

Service Date: June 16, 2010

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER OF NorthWestern Energy's) UTILITY DIVISION
Application for Approval of Unreflected Gas)
Cost Account Balance and Projected Gas Cost;) DOCKET NO. D2010.5.49
And Gas Transportation Adjustment Clause)
Balance)

**NOTICE OF APPLICATION
AND INTERVENTION DEADLINE**

On May 28, 2010, NorthWestern Corporation d/b/a NorthWestern Energy (NWE) submitted its annual Natural Gas Cost Tracker filing. NWE is requesting approval of a rate change: (a) reflecting rate treatment for unreflected gas costs for the 12-month period ending June 30, 2010; (b) reflecting gas cost projections for the 12-month period ending June 30, 2011; (c) reflecting rate treatment for amortization of the gas transportation adjustment clause balance as of April 30, 2010; and (d) extinguishing the unit amortizations in the current rate schedules. The projected natural gas price for the 12-month period starting July 1, 2010, is \$5.6916 per Dkt, compared with the 12-month period starting July 1, 2009, of \$5.7562 per Dkt. The \$.06 per Dkt difference between these two tracking periods is an indication that rates for the upcoming tracking period could be similar to those incurred in the current tracking period. NWE estimates the rate increase from June 1, 2010 to July 1, 2010 resulting from this application for a typical residential customer using 10 dekatherms per month will be \$29.98 per month or a 42.67 percent increase on a typical monthly bill. However, over the 12-month 2010-2011 tracker period, NWE estimates that rates could be slightly lower than the previous 2009-2010 tracker period.

NWE has requested that the Public Service Commission (PSC) grant an interim rate adjustment effective July 1, 2010. The PSC may act on NWE's request for an interim rate adjustment prior to the deadline for filing a Petition to Intervene.

A copy of NWE's filing is available for inspection at the business offices of NWE, 40 East Broadway Street, Butte, Montana 59701, the PSC, and the Montana Consumer Counsel (MCC). The MCC, 111 North Last Chance Gulch Suite 1B, P.O. Box 201703, Helena, Montana

59620-1703, telephone (406) 444-2771, is available and may be contacted to assist and represent the interests of the consuming public in this matter.

Any interested person who is directly affected by NWE's filing before the PSC and who wants to be a party to the docket must file a Petition to Intervene with the PSC, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana 59620-2601, no later than July 14, 2010. Any Petition to Intervene must be electronically submitted (e-filed) on the PSC's website at <http://psc.mt.gov/eDocsLogin.asp>. The filing party must also deliver or mail the original Petition to Intervene in paper format to the PSC by the filing deadline. The PSC will upload E-filed documents to the PSC's website after the paper original has been officially received at the PSC office. One copy must be served on NWE and the MCC (addresses above).

Any interested person who does not prefer to formally participate in the matter as an intervenor, may submit written public comments on the matter to the PSC at the above address. Public comments may also be submitted to the PSC through the PSC's web-based comment form at <http://psc.mt.gov>, (go to 'Contact Us,' 'Comment on Proceedings Online,' then complete the form and submit). The PSC will consider all public comments regarding the application, written or electronic, received before it issues a final order in this matter.

The PSC's jurisdiction over this matter is provided at Title 69, MCA. The substantive and procedural law applicable is Title 69, MCA, especially Chapter 3, ARM Title 38, Ch. 5 (utilities), Title 2, Ch. 4, MCA (MAPA), ARM Title 38, Ch. 2 (PSC procedural rules), and any prior orders of the PSC which may bear on the issues presented.

The PSC initially notices proceedings through use of general service lists. Interested persons not intervening, but wishing to remain on the service list to receive notices and orders must notify the PSC in writing by the date fixed for intervention. Failure to submit notification will result in removal from the service list in this docket.

BY THE MONTANA PUBLIC SERVICE COMMISSION

GREG JERGSON, Chairman
KEN TOOLE, Vice-Chairman
GAIL GUTSCHE, Commissioner
BRAD MOLNAR, Commissioner
JOHN VINCENT, Commissioner