

RESOLUTION NO. R23-03

A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE THE CUSTOMER AGREEMENT WITH NORTHWESTERN ENERGY.

BE IT RESOLVED by the City Council of the City of Laurel, Montana,

Section 1: Approval. The Customer Agreement by and between the City of Laurel and NorthWestern Energy, a copy attached hereto and incorporated herein, is hereby approved.

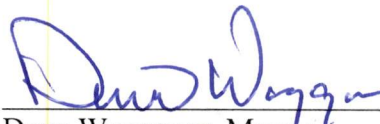
Section 2: Execution. The Mayor is hereby given authority to execute the Customer Agreement with NorthWestern Energy on behalf of the City of Laurel.

Introduced at a regular meeting of the City Council on the 24th day of January 2023 by Council Member Wheeler.

PASSED and APPROVED by the City Council of the City of Laurel the 24th day of January 2023.

APPROVED by the Mayor the 24th day of January 2023.

CITY OF LAUREL



Dave Waggoner, Mayor

ATTEST:



Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:



Michele L. Braukmann, Civil City Attorney



CUSTOMER AGREEMENT

This Customer Agreement (the "Agreement") is made and entered into effective as of 01/10/2023 by and between NorthWestern Energy (the "Company") and CITY OF LAUREL (the "Customer"). Sometimes in this Agreement, Company and Customer are collectively referred to as "Parties" or individually as a "Party." Capitalized terms have the meaning set forth in NorthWestern Energy's Electric Tariff and the NorthWestern Energy Natural Gas Tariff (collectively the "Tariffs" and individually the "Gas Tariff" or "Electric Tariff"), which sets forth service, installation and contribution rules and regulations established by the Montana Public Service Commission (the "MPSC"). The Tariffs are available for review at <http://www.northwesternenergy.com/residential-services/how-to-read-your-bill/tariffs-and-rates/montana-tariffs-and-rates>.

RECITALS

WHEREAS, Customer applied for natural gas or electrical service from the Company; and
WHEREAS, in accordance with the Tariffs, Customer must execute this Agreement and contribute to the cost of installing the facilities required to provide service to Customer's premises because the distance of the new service line is greater than the permitted free extension allowance;
NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the Parties agree as follows:

AGREEMENT

1. **SERVICE AND CONTRIBUTION REQUIREMENTS.**

The Company agrees to install, operate and maintain facilities generally described as OH Primary Removal, UG Primary Removal, Primary OH Single Phase, Primary UG Single Phase and is specifically described in Quote 25137733, which is incorporated herein by this reference (the "Quote"), to serve Customer at 1405 SEWER PLANT RD, LAUREL, MT 59044 in accordance with the requirements of the Tariffs. Customer agrees to comply with the terms and conditions of this Agreement and remit to Company the total contribution of

\$ 29,347.00 , which may include a federal tax surcharge and administrative/engineering fees and is more fully described as follows:

1.1 Advance. In consideration of the Company's agreement to install facilities, Customer agrees to pay an Advance in the sum of \$ 0.00 for construction of the facilities identified in the Quote.

ELECTRICAL

_____ Single Family Residential
(Electrical Tariff 6-2)
_____ General Service or Non-Single Residential
(Electrical Tariff Rule 6-2)
_____ Loads of Uncertain Duration
(Electrical Tariff Rule 5-7)
_____ New Subdivision or Housing Project
(Electrical Tariff Rule 6-7)
_____ Electric Lighting
(Electrical Tariff ELDS-1)

NATURAL GAS

_____ Residential/Other Core Customers
(Gas Tariff Rule 6-2)
_____ New Subdivision or Housing Project
(Gas Tariff Rule 6-6)
_____ Loads of Uncertain Duration
(Gas Tariff Rule 5-7)

For clarification, an "Advance" is a refundable contribution to the installation costs of the Company's facilities, and is made by the applicant prior to the initial installation. A portion of that advance, up to but not exceeding the full amount, may be refunded when additional residences or properties requiring service may connect to the facilities installed under this Agreement within the applicable 5 year (all natural gas customers, General Service electric, non-Single Family Residential electric, all new residential subdivision and townhouse connects) or 10 year (for Single Family Residential electric) periods after Company's completion of the line extension for the Customer. Future applicants attaching to existing facilities that carry Advance line extension designation within the time periods referenced above share in cost of the installation of the original line extension. Any future attachments will result in a refund to Customer in an amount determined by the Company in accordance with the Tariff. No refund will be made after the applicable 5 or

10 year period.

