

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

IN THE MATTER of NorthWestern Energy's)
Application for Approval of Electric Supply) UTILITY DIVISION
Deferred Cost Account Balance and Projected)
Electric Supply Cost) DOCKET NO. D2010.5.50

NORTHWESTERN ENERGY POST-HEARING PROVIDES

HEARING PROVIDE REQUEST NO. 1:

WITNESS: Bill Thomas

Please provide the DSM Adjustment Factors by individual DSM Program.

RESPONSE:

See attached "Net Adjustment Factors by DSM Program."

HEARING PROVIDE REQUEST NO. 2:

WITNESS: Bill Thomas

Please provide information that indicates the most expensive and the least expensive DSM measures/programs.

RESPONSE:

See attached "Benefit/Cost Ratios by DSM Program." The benefit/cost ratio for each DSM program is presented in Column E. The higher the benefit/cost ratio the less expensive the DSM produced by that program (on a unit cost basis) is, and vice versa. For example, the lowest unit cost DSM acquired by NorthWestern Energy during the time period covered by this attachment was from the NorthWestern Energy Efficiency Alliance (NEEA) program (refer to line 11), which shows the highest benefit/cost ratio of 5.40.

HEARING PROVIDE REQUEST NO. 3:

WITNESS: Kevin Markovich

What cost are included in wind ancillary?

RESPONSE:

The cost components in "Wind Ancillary" listed in the electric tracker is made up entirely of regulating (dynamic) reserves.

HEARING PROVIDE REQUEST NO. 4:

WITNESS: Kevin Markovich

How many times in the last month, the last year, how many days out of those periods would you say that you did run long at your real-time trading desk and have to dump or sell or otherwise dispose of electricity?

RESPONSE:

See attachment.

