



February 19, 2014

Ms. Kate Whitney
Utility Division
Montana Public Service Commission
1701 Prospect Avenue
PO Box 2022601
Helena, Montana 59620-2601

**Re: Docket No. D2013.5.33 Electric Tracker
NorthWestern Energy's Responses to PSC Set 1 (001-003) Data Requests**

Dear Ms. Whitney:

Enclosed for filing are NorthWestern Energy's responses to PSC Set 1 Data Requests in Docket No. D2013.5.33 Electric Tracker.

These data responses will be filed with the PSC this date and will be hand delivered to the PSC and MCC.

If you have any questions, please call Joe Schwartzberger at (406) 497-3362.

Sincerely,

Tracy Lowney Killoy
Administrative Assistant

Enclosures

CERTIFICATE OF SERVICE

I hereby certify that a copy of NorthWestern Energy's response to PSC Set 1 Data Requests (001-003) in Docket D2013.5.33 Electric Tracker will be hand delivered to the Montana Public Service Commission (PSC) on this day and e-filed electronically on the PSC website. It will also be hand delivered to the Montana Consumer Counsel and mailed via first class mail postage prepaid to the service list.

Date: February 19, 2014



Tracy Lowney Killoy
Administrative Assistant
Regulatory Affairs

**Docket No. D2013.5.33
Electric Filing
Service List/Mailing Labels**

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NorthWestern Energy
Docket D2013.5.33
Electric Tracker

Montana Public Service Commission (PSC)
Set 1 (001-003)

Data Requests received January 17, 2014

PSC-001

Regarding: Electronic Files
Witnesses: Bennett, Hansen, Thomas

- a. Please provide working electronic copies of all Exhibits with all supporting files and links intact.
- b. Please update any exhibits that contained estimated figures relating to the 2012-2013 tracker period with actual figures.

RESPONSE:

- a. See files in each witness folder on the attached CD.
- b. See the electronic versions of updated exhibits in the witness folders on the CD referenced in part a, above. Please also note that the starting point for William M Thomas's Exhibit__ (WMT-3-Updated for 12+0) for the 2013-2014 electric tracker (Docket No. D2013.5.33) was the December 11, 2013 Compliance Filing in Docket No. D2012.5.49 prepared to reflect the provisions of Final Order No. 7219h. Lost Revenues for 2009-2010, 2010-2011, and 2011-2012 are the same as those in the Compliance Filing for Docket No. D2012.5.49. Lost Revenues for the 2012-2013 and 2013-2014 periods are calculated in this workbook Exhibit__ (WMT-3-Updated for 12+0). Figures in Exhibit__ (WMT-3-Updated for 12+0) include provisions of Final Order No. 7219h and exclude DSM from NorthWestern Facilities.

In addition, see Attachments 1 through 3, paper versions of the updated exhibits of Frank V. Bennett, and Attachments 4 through 6, paper versions of the updated exhibits of William M. Thomas. Consistent with past practice, none of the Cheryl A. Hansen exhibits were updated because rate adjustment requests remain consistent with the original filing. Please also note that Joseph S. Janhunen plans to adopt Ms. Hansen's testimony and exhibits in this docket at hearing.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	Electric Supply Cost Tracker														
2	Electric Tracker Projection Excluding Generation Assets Cost of Service														
3															
4		Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total	
5		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual		
6	Total Sales and Unit Costs														
7	MWh	508,737	551,049	516,614	445,633	451,251	507,415	565,008	522,733	487,459	461,420	443,488	448,231	5,909,036	
8	Supply Cost	\$ 39,1902	\$ 38,1487	\$ 38,7757	\$ 38,7570	\$ 39,1902	\$ 38,9468	\$ 38,9932	\$ 38,4429	\$ 39,1080	\$ 39,0577	\$ 38,9658	\$ 38,9658	\$ 39,1902	
9	YNP MWh	3,924	1,502	2,621	2,162	1,481	671	555	532	568	553	756	3,281	18,605	
10	YNP Supply Rate	\$ 60.0000	\$ 60.0000	\$ 60.0000	\$ 60.0000	\$ 60.0000	\$ 60.0000	\$ 60.0000	\$ 60.0000	\$ 60.0000	\$ 60.0000	\$ 60.0000	\$ 60.0000	\$ 60.0000	
11	Prior Year(s) Deferred Expense	\$ 1,9331	\$ 1,9331	\$ 1,9331	\$ 1,9331	\$ 1,9331	\$ 1,9331	\$ 1,9331	\$ 1,9331	\$ 1,9331	\$ 1,9331	\$ 1,9331	\$ 1,9331	\$ 1,9331	
12															
13															
14	Electric Cost Revenues														
15	NWE Electric Supply	\$ 19,077,519	\$ 21,086,958	\$ 19,785,214	\$ 17,255,477	\$ 17,557,654	\$ 19,866,465	\$ 22,095,107	\$ 20,294,221	\$ 18,890,319	\$ 18,047,326	\$ 17,304,839	\$ 17,431,924	\$ 228,683,023	
16	YNP Electric Supply	\$ 235,417	\$ 90,103	\$ 157,269	\$ 129,707	\$ 89,185	\$ 40,534	\$ 33,304	\$ 31,922	\$ 33,888	\$ 33,017	\$ 47,867	\$ 207,531	\$ 1,129,545	
17	Subtotal	\$ 19,312,937	\$ 21,177,061	\$ 19,942,483	\$ 17,385,184	\$ 17,646,839	\$ 19,906,999	\$ 22,128,411	\$ 20,326,143	\$ 18,914,207	\$ 18,080,343	\$ 17,352,507	\$ 17,639,455	\$ 229,812,568	
18	Prior Year(s) Deferred Expense	\$ 1,911,087	\$ 383,254	\$ 1,092,388	\$ 946,625	\$ 961,494	\$ 1,078,367	\$ 1,200,713	\$ 1,110,621	\$ 1,035,866	\$ 980,617	\$ 942,002	\$ 952,052	\$ 12,595,087	
19	Total Revenue	\$ 21,224,024	\$ 21,560,314	\$ 21,034,872	\$ 18,331,809	\$ 18,608,333	\$ 20,985,366	\$ 23,329,124	\$ 21,436,764	\$ 19,950,073	\$ 19,060,960	\$ 18,294,509	\$ 18,591,507	\$ 242,407,855	
20															
21	Electric Supply Expenses														
22	Net Base Purchases	\$ 12,803,996	\$ 13,853,532	\$ 13,308,976	\$ 14,348,111	\$ 13,869,570	\$ 14,308,324	\$ 18,135,762	\$ 16,750,733	\$ 17,272,347	\$ 17,672,167	\$ 16,959,353	\$ 16,308,250	\$ 185,591,140	
23	Net Base Sales	\$ (278,580)	\$ (380,724)	\$ (300,788)	\$ (411,288)	\$ (343,035)	\$ (317,880)	\$ (356,968)	\$ (327,158)	\$ (394,345)	\$ (377,092)	\$ (409,432)	\$ (391,012)	\$ (4,298,302)	
24	Net Term Purchases	\$ 4,175,907	\$ 4,279,656	\$ 1,536,552	\$ 1,250,316	\$ 1,317,860	\$ 2,717,212	\$ 980,805	\$ 911,035	\$ 813,080	\$ 402,492	\$ 413,683	\$ 429,736	\$ 19,228,335	
25	Net Term Sales	\$ (2,314,541)	\$ (213,113)	\$ (652,977)	\$ (161,431)	\$ -	\$ -	\$ -	\$ -	\$ (2,349,150)	\$ (1,879,808)	\$ (1,995,241)	\$ (2,032,710)	\$ (11,598,971)	
26	Net Spot Purchases	\$ 1,501,518	\$ 1,427,581	\$ 547,903	\$ 881,806	\$ 1,164,280	\$ 1,390,939	\$ (866,607)	\$ 802,450	\$ 1,076,168	\$ 565,087	\$ 1,582,064	\$ 3,380,583	\$ 13,443,772	
27	Net Spot Sales	\$ (30,952)	\$ (2,490,462)	\$ (127,366)	\$ (958,129)	\$ (859,853)	\$ (1,193,266)	\$ (297,088)	\$ (2,365,513)	\$ (563,668)	\$ (284,498)	\$ (127,462)	\$ (65,674)	\$ (9,364,061)	
28	Other Tracker Costs	\$ 2,787,893	\$ 4,092,350	\$ 2,042,396	\$ 2,303,391	\$ 3,544,794	\$ 2,528,286	\$ 2,396,420	\$ 1,562,877	\$ 1,859,531	\$ 2,968,743	\$ 2,527,260	\$ 3,023,966	\$ 31,635,908	
29	Total Electric Supply Expenses	\$ 18,645,240	\$ 20,568,820	\$ 16,354,695	\$ 17,252,776	\$ 18,693,487	\$ 19,431,615	\$ 19,972,344	\$ 17,334,425	\$ 17,713,964	\$ 19,067,091	\$ 18,950,225	\$ 20,663,158	\$ 224,637,820	
30															
31	NWE Transmission Costs														
32															
33	Other Services (Wheeling)	\$ 47,679	\$ 53,042	\$ 50,455	\$ 81,375	\$ 80,868	\$ 88,725	\$ 90,264	\$ 134,174	\$ 116,442	\$ 78,422	\$ 76,680	\$ 57,149	\$ 955,275	
34	Ancillary Cost (Disallowed)	\$ (13,781)	\$ (47,093)	\$ (15,863)	\$ (15,863)	\$ (15,863)	\$ (15,863)	\$ (15,863)	\$ (15,863)	\$ (15,863)	\$ (15,863)	\$ (15,863)	\$ (15,863)	\$ (219,499)	
35	Total NWE Transmission	\$ 33,898	\$ 5,949	\$ 34,592	\$ 65,513	\$ 65,006	\$ 72,862	\$ 74,401	\$ 118,312	\$ 100,580	\$ 62,560	\$ 60,818	\$ 41,286	\$ 735,776	
36															
37	Administrative Expenses														
38	MPSC Tax Collection	\$ 41,570	\$ 42,712	\$ 41,533	\$ 41,636	\$ 42,512	\$ 47,532	\$ 53,057	\$ 49,147	\$ 44,926	\$ 43,096	\$ 41,835	\$ 41,998	\$ 531,553	
39	MCC Tax Collection	\$ 24,942	\$ 25,627	\$ 24,920	\$ 12,672	\$ 12,938	\$ 14,466	\$ 16,148	\$ 14,958	\$ 13,673	\$ 13,116	\$ 12,732	\$ 12,782	\$ 198,974	
40	Modeling	\$ 76,190	\$ 54,671	\$ 52,379	\$ 88,046	\$ 25,830	\$ 12,175	\$ 38,480	\$ 40,292	\$ 39,355	\$ 6,750	\$ 95,001	\$ 1,813	\$ 530,979	
41	Trading & Marketing	\$ 9,927	\$ 7,774	\$ 6,325	\$ 8,782	\$ 8,121	\$ 7,424	\$ 7,184	\$ 7,184	\$ 7,981	\$ 5,822	\$ 10,000	\$ 5,847	\$ 92,371	
42	Administration	\$ 38,027	\$ 8,900	\$ 4,400	\$ 4,400	\$ 4,400	\$ 67,618	\$ 4,428	\$ 5,259	\$ 99,871	\$ 4,485	\$ 5,171	\$ 22,104	\$ 269,063	
43	Total Administrative Expenses	\$ 190,657	\$ 139,684	\$ 129,556	\$ 155,535	\$ 93,801	\$ 149,215	\$ 119,296	\$ 116,840	\$ 205,806	\$ 73,269	\$ 164,739	\$ 84,543	\$ 1,622,940	
44															
45	Carrying Cost Expense														
46	Carrying Costs	\$ 86,042	\$ 80,930	\$ 51,482	\$ 46,127	\$ 48,053	\$ 39,530	\$ 18,791	\$ (6,762)	\$ (19,620)	\$ (18,808)	\$ (13,081)	\$ 1,423	\$ 314,107	
47	Total Carrying Costs	\$ 86,042	\$ 80,930	\$ 51,482	\$ 46,127	\$ 48,053	\$ 39,530	\$ 18,791	\$ (6,762)	\$ (19,620)	\$ (18,808)	\$ (13,081)	\$ 1,423	\$ 314,107	
48															
49															
50	Total Expenses	\$ 18,955,837	\$ 20,785,383	\$ 16,570,326	\$ 17,519,951	\$ 18,900,346	\$ 19,693,223	\$ 20,184,832	\$ 17,562,815	\$ 18,000,730	\$ 19,184,112	\$ 19,162,701	\$ 20,790,390	\$ 227,310,844	
51															
52	Deferred Cost Amortization	\$ 1,911,087	\$ 383,254	\$ 1,092,388	\$ 946,625	\$ 961,494	\$ 1,078,367	\$ 1,200,713	\$ 1,110,621	\$ 1,035,866	\$ 980,617	\$ 942,002	\$ 952,052	\$ 12,595,087	
53	(under collection)/over collection														
54	Monthly Deferred Cost	\$ 357,100	\$ 391,678	\$ 3,372,158	\$ (134,767)	\$ (1,253,507)	\$ 213,777	\$ 1,943,579	\$ 2,763,328	\$ 913,477	\$ (1,103,789)	\$ (1,810,194)	\$ (3,150,935)	\$ 2,501,925	
55	Cumulative Deferred Cost	\$ 357,100	\$ 748,778	\$ 4,120,936	\$ 3,986,169	\$ 2,732,661	\$ 2,946,438	\$ 4,890,017	\$ 7,653,345	\$ 8,566,822	\$ 7,463,054	\$ 5,652,859	\$ 2,501,925		