AND/OR

1.2 Contribution in Aid of Construction. In consideration of the Company's agreement to install service facilities, Customer agrees to pay a CIAC in the sum of \$ 29,347.00 for construction of the facilities identified in the Quote.

For clarification, a "CIAC" is a non-refundable payment made by a customer to pay for costs in excess of the free allowance set forth in the Tariffs.

2. CONDITIONS TO INSTALLATION.

2.1 Payment. Customer shall make payment of the Advance or the CIAC (if payment is required) prior to Company scheduling a construction start date. Company must receive payment and satisfactory evidence of required permits and right-of-way authority prior to ordering materials, scheduling crews or starting construction.

2.2 Right-of-Way. Customer shall provide the right-of-way required for the installation of the Company's service facilities. Customer shall grant or obtain for the Company an easement along the route of the line extension in a form satisfactory to the Company.

2.3 Permits. Customer shall provide all required permits from appropriate governmental agencies for the construction work and installation of the Company's facilities and Customer's equipment. Copies of all permits must be provided to the Company.

2.4 Additional Costs. If the Customer requests facilities be installed in frozen, rocky or hard ground, the Customer may be responsible for additional charges for installation. The Company will notify the Customer of these charges prior to installation when feasible, and otherwise when encountered during the installation work. If the Company requires additional charges prior to installation, and the basis for such extra cost is not encountered during the performance of the work, Company shall refund such charges to Customer.

2.5 Storm Water. Customer is solely responsible for compliance with all Montana Department of Environmental Quality storm water regulations. All soil disturbing activities deemed necessary by the Company for the installation, operation and maintenance of the facilities must be incorporated by Customer in the Storm Water Pollution Prevention Plan. Customer shall operate and maintain all storm water best management practices at all times.

2.6 Underground Facilities. Prior to construction, all customer-owned, rented or leased underground facilities (including but not limited to sprinkler systems, septic systems propane tanks and associated lines, and communication and electric lines) must be properly identified and physically marked by Customer. The Company is not responsible for damages resulting from mismarked or unidentified customer facilities. Contact the Company's Construction Department with questions related to appropriately marking Customer-owned facilities.

2.7 Customer's Equipment. Customer shall install Customer's facilities in accordance with the Company's "New Service Guide" and "Electric Service Requirements & Guidelines." The location of Customer's meter must be approved by the Company prior to the installation of equipment owned by the Customer. Customer shall provide service entrance and termination points as specified by the Company's installation standards in effect at the time construction begins.

2.8 Restoration and Grading. The Company will make a reasonable attempt to preserve private roadways and landscaping, but Customer is responsible for final compaction and restoration of private roadways and landscaping, including the removal of excess spoil piles. The Company will install facilities with the understanding that ground-level is the final grade, unless otherwise directed in writing by Customer. Should changes to grade be made in the future that result in Company's facilities being raised or lowered, the Customer is responsible for the costs associated with this change.

3. GENERAL CONDITIONS.

3.1 All terms, prices and conditions set forth herein are subject to modification resulting from changes in applicable rules, Tariffs, regulations, ordinances, the scope of project, and laws that may be amended or enacted after the date of this Agreement.

3.2 The payment amounts set forth in this Agreement are effective for 4 months from the date of this Agreement. If construction has not commenced within such period due to any action, omission or failure to act by Customer, the project will be reviewed for any changes in the cost. The Company will perform one line extension engineering cost estimate per year at Customer's location free of charge. If subsequent

redesign estimates are requested within the one year period from the original quote, a charge of \$68.12/hour (minimum charge = \$68.12) will be assessed and is payable prior to delivery of the estimate to Customer. If Customer proceeds with installation, fees paid for estimates will be credited toward the contribution payment.

3.3 If the facilities required to serve Customer must be relocated or modified at the request of Customer after installation, the Customer shall pay the costs of moving Company facilities.

3.4 The Company agrees to 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. The Company will proceed with the survey, design and construction of its facilities in a normal manner using its existing work force (Company employees or contractors) and material supply sources. Installation will be performed 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 control of the Company or the Customer.

3.5 If Company is installing lighting units, the facilities will be placed in a location agreeable to both Customer and Company. Customer is responsible for notifying Company of any outage of lighting units. Company will make repairs and replace defective or damaged facilities within a reasonable time after notice of any outage, but Company does not patrol the system to determine if the lighting units are in operating condition at all times.

