



June 26, 2014

Ms. Kate Whitney  
Montana Public Service Commission  
1701 Prospect Avenue  
P.O. Box 202601  
Helena, MT 59620-2601

RE: Docket No. D2013.12.85  
PPLM Hydro Assets Purchase  
PSC Set 13 Data Requests (269-304)  
**Updated Response to PSC-279a**

Dear Ms. Whitney:

Enclosed for filing is a copy of NorthWestern Energy's updated response to PSC-279a in PSC Set 13 Data Requests (269-304). A hard copy will be mailed to the most recent service list in this Docket this date. The Montana Public Service Commission and the Montana Consumer Counsel will be served by hand delivery this date. This updated response will also be e-filed on the PSC website and emailed to counsel of record.

Should you have questions please contact Joe Schwartzenberger at 406 497-3362.

Sincerely,

Nedra Chase  
Administrative Assistant  
Regulatory Affairs

NC/nc  
CC: Service List

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of NorthWestern Energy's updated response to PSC-279a in PSC Set 13 Data Requests (269-304) in Docket D2013.12.85, the PPLM Hydro Assets Purchase, has been hand delivered to the Montana Public Service Commission and to the Montana Consumer Counsel this date. This updated response will be e-filed on the PSC website and served on the most recent service list by mailing a copy thereof by first class mail, postage prepaid and will also be emailed to counsel of record.

Date: June 26, 2014



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Administrative Assistant  
Regulatory Affairs

**Docket No D2013.12.85  
Hydro Assets Purchase  
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**NorthWestern Energy  
Docket D2013.12.85  
PPLM Hydro Assets Purchase**

**Public Service Commission (PSC)  
Set 13 (269-304)**

Data Requests served May 2, 2014

PSC-279

Regarding: FERC Relicensing Costs  
Witness: Sullivan

- a. Has PPLM historically funded relicensing efforts through its O&M budget?
- b. Has PPLM developed a budget estimate for the relicensing of the Thompson Falls Project?
- c. If the answer to (b) is "Yes," has NWE reviewed the budget estimate?
- d. If the answer to (b) is "Yes," please provide a copy of the budget estimate.
- e. What historic O&M work and costs would be foregone to allow for the addition of relicensing costs for Thompson Falls?

**RESPONSE:**

- a. Yes.
- b. No.
- c. N/A
- d. N/A
- e. As stated in Data Request MCC-028b, the O&M forecast was based on PPLM-provided costs for 2013 escalated 2.5% annually through 2036. The 2013 baseline included costs for fisheries and recreation studies and extensive consultation with the resource agencies that will be directly applicable to relicensing. The costs of these activities carried forward in the forecast, combined with internal labor, are expected to make up the majority of relicensing expenses.

**UPDATED RESPONSE (June 26, 2014):**

- a. NorthWestern has recently been informed that PPLM capitalized the relicensing expense for the Mystic Project, which is the most recent relicensing effort.