A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Electric Supply Cost Tracker												
2	Electric Tracker Projection Excluding Generation Assets Cost of Service												
3													
4													
5		Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
6		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
7													
8		Note: for supply cost expense positive value reflects an under collection, negative an (over collection).											
9	<u>Deferred Supply Cost Expense</u>												
10	Beginning Balance	\$ 15,312,718	\$ 13,044,530	\$ 12,269,599	\$ 7,805,053	\$ 6,993,195	\$ 7,285,208	\$ 5,993,064	\$ 2,848,772	\$ (1,025,177)	\$ (2,974,520)	\$ (2,851,368)	\$ (1,983,176)
11	Monthly Deferred Cost	\$ (2,268,167)	\$ (774,932)	\$ (4,464,546)	\$ (811,858)	\$ 292,013	\$ (1,292,143)	\$ (3,144,292)	\$ (3,873,949)	\$ (1,949,343)	\$ 123,152	\$ 868,192	\$ 2,198,882
12	Ending Balance	\$ 13,044,530	\$ 12,269,599	\$ 7,805,053	\$ 6,993,195	\$ 7,285,208	\$ 5,993,064	\$ 2,848,772	\$ (1,025,177)	\$ (2,974,520)	\$ (2,851,368)	\$ (1,983,176)	\$ 215,706
13													
14													
15	Total Capital	\$ 13,044,530	\$ 12,269,599	\$ 7,805,053	\$ 6,993,195	\$ 7,285,208	\$ 5,993,064	\$ 2,848,772	\$ (1,025,177)	\$ (2,974,520)	\$ (2,851,368)	\$ (1,983,176)	\$ 215,706
16													
17													
18													
19	<u>Cost of Capital</u>	<u>Rate</u>	<u>% Capitalization</u>	<u>Rate of Return</u>									
20	Long-Term Debt	5.76%	52.00%	3.00%									
21	Common Equity	10.25%	48.00%	4.92%									
22													
23	Average Cost of Capital			7.92%									
24													
25	<u>Deferred Supply Expense</u>												
26	Carrying Charge		7.92%										
27													

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	Electric Supply Cost Tracker														
2	Electric Tracker Projection														
3															
4	Volumes in MWh	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total	
5		Actual													
6	Off System Transactions														
7	Fixed Price														
8	Base Fixed Price Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Competitive Solicitations	28,800	29,400	27,600	29,400	28,025	28,600	103,400	93,598	103,275	100,400	103,256	99,992	775,546	
10	Base Fixed Price Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Competitive Solicitations	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Term Fixed Price Purchases	90,000	75,564	19,200	21,600	20,000	40,000	-	-	-	-	-	-	266,364	
13	Term Fixed Price Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Index Price														
15	Base Index Price Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	Base Index Price Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	Competitive Solicitations	(28,600)	(29,400)	(27,600)	(29,515)	(28,025)	(28,600)	(29,000)	(26,402)	(28,975)	(28,400)	(29,000)	(28,000)	(341,517)	
18	Term Index Price Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Term Index Price Sales	(90,000)	(75,600)	-	-	-	-	-	-	(74,300)	(72,000)	(74,400)	(71,992)	(458,292)	
20	Spot Purchases	400	-	-	-	-	-	-	-	-	-	-	-	400	
21	Spot Sales	-	-	(19,200)	(21,600)	(20,000)	(40,000)	(74,400)	(67,200)	-	-	-	-	(242,400)	
22															
23	On System Transactions														
24	Fixed Price														
25	Rate-Based Assets														
26	Colstrip Unit 4	89,669	149,166	148,514	150,045	152,348	138,213	159,562	143,944	151,263	125,201	84,803	73,679	1,566,407	
27	Dave Gates Generating Station	5,208	5,208	5,040	5,208	5,047	5,208	5,208	29,580	5,201	5,040	5,208	5,040	86,196	
28	Spion Kop	-	-	-	-	15,216	15,967	18,619	17,979	12,171	12,100	9,874	8,846	110,772	
29	Base Fixed Price Purchases														
30	PPL 7 Year Contract	124,200	125,400	118,800	125,400	120,125	123,000	124,200	112,800	124,075	121,200	124,200	120,000	1,463,400	
31	Judith Gap	21,604	26,452	28,382	40,055	43,758	48,594	67,086	57,104	42,072	48,752	34,928	30,398	489,185	
32	Other Non-QF	14,334	11,321	8,600	5,524	3,933	11,769	3,921	11,832	3,863	3,600	8,313	11,793	98,803	
33	Competitive Solicitations	20,000	21,600	19,200	21,600	20,000	20,000	20,800	19,200	20,800	20,800	20,800	20,000	244,800	
34	QF Tier II	51,659	65,484	71,306	77,783	72,898	75,106	74,544	65,138	75,784	72,895	69,638	52,246	824,481	
35	QF Tier II Adjustments	(6,001)	-	-	-	-	-	-	-	-	-	-	-	(6,001)	
36	QF-1 Tariff Contracts	3,518	3,402	2,938	4,379	5,401	5,540	6,315	5,280	4,966	12,563	11,645	4,595	70,542	
37	Term Fixed Price Purchases	2,158	1,350	1,200	1,350	1,971	1,250	1,950	1,800	1,950	12,750	6,288	7,239	41,256	
38	Term Fixed Price Sales	(6,458)	(6,558)	(5,312)	(5,472)	(1,200)	(1,250)	(1,950)	(1,800)	(1,950)	(1,936)	(1,950)	(4,116)	(39,952)	
39	Index Price														
40	Base Index Price Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	
41	Competitive Solicitations	28,600	29,400	27,600	29,400	28,025	28,600	45,400	40,800	45,325	43,600	45,400	44,000	436,150	
42	Term Index Price Purchases	79,333	73,709	36,000	18,473	19,566	50,572	34,149	31,277	23,792	11,925	13,184	10,000	401,980	
43	Term Index Price Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	
44	Spot Purchases	161,548	69,856	24,849	30,159	42,873	66,174	40,619	30,231	31,593	29,356	69,353	109,173	705,584	
45	Spot Sales	(2,881)	(7,524)	(6,447)	(10,886)	(12,461)	(6,488)	(12,419)	(20,176)	(24,466)	(13,548)	(10,805)	(4,913)	(132,994)	
46	Imbalance, Current Month Estimate	41,876	11,831	7,153	7,145	12,115	-	17,703	3,591	-	-	-	-	101,414	
47	Imbalance, Prior Months True-up	(4,324)	(30,248)	41,876	-	11,901	-	27,548	27,548	(17,703)	(3,591)	-	-	53,007	
48	Imbalance, Accounting & BA Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	
49															
50	Ancillary and Other														
51	Basin Creek Fixed Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	
52	Basin Creek Variable Costs	2,236	-	1,175	-	-	4,584	3,863	1,261	4,215	1,525	2,784	4,591	26,234	
53	Basin Creek Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	
54	Basin Creek Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	
55	Operating Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	
56	Wind Other Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	
57	DSM Program & Labor Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	
58	DSM Lost T&D Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	
59	DSM Lost Revenue Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	
60															
61	Total Delivered Supply	626,699	549,613	530,873	500,048	541,516	586,840	637,119	577,385	502,951	502,232	493,519	492,571	6,541,366	
62															
63	Electric Tracker Projection Excluding Generation Assets Cost of Service														
64	Total Supply Expense														
65															