3.6 In the event of a conflict between the terms of this Agreement and the Tariffs, the terms of the Tariffs prevail.

4. **ADDITIONAL CONDITIONS.**

This quote covers 670' single phase river crossing, 1 new pole, 2 new anchors, and 250' of UG primary to tie into existing pole.

The cost of this project is based on the following conditions and may be adjusted at any time:

1. This estimate is valid for 4 months. After that point, the project will be reviewed for any changes in costs.
2. NWE will perform one line extension engineering cost estimate per year at this location free of charge. If subsequent estimates are requested, a charge of \$61.00/hour (minimum charge = \$61.00) will be assessed and is payable prior to the subsequent estimate being calculated. If the customer decides to proceed, fees paid would be credited toward the construction costs.
3. The electric meter base will be placed in a location approved by NWE prior to the installation of the customer's or NWE's facilities.
4. The customer is to install their facilities as specified in NWE's "New Service Guide" and "Electric Service Requirements & Guidelines" book. This can also be download at www.northwesternenergy.com.
5. The customer is to obtain an electrical permit for the above installation from the appropriate governmental agency, and will provide a copy of the permit to NWE.
6. Normal digging conditions (i.e. no frost or large rock). An additional fee will be assessed and collected prior to construction if either condition is anticipated at the time of construction.
7. Any required easements and/or permits can be obtained at no cost to NorthWestern Energy. The customer agrees to grant NWE an easement along the route of the power line on his/her property, and must obtain easements/permission from any other landowners whose property the line will cross.
8. Restoration of asphalt, gravel, concrete and vegetation is the responsibility of the customer. NWE will not be responsible for any restoration.
9. All underground facilities belonging to the customer must be marked (i.e. septic lines, electric or phone lines to out buildings). NorthWestern Energy will not be responsible for repair if these lines are not accurately marked.

NorthWestern Energy must receive all fees, contracts, permits, easements etc. prior to the ordering of materials, scheduling of crews or the start of construction by NorthWestern Energy crews.

Due to current supply chain issues your project may not be completed within the normal timeframe or may be only partially completed. NWE is experiencing unprecedented material shortages on many common

NorthWestern Energy must receive all fees, contracts, permits, easements etc. prior to the ordering of materials, scheduling of crews or the start of construction by NorthWestern Energy crews.

Due to current supply chain issues your project may not be completed within the normal timeframe or may be only partially completed. NWE is experiencing unprecedented material shortages on many common items. Please consult your project contact to determine if your project may be affected. NWE is committed to make all possible efforts to acquire, install and complete projects when possible.

FROST


The cost of a frost charge is included in this customer agreement in preparation of NorthWestern Energy crews having to dig in the frost and or encounter hard digging. If by the time NorthWestern Energy shows up to complete the construction of your project and the crew finds 6 inches of frost or less, or if there is no hard digging present, the customer has the ability to get up to 100% of the frost charge refunded back to them. Only the NorthWestern Energy crew on site and doing the work will determine if the customer gets a frost refund back and how much of the frost refund will be refunded back to them.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed in duplicate as of the day and year first above written.

NORTHWESTERN ENERGY

CUSTOMER

By: 

By: 

Printed Name: Taylor Erskine

Printed Name: DAVID WAGGONER

Title: Engineer

Title: MAYOR

Date: 2/3/23

Date: 1/24/23

Phone: (406) 200 4047

Phone: 406-628-7431



Billings Division
1944 Monad
Billings MT 59102 Email: CCBillings@northwestern.com

Quotation

Customer	
CITY OF LAUREL PO BOX 10 LAUREL MT 59044	
Customer Contact:	CITY OF LAUREL
Customer Number:	1074075

Service Address
CITY OF LAUREL 1405 SEWER PLANT RD LAUREL MT 59044

Quotation No. 25137733
Notification No.