NorthWestern Energy
Docket No. D2010.5.50
Net Adjustment Factors by DSM Program

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	2007 NEXANT DSM Evaluation results														
2	Note: Net Adjustment Factors by Program appear in column G. Overall Net Adjustment Factors for the Total Electric DSM Program Portfolio shown in cells K32, L32														
3															
4	2004-2006 Calendar Years - Default Supply Programs														
5			Reported Savings (kWh or dKt)	Realization Rate	Free Ridership Share	Spillover Ratio	Net Savings Adjustment Ratio	Net Adjusted Savings (kWh or dKt)	% Residential	% Commercial	Reported Savings		Net Adjusted Savings		
6		Program									Residential	Commercial	Residential	Commercial	
7	Default Elec	E+ Home Lighting Rebate Program	21,956,800	82.6%	28.9%	56.1%	91.7%	20,128,973	100%	0%	21,956,800	-	20,128,973	-	
8		E+ Residential Electric Savings Program	5,445	98.8%	0.0%	0.0%	98.8%	5,379	100%	0%	5,445	-	5,379	-	
9		E+ Residential New Construction Program	81,289	62.4%	0.0%	0.0%	62.4%	50,703	100%	0%	81,289	-	50,703	-	
10		E+ Commercial Lighting Rebate Program	16,504,864	85.4%	8.8%	0.1%	78.0%	12,869,585	0%	100%	-	16,504,864	-	12,869,585	
11		E+ Electric Motor Rebate Program	1,471	100.0%	0.0%	0.0%	100.0%	1,471	0%	100%	-	1,471	-	1,471	
12		E+ Business Partners Program	5,070,185	89.8%	8.8%	0.2%	82.1%	4,161,378	0%	100%	-	5,070,185	-	4,161,378	
13		NEEA	23,191,193	106.1%	0.0%	0.0%	106.1%	24,605,187	90%	10%	20,872,073	2,319,119	22,144,668	2,460,519	
14		Subtotal Default Electric Programs	66,811,246				92.5%	61,822,675			42,915,608	23,895,639	42,329,723	19,492,952	61,822,675
15	Defn	E+ Natural Gas Savings Rebate Program	230,150	84.4%	31.8%	17.3%	72.1%	166,038							
16		Subtotal Default Natural Gas Programs	230,150				72.1%	166,038							
17	2004-2006 Calendar Years - Universal System Benefits Programs														
18		Program	Reported Savings (kWh or dKt)	Realization Rate	Free Ridership Share	Spillover Ratio	Net Savings Adjustment Ratio	Net Adjusted Savings (kWh or dKt)	% Residential	% Commercial					
19	Elec USB	E+ Energy Audit for Home (Elec)	6,649,705	17.0%	31.8%	0.0%	11.6%	770,967	100%	0%	6,649,705	-	770,967	-	
20		E+ Energy Appraisal for Businesses	176,148	189.7%	8.8%	14.1%	199.7%	351,799	0%	100%	-	176,148	-	351,799	
21		E+ Renewable Energy	2,686,047	74.7%	9.0%	0.8%	68.6%	1,842,408	80%	20%	2,148,838	537,209	1,473,926	368,482	
22		E+ Free Weatherization (Elec)	1,410,254	124.7%	0.0%	0.0%	124.7%	1,759,016	100%	0%	1,410,254	-	1,759,016	-	
23		E+ Irrigator	1,087,039	96.6%	8.8%	0.0%	88.1%	957,589	0%	100%	-	1,087,039	-	957,589	
24		Subtotal Electric USB Programs	12,009,193				47.3%	5,681,779			10,208,797	1,800,396	4,003,909	1,677,870	5,681,779
25	NG USB	E+ Energy Audit for the Home (NG)	44,632	91.6%	31.8%	31.7%	91.5%	40,842							
26		E+ Free Weatherization (NG)	65,477	124.7%	0.0%	0.0%	124.7%	81,669							
27		Subtotal Natural Gas USB Programs	110,109				111.3%	122,511							
28															
29	2004-2006 Calendar Years - Total Program Portfolio														
30			Reported Savings	Net Savings Adjustment Ratio	Net Adjusted Savings					Net Savings Adjustment Ratio					
31		Total Program Portfolio (electric)	78,820,440	85.6%	67,504,454					Residential		Commercial			
32		Total Program Portfolio (natural gas)	340,259	84.8%	288,549					87.2%		82.4%			
33															
34															
35															
36		Program Group	Reported Savings (kWh or dKt)	Net Savings Adjustment Ratio	Net Adjusted Savings (kWh or dKt)	TRC B/C Ratio									
37		Electric Default Supply Programs	66,811,246	92.5%	61,822,675	1.64									
38		Natural Gas Default Supply Programs	230,150	72.1%	166,038	2.86									
39		Electric USB Programs	12,009,193	47.3%	5,681,779	0.21									
40		Natural Gas USB Programs	110,109	111.3%	122,511	2.37									
41															
42		Program Group	TRC B/C Ratio												
43		Total Default Supply Programs	1.92												
44		Total USB Programs	0.61												
45		Total Program Portfolio	1.12												
46															
47	Source: This worksheet is copied from the workbook NWE CE Analysis120507 - Final.xls; Tab 'Impact-All summary'														