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
65	Energy Supply Revenue (Expense)	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total
67		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
68	Off System Transactions													
69	Fixed Price													
70	Base Fixed Price Purchases													
71	Competitive Solicitations	\$ 1,652,140	\$ 1,691,460	\$ 1,595,040	\$ 1,691,460	\$ 1,616,260	\$ 1,652,140	\$ 4,362,240	\$ 3,958,958	\$ 4,357,660	\$ 4,252,320	\$ 4,357,147	\$ 4,215,360	\$ 35,402,185
72	Base Fixed Price Sales													
73	Competitive Solicitations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
74	Term Fixed Price Purchases	\$ 2,488,500	\$ 2,203,344	\$ 689,760	\$ 775,980	\$ 718,500	\$ 1,439,000							\$ 8,315,084
75	Term Fixed Price Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
76	Index Price													
77	Base Index Price Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
78	Base Index Price Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
79	Competitive Solicitations	\$ (278,580)	\$ (390,724)	\$ (300,788)	\$ (411,288)	\$ (343,035)	\$ (317,880)	\$ (358,968)	\$ (327,158)	\$ (394,345)	\$ (377,092)	\$ (409,432)	\$ (391,012)	\$ (4,298,302)
80	Term Index Price Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
81	Term Index Price Sales	\$ (1,996,020)	\$ -	\$ (492,616)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,349,150)	\$ (1,879,808)	\$ (1,849,592)	\$ (2,032,710)	\$ (10,599,896)
82	Spot Purchases	\$ 14,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,046,704)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,032,604)
83	Spot Sales	\$ -	\$ (2,339,392)	\$ -	\$ (701,256)	\$ (577,920)	\$ (1,047,820)	\$ -	\$ (1,915,008)	\$ -	\$ -	\$ -	\$ -	\$ (6,581,396)
84														
85	On System Transactions													
86	Fixed Price													
87	Rate-Based Assets													
88	Colstrip Unit 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
89	Dave Gates Generating Station	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90	Spion Kop	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91	Base Fixed Price Purchases													
92	PPL 7 Year Contract	\$ 6,532,920	\$ 6,596,040	\$ 6,248,880	\$ 6,602,310	\$ 6,324,581	\$ 6,475,950	\$ 6,545,340	\$ 5,944,560	\$ 6,538,753	\$ 6,393,300	\$ 6,551,550	\$ 6,330,000	\$ 77,084,184
93	Judith Gap	\$ 645,025	\$ 900,168	\$ 968,872	\$ 1,205,418	\$ 1,399,531	\$ 1,597,468	\$ 2,186,368	\$ 1,861,475	\$ 1,272,612	\$ 1,126,079	\$ 791,726	\$ 699,921	\$ 14,654,864
94	Other Non-QF	\$ 796,609	\$ 601,173	\$ 433,511	\$ 219,619	\$ 180,166	\$ 160,166	\$ 160,166	\$ 632,668	\$ 160,166	\$ 160,166	\$ 484,402	\$ 599,910	\$ 4,568,721
95	Competitive Solicitations	\$ 1,080,500	\$ 1,166,940	\$ 1,037,280	\$ 1,166,940	\$ 1,080,500	\$ 1,080,500	\$ 1,123,720	\$ 1,037,280	\$ 1,123,720	\$ 1,123,720	\$ 1,123,805	\$ 1,080,500	\$ 13,225,405
96	QF Tier II	\$ 1,820,403	\$ 2,401,298	\$ 2,614,791	\$ 2,852,303	\$ 2,673,170	\$ 2,754,137	\$ 2,733,528	\$ 2,388,610	\$ 2,778,999	\$ 2,673,060	\$ 2,553,625	\$ 2,263,546	\$ 30,507,471
97	QF Tier II Adjustments	\$ (102,929)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (102,929)
98	QF-1 Tariff Contracts	\$ 176,549	\$ 183,130	\$ 183,013	\$ 280,493	\$ 346,402	\$ 345,883	\$ 400,936	\$ 333,981	\$ 302,745	\$ 1,419,709	\$ 624,634	\$ 535,593	\$ 5,133,068
99	Term Fixed Price Purchases	\$ 49,613	\$ -	\$ -	\$ -	\$ 12,210	\$ -	\$ -	\$ -	\$ -	\$ 108,000	\$ 88,651	\$ 120,224	\$ 378,698
100	Term Fixed Price Sales	\$ (318,521)	\$ (213,113)	\$ (160,361)	\$ (161,431)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (145,649)	\$ -	\$ (999,075)
101	Index Price													
102	Base Index Price Purchases													
103	Competitive Solicitations	\$ 202,780	\$ 313,324	\$ 227,588	\$ 329,568	\$ 268,960	\$ 242,080	\$ 623,484	\$ 593,200	\$ 737,492	\$ 523,812	\$ 472,464	\$ 583,420	\$ 5,118,172
104	Term Index Price Purchases	\$ 1,637,793	\$ 2,076,312	\$ 846,792	\$ 474,336	\$ 587,150	\$ 1,278,212	\$ 980,805	\$ 911,035	\$ 813,080	\$ 294,492	\$ 325,032	\$ 309,512	\$ 10,534,552
105	Term Index Price Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
106	Spot Purchases	\$ 1,487,418	\$ 1,427,581	\$ 547,903	\$ 881,806	\$ 1,164,280	\$ 1,390,939	\$ 1,160,097	\$ 802,450	\$ 1,076,168	\$ 565,087	\$ 1,582,064	\$ 3,390,583	\$ 15,476,376
107	Spot Sales	\$ (30,952)	\$ (151,070)	\$ (127,366)	\$ (256,873)	\$ (282,063)	\$ (145,446)	\$ (297,088)	\$ (450,505)	\$ (563,668)	\$ (284,498)	\$ (127,462)	\$ (65,674)	\$ (2,782,665)
108	Imbalance, Current Month Estimate	\$ 399,560	\$ 193,149	\$ 105,034	\$ 154,795	\$ 242,355	\$ 736,503	\$ 399,525	\$ 75,251	\$ 39,937	\$ (43,349)	\$ 100,285	\$ 368,329	\$ 2,771,374
109	Imbalance, Prior Months True-up	\$ (7,046)	\$ (9,973)	\$ (43,697)	\$ 135,151	\$ 93,255	\$ (154,795)	\$ 186,406	\$ 10,391	\$ (136,485)	\$ 484,099	\$ 376,922	\$ 499,407	\$ 1,433,635
110	Imbalance, Accounting & BA Expense	\$ 875,495	\$ 458,459	\$ 43,697	\$ 89,215	\$ (168,855)	\$ 154,795	\$ -	\$ (151,788)	\$ 253,777	\$ -	\$ -	\$ -	\$ 1,554,794
111														
112	Ancillary and Other													
113	Basin Creek Fixed Costs	\$ 452,985	\$ 452,985	\$ 452,985	\$ 452,985	\$ 878,354	\$ 452,985	\$ 412,077	\$ 460,191	\$ 460,191	\$ 467,562	\$ 898,486	\$ 481,990	\$ 6,323,776
114	Basin Creek Variable Costs	\$ 10,883	\$ 19,638	\$ 5,668	\$ 13,455	\$ 2,955	\$ 21,343	\$ 18,083	\$ 6,010	\$ 19,533	\$ -	\$ -	\$ -	\$ 117,568
115	Basin Creek Fuel	\$ 73,669	\$ 93,036	\$ 47,924	\$ 87,122	\$ 40,935	\$ 166,984	\$ 152,305	\$ 69,993	\$ 160,109	\$ 87,335	\$ 116,541	\$ 114,794	\$ 1,210,748
116	Basin Creek Storage	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 36,000
117	Operating Reserves	\$ 104,160	\$ 104,160	\$ 100,800	\$ 104,160	\$ 100,940	\$ 111,600	\$ 111,600	\$ 100,800	\$ 111,450	\$ -	\$ -	\$ -	\$ 949,670
118	Wind Other Cost	\$ 24,523	\$ 2,873	\$ 5,476	\$ 18,177	\$ 767,871	\$ 2,871	\$ 6,955	\$ 26,728	\$ 4,445	\$ 33,285	\$ 10,821	\$ 767,705	\$ 1,671,728
119	DSM Program & Labor Costs	\$ 455,133	\$ 2,379,492	\$ 925,980	\$ 849,801	\$ 1,188,455	\$ 635,469	\$ 710,938	\$ 566,772	\$ 548,044	\$ 1,541,279	\$ 625,676	\$ 409,552	\$ 10,836,590
120	DSM Lost T & D Revenues	\$ 395,530	\$ 395,530	\$ 395,530	\$ 395,530	\$ 395,530	\$ 395,530	\$ 395,530	\$ 395,530	\$ 395,530	\$ 395,530	\$ 395,530	\$ 395,530	\$ 4,746,366
121	DSM Lost Revenue Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (16,341)	\$ (16,341)
122														
123	Total Delivered Supply	\$ 18,645,240	\$ 20,558,820	\$ 16,354,695	\$ 17,252,776	\$ 18,693,487	\$ 19,431,615	\$ 19,972,344	\$ 17,334,425	\$ 17,713,964	\$ 19,067,091	\$ 18,950,225	\$ 20,663,138	\$ 224,637,820
124	Wind Other Cost includes: Judith Gap impact fees and property tax charges, Global Energy fees, 3 Tier fees, electric service at met towers, and met tower site leases.													
125	Electric Tracker Projection Excluding Generation Assets Cost of Service													
126	Unit Costs													
127														

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O														
		Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total															
		Actual																											
128	Energy Supply Unit Costs																												
129																													
130	Off System Transactions																												
131	Fixed Price																												
132	Base Fixed Price Purchases																												
133	Competitive Solicitations	\$	57.77	\$	57.53	\$	57.79	\$	57.53	\$	57.67	\$	57.77	\$	42.19	\$	42.30	\$	42.19	\$	42.35	\$	42.20	\$	42.16	\$	45.65		
134	Base Fixed Price Sales																												
135	Competitive Solicitations		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
136	Term Fixed Price Purchases	\$	27.65	\$	29.16	\$	35.93	\$	35.93	\$	35.93	\$	35.98		n/a		n/a		n/a		n/a		n/a		n/a		\$	31.22	
137	Term Fixed Price Sales		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
138	Index Price																												
139	Base Index Price Purchases		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
140	Base Index Price Sales																												
141	Competitive Solicitations	\$	9.74	\$	13.29	\$	10.90	\$	13.93	\$	12.24	\$	11.11	\$	12.31	\$	12.39	\$	13.61	\$	13.28	\$	14.12	\$	13.96	\$	12.59		
142	Term Index Price Purchases		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
143	Term Index Price Sales	\$	22.18	\$	-		n/a		n/a		n/a		n/a		n/a		n/a		\$	31.62	\$	26.11	\$	24.86	\$	28.24	\$	23.13	
144	Spot Purchases	\$	35.25		n/a		n/a		n/a		n/a		n/a		n/a		n/a		\$	(5,081.51)									
145	Spot Sales		n/a		n/a		-	\$	32.47	\$	28.90	\$	26.20	\$	-	\$	28.50		n/a		n/a		n/a		n/a		\$	27.15	
146																													
147	On System Transactions																												
148	Fixed Price																												
149	Rate-Based Assets																												
150	Colstrip Unit 4	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
151	Dave Gates Generating Station	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
152	Spion Kop		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
153	Base Fixed Price Purchases																												
154	PPL 7 Year Contract	\$	52.60	\$	52.60	\$	52.60	\$	52.65	\$	52.65	\$	52.65	\$	52.70	\$	52.70	\$	52.70	\$	52.75	\$	52.75	\$	52.75	\$	52.75	\$	52.67
155	Judith Gap	\$	29.86	\$	34.03	\$	34.14	\$	30.09	\$	31.98	\$	32.87	\$	32.59	\$	32.60	\$	30.25	\$	23.10	\$	22.67	\$	23.03	\$	23.03	\$	29.96
156	Other Non-QF	\$	55.57	\$	53.10	\$	50.41	\$	39.76	\$	40.72	\$	13.61	\$	40.85	\$	53.47	\$	41.46	\$	44.49	\$	58.27	\$	50.87	\$	46.24	\$	46.24
157	Competitive Solicitations	\$	54.03	\$	54.03	\$	54.03	\$	54.03	\$	54.03	\$	54.03	\$	54.03	\$	54.03	\$	54.03	\$	54.03	\$	54.03	\$	54.03	\$	54.03	\$	54.03
158	QF Tier II	\$	35.24	\$	36.67	\$	36.67	\$	36.67	\$	36.67	\$	36.67	\$	36.67	\$	36.67	\$	36.67	\$	36.67	\$	36.67	\$	36.67	\$	36.67	\$	37.00
159	QF Tier II Adjustments																												
160	QF-1 Tariff Contracts	\$	50.18	\$	53.83	\$	62.30	\$	64.05	\$	64.13	\$	62.43	\$	63.49	\$	63.25	\$	60.96	\$	113.01	\$	53.64	\$	116.56	\$	72.77		
161	Term Fixed Price Purchases	\$	22.99	\$	-	\$	-	\$	-	\$	6.19	\$	-	\$	-	\$	-	\$	-	\$	8.47	\$	14.10	\$	16.61	\$	9.18		
162	Term Fixed Price Sales	\$	49.32	\$	32.50	\$	30.19	\$	29.50	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	74.69	\$	-	\$	25.01		
163	Index Price																												
164	Base Index Price Purchases																												
165	Competitive Solicitations	\$	7.09	\$	10.66	\$	8.25	\$	11.21	\$	9.60	\$	8.46	\$	13.73	\$	14.54	\$	16.27	\$	12.01	\$	10.41	\$	13.26	\$	11.73		
166	Term Index Price Purchases	\$	20.64	\$	28.17	\$	23.52	\$	25.68	\$	30.01	\$	25.28	\$	28.72	\$	29.13	\$	34.17	\$	24.70	\$	24.65	\$	30.95	\$	26.21		
167	Term Index Price Sales		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
168	Spot Purchases	\$	9.21	\$	20.49	\$	22.05	\$	29.24	\$	27.16	\$	21.02	\$	28.56	\$	26.54	\$	34.06	\$	19.25	\$	22.81	\$	31.06	\$	21.93		
169	Spot Sales	\$	10.82	\$	20.08	\$	19.76	\$	23.60	\$	22.64	\$	22.42	\$	23.92	\$	22.33	\$	23.04	\$	21.00	\$	11.80	\$	13.37	\$	20.92		
170	Imbalance, Current Month Estimate	\$	9.54	\$	16.33	\$	14.68	\$	21.66	\$	20.00		n/a	\$	22.57	\$	20.96		n/a		n/a		n/a		n/a		\$	27.33	
171	Imbalance, Prior Months True-up	\$	1.63	\$	0.33	\$	(1.04)		n/a	\$	7.84		n/a	\$	6.77	\$	0.38		7.71	\$	(134.82)		n/a		n/a		\$	27.05	
172	Imbalance, Accounting & BA Expense																												
173																													
174	Ancillary and Other																												
175	Basin Creek Fixed Costs		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
176	Basin Creek Variable Costs		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
177	Basin Creek Fuel		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
178	Basin Creek Storage		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
179	Operating Reserves		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
180	Wind Other Cost		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
181	DSM Program & Labor Costs		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
182	DSM Lost T & D Revenues		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
183	DSM Lost Revenue Adjustment		n/a		n/a		n/a		n/a		n/a		n/a		n/a		n/a												
184																													
185																													
186	Total Delivered Supply	\$	29.75	\$	37.41	\$	30.81	\$	34.50	\$	34.52	\$	33.11	\$	31.35	\$	30.02	\$	35.22	\$	37.96	\$	38.40	\$	41.95	\$	34.34		
187																													

