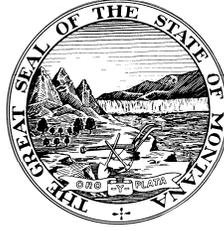


PUBLIC SERVICE COMMISSION
STATE OF MONTANA



Bill Gallagher, Chairman
Bob Lake, Vice Chairman
Kirk Bushman, Commissioner
Travis Kavulla, Commissioner
Roger Koopman, Commissioner

1701 Prospect Avenue
PO Box 202601
Helena, MT 59620-2601
Voice: 406.444.6199
Fax #: 406.444.7618
<http://psc.mt.gov>
E-Mail: psc_webmaster@mt.gov

April 5, 2013

Mr. Robert Nelson
Montana Consumer Counsel
111 N. Last Chance Gulch
Suite 1B, Box 201703
Helena, MT 59601

RE: Data requests in Docket D2012.5.49

Dear Mr. Nelson,

Enclosed please find data requests of the Montana Public Service Commission to the Montana Consumer Counsel numbered PSC-092 through PSC-095 in the above-referenced Docket. Please provide responses by April 19, 2013. If you have any questions, please contact Neil Templeton at (406) 444-6191, or me at (406) 444-6359.

Sincerely,

Will Rosquist
Regulatory Division
Montana Public Service Commission

Service Date: April 5, 2013

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

* * * * *

IN THE MATTER OF NorthWestern Energy's) REGULATORY DIVISION
Application for Approval of Electricity Supply)
Deferred Cost Account Balance and Projected) DOCKET NO. D2012.5.49
Electric Supply Costs)

**DATA REQUESTS PSC-092 THROUGH PSC-095 OF THE
MONTANA PUBLIC SERVICE COMMISSION
TO
MONTANA CONSUMER COUNSEL**

PSC-092

Regarding: Hedging
Witness: Donkin

- a. Are you suggesting that the Commission ought to determine the electricity hedging strategy as having been imprudent and order certain out-of-market costs to be disallowed?
- b. Given NorthWestern's response to MCC-003(b), which you criticize as not including substantial information about the out-of-market costs of hedging, how would the Commission go about calculating the losses which resulted from this policy; or do you simply agree with what Frank Bennett has provided, which appears in your GLD-1?
- c. Assume that the Commission agrees with NorthWestern's contention, which you cite to, that the objective of hedging is not to reduce cost of supply, but to reduce risk. How should the PSC attempt to evaluate a suitable premium that it is willing to have paid in times of low market prices for out-of-market purchases that avoid risk of suddenly inking market prices?

PSC-093

Regarding: SBW report
Witness: Unknown

- a. Is MCC challenging any aspect of SBW's work and, if so, which aspect(s)?

- b. Does MCC accept as true the energy savings the SBW report projects as resulting from NorthWestern's energy efficiency programs?
- c. To what extent should the Commission be concerned about the independence of the savings estimates in SBW's report, given that SBW's contract is with NWE?
- d. Have you reviewed the avoided-cost calculations that NorthWestern and SBW are using to benchmark DSM cost savings against? (Refer to the report, and PSC-052 as needed.) If so, do you find them reasonable?

PSC-094

Regarding: Criteria for utility energy efficiency programs

Witness: Unknown

- a. In the Commission's attempt to evaluate DSM programming, should it matter which consumers participate in DSM programs, or should DSM's savings of energy to the system compared with the avoided cost of energy the utility otherwise would have purchased be the Commission's lodestone, regardless of the level of consumer participation?
- b. What criteria, other than a comparison of the cost of energy saved versus the avoided cost of energy purchased from other sources, should be considered in making decisions about energy efficiency and conservation programming?
- c. Please refer to NWE response to PSC-054. Do you support the company's plan to continue incenting CFL purchases even while federal regulations have caused (or will cause) incandescent light bulbs of gradually lower wattages to be discontinued from being manufactured?

PSC-095

Regarding: Efficient dispatch

Witness: Unknown

The PSC requested supplemental testimony about the efficient dispatch of NorthWestern's owned and contracted resources that offer flexible reserves and regulation service, and the MCC submitted data requests in that matter. Does MCC have any opinion on this issue and on what steps the Commission should take to improve the efficient operations of NorthWestern's owned and contracted assets?