Document Date 01/10/2023
Quotation Valid To: 05/10/2023

Quotation Details

Item	Material Description	Quantity	Unit Price	Amount
	<p><i>This quote covers 670' single phase river crossing, 1 new pole, 2 new anchors, and 250' of UG primary to tie into existing pole.</i></p> <p><i>The cost of this project is based on the following conditions and may be adjusted at any time:</i></p> <ol style="list-style-type: none"> <i>This estimate is valid for 4 months. After that point, the project will be reviewed for any changes in costs.</i> <i>NWE will perform one line extension engineering cost estimate per year at this location free of charge. If subsequent estimates are requested, a charge of \$61.00/hour (minimum charge = \$61.00) will be assessed and is payable prior to the subsequent estimate being calculated. If the customer decides to proceed, fees paid would be credited toward the construction costs.</i> <i>The electric meter base will be placed in a location approved by NWE prior to the installation of the customer's or NWE's facilities.</i> <i>The customer is to install their facilities as specified in NWE's "New Service Guide" and "Electric Service Requirements & Guidelines" book. This can also be download at www.northwesternenergy.com.</i> <i>The customer is to obtain an electrical permit for the above installation from the appropriate governmental agency, and will provide a copy of the permit to NWE.</i> <i>Normal digging conditions (i.e. no frost or large rock). An additional fee will be assessed and collected prior to construction if either condition is anticipated at the time of construction.</i> <i>Any required easements and/or permits can be obtained at no cost to NorthWestern Energy. The customer agrees to grant NWE an easement along the route of the power line on his/her property, and must obtain easements/permission from any other landowners whose property the line will cross.</i> <i>Restoration of asphalt, gravel, concrete and vegetation is the responsibility of the customer. NWE will not be responsible for any restoration.</i> 			



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Customer Contact:	CITY OF LAUREL
Customer Number:	1074075

Service Address
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Quotation No. 25137733
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Item	Material Description	Quantity	Unit Price	Amount
	<p>9. All underground facilities belonging to the customer must be marked (i.e. septic lines, electric or phone lines to out buildings). NorthWestern Energy will not be responsible for repair if these lines are not accurately marked.</p> <p>NorthWestern Energy must receive all fees, contracts, permits, easements etc. prior to the ordering of materials, scheduling of crews or the start of construction by NorthWestern Energy crews.</p> <p>Due to current supply chain issues your project may not be completed within the normal timeframe or may be only partially completed. NWE is experiencing unprecedented material shortages on many common items. Please consult your project contact to determine if your project may be affected. NWE is committed to make all possible efforts to acquire, install and complete projects when possible.</p> <p>FROST</p> <p>The cost of a frost charge is included in this customer agreement in preparation of NorthWestern Energy crews having to dig in the frost and or encounter hard digging. If by the time NorthWestern Energy shows up to complete the construction of your project and the crew finds 6 inches of frost or less, or if there is no hard digging present, the customer has the ability to get up to 100% of the frost charge refunded back to them. Only the NorthWestern Energy crew on site and doing the work will determine if the customer gets a frost refund back and how much of the frost refund will be refunded back to them.</p>			
0010	QT1910 OH Primary Removal Admin/Engineering/Other	1 EA		1,185.44 213.38 -----
	Total Item Price			1,398.82
0020	QT1900 UG Primary Removal Admin/Engineering/Other	1 EA		790.28 142.25 -----



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Quotation Valid To: 05/10/2023

Quotation Details				
Item	Material Description	Quantity	Unit Price	Amount
	Total Item Price			932.53
0030	QT1100 Primary OH Single Phase Admin/Engineering/Other Income Tax Surcharge	1 EA		11,204.73 2,016.85 1,983.24
	Total Item Price			15,204.82
0040	QT1000 Primary UG Single Phase Frozen Ground Admin/Engineering/Other Income Tax Surcharge	1 EA		6,080.47 2,625.00 1,566.98 1,540.87
	Total Item Price			11,813.32



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Quotation No. 25137733
Notification No.

Document Date 01/10/2023
Quotation Valid To: 05/10/2023

Quotation Details

Item	Material Description	Quantity	Unit Price	Amount
	Items Total.....			29,349.49
	Total before Taxes			29,349.49
	Rounding			2.49-
	Total Amount...			29,347.00
	<p>Please contact TAYLOR ERSKINE at 406-655-2539 if you have questions regarding this quote.</p> <p>To schedule work, sign and return the Customer Agreement to NorthWestern Energy. If advance payment is also required prior to scheduling the installation, payment can be made at:</p> <ul style="list-style-type: none"> -NorthwesternEnergy.com/PAYMYBILL -Paymentus (third party vendor) toll-free at 833-970-2262 for English or 833-970-2263 for Spanish. -Checking or saving account payments are limited to \$10,000. -Credit or debit card payments are limited to \$2,500 and a \$2.75 processing fee applies. -Customer service locations for check and cash payments <p>Please have your customer number, provided above, available when making a payment.</p>			