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

IN THE MATTER OF NorthWestern)	
Energy's Application for Approval to)	
Purchase and Operate PPL Montana's)	REGULATORY DIVISION
Hydroelectric Facilities, for Approval of)	
Inclusion of Generation Asset and Cost of)	DOCKET NO. D2013.12.85
Service in Electricity Supply Rates, for)	
Approval of Issuance of Securities to)	
Complete the Purchase, and for Related)	
Relief)	

NORTHWESTERN ENERGY'S

OBJECTIONS TO DATA REQUESTS PSC-068b, PSC-068d AND PSC-075b

NorthWestern Corporation doing business as NorthWestern Energy ("NorthWestern"), objects to data requests identified as PSC-068b, PSC-068d, and PSC-075d on the grounds more particularly described below. The Montana Public Service Commission ("Commission") served

its fifth set of data requests (PSC-068 to PSC-083) on January 28, 2013. Procedural Order 7323b, ¶ 9, provides a party may object to a data request within 10 days from service. February 7, 2014 is the deadline to object to PSC-068b, PSC-068d, and PSC-075d.

PSC-068b

PSC-068b asks, “Did PPL place a negative value on its coal assets in Montana?”

NorthWestern objects to this data request subpart because it calls for speculation and therefore is not relevant and not reasonably calculated to lead to admissible evidence. This data request is directed to Brian B. Bird and purports to be about the “Hydro Sales Process.” Brian B. Bird did not testify that PPLM told him what value it placed on any category of assets, or even the assets as a whole. A party to negotiations for the purchase and sale of assets does not generally inform another party as to the value it places on any discrete sub-group of the assets. If the selling party reveals any value, it will be its asking price. For Mr. Bird to answer this question, he would need to speculate about a fact that is not within his personal knowledge. Neither his answer, nor anything that it might lead to is admissible evidence. The Commission should not require Mr. Bird to speculate as to the value that PPLM placed on its coal assets in Montana.

PSC-068d

PSC-068d asks:

In your estimation, what advantage did PPL gain by accepting an offer from NWE for only the Hydros – a sale process which would likely take 9-12 months to complete with uncertainty that it could be actually be consummated – in lieu of initiating a competitive solicitation with the knowledge that NWE would likely be one of multiple bidders in a competitive process?

NorthWestern objects to this data request subpart because it calls for speculation and therefore is not relevant and not reasonably calculated to lead to admissible evidence. Mr. Bird did not testify that PPL gained any advantage by accepting an offer from NorthWestern. Mr. Bird

testified, “Though disappointed that it was not able to sell all of PPLM to NorthWestern, PPL was intrigued enough to continue negotiations.” PPLM did not provide any information about its motives in accepting NorthWestern’s offer. For Mr. Bird to answer this question, he would need to speculate about a fact that is not within his personal knowledge.

Further, the subject of the question is not pertinent to the issues before the Commission in this docket. Whether PPL, an entity that is not regulated by this Commission, gained an advantage by selling the Hydros to NorthWestern rather than by selling them to some other entity or through some other process has no bearing on the Commission’s determinations that acquiring the Hydros as an electricity supply resource is in the public interest. The Commission should not require Mr. Bird to speculate as to any advantage gained by PPL in accepting NorthWestern’s offer.

PSC-075b

PSC-075b states, “Please provide DCF analysis using the 0.6 carbon adder from the PowerSimm analysis in the 2013 Plan rather than a projected market heat rate carbon adder.” NorthWestern objects to this data request because it is beyond the proper scope of data requests in that it requires NorthWestern to undertake an analysis that it did not make in evaluating the acquisition or preparing its Application and to produce a document that does not currently exist. The Commission, on February 6, 2014, adopted a motion directing the parties to brief the issue related to new analysis and scheduling oral argument on this issue (with others) for February 13, 2014.

Respectfully submitted this 7th day of February 2014


ALBrogan
Sarah Norcott
Attorneys for NorthWestern Energy

CERTIFICATE OF SERVICE

I hereby certify that a copy of NorthWestern Energy's Objections to Data Requests PSC-068b, PSC-068d and PSC-075b in Docket No. D2013.12.85 has been hand delivered to The Montana Public Service Commission and The Montana Consumer Counsel. A copy has been e-filed on the MPSC website. It will be mailed to the most recent service list in this Docket by first class mail. It will also be emailed to the counsel of record.

Date: February 7, 2014



Nedra Chase
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**Docket No D2013.12.85
Hydro Assets Purchase
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