

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

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

**DATA REQUESTS OF THE MONTANA CONSUMER COUNSEL**

**MCC-152**

Regarding: Net Present Value of Portfolio Costs  
Witness: Travis E. Meyer

Please provide the table related to Exhibits TEM-1 and TEM-2, shown on page TEM-19 of your testimony, assuming a zero carbon price in all time periods. Please also include copies in MS Excel format of the exhibits showing the adjustment described above with all worksheets and links intact.

**MCC-153**

Regarding: Net Present Value of Portfolio Costs  
Witness: Joseph M. Stimatz

Please provide the chart "Net Present Value of Portfolio Costs, 2015-2043," shown at the bottom of page JMS-42 of your testimony, adjusted to reflect a zero carbon price (and no random uncertainty for this zero price) in all time periods.

**MCC-154**

Regarding: Exhibits and Charts  
Witness: Joseph M. Stimatz

Please provide all supporting workfiles used and linked to the file “Resource Comparison Charts and Table p. JMS-38.xlsx” included in the Witnesses’ Electronic Supporting Data CD provided on December 23, 2013, including but not limited to the following files: “Market Purch & Sales\_CCCT 2018.xlsx,” “Market Purch & Sales\_NO NEW ASSETS.xlsx,” “Market Purch & Sales\_HYDRO.xlsx,” “Curve Calculator 6-7-13.xlsx,” etc.

**MCC-155**

Regarding: Exhibit TEM-1  
Witness: Travis E. Meyer

Please provide all data, calculations and workfiles used in estimating the yearly “Mid Columbia forward price curve with basis Adjustments” shown on line 5, tab “Carbon Tax & MidC Curve” of the file “Exhibit\_\_(TEM-1).xlsx included in the Witnesses’ Electronic Supporting Data CD provided on December 23, 2013.

**MCC-156**

Regarding: Follow-up PSC-010  
Witness: Travis E. Meyer

Response to PSC-010 (b) states that the market curve included in Exhibit\_\_(JMS-2), specifically columns S-U, was the data used to calculate the market curve illustrated in row 39 of Exhibit\_\_(TEM-2). Please provide more details, including examples, as to how the monthly data from those three columns in Exhibit\_\_(JMS-2) was used to calculate the yearly prices in Exhibit\_\_(TEM-2).

**MCC-157**

Regarding: Follow-up PSC-011  
Witness: Joseph M. Stimatz

Attachment 2 provided in response to PSC-011 (b) claims to show the market price forecast for electricity (Mid-C) represented on Exhibit JMS-2. However, the settlement prices shown here are not the same as those used on Exhibit JMS-2 for “Mid-C No Carbon.” Please explain what adjustments were made to each of the future prices in order to estimate the “Mid-C No Carbon” prices shown on Exhibit JMS-2. Also please indicate how the future prices on Exhibit JMS-2 were estimated after December 2020.

**MCC-158**

Regarding: Stochastic Modeling  
Witness: Joseph M. Stimatz

For each of the three portfolios, please provide more details on how the price of CO<sub>2</sub> is accounted for in the Risk Premium segment of the Net Present Value of Portfolio Cost, as shown on the chart presented on page JMS-42 of your testimony.

**MCC-159**

Regarding: Stochastic Modeling  
Witness: Joseph M. Stimatz

Please provide the yearly forward/forecast electricity market prices resulting from the stochastic simulation of Ascend’s modeling process, and used in the estimation of the Net Present Value of Portfolio Cost shown on the chart presented on page JMS-42 of your testimony. Do these prices incorporate the carbon adder and NWE system Basis adjustments in the same way as in Exhibit JMS-2? If so, please break down these components, if not, please explain why not and provide a breakdown of the components.

**MCC-160**

Regarding: Stochastic Modeling  
Witness: Joseph M. Stimatz

On page 6-13 of NWE’s 2013 Electricity Supply Resource Procurement Plan it is said that the volatility of the price of CO<sub>2</sub> is an important driver of the overall uncertainty in portfolio costs. Please list the other important drivers of uncertainty and provide an estimate of the percent contribution that the price of CO<sub>2</sub> adds to the Risk Premium segment of the Net Present Value of Portfolio Cost, as shown on the chart presented on page JMS-42 of your testimony.

**MCC-161**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 101 of Exhibit WTR-2.1, Erosion Litigation at Kerr: What responsibility for erosion claims remain with NWE after ownership is transferred to the Tribes? What is the estimated cost of these claims?

**MCC-162**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 101 of Exhibit WTR-2.1, please explain why the Tier II reports on Hebgen Lake hazardous materials as well as inspections of oil-filled equipment and associated containment devices have not been made available. Why is it unknown whether hazardous spills have occurred since 2008?

**MCC-163**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 101 of Exhibit WTR-2.1, please explain why Hebgen Lake water flow plans and required annual reports since 2008 have not been made available.

**MCC-164**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 103 of Exhibit WTR-2.1, please explain why required Hebgen Lake annual fisheries reports have not been made available.

**MCC-165**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 104 of Exhibit WTR-2.1, please explain why the Hebgen Lake vegetation and wildlife protection plan and annual reports have not been made available for review.

**MCC-166**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 104 of Exhibit WTR-2.1, please explain why the required annual cultural compliance reports for Hebgen Lake have not been made available for review.