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Colstrip Unit 4 Generation Asset Component														
2			Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total
3			Actual												
4	Colstrip Unit 4 Fixed Cost Revenue Requirement -- Per Final Order 6925f														
5	Colstrip 4 Plant In Service														
6	Electric Generation Plant		\$ 33,916,667	\$ 33,916,667	\$ 33,916,667	\$ 33,916,667	\$ 33,916,667	\$ 33,916,667	\$ 33,916,667	\$ 33,916,667	\$ 33,916,667	\$ 33,916,667	\$ 33,916,667	\$ 33,916,667	\$ 407,000,000
7	Accumulated Depreciation (Book Life 34 Yrs)		\$ (997,549)	\$ (997,549)	\$ (997,549)	\$ (997,549)	\$ (997,549)	\$ (997,549)	\$ (997,549)	\$ (997,549)	\$ (997,549)	\$ (997,549)	\$ (997,549)	\$ (997,549)	\$ (11,970,588)
8	Deferred Income Taxes		\$ (96,014)	\$ (96,014)	\$ (96,014)	\$ (96,014)	\$ (96,014)	\$ (96,014)	\$ (96,014)	\$ (96,014)	\$ (96,014)	\$ (96,014)	\$ (96,014)	\$ (96,014)	\$ (1,152,169)
9	Total Year End Rate-Base		\$ 32,823,104	\$ 32,823,104	\$ 32,823,104	\$ 32,823,104	\$ 32,823,104	\$ 32,823,104	\$ 32,823,104	\$ 32,823,104	\$ 32,823,104	\$ 32,823,104	\$ 32,823,104	\$ 32,823,104	\$ 393,877,243
10															
11	Average Annual Rate-Base		\$ 33,369,885	\$ 33,369,885	\$ 33,369,885	\$ 33,369,885	\$ 33,369,885	\$ 33,369,885	\$ 33,369,885	\$ 33,369,885	\$ 33,369,885	\$ 33,369,885	\$ 33,369,885	\$ 33,369,885	\$ 400,438,621
12															
13	Fixed Return (Avg Rate-Base * Cost of Capital)	8.25%	\$ 2,753,016	\$ 2,753,016	\$ 2,753,016	\$ 2,753,016	\$ 2,753,016	\$ 2,753,016	\$ 2,753,016	\$ 2,753,016	\$ 2,753,016	\$ 2,753,016	\$ 2,753,016	\$ 2,753,016	\$ 33,036,186
14															
15	Fixed Cost of Service														
16	Steam Power Generation Operation		\$ 739,512	\$ 739,512	\$ 739,512	\$ 739,512	\$ 739,512	\$ 739,512	\$ 739,512	\$ 739,512	\$ 739,512	\$ 739,512	\$ 739,512	\$ 739,512	\$ 8,874,144
17	Purchase Power		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Administrative and General Expenses		\$ 247,388	\$ 247,388	\$ 247,388	\$ 247,388	\$ 247,388	\$ 247,388	\$ 247,388	\$ 247,388	\$ 247,388	\$ 247,388	\$ 247,388	\$ 247,388	\$ 2,968,654
19	Depreciation		\$ 997,549	\$ 997,549	\$ 997,549	\$ 997,549	\$ 997,549	\$ 997,549	\$ 997,549	\$ 997,549	\$ 997,549	\$ 997,549	\$ 997,549	\$ 997,549	\$ 11,970,588
20	Property Taxes		\$ 202,622	\$ 202,622	\$ 202,622	\$ 202,622	\$ 202,622	\$ 202,622	\$ 202,622	\$ 202,622	\$ 202,622	\$ 202,622	\$ 202,622	\$ 202,622	\$ 2,431,458
21	Taxes Other than Income		\$ 44,086	\$ 44,086	\$ 44,086	\$ 44,086	\$ 44,086	\$ 44,086	\$ 44,086	\$ 44,086	\$ 44,086	\$ 44,086	\$ 44,086	\$ 44,086	\$ 529,037
22	MCC/MPSC Taxes	0.45%	\$ 19,576	\$ 19,576	\$ 19,576	\$ 19,576	\$ 19,576	\$ 19,576	\$ 19,576	\$ 19,576	\$ 19,576	\$ 19,576	\$ 19,576	\$ 19,576	\$ 234,907
23	Deferred Income Taxes		\$ 96,014	\$ 96,014	\$ 96,014	\$ 96,014	\$ 96,014	\$ 96,014	\$ 96,014	\$ 96,014	\$ 96,014	\$ 96,014	\$ 96,014	\$ 96,014	\$ 1,152,169
24	Current Income Taxes		\$ 968,357	\$ 968,357	\$ 968,357	\$ 968,357	\$ 968,357	\$ 968,357	\$ 968,357	\$ 968,357	\$ 968,357	\$ 968,357	\$ 968,357	\$ 968,357	\$ 11,620,288
25	Miscellaneous Revenues (Rent)		\$ (5,991)	\$ (5,991)	\$ (5,991)	\$ (5,991)	\$ (5,991)	\$ (5,991)	\$ (5,991)	\$ (5,991)	\$ (5,991)	\$ (5,991)	\$ (5,991)	\$ (5,991)	\$ (71,887)
26	Fixed Cost of Service		\$ 3,309,113	\$ 3,309,113	\$ 3,309,113	\$ 3,309,113	\$ 3,309,113	\$ 3,309,113	\$ 3,309,113	\$ 3,309,113	\$ 3,309,113	\$ 3,309,113	\$ 3,309,113	\$ 3,309,113	\$ 39,709,358
27															
28	Total CU4 Fixed Cost Revenue Requirement		\$ 6,062,129	\$ 6,062,129	\$ 6,062,129	\$ 6,062,129	\$ 6,062,129	\$ 6,062,129	\$ 6,062,129	\$ 6,062,129	\$ 6,062,129	\$ 6,062,129	\$ 6,062,129	\$ 6,062,129	\$ 72,745,544
29															
30															

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	
31	Colstrip Unit 4 Generation Asset Component																
32				Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total	
33				Actual													
34	Colstrip Unit 4 Variable Cost																
35	Total Forecast Sales																
36				508,737	551,049	516,614	445,633	451,251	507,415	565,008	522,733	487,459	461,420	443,488	448,231	5,909,036	
37				\$ 4.6065	\$ 4.6065	\$ 4.6065	\$ 4.6065	\$ 4.6065	\$ 4.6065	\$ 4.2273	\$ 4.2273	\$ 4.2273	\$ 4.2273	\$ 4.2273	\$ 4.2273		
38				\$ (0.5034)	\$ (0.5034)	\$ (0.5034)	\$ (0.5034)	\$ (0.5034)	\$ (0.5034)	\$ (0.5034)	\$ (0.5034)	\$ (0.5034)	\$ (0.5034)	\$ (0.5034)	\$ (0.5034)		
39																	
40	Colstrip Unit 4 Variable Cost Revenues																
41				\$ 2,133,202	\$ 2,310,332	\$ 2,165,932	\$ 1,867,332	\$ 1,890,839	\$ 2,127,334	\$ 2,389,160	\$ 2,209,849	\$ 2,061,211	\$ 1,950,118	\$ 1,874,414	\$ 1,894,445	\$ 24,874,167	
42																	
43				\$ 2,133,202	\$ 2,310,332	\$ 2,165,932	\$ 1,867,332	\$ 1,890,839	\$ 2,127,334	\$ 2,389,160	\$ 2,209,849	\$ 2,061,211	\$ 1,950,118	\$ 1,874,414	\$ 1,894,445	\$ 24,874,167	
44				\$ (2,114,471)	\$ (102,653)	\$ (286,082)	\$ (246,638)	\$ (249,743)	\$ (280,983)	\$ (312,894)	\$ (289,408)	\$ (269,945)	\$ (255,391)	\$ (245,478)	\$ (248,101)	\$ (4,901,787)	
45				\$ 18,730	\$ 2,207,678	\$ 1,879,850	\$ 1,620,694	\$ 1,641,096	\$ 1,846,351	\$ 2,076,266	\$ 1,920,441	\$ 1,791,266	\$ 1,694,726	\$ 1,626,937	\$ 1,646,343	\$ 19,972,380	
46																	
47				\$ 2,331,300	\$ 1,940,657	\$ 1,846,658	\$ 2,089,401	\$ 1,454,490	\$ 1,585,308	\$ 1,921,861	\$ 1,956,864	\$ 2,026,734	\$ 1,129,535	\$ 1,443,502	\$ 1,206,253	\$ 20,932,562	
48																	
49				\$ (37,187)	\$ (37,187)	\$ (37,187)	\$ (37,187)	\$ (37,187)	\$ (37,187)	\$ (20,329)	\$ (20,329)	\$ (20,329)	\$ (20,329)	\$ (20,329)	\$ (20,329)	\$ (345,094)	
50																	
51				\$ 246,462	\$ 246,462	\$ 246,462	\$ 246,462	\$ 246,462	\$ 246,462	\$ 246,462	\$ 246,462	\$ 246,462	\$ 246,462	\$ 246,462	\$ 246,462	\$ 2,957,541	
52				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (34,821)	\$ (34,821)	
53																	
54				\$ 2,540,575	\$ 2,149,932	\$ 2,055,933	\$ 2,298,676	\$ 1,663,764	\$ 1,794,582	\$ 2,147,994	\$ 2,182,997	\$ 2,252,867	\$ 1,355,668	\$ 1,669,635	\$ 1,397,565	\$ 23,510,188	
55																	
56																	
57	Carrying Cost Expense																
58				7.80%	\$ (17,770)	\$ (18,264)	\$ (17,232)	\$ (12,911)	\$ (12,848)	\$ (13,270)	\$ (12,888)	\$ (11,255)	\$ (8,311)	\$ (10,582)	\$ (10,385)	\$ (12,080)	\$ (157,795)
59																	
60				\$ 2,522,805	\$ 2,131,668	\$ 2,038,701	\$ 2,285,764	\$ 1,650,917	\$ 1,781,312	\$ 2,135,106	\$ 2,171,741	\$ 2,244,557	\$ 1,345,086	\$ 1,659,250	\$ 1,385,485	\$ 23,352,392	
61																	
62				\$ (2,114,471)	\$ (102,653)	\$ (286,082)	\$ (246,638)	\$ (249,743)	\$ (280,983)	\$ (312,894)	\$ (289,408)	\$ (269,945)	\$ (255,391)	\$ (245,478)	\$ (248,101)	\$ (4,901,787)	
63				\$ (389,603)	\$ 178,664	\$ 127,231	\$ (418,432)	\$ 239,922	\$ 346,022	\$ 254,054	\$ 38,108	\$ (183,346)	\$ 605,032	\$ 215,164	\$ 508,959	\$ 1,521,775	
64				\$ (389,603)	\$ (210,939)	\$ (83,708)	\$ (502,141)	\$ (262,218)	\$ 83,803	\$ 337,857	\$ 375,965	\$ 192,619	\$ 797,651	\$ 1,012,815	\$ 1,521,775		
65																	
66	Variable Rate-Base Deferred																
67				\$ (5,239,576)	\$ (2,735,501)	\$ (2,811,512)	\$ (2,652,660)	\$ (1,987,590)	\$ (1,977,769)	\$ (2,042,808)	\$ (1,983,968)	\$ (1,732,668)	\$ (1,279,378)	\$ (1,629,018)	\$ (1,598,705)		
68				\$ 2,504,074	\$ (76,010)	\$ 158,851	\$ 665,070	\$ 9,321	\$ (65,039)	\$ 58,840	\$ 251,300	\$ 453,290	\$ (349,640)	\$ 30,313	\$ (280,858)		
69				\$ (2,735,501)	\$ (2,811,512)	\$ (2,652,660)	\$ (1,987,590)	\$ (1,977,769)	\$ (2,042,808)	\$ (1,983,968)	\$ (1,732,668)	\$ (1,279,378)	\$ (1,629,018)	\$ (1,598,705)	\$ (1,859,563)		
70																	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P		
1	Dave Gates Generating Station at Mill Creek Asset Component																	
2				Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total		
3				Actual	Actual													
4	Dave Gates Generating Station Fixed Cost Revenue Requirement – Per Order 6943e																	
5	DGGGS Plant in Service																	
6	Electric Generation Plant	\$	15,211,469	\$	15,211,469	\$	15,211,469	\$	15,211,469	\$	15,211,469	\$	15,211,469	\$	15,211,469	\$	182,537,625	
7	Accumulated Depreciation (Book Life 30 Yrs)	\$	(746,157)	\$	(746,157)	\$	(746,157)	\$	(746,157)	\$	(746,157)	\$	(746,157)	\$	(746,157)	\$	(8,953,885)	
8	DGGGS Project Costs	\$	19,310	\$	19,310	\$	19,310	\$	19,310	\$	19,310	\$	19,310	\$	19,310	\$	231,716	
9	Customer Contributed Capital	\$	(259,613)	\$	(259,613)	\$	(259,613)	\$	(259,613)	\$	(259,613)	\$	(259,613)	\$	(259,613)	\$	(3,115,352)	
10	Working Capital	\$	165,045	\$	165,045	\$	165,045	\$	165,045	\$	165,045	\$	165,045	\$	165,045	\$	1,980,537	
11	Total Year End Rate Base	\$	14,390,053	\$	14,390,053	\$	14,390,053	\$	14,390,053	\$	14,390,053	\$	14,390,053	\$	14,390,053	\$	172,680,641	
12																		
13	Fixed Return (Avg RB * Cost of Capital)	8.16%	\$	1,174,228	\$	1,174,228	\$	1,174,228	\$	1,174,228	\$	1,174,228	\$	1,174,228	\$	1,174,228	\$	14,090,740
14																		
15	Fixed Cost of Service																	
16	Operation & Maintenance Expenses	\$	404,115	\$	404,115	\$	404,115	\$	404,115	\$	404,115	\$	404,115	\$	404,115	\$	4,849,385	
17	Depreciation	\$	497,438	\$	497,438	\$	497,438	\$	497,438	\$	497,438	\$	497,438	\$	497,438	\$	5,969,257	
18	Amortization of DGGGS Project Cost	\$	12,873	\$	12,873	\$	12,873	\$	12,873	\$	12,873	\$	12,873	\$	12,873	\$	154,477	
19	Property Taxes	\$	317,018	\$	317,018	\$	317,018	\$	317,018	\$	317,018	\$	317,018	\$	317,018	\$	3,804,214	
20	MPSC & MCC Revenue Tax	\$	10,424	\$	10,424	\$	10,424	\$	10,424	\$	10,424	\$	10,424	\$	10,424	\$	125,086	
21	Deferred Income Taxes	\$	525,000	\$	525,000	\$	525,000	\$	525,000	\$	525,000	\$	525,000	\$	525,000	\$	6,300,004	
22	Current Income Taxes	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
23	Fixed Cost of Service	\$	1,766,869	\$	1,766,869	\$	1,766,869	\$	1,766,869	\$	1,766,869	\$	1,766,869	\$	1,766,869	\$	21,202,423	
24																		
25	Subtotal Fixed Cost Revenue Requirement	\$	2,941,097	\$	2,941,097	\$	2,941,097	\$	2,941,097	\$	2,941,097	\$	2,941,097	\$	2,941,097	\$	35,293,163	
26																		
27	Less: Transmission Service @ 20%	\$	(588,219)	\$	(588,219)	\$	(588,219)	\$	(588,219)	\$	(588,219)	\$	(588,219)	\$	(588,219)	\$	(7,058,633)	
28																		
29	DGGGS Fixed Cost Allocation	\$	2,352,878	\$	2,352,878	\$	2,352,878	\$	2,352,878	\$	2,352,878	\$	2,352,878	\$	2,352,878	\$	28,234,531	
30																		
31																		
32	Total DGGGS Fixed Cost Revenue Requirement	\$	2,352,878	\$	2,352,878	\$	2,352,878	\$	2,352,878	\$	2,352,878	\$	2,352,878	\$	2,352,878	\$	28,234,531	
33																		