NorthWestern Energy
Docket No. D2010.5.50
Benefit/Cost Ratios by DSM Program

	A	B	C	D	E	
1	2007 NEXANT DSM Evaluation results					
2	Benefit/Cost Ratios by Program					
3						
4	Program		Benefits	Costs	B/C Ratio	
5	Default Elec	E+ Home Lighting Rebate Program	\$4,141,630	\$2,196,500	1.89	
6		E+ Residential Electric Savings Program	\$2,171	\$38,365	0.06	
7		E+ Residential New Construction Program	\$20,465	\$149,674	0.14	
8		E+ Commerical Lighting Rebate Program	\$4,919,118	\$2,614,662	1.88	
9		E+ Electric Motor Rebate Program	\$594	\$15,265	0.04	
10		E+ Business Partners Program	\$1,777,697	\$1,617,561	1.10	
11		NEEA*	\$6,869,823	\$1,272,363	5.40	
12		Subtotal Default Electric Programs		\$10,861,674	\$6,632,028	1.64
13		Default	E+ Natural Gas Savings Rebate Program	\$5,566,543	\$1,946,281	2.86
14			Subtotal Default Natural Gas Programs		\$5,566,543	\$1,946,281
15	Total Default Supply Programs		\$16,428,218	\$8,578,309	1.92	
16						
17	Program		Benefits	Costs	B/C Ratio	
18	Elec USB	E+ Energy Audit for the Home (Elec)	\$213,464	\$3,245,023	0.07	
19		E+ Energy Appraisal for Businesses	\$99,423	\$87,023	1.14	
20		E+ Renewable Energy	\$746,910	\$4,112,270	0.18	
21		E+ Free Weatherization (Elec)	\$775,148	\$1,997,974	0.39	
22		Vending Miser	\$106,224	\$0	NA	
23		E+ Irrigator	\$381,715	\$1,299,929	0.29	
24		Subtotal Electric USB Programs		\$2,322,884	\$10,742,220	0.22
25	NG USB	E+ Energy Audit for the Home (NG)	\$1,407,106	\$858,358	1.64	
26		E+ Free Weatherization (NG)	\$4,370,899	\$1,582,152	2.76	
27		Subtotal Natural Gas USB Programs		\$5,778,006	\$2,440,511	2.37
28	Total USB Programs		\$8,100,889	\$13,182,731	0.61	
29						
30	Total Program Portfolio					
31	Benefits		\$24,529,107			
32	Costs		\$21,761,040			
33	Net Benefits		\$2,768,068			
34	B/C Ratio		1.13			
35						
36						
37	Source: This worksheet is copied from the workbook NWE CE Analysis120507 - Final.xls; Tab 'Cost Effectiveness Tables'					

**NorthWestern Energy Supply
2010 Energy Sales by Month**

Month	MW	# Hours	Revenue	\$/MWh
January	5,611	130	\$206,906	\$36.88
February	4,160	102	\$142,798	\$34.33
March	9,045	215	\$276,506	\$30.57
April	4,540	145	\$134,788	\$29.69
May	7,244	144	\$179,793	\$24.82
June	826	26	\$12,452	\$15.07
July	17,461	379	\$396,487	\$22.71
August	9,723	222	\$265,232	\$27.28
September	4,774	134	\$143,647	\$30.09
October	3,350	124	\$79,817	\$23.83
November	7,402	170	\$202,787	\$27.40
December	4,703	118	\$128,059	\$27.23
Total	78,839	1,909	\$2,169,272	\$27.52

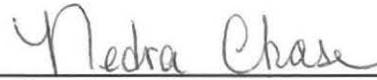
2010 Sales By Counterparty

	MWh
Avista Corp.	2,340
Blackhills Power	2,040
Bonneville Power	9,456
Coral Power/Shell Energy	13,521
Cargill Power	111
Colstrip Station Service	212
PP & L	4,190
Idaho Power Co.	290
Macquarie Energy	30
Morgan Stanley	10,222
Transmission Losses	1,583
Portland General Electric Co.	6,594
Puget Sound Energy	2,795
Powerex Corp.	22,251
Rainbow Energy Marketing	1,323
Seattle City Light	1,117
The Energy Authority	420
TransAlta Energy	87
Tacoma Power	257
Total	78,839

CERTIFICATE OF SERVICE

I hereby certify that a copy of NorthWestern Energy's ("NWE") Post Hearing Provides No. 1 through No. 4 in Docket D2010.5.50 has been efiled with Montana Public Service Commission (PSC) and has been delivered to the PSC and Montana Consumer Counsel (MCC) on this date.

Date: February 9th, 2011



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A. Service List D2010.5.50

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