**MCC-167**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 107 of Exhibit WTR-2.1, please explain why it is not known whether the Madison Dam is in compliance with lead contamination requirements. Please explain what efforts were made to determine whether the Madison Dam is or is not in compliance with lead contamination requirements. Please explain the liability that NWE may have to employees and/or others if lead contamination at this facility is or becomes a serious problem.

**MCC-168**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 107 of Exhibit WTR-2.1, please explain why it is not known whether identified asbestos issues at Madison Dam have or have not been removed or otherwise abated. Please explain what efforts were made to determine whether asbestos issues at Madison Dam have been removed or abated.

**MCC-169**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 107 of Exhibit WTR-2.1, please explain why required water quality reports for the Madison Dam have not been made available for review.

**MCC-170**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 110 of Exhibit WTR-2.1, please explain why the required annual fisheries and cultural compliance reports for Madison Dam were not made available for review.

**MCC-171**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 114 of Exhibit WTR-2.1, please explain why the flow excursion plan and required annual and quarterly reports on flow excursions at Hauser Dam (including 79 excursions caused by PPLM) have not been made available for review. What are the possible penalties and liabilities for these flow excursions?

**MCC-172**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 119 of Exhibit WTR-2.1, please explain why hazardous material spill inspections for Holter Dam have not been made available and why it is unknown whether such spills have occurred since 2008.

**MCC-173**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 123 of Exhibit WTR-2.1, Holter Dam: Please provide the estimated potential cost or cost range for resolving the Missouri-Madison shoreline and bank erosion problems at the nine sites where significant erosion has taken place.

**MCC-174**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 130 of Exhibit WTR-2.1, Black Eagle Dam – Other Requirements: Is this (the 2009 report) the most recent information available on Black Eagle erosion and on plans to address erosion at Black Eagle sites? If more recent information exists, please report it.

**MCC-175**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 130 of Exhibit WTR-2.1, you report that it is likely that the Black Eagle Dam will be included in the final boundary definition of the Superfund site. Please provide a complete explanation of the potential range of costs and facilities impacts that may result from Black Eagle's inclusion in the Superfund site.

**MCC-176**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 145 of Exhibit WTR-2.1, Cochrane Dam – Other Requirements : You appear to report that the last Cochrane erosion plan was approved by MDHES in 1994, but neither that plan nor associated reports over the past twenty years have been made available for review. Is that a correct reading of your report? Why have these materials not been made available for review?

**MCC-177**

Regarding: Environmental Compliance  
Witness: Gary Wiseman

In reference to page 147 of Exhibit WTR-2.1, you report extensive asbestos issues in facilities at Ryan Dam. However, you state that it is unknown whether action has been taken on matters of asbestos removal or abatement. Please explain why this is unknown and detail all steps taken to obtain this information.

**MCC-178**

Regarding: Pro forma Assessment  
Witness: Gary Wiseman

In reference to page 189 of Exhibit WTR-2.1, please provide all support (data, calculations, etc.) justifying the projection that projected regulatory expenses will decline from about \$30 million annually to about \$7 million annually between 2013/2014 and 2016/2017.

**MCC-179**

Regarding: Findings / Conclusions  
Witness: Gary Wiseman

In reference to page 194 of Exhibit WTR-2.1, you state that there is concern for potential groundwater contamination at Black Eagle. What is the range of potential cost exposures associated with this concern?

**MCC-180**

Regarding: Findings / Conclusions  
Witness: Gary Wiseman

In reference to page 194 of Exhibit WTR-2.1, please provide the Company's assessment of the Mattson Case litigation concerning shore erosion and flood damage due to reservoir operations.

**MCC-181**

Regarding: Findings / Conclusions  
Witness: Gary Wiseman

In reference to page 195 of Exhibit WTR-2.1, Capital Expenses: Is it possible that unforeseen events could cause required annual capital expenditures to be significantly higher than \$8.5 million per year after 2017?

**MCC-182**

Regarding: Findings / Conclusions  
Witness: Gary Wiseman

In reference to page 195 of Exhibit WTR-2.1, Please state the potential range of significant costs for the potential design consideration items listed at the bottom of page 195. Please confirm that these potential costs are not included in the \$8.5 million post 2017 capital expenditures estimate.

**MCC-183**

Regarding: Shaw Hydro Agenda  
Witness: Gary Wiseman

In reference to pages 202-205 of Exhibit WTR-2.1, please provide the responses to each question on the Newfoundland list of questions.

**MCC-184**

Regarding: PPLM data room  
Witness: William Rhoads

Please provide the information in the PPLM data room with a corresponding topical index.

**MCC-185**

Regarding: Carbon pricing  
Witness: Joseph M. Stimatz

Near the top of your testimony on page JMS-28 you state that NWE's approach to price forecasting for carbon was similar in the 2011 plan and Spion Kop acquisition but you note, "Some details, such as the methodology for estimating basis, the year in which an escalation factor is applied, and the source and application of the carbon price have been modified,..." Please specify individually the details listed above and any others that were different for the 2011 plan and Spion Kop. Please list exactly what methodologies, sources, implementation year and any other numbers, such as carbon prices, were used to price forecast carbon in the 2011 plan and Spion Kop.