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
34	Dave Gates Generating Station at Mill Creek Asset Component														
35			Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total
36			Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
37	Dave Gates Generating Station at Mill Creek Variable Cost														
38	Total Forecast Sales														
39	2011/12 Tracker Sales MWh		508,737	551,049	516,614	445,633	451,251	507,415	565,008	522,733	487,459	461,420	443,488	448,231	5,909,036
40	DGGS Cost	\$	1,2623	1,2623	1,2623	1,2623	1,2623	1,2623	1,2623	1,2623	1,2623	1,2623	1,2623	1,2623	
41	Prior Year Deferred Expense	\$	(0.0271)	(0.0271)	(0.0271)	(0.0271)	(0.0271)	(0.0271)	(0.0271)	(0.0271)	(0.0271)	(0.0271)	(0.0271)	(0.0271)	
42															
43	DGGS Variable Cost Revenues														
44	NWE DGGS Revenues	\$	642,167	695,490	652,020	562,135	569,211	640,401	623,041	608,024	567,128	536,560	516,731	521,242	7,133,151
45	Prior Year(s) Deferred Expense	\$	-	(63,708)	(177,559)	(153,083)	(155,010)	(174,394)	(194,198)	(179,625)	(167,541)	(158,515)	(152,361)	(153,989)	(1,729,984)
46	Total Revenue	\$	642,167	631,782	474,461	409,052	414,201	466,007	428,843	428,400	399,587	378,046	363,370	367,253	5,403,167
47															
48	DGGS Fuel Cost														
49	DGGS Fuel Cost	\$	1,477,879	1,425,995	1,340,452	1,726,825	1,748,810	1,701,594	1,454,564	1,342,614	1,846,950	1,773,518	1,916,117	1,871,702	19,626,820
50	DGGS Fuel Adjustment	\$	-	-	-	-	-	-	-	-	-	-	-	-	
51	Less: Energy Supply Cost (7 MW)	\$	(132,477)	(132,477)	(132,477)	(132,477)	(132,477)	(132,477)	(132,477)	(132,477)	(132,477)	(132,477)	(132,477)	(132,477)	(1,589,724)
52	Subtotal	\$	1,345,402	1,293,518	1,207,975	1,594,348	1,616,333	1,569,117	1,322,087	1,210,137	1,714,473	1,641,041	1,783,640	1,739,225	18,037,096
53	Less: Transmission Service @ 20%	\$	(269,080)	(258,704)	(241,595)	(318,830)	(323,267)	(313,823)	(264,417)	(242,027)	(342,895)	(328,208)	(356,728)	(347,845)	(3,607,419)
54	MPSC-Related Supply Cost	\$	1,076,322	1,034,815	966,380	1,275,518	1,293,067	1,255,294	1,057,670	968,109	1,371,578	1,312,833	1,426,912	1,391,380	14,429,676
55	Energy Supply Cost (7 MW)	\$	132,477	132,477	132,477	132,477	132,477	132,477	132,477	132,477	132,477	132,477	132,477	132,477	1,589,724
56	Subtotal MPSC-Related Fuel Cost	\$	1,208,799	1,167,292	1,098,857	1,407,795	1,425,544	1,387,771	1,190,147	1,100,586	1,504,055	1,445,310	1,559,389	1,523,857	16,019,400
57															
58	Regulation Contracts														
59	Capacity	\$	-	-	-	-	-	-	-	-	-	-	-	-	-
60	Energy	\$	-	-	-	-	-	-	-	-	-	-	-	-	-
61	Subtotal	\$	-	-	-	-	-	-	-	-	-	-	-	-	-
62	Less: Transmission Service @ 20%	\$	-	-	-	-	-	-	-	-	-	-	-	-	-
63	Subtotal MPSC-Related Regulation Contract Cost	\$	-	-	-	-	-	-	-	-	-	-	-	-	-
64															
65	DGGS Fuel Cost Allocation	\$	1,208,799	1,167,292	1,098,857	1,407,795	1,425,544	1,387,771	1,190,147	1,100,586	1,504,055	1,445,310	1,559,389	1,523,857	16,019,400
66															
67	DGGS Revenue Credits														
68	Revenue Credits (27 MW Supply/Tran)	\$	(200,692)	(634,737)	(540,398)	(768,900)	(644,837)	(554,320)	(531,367)	(536,023)	(846,465)	(528,218)	(675,076)	(729,313)	(7,090,347)
69	Less: Transmission Service @ 20%	\$	40,138	126,947	108,080	153,780	128,967	110,864	106,273	107,205	169,293	105,644	115,015	145,863	1,418,069
70	Subtotal MPSC-Related Revenue Credits	\$	(160,554)	(507,790)	(432,319)	(615,120)	(515,869)	(443,456)	(425,094)	(428,819)	(677,172)	(422,575)	(460,061)	(583,451)	(5,672,278)
71															
72	Regulation Contracts Revenue Credits														
73	Revenue Credits	\$	-	-	-	-	-	-	-	-	-	-	-	-	-
74	Less: Transmission Service @ 20%	\$	-	-	-	-	-	-	-	-	-	-	-	-	-
75	Subtotal MPSC-Related Revenue Credits	\$	-	-	-	-	-	-	-	-	-	-	-	-	-
76															
77	DGGS Revenue Credit Allocation	\$	(160,554)	(507,790)	(432,319)	(615,120)	(515,869)	(443,456)	(425,094)	(428,819)	(677,172)	(422,575)	(460,061)	(583,451)	(5,672,278)
78															
79	Incremental Property Tax Adjustment	\$	-	-	-	-	-	-	(55,956)	(55,956)	(55,956)	(55,956)	(55,956)	(55,956)	(335,736)
80															
81	DSM Lost Revenue	\$	44,928	44,928	44,928	44,928	44,928	44,928	44,928	44,928	44,928	44,928	44,928	44,928	539,139
82	DSM Lost Revenue Adjustment	\$	-	-	-	-	-	-	-	-	-	-	-	73,584	73,584
83															
84	Subtotal DGGS Variable Cost Allocation	\$	1,093,173	704,430	711,466	837,604	954,602	989,243	754,025	660,740	815,855	1,011,707	1,088,300	1,002,963	10,624,110
85															
86	Carrying Cost Expense														
87	Carrying Costs	7.60%	\$ 7,886	\$ 8,413	\$ 10,017	\$ 12,885	\$ 16,503	\$ 20,032	\$ 22,289	\$ 23,954	\$ 26,832	\$ 31,151	\$ 36,094	\$ 40,487	\$ 256,542
88															
89	Total DGGS Variable Cost Allocation	\$	1,101,059	712,843	721,484	850,489	971,105	1,009,274	776,314	684,694	842,687	1,042,858	1,124,395	1,043,449	10,880,652
90															
91	Deferred Cost Amortization (Under)/Over	\$	-	(63,708)	(177,559)	(153,083)	(155,010)	(174,394)	(194,198)	(179,625)	(167,541)	(158,515)	(152,361)	(153,989)	(1,729,984)
92	Monthly Deferred Cost	\$	(458,893)	(17,364)	(69,463)	(288,354)	(401,894)	(368,873)	(153,273)	(76,669)	(275,559)	(506,298)	(608,663)	(522,207)	(3,747,501)
93	Cumulative Deferred Cost	\$	(458,893)	(476,246)	(545,710)	(834,064)	(1,235,958)	(1,604,831)	(1,758,104)	(1,834,773)	(2,110,333)	(2,616,630)	(3,225,294)	(3,747,501)	
94															
95	Variable Rate-Base Deferred														
96	Beginning Balance	\$	755,103	1,213,996	1,295,057	1,542,080	1,983,517	2,540,421	3,083,689	3,431,159	3,687,453	4,130,554	4,795,366	5,556,391	
97	Monthly Deferred Cost	\$	458,893	81,062	247,022	441,437	556,904	543,268	347,471	256,294	443,101	664,812	761,025	676,196	
98	Ending Balance Under/(Over)	\$	1,213,996	1,295,057	1,542,080	1,983,517	2,540,421	3,083,689	3,431,159	3,687,453	4,130,554	4,795,366	5,556,391	6,232,587	

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 Data Request PSC-001b
 Attachment 3
 Page 2 of 2

