible for the costs associated with this change.
8. Prior to installation of facilities, the Customer is responsible for physically marking on the property any customer-owned facilities including, but not limited to, underground sprinkling systems, septic tanks, and satellite dish cabling. NorthWestern Energy is not responsible for repairing any unmarked customer-owned facilities. The NorthWestern Energy Construction Department can be contacted with questions on how to appropriately mark customer-owned facilities.
9. If the Customer requests that electric and gas facilities be installed in frozen ground, the Customer may be responsible for additional charges for installation. The Company will notify the Customer of these charges prior to installation.
10. The Customer is responsible for the restoration of private roadway(s) and/or landscaping. The Company will make a reasonable attempt to preserve the private roadway(s) and/or landscaping, but final compaction and restoration is the Customer's responsibility.
11. MPSC rules governing gas and electric line extensions are available upon request.

IV. DEFINITIONS

1. CONTRIBUTION IN AID OF CONSTRUCTION

A non-refundable payment made by a Customer to pay for costs beyond the free allowance when there are no more customers expected to connect to facilities installed by this Agreement.

New customers that attach to existing lines with current Contribution in Aid of Construction payments may be required to share equitably in the outstanding payment amount if connecting within 5 years from the construction date of the original line.

2. CUSTOMER ADVANCE

A refundable payment made by a customer to pay for costs beyond the free allowance when more Customers are expected to connect to facilities installed under this Agreement.

Or

A refundable payment made by a Customer to pay for a line extension to a new load of uncertain duration

V. ADDITIONAL CONDITIONS:

THIS CUSTOMER AGREEMENT IS FOR RUNNING 6000' OF THREE-PHASE 4/0 URD IN 3-2" CONDUITS, SETTING A 480/277V, 300kVA THREE-PHASE TRANSFORMER, AND RUNNING A 40' SERVICE WITH TWO RUNS OF 4/0 QUADRUPLEX.

*PAYMENT OF AMOUNT DUE, SIGNED CUSTOMER AGREEMENT, STATE ELECTRICAL PERMIT, AND INSTALLATION OF METER PANEL ARE REQUIRED PRIOR TO BEING ABLE TO SCHEDULE YOUR PROJECT FOR CONSTRUCTION.

NorthWestern Energy

By : Jim Jolovich

Its : Division Engineer

CITY OF BILLINGS (Customer)

By : _____

Date : _____

Quotation

Customer	
CITY OF BILLINGS PO Box 1178 BILLINGS MT 59103	
Customer Contact:	
Customer Number:	1002420

Service Address
CITY OF BILLINGS PO Box 1178 BILLINGS MT 59103

Quotation No. 25005546
Notification No. 340009419

Document Date 01/25/2010
Quotation Valid To: 05/25/2010

Quotation Details

Item	Material Description	Quantity	Unit Price	Amount
	<i>THIS CUSTOMER AGREEMENT IS FOR RUNNING 6000' OF THREE-PHASE 4/0 URD IN 3-2" CONDUITS, SETTING A 480/277V, 300kVA THREE-PHASE TRANSFORMER, AND RUNNING A 40' SERVICE WITH TWO RUNS OF 4/0 QUADRUPLEX. *PAYMENT OF AMOUNT DUE, SIGNED CUSTOMER AGREEMENT, STATE ELECTRICAL PERMIT, AND INSTALLATION OF METER PANEL ARE REQUIRED PRIOR TO BEING ABLE TO SCHEDULE YOUR PROJECT FOR CONSTRUCTION.</i>			
0010	Primary UG 3 Phase	1 EA		261,076.93
	Admin/Engineering/Other			54,826.16
	Revenue Allowance			23,320.00-
	Tax Adder			87,774.93
	Total Customer Price			380,358.00
0020	Transformer Multi Phase UG	1 EA		1,638.44
	Transformer Allowance			1,638.44-
	Total Customer Price			0.00
0030	Elect Svc-UG from Xfmr Com	1 EA		1,343.10
	Service Allowance			1,343.10-
	Base Price Subtotal			0.00
	Total Amount...			380,358.00
	Please contact JOE HAVENS if you have questions regarding this quote.			