

**PUBLIC SERVICE COMMISSION
STATE OF MONTANA**

Greg Jergeson, Chair
Ken Toole, Vice-Chair
Gail Gutsche, Commissioner
Brad Molnar, Commissioner
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August 19, 2010

Mr. Joe Schwartzberger
NorthWestern Energy
40 East Broadway Street
Butte, MT 59701

RE: Data requests in Docket D2010.5.50

Dear Mr. Schwartzberger,

Enclosed please find data requests of the Montana Public Service Commission to NorthWestern Energy numbered PSC-026 through PSC-027 in the above-referenced Docket. Please begin the response to each new numbered data request on a new page. If you have any questions, please contact me at (406) 444-6193.

Sincerely,

Will Rosquist
Regulatory Division
Montana Public Service Commission

Enclosure

IN THE MATTER OF NorthWestern Energy's) REGULATORY DIVISION
Application for Approval for Authority to)
Establish Increased Natural Gas and Electric) DOCKET NO. D2010.5.50
Delivery Service Rates)

**DATA REQUESTS PSC-026 THROUGH PSC-027 OF THE
MONTANA PUBLIC SERVICE COMMISSION
TO
NORTHWESTERN ENERGY**

PSC-026

Regarding: 2010 – 2011 tracker period
Witness: Bennett

- a. Is NWE asking the PSC to approve financial hedging program in this Docket?
- b. Please discuss whether financial hedging, with its associated credit requirements, would noticeably constrain NWE's capital, making it unavailable for other uses.
- c. If financial hedging would noticeably constrain NWE's capital, please explain how the costs of such capital constraints are incorporated into the cost benefit analysis?

PSC-027

Regarding: 2010 – 2011 tracker period
Witness: Fine

- a. ARM 38.5.8204 encourages NWE to maximize dissemination of information to customers regarding the mix of resources and the corresponding level of emissions and other environmental impacts associated with electricity supply service through itemized labeling and reporting of the portfolio's energy products. Please list and explain any current and/or planned activities that satisfy this objective.
- b. On p. 6 you explain that beginning January 1, 2011, there will be no third party regulation contract and, consequently, beginning January 1, 2011, there are no regulation costs included in the tracker. Please explain why NWE took this approach, rather than estimating some Mill Creek-based regulation cost to include in the tracker beginning January 1, 2011.
- c. Regarding part (b), will the absence of projected regulation costs in the tracker beginning January 1, 2011, result in a large under collection in 2010 – 2011?