A		B	C	D	E	F	G	H		
1	Table A: Reported Electricity Savings from 2012-13 USB and DSM Program Activity									
2		Annualized Energy Savings¹								
3	Programs	USB		DSM						
4		kWh	aMW	kWh	aMW					
5	General Default Supply DSM Expenses	-	-	-	-					
6	E+ Energy Audit for the Home or Business (Elec)	1,312,959	0.15	-	-					
7	E+ Business Partners Program	-	-	7,585,053	0.87					
8	E+ Irrigation	817,382	0.09	-	-					
9	E+ Commercial Lighting Rebate Program	-	-	15,717,954	1.79					
10	E+ Residential Lighting Programs	-	-	23,268,959	2.66					
11	Builder Operator Certification	216,172	0.02	-	-					
12	Northwest Energy Efficiency Alliance (NEEA)	-	-	10,050,579	1.15					
13	Energy Star 80 Plus Program	-	-	2,076,158	0.24					
14	E+ Free Weatherization Program & Fuel Switch	250,803	0.03	-	-					
15	E+ Renewable Energy Program	891,983	0.10	-	-					
16	Energy Star New Homes Program	16,806	0.00	-	-					
17	E+ Residential NC Electric Rebate Program	-	-	5,967	0.00					
18	E+ Residential EX Electric Rebate Program	-	-	48,041	0.01					
19	E+ Commercial NC Electric Rebate Program	-	-	332,357	0.04					
20	E+ Commercial EX Electric Rebate Program	-	-	3,267,951	0.37					
21	E+ Residential NC Gas Rebate Program	-	-	-	-					
22	E+ Residential EX Gas Rebate Program	-	-	-	-					
23	E+ Commercial NC Gas Rebate Program	-	-	-	-					
24	E+ Commercial EX Gas Rebate Program	-	-	-	-					
25	Total	3,506,104	0.40	62,353,018	7.12					
26										
27										
28	Note 1: Annualized energy savings are based on 12 months of actual savings (July - June).				<table border="1"> <tr> <td>USB + DSM savings acquired in 2012-13 Tracker Period (aMW):</td> <td>7.52</td> </tr> </table>				USB + DSM savings acquired in 2012-13 Tracker Period (aMW):	7.52
USB + DSM savings acquired in 2012-13 Tracker Period (aMW):	7.52									
29										
30										
31	Table B: Residential and Commercial Savings for Calculation of Lost T & D Revenues									
32		USB + DSM Programs								
33	Programs	% Residential	kWh	% Commercial	kWh	Total kWh	Residential % of Total²	Commercial % of Total²		
34										
35	General Default Supply DSM Expenses	0%	-	0%	-	-				
36	E+ Energy Audit for the Home or Business (Elec)	80%	1,050,367	20%	262,592	1,312,959				
37	E+ Business Partners Program	0%	-	100%	7,585,053	7,585,053				
38	E+ Irrigation	0%	-	100%	817,382	817,382				
39	E+ Commercial Lighting Rebate Program	0%	-	100%	15,717,954	15,717,954				
40	E+ Residential Lighting Programs	100%	23,268,959	0%	-	23,268,959				
41	Builder Operator Certification	0%	-	100%	216,172	216,172				
42	Northwest Energy Efficiency Alliance (NEEA)	97%	9,749,061	3%	301,517	10,050,579				
43	Energy Star 80 Plus Program	0%	-	100%	2,076,158	2,076,158				
44	E+ Free Weatherization Program & Fuel Switch	100%	250,803	0%	-	250,803				
45	E+ Renewable Energy Program	68%	606,548	32%	285,434	891,983				
46	Energy Star New Homes Program	100%	16,806	0%	-	16,806				
47	E+ Residential NC Electric Rebate Program	100%	5,967	0%	-	5,967				
48	E+ Residential EX Electric Rebate Program	100%	48,041	0%	-	48,041				
49	E+ Commercial NC Electric Rebate Program	0%	-	100%	332,357	332,357				
50	E+ Commercial EX Electric Rebate Program	0%	-	100%	3,267,951	3,267,951				
51	E+ Residential NC Gas Rebate Program	100%	-	0%	-	-				
52	E+ Residential EX Gas Rebate Program	100%	-	0%	-	-				
53	E+ Commercial NC Gas Rebate Program	0%	-	100%	-	-				
54	E+ Commercial EX Gas Rebate Program	0%	-	100%	-	-				
55			34,996,552		30,862,570	65,859,122	53.14%	46.86%		
56										
57	Note 2: Overall Residential and Commercial percentages are used in calculation of Lost Revenues in Exhibit_(WMT-3).									
58										
59										
60	Subtract NorthWestern Energy Facilities from Commercial Totals²			Residential kWh	Commercial kWh	Total kWh	Residential % of Total²	Commercial % of Total²		
61				34,996,552	30,298,722	65,295,274	53.60%	46.40%		
62										
63	Note 3: The savings from NorthWestern Energy facilities has been subtracted from the commercial kWh total, resulting in a reduction of Total kWh and a reduction of the Commercial Percentage of Total Savings.									

2012-2013 Tracker Year														
Actual Recorded Spending (July through June) - from SAP Records														
Electric DSM Program Spending	Order	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total
General Expenses Related to All DSM Programs	17054	\$ 127	\$ 425,936	\$ 217,276	\$ 9,959	\$ 671	\$ 4,479	\$ 145,160	\$ 1,885	\$ 31,659	\$ 436	\$ 2,633	\$ 60,497	\$ 900,716
E+ Residential Lighting Program	17055	\$ 23,736	\$ 365,697	\$ 97,630	\$ 49,628	\$ 365,235	\$ 69,493	\$ -	\$ 254,955	\$ 89,805	\$ 144,589	\$ 133,714	\$ 195,811	\$ 1,790,293
E+ Residential Electric Savings Program	17056	\$ 212	\$ 21,574	\$ 20,856	\$ -	\$ 20,615	\$ 15,928	\$ -	\$ -	\$ 123	\$ 22,396	\$ 5,710	\$ 8,490	\$ 115,904
E+ Residential New Construction Program	17059	\$ 959	\$ 5,020	\$ 2,920	\$ -	\$ 2,172	\$ 1,849	\$ -	\$ -	\$ -	\$ 3,179	\$ 848	\$ 602	\$ 17,548
E+ Commercial Lighting Program	17060	\$ -	\$ 807,703	\$ 243,706	\$ 72,891	\$ 243,867	\$ 118,533	\$ 105,675	\$ 272,020	\$ 332,717	\$ 469,063	\$ 389,298	\$ 42,400	\$ 3,103,873
E+ Commercial New Construction Program	17062	\$ 200	\$ 2,318	\$ 12,292	\$ -	\$ 31,198	\$ 4,830	\$ -	\$ 7	\$ -	\$ 34,393	\$ 1,335	\$ 2,094	\$ 88,665
E+ Business Partners Program	17063	\$ 66,377	\$ 640,077	\$ 46,964	\$ 321,973	\$ 454,835	\$ 298,823	\$ 56,976	\$ 35,000	\$ 51,278	\$ 219,071	\$ 68,553	\$ 85,970	\$ 2,345,896
E+ Commercial Electric Rebate Program	17064	\$ 1,357	\$ 106,975	\$ 284,299	\$ 31,125	\$ 63,698	\$ 121,518	\$ 40,267	\$ 2,665	\$ 42,428	\$ 285,944	\$ 23,420	\$ 13,657	\$ 1,017,352
Market Transformation (NEEA)	17067	\$ 362,165	\$ 4,193	\$ 36	\$ 364,225	\$ 164	\$ 18	\$ 362,861	\$ 240	\$ 35	\$ 362,208	\$ 166	\$ 32	\$ 1,456,345
Monthly Total Spending		\$ 455,133	\$ 2,379,492	\$ 925,980	\$ 849,801	\$ 1,188,455	\$ 635,469	\$ 710,938	\$ 566,772	\$ 548,044	\$ 1,541,279	\$ 625,676	\$ 409,552	\$ 10,836,590
Cumulative Total Spending (for 2012-13 Tracker Year 12+0)		\$ 455,133	\$ 2,834,625	\$ 3,760,604	\$ 4,610,405	\$ 5,798,860	\$ 6,434,329	\$ 7,145,267	\$ 7,712,039	\$ 8,260,084	\$ 9,801,363	\$ 10,427,039	\$ 10,836,590	\$ 10,836,590
Note: Actual Program Expenses through June 30, 2013 as of August 12, 2013														
2013-2014 Tracker Year														
Estimated														
Electric DSM Program Spending	Order	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Total
General Expenses Related to All DSM Programs	17054	\$ 1,285	\$ 11,601	\$ 29,981	\$ 12,659	\$ 14,829	\$ 10,109	\$ 82,891	\$ 8,180	\$ 145,831	\$ 11,027	\$ 5,130	\$ 143,495	\$ 477,016
E+ Residential Lighting Program	17055	\$ 220,118	\$ 185,600	\$ 125,216	\$ 3,642	\$ 337,405	\$ 291,731	\$ -	\$ 93,354	\$ 75,591	\$ 251,462	\$ 180,576	\$ 260,471	\$ 2,025,166
E+ Residential Electric Savings Program	17056	\$ 113	\$ 20,986	\$ 12,736	\$ 13,948	\$ 10,979	\$ 8,670	\$ 15,128	\$ 13,628	\$ 17,934	\$ 24,200	\$ 24,200	\$ 24,200	\$ 186,722
E+ Residential New Construction Program	17059	\$ -	\$ 12,955	\$ 1,072	\$ 2,740	\$ 3,351	\$ 2,052	\$ 1,097	\$ 2,258	\$ 1,591	\$ 8,659	\$ -	\$ -	\$ 35,774
E+ Commercial Lighting Program	17060	\$ 161,178	\$ 321,024	\$ 153,757	\$ 65,895	\$ 173,122	\$ 317,356	\$ 339	\$ 278,674	\$ 165,082	\$ 380,685	\$ 690,389	\$ 176,155	\$ 2,883,657
E+ Commercial New Construction Program	17062	\$ -	\$ 3,049	\$ 12,007	\$ 1,839	\$ 3,393	\$ 2,032	\$ 4,264	\$ 4,117	\$ 23,101	\$ 7,774	\$ -	\$ -	\$ 61,576
E+ Business Partners Program	17063	\$ 70,805	\$ 242,981	\$ 157,968	\$ 170,484	\$ 105,003	\$ 74,671	\$ 4,139	\$ 62,192	\$ 16,118	\$ 344,872	\$ 80,135	\$ 376,767	\$ 1,706,134
E+ Commercial Electric Rebate Program	17064	\$ 54,946	\$ 3,722	\$ 83,994	\$ 32,500	\$ 114,271	\$ 110,204	\$ 8,946	\$ 96,937	\$ 80,129	\$ 24,200	\$ 40,700	\$ 40,700	\$ 691,148
Market Transformation (NEEA)	17067	\$ 362,181	\$ -	\$ -	\$ 358,790	\$ -	\$ -	\$ 358,790	\$ -	\$ -	\$ 358,790	\$ -	\$ -	\$ 1,488,551
Monthly Total Spending		\$ 870,626	\$ 801,918	\$ 576,730	\$ 662,495	\$ 762,352	\$ 816,824	\$ 475,494	\$ 559,340	\$ 525,377	\$ 1,411,669	\$ 1,021,131	\$ 1,021,787	\$ 9,505,745
Cumulative Total Spending (for 2013-14 Tracker Year)		\$ 870,626	\$ 1,672,544	\$ 2,249,275	\$ 2,911,770	\$ 3,674,122	\$ 4,490,947	\$ 4,966,441	\$ 5,525,781	\$ 6,051,158	\$ 7,462,827	\$ 8,483,958	\$ 9,505,745	\$ 9,505,745

	A	B	C	D	E	F
1	Electric DSM Lost Revenues					
2	Time Period¹	Montana T&D	Colstrip Unit #4	Dave Gates Mill Creek Station²	Spion Kop³	Total DSM Lost Revenue
3	Tracker 2009-10	\$ 2,685,440	\$ 635,362			\$ 3,320,802
4						
5	Tracker 2010-11:					
6	July-December 2010	\$ 419,642	\$ 652,768	\$ -		\$ 1,072,410
7	January-June 2011	\$ 865,606	\$ 652,768	\$ 56,588		\$ 1,574,962
8		\$ 1,285,249	\$ 1,305,535	\$ 56,588		\$ 2,647,371
9						
10						
11	Tracker 2011-12	\$ 2,307,045	\$ 1,808,216	\$ 215,603		\$ 4,330,864
12						
13	Tracker 2012-13	\$ 4,079,918	\$ 2,524,213	\$ 504,221	\$ 18,029	\$ 7,126,381
14						
15	Tracker 2013-14	\$ 5,536,694	\$ 3,205,338	\$ 760,699	\$ 73,018	\$ 9,575,749
16						
17						
18	Notes:					
19						
20	The starting point for this Exhibit__(WMT-3-Updated for 12+0) for the 2013-2014 electric tracker (D2013.5.33) was the spreadsheet workbook <i>Exhibit__(WMT-3) Electric DSM Lost Revenues 2013-2014_updated 12+0_updated for FO 7219h</i> that was developed for the Compliance Filing in Docket No. D2012.5.49 to reflect the provisions of Final Order 7219h. Lost Revenues for 2009-10 were copied from 5.3UPDATED for FO 7219h Recon-SBW-EXHIBIT__(WMT-3) Electric DSM Lost Revenues UPDATED final orig.xls into line 3 in the table immediately above. Lost Revenues for all other periods summarized above are calculated in this workbook. Figures in the Table above include provisions of Final Order 7219h, and exclude DSM from NorthWestern Facilities.					
21						
22	1. Electric DSM Lost Revenues were reset Jan. 1, 2008 due to newly established T&D rates					
23	Refer to Electric Default Supply Service D2007.7.80, Tariff 144-E and					
24	General Rate Case D2007.7.82 Interim Order No. 6852b, Tariff 145-E					
25						
26	Tracker Period 2011-2012 based on 12 month actual reported energy savings (excluding NorthWestern Facilities DSM)					
27	Tracker Period 2012-2013 based on 12 month actual reported energy savings (excluding NorthWestern Facilities DSM)					
28	Tracker Period 2013-2014 based on 6.0 aMW goal.					
29						
30						
31	Electric DSM Lost Revenues were reset again on Jan. 1, 2011 due to newly established T&D rates					
32	Refer to Docket D2009.9.129, Final Order No. 7046h					
33						
34	2. DGGS began commercial service on January 1, 2011					
35						
36	3. Spion Kop began commercial service on December 1, 2012. This version uses updated rates effective Jan. 1, 2014.					
37						

Electric DSM Lost Revenues

Tracker 2010-11 ¹											Tracker 2011-2012		Tracker 2012-2013		Tracker 2013-2014	
Period July – December 2010		Period January – June 2011		Period July 2011 – June 2012		Period July 2012 – June 2013		Period July 2013 – June 2014								
Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported							
Annual (Avg. MW)	3.00	2.70	3.00	2.81	6.00	6.69	6.00	7.45	6.00	6.00						
Cumulative (Avg. MW)	3.00	2.70	5.70	5.51	11.51	12.20	18.20	19.65	25.65	25.65						

Period July – December 2010		Period January – June 2011		Period July 2011 – June 2012		Period July 2012 – June 2013		Period July 2013 – June 2014		
Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported	
% Residential	67.4%	74.9%	67.4%	74.9%	67.4%	52.7%	69.7%	53.6%	69.7%	69.7%
% Commercial & Industrial	32.6%	25.1%	32.6%	25.1%	32.6%	49.9%	30.3%	46.4%	30.3%	30.3%
Incremental Res. (Avg. MW)	2.02	2.02	2.02	2.10	4.04	3.53	4.18	4.00	4.18	4.18
Cumulative Res. (Avg. MW)	2.02	2.02	4.04	4.13	8.09	7.65	12.27	11.65	16.45	15.83
Incremental C/I (Avg. MW)	0.98	0.68	0.98	0.71	1.96	3.34	1.82	3.46	1.82	1.82
Cumulative C/I (Avg. MW)	0.98	0.68	1.96	1.38	3.91	4.72	5.73	8.18	7.55	10.00

Period July – December 2010		Period January – June 2011		Period July 2011 – June 2012		Period July 2012 – June 2013		Period July 2013 – June 2014		
Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported	
Residential (MWH)	8,853	8,858	17,707	18,068	53,843	51,591	85,368	84,544	120,364	120,364
C/I (MWH)	4,287	2,973	8,573	6,065	20,703	26,740	49,310	56,501	79,608	79,608
Total Savings (MWH)	13,140	11,831	26,280	24,133	74,546	78,332	134,677	141,045	199,972	199,972
Total Savings (Avg. MW)	1.50	1.35	3.00	2.75	8.51	8.94	15.37	16.10	22.83	22.83

1. Different T&D rates were in effect for each 6-month period, so Total Reported DSM Savings (8.56 aMW) was divided between the two periods. New rates went into effect on July 8, 2010, which is one week later than the beginning of the 2010-11 Tracker Period, so Reported Energy Savings has been "de-rated" by 7 days for the July-December 2010 period.

2. Residential/commercial split based on DSM Program results

3. "Half-year convention":
Savings resulting from the "Increment" in any year is reduced by 50% in that year as associated projects are completed and start generating savings at different times throughout the first year. This assumption contemplates that associated projects start generating savings half way through the year on average. In the second year and beyond, projects completed in the first year generate savings for the entire year so the "Increment" is credited at 100% for the second year and each successive year.

	A	B	C	D	E	F	G	H	I	J	K	L	M																																																																																	
1	Electric DSM Lost Revenues																																																																																													
2	Commercial/Industrial Reduction in Peak Demand:																																																																																													
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4	1) Commercial/Industrial Average Monthly Load Factor: 66%																																																																																													
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7	2) Calculate Coincident Monthly Demand Reduction:																																																																																													
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14	3) Coincidence Factor: 100% *																																																																																													
15																																																																																														
16	* Coincidence Factor is estimated. 100% load factor assumes that, from a billing perspective, the impacts of class coincidence are offset by the potential of the impacts of specific technologies/projects to be non-coincident with the peak loads of individual customers.																																																																																													
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25	* Represents total C/I Demand reduction. Tariffs for GS-1 Primary and Secondary Non-demand customers do not include a demand charge.																																																																																													
26	Demand reductions associated with such customers do not result in lost revenues.																																																																																													

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Electric DSM Lost Revenues												
2													
3													
4	Estimate Energy and Demand "Bill" Savings for Residential and C/I												
5													
6													
7													
8													
9	1) Residential Savings (KWH)	Tracker 2010-11		Tracker 2011-12		Tracker 2012-13		Tracker 2013-14					
10	2) C/I Savings	Period July – December 2010		Period January – June 2011		Period July 2011 – June 2012		Period July 2012 – June 2013		Period July 2013 – June 2014			
11	Energy (KWH)	Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported
12	Demand (KW-Mths)	8,853,306	8,857,541	17,706,613	18,068,374	53,843,360	51,591,247	85,367,567	84,544,023	120,364,119	120,364,119		
13	3) Disaggregate C&I Savings by service level (tariff)												
14	C&I Savings is broken out as:*												
15	GS-1 Secondary, non demand	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
16	GS-1 Secondary, demand	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%
17	GS-1 Primary, non demand	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
18	GS-1 Primary, demand	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
19	Total C&I	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
20													
21													
22													
23	4) C&I Reported Programmatic "Bill" Savings Based on Breakout in 3) Above:												
24													
25													
26													
27	Energy (KWh)	Tracker 2010-11		Tracker 2011-12		Tracker 2012-13		Tracker 2013-14					
28		Period July – December 2010		Period January – June 2011		Period July 2011 – June 2012		Period July 2012 – June 2013		Period July 2013 – June 2014			
29	GS-1 Secondary, non demand	Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported
30	GS-1 Secondary, demand	42,867	29,731	85,734	60,647	207,029	267,405	493,096	565,008	796,084	796,084	796,084	796,084
31	GS-1 Primary, non demand	4,200,960	2,913,620	8,401,919	5,943,453	20,288,825	26,205,663	48,323,437	55,370,794	78,016,184	78,016,184	78,016,184	78,016,184
32	GS-1 Primary, demand	-	-	-	-	-	-	-	-	-	-	-	-
33	Check Total	42,867	29,731	85,734	60,647	207,029	267,405	493,096	565,008	796,084	796,084	796,084	796,084
34	Demand (KW-mth)	4,286,694	2,973,082	8,573,387	6,064,748	20,702,882	26,740,472	49,309,629	56,500,810	79,608,351	79,608,351	79,608,351	79,608,351
35	check fig (should = 0):	-	-	-	-	-	-	-	-	-	-	-	-
36	GS-1 Secondary, demand	8,719	6,047	17,439	12,336	42,110	54,391	100,298	114,925	161,926	161,926	161,926	161,926
37	GS-1 Primary, demand	89	62	178	126	430	555	1,023	1,173	1,652	1,652	1,652	1,652
38	Total*	8,808	6,109	17,617	12,462	42,540	54,946	101,321	116,098	163,579	163,579	163,579	163,579
39	*Totals are less than totals in row 12 above because non-demand C&I customers are not billed for demand.												

	A	B	C	D
1	Electric DSM Lost Revenues			
2				
3				
4	Adjustment Factors (Net Savings Adjustment Ratios)			
5				
6	For Lost Revenue calculations for the 2010-2011 tracker period, the value of 1.0 is used for this because the actual Net Adjusted Energy Savings from SBW were entered in Tab 3.			
7	Residential		Net Savings Adjustment Ratio	
8	Segment			
9	All		1.00	
10				
11	Commercial/Industrial		Net Savings Adjustment Ratio	
12	Segment			
13	All		1.00	
14				
15	For Lost Revenue calculations for the 2011-2012 tracker period forward, these values are used. SBW, Inc. DSM Evaluation Study Savings Realization rate for all Electric DSM programs			
16				
17	Residential		Net Savings Adjustment Ratio	
18	Segment			
19	All		0.91	
20				
21	Commercial/Industrial		Net Savings Adjustment Ratio	
22	Segment			
23	All		0.91	
24				

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	A	B	C	D	E	F	G	H	I
1	Electric DSM Lost Revenues - Montana T&D								
2									
3	July-December 2010								
4									
5									
6	Residential								
7				Gross					Estimated
8				Program			Net		Lost
9		Rate¹		Savings		Adjustment	Savings		Revenue
10	Bill Line Item	(\$ per kwh)		(kwh)		Factor	(kwh)		(\$)
11	Transmission Energy	0.008918		8,857,541		1.0	8,857,541		78,992
12	Distribution Energy	0.027761		8,857,541		1.0	8,857,541		245,894
13						Sub Total Residential:	8,857,541		\$ 324,886
14									
15									
16	Commercial & Industrial								
17				Gross	Gross				Estimated
18				Program	Program		Net	Net	Lost
19		Rate¹	Rate¹	Savings	Savings	Adjustment	Savings	Savings	Revenue
20	Bill Line Item	(\$ per kwh)	(\$ per kw-mth)	(kwh)	(kw-mth)	Factor	(kwh)	(kw-mth)	(\$)
21	GS-1 Secondary, non demand, TX Energy	0.007765		29,731		1.0	29,731		231
22	GS-1 Secondary, non demand, Dist. Energy	0.035955		29,731		1.0	29,731		1,069
23									
24	GS-1 Secondary, demand, TX Demand		2.966798		8,719	1.0		8,719	25,868
25	GS-1 Secondary, demand, Dist. Energy	0.004797		2,913,620		1.0	2,913,620		13,977
26	GS-1 Secondary, demand, Dist. Demand		6.047753		8,719	1.0		8,719	52,732
27									
28	GS-1 Primary, non demand, TX Energy	0.008122		0		1.0	0		0
29	GS-1 Primary, non demand, Dist. Energy	0.018623		0		1.0	0		0
30									
31	GS-1 Primary, demand, TX Demand		3.605969		89	1.0		89	321
32	GS-1 Primary, demand, Dist. Energy	0.006936		29,731		1.0	29,731		206
33	GS-1 Primary, demand, Dist. Demand		3.959563		89	1.0		89	352
34						Sub Total Commercial & Industrial:	2,973,082		\$ 94,756
35									
36							11,830,622		\$ 419,642
37	Note 1: using rates in effect at the time (see Rates tab)								
38									

	A	B	C	D	E	F	G	H	I
1	Electric DSM Lost Revenues - Montana T&D								
2									
39	January-June 2011								
40									
41									
42	Residential								
43				Gross			Net		Estimated
44				Program			Savings		Lost
45		Rate¹		Savings		Adjustment	Savings		Revenue
46	Bill Line Item	(\$ per kwh)		(kwh)		Factor	(kwh)		(\$)
47	Transmission Energy	0.009051		18,068,374		1.0	18,068,374		163,537
48	Distribution Energy	0.028176		18,068,374		1.0	18,068,374		509,094
49						Sub Total Residential:	18,068,374		\$ 672,631
50									
51									
52	Commercial & Industrial								
53				Reported	Reported				Estimated
54				Gross	Gross		Net	Net	Lost
55		Rate¹	Rate¹	Savings	Savings	Adjustment	Savings	Savings	Revenue
56	Bill Line Item	(\$ per kwh)	(\$ per kw-mth)	(kwh)	(kw-mth)	Factor	(kwh)	(kw-mth)	(\$)
57	GS-1 Secondary, non demand, TX Energy	0.007881		60,647		1.0	60,647		478
58	GS-1 Secondary, non demand, Dist. Energy	0.036493		60,647		1.0	60,647		2,213
59									
60	GS-1 Secondary, demand, TX Demand		3.011163		17,439	1.0		17,439	52,510
61	GS-1 Secondary, demand, Dist. Energy	0.004869		5,943,453		1.0	5,943,453		28,939
62	GS-1 Secondary, demand, Dist. Demand		6.138191		17,439	1.0		17,439	107,041
63									
64	GS-1 Primary, non demand, TX Energy	0.008244		0		1.0	0		0
65	GS-1 Primary, non demand, Dist. Energy	0.018902		0		1.0	0		0
66									
67	GS-1 Primary, demand, TX Demand		3.659893		178	1.0		178	651
68	GS-1 Primary, demand, Dist. Energy	0.007040		60,647		1.0	60,647		427
69	GS-1 Primary, demand, Dist. Demand		4.018774		178	1.0		178	715
70						Sub Total Commercial & Industrial:	6,064,748		\$ 192,975
71									
72				January-June 2011 Estimated Totals:			24,133,121		\$ 865,606
73	Note 1: using rates in effect at the time (see Rates tab)								
74									

	A	B	C	D	E	F	G	H	I
1	Electric DSM Lost Revenues - Montana T&D								
2									
75	July 2011-June 2012								
76									
77									
78	Residential								
79				Gross		SBW's			Estimated
80		Average		Program		NTG	Net		Lost
81		Rate¹		Savings		Adjustment	Savings		Revenue
82	Bill Line Item	(\$ per kwh)		(kwh)		Factor	(kwh)		(\$)
83	Transmission Energy	0.008972		51,591,247		0.91	46,834,467		420,199
84	Distribution Energy	0.027929		51,591,247		0.91	46,834,467		1,308,040
85						Sub Total Residential:	46,834,467		\$ 1,728,239
86									
87									
88	Commercial & Industrial			Reported	Reported				Estimated
89				Gross	Gross	SBW's			Lost
90		Average	Average	Program	Program	NTG	Net	Net	Revenue
91		Rate¹	Rate¹	Savings	Savings	Adjustment	Savings	Savings	Revenue
92	Bill Line Item	(\$ per kwh)	(\$ per kw-mth)	(kwh)	(kw-mth)	Factor	(kwh)	(kw-mth)	(\$)
93	GS-1 Secondary, non demand, TX Energy	0.007812		267,405		0.91	242,750		1,896
94	GS-1 Secondary, non demand, Dist. Energy	0.036173		267,405		0.91	242,750		8,781
95									
96	GS-1 Secondary, demand, TX Demand		2.984713		54,391	0.91		49,376	147,374
97	GS-1 Secondary, demand, Dist. Energy	0.004826		26,205,663		0.91	23,789,467		114,808
98	GS-1 Secondary, demand, Dist. Demand		6.084272		54,391	0.91		49,376	300,418
99									
100	GS-1 Primary, non demand, TX Energy	0.008172		0		0.91	0		0
101	GS-1 Primary, non demand, Dist. Energy	0.018736		0		0.91	0		0
102									
103	GS-1 Primary, demand, TX Demand		3.627743		555	0.91		504	1,828
104	GS-1 Primary, demand, Dist. Energy	0.006979		267,405		0.91	242,750		1,694
105	GS-1 Primary, demand, Dist. Demand		3.983472		555	0.91		504	2,007
106						Sub Total Commercial & Industrial:	24,274,966		\$ 578,806
107									
108				July 2011-June 2012	Estimated Totals:		71,109,433		\$ 2,307,045
109									
110	Note 1: Two sets of rates were used, each set was effective for 6 months of the 2011-12 tracker period								

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	A	B	C	D	E	F	G	H	I
1	Electric DSM Lost Revenues - Montana T&D								
2									
111									
112	July 2012-June 2013								
113									
114									
115	Residential			Reported					
116				Gross		SBW's			Estimated
117				Program		NTG	Net		Lost
118		Rate¹		Savings		Adjustment	Savings		Revenue
119	Bill Line Item	(\$ per kwh)		(kwh)		Factor	(kwh)		(\$)
120	Transmission Energy	0.009027		84,544,023		0.91	76,748,955		692,813
121	Distribution Energy	0.028100		84,544,023		0.91	76,748,955		2,156,646
122						Sub Total Residential:	76,748,955		\$ 2,849,458
123									
124									
125	Commercial & Industrial			Reported	Reported				
126				Gross	Gross	SBW's			Estimated
127				Program	Program	NTG	Net	Net	Lost
128		Rate¹	Rate¹	Savings	Savings	Adjustment	Savings	Savings	Revenue
129	Bill Line Item	(\$ per kwh)	(\$ per kw-mth)	(kwh)	(kw-mth)	Factor	(kwh)	(kw-mth)	(\$)
130	GS-1 Secondary, non demand, TX Energy	0.007859		565,008		0.91	512,914		4,031
131	GS-1 Secondary, non demand, Dist. Energy	0.036394		565,008		0.91	512,914		18,667
132									
133	GS-1 Secondary, demand, TX Demand		3.002975		114,925	0.91		104,329	313,296
134	GS-1 Secondary, demand, Dist. Energy	0.004856		55,370,794		0.91	50,265,535		244,064
135	GS-1 Secondary, demand, Dist. Demand		6.121499		114,925	0.91		104,329	638,648
136									
137	GS-1 Primary, non demand, TX Energy	0.008222		0		0.91	0		0
138	GS-1 Primary, non demand, Dist. Energy	0.018850		0		0.91	0		0
139									
140	GS-1 Primary, demand, TX Demand		3.649939		1,173	0.91		1,065	3,886
141	GS-1 Primary, demand, Dist. Energy	0.007021		565,008		0.91	512,914		3,601
142	GS-1 Primary, demand, Dist. Demand		4.007845		1,173	0.91		1,065	4,267
143						Sub Total Commercial & Industrial:	51,291,362		\$ 1,230,460
144									
145				July 2012-June 2013 Estimated Totals:			128,040,317		\$ 4,079,918
146									
147	Note 1: Two sets of rates were used, each set was effective for 6 months of the 2012-13 tracker period								

	A	B	C	D	E	F	G	H	I	
1	Electric DSM Lost Revenues - Montana T&D									
2										
148										
149	July 2013-June 2014									
150										
151										
152	Residential			TARGET						
153				Gross		SBW's		Estimated		
154				Program		NTG		Net		
155	Rate¹			Savings		Adjustment		Savings		
156	Bill Line Item	(\$ per kwh)		(kwh)		Factor	(kwh)		Revenue	
157	Transmission Energy	0.009177		120,364,119		0.91	109,266,391		1,002,683	
158	Distribution Energy	0.028565		120,364,119		0.91	109,266,391		3,121,194	
159	Sub Total Residential:						109,266,391		\$	4,123,878
160										
161				TARGET						
162	Commercial & Industrial			Reported						
163				Gross		SBW's		Estimated		
164				Program		NTG		Net		
165	Rate¹			Savings		Adjustment		Savings		
166	Bill Line Item	(\$ per kwh)	(\$ per kw-mth)	(kwh)	(kw-mth)	Factor	(kwh)	(kw-mth)	Revenue	
167	GS-1 Secondary, non demand, TX Energy	0.007989		796,084		0.91	722,684		5,774	
168	GS-1 Secondary, non demand, Dist. Energy	0.036997		796,084		0.91	722,684		26,737	
169										
170	GS-1 Secondary, demand, TX Demand		3.052673		161,926	0.91		146,997	448,733	
171	GS-1 Secondary, demand, Dist. Energy	0.004936		1,652		0.91	1,500		7	
172	GS-1 Secondary, demand, Dist. Demand		6.222807		161,926	0.91		146,997	914,732	
173										
174	GS-1 Primary, non demand, TX Energy	0.008358		0		0.91	0		0	
175	GS-1 Primary, non demand, Dist. Energy	0.019162		0		0.91	0		0	
176										
177	GS-1 Primary, demand, TX Demand		3.710344		1,652	0.91		1,500	5,565	
178	GS-1 Primary, demand, Dist. Energy	0.007137		796,084		0.91	722,684		5,158	
179	GS-1 Primary, demand, Dist. Demand		4.074173		1,652	0.91		1,500	6,111	
180	Sub Total Commercial & Industrial:						1,446,867		\$	1,412,816
181										
182	July 2013-June 2014 Estimated Totals:						110,713,258		\$	5,536,694
183										
184	Note 1: Two sets of rates were used, each set was effective for 6 months of the 2013-14 tracker period									

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	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Electric DSM Lost Revenues - Colstrip Unit 4													
2	(fixed cost portion of CU-4 supply rate)													
3														
4	DSM Targets and Results:													
5		January-June 2009		Tracker 2009-10		Tracker 2010-11		Tracker 2011-12		Tracker 2012-13		Tracker 2013-14		
6	Annual (Avg. MW)	Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported	
7	Cumulative (Avg. MW)	2.50	2.50	5.00	6.40	6.00	6.62	6.00	6.69	6.00	7.46	6.00	6.00	
8		2.50	2.50	7.50	8.60	14.50	14.51	20.51	21.20	27.20	28.66	34.66	34.66	
9														
10	Disaggregate Targets into Residential & Commercial/Industrial ¹													
11		January-June 2009		Tracker 2009-10		Tracker 2010-11		Tracker 2011-12		Tracker 2012-13		Tracker 2013-14		
12		Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported	
13	% Residential	66.6%	62.1%	66.6%	64.0%	67.4%	74.9%	67.4%	62.7%	69.7%	53.8%	69.7%	69.7%	
14	% Commercial & Industrial	33.6%	37.9%	33.6%	36.0%	32.6%	25.1%	32.6%	37.3%	30.3%	46.4%	30.3%	30.3%	
15														
16	Incremental Res. (Avg. MW)	1.66	1.55	3.33	4.10	4.04	4.21	4.04	3.53	4.18	4.00	4.18	4.18	
17	Cumulative Res. (Avg. MW)	1.56	1.55	4.89	5.65	6.03	6.85	13.07	13.36	17.26	17.37	21.44	21.56	
18	Incremental C/I (Avg. MW)	0.84	0.95	1.89	2.30	1.41	1.99	1.96	3.16	1.82	3.46	1.82	1.82	
19	Cumulative C/I (Avg. MW)	0.84	0.95	2.51	3.25	4.47	4.66	6.43	7.62	8.24	11.28	10.66	13.10	
20	check fig:	2.50	2.50	5.00	6.40	6.00	6.62	6.00	6.69	6.00	7.46	6.00	6.00	
21	1. Residential/commercial split based on DSM Program results													
22														
23														
24		January-June 2009		Tracker 2009-10		Tracker 2010-11		Tracker 2011-12		Tracker 2012-13		Tracker 2013-14		
25	Cumulative Annual Energy Savings ²	Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported	Target	Reported	
26	Residential (MWH)	7,282	6,786	28,136	31,512	67,157	67,872	104,001	101,749	135,525	134,701	170,522	170,522	
27	C/I (MWH)	3,668	4,149	15,635	18,368	37,051	34,661	49,417	54,688	76,480	83,681	106,788	106,788	
28	Total Savings (MWH)	10,950	10,936	43,772	49,900	104,208	102,533	153,418	156,436	212,015	218,382	277,310	277,310	
29	Total Savings (Avg. MW)	1.25	1.25	5.00	5.70	11.90	11.70	17.51	17.68	24.20	24.98	31.66	31.66	
30														
31	2. "Half-year convention":													
32	Savings resulting from the "increment" in any year is reduced by 50% in that year as associated projects													
33	are completed and start generating savings at different times throughout the first year. This assumption contemplates that													
34	associated projects start generating savings half way through the year on average. In the second year and													
35	beyond, projects completed in the first year generate savings for the entire year so the "increment" is credited at 100%													
36	for the second year and each successive year.													
37														
38	3) Disaggregate C&I Savings by service level (tariff)													
39														
40	C&I Savings is broken out as:													
41	GS-1 Secondary, non demand	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
42	GS-1 Secondary, demand	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	
43	GS-1 Primary, non demand	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
44	GS-1 Primary, demand	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
45	Total C&I	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
46														
47														
48														
49	Rates:													
50	CU4 Fixed Rates: Docket D2009.12.155, Order No. 7075b													
51		01/01/09		01/01/10		01/01/11		01/01/12		01/01/13		01/01/14		
52	Residential	\$0.013273		\$0.012734		\$0.012734		\$0.012734		\$0.012734		\$0.012734		
53	GS-1 Sec Non-Demand	\$0.013273		\$0.012734		\$0.012734		\$0.012734		\$0.012734		\$0.012734		
54	GS-1 Sec Demand	\$0.013273		\$0.012734		\$0.012734		\$0.012734		\$0.012734		\$0.012734		
55	GS-1 Pri Non-Demand	\$0.012910		\$0.012385		\$0.012385		\$0.012385		\$0.012385		\$0.012385		
56	GS-1 Pri Demand	\$0.012910		\$0.012385		\$0.012385		\$0.012385		\$0.012385		\$0.012385		
57	GS-2 Substation	\$0.012778		\$0.012278		\$0.012278		\$0.012278		\$0.012278		\$0.012278		
58	GS-2 Transmission	\$0.012721		\$0.012204		\$0.012204		\$0.012204		\$0.012204		\$0.012204		
59														
60														

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Electric DSM Lost Revenues - Colstrip Unit 4													
(fixed cost portion of CU-4 supply rate)													
1	Calculate CU-4 related DSM Lost Revenues												
2	January - June 2009												
3	Based on Cumulative DSM Savings Since January 2009												
4	Residential	Rate (\$ per kWh)	Gross Program Savings (kwh)	Adjustment Factor	Net Savings (kwh)	Estimated Lost Revenue (\$)							
5		\$0.03273	6,786,426	1.00	6,786,426	90,078							
6	Bill Line Item	Rate (\$ per kWh)	Gross Program Savings (kwh)	Adjustment Factor	Net Savings (kwh)	Estimated Lost Revenue (\$)							
7	Residential	\$0.03273	6,786,426	1.00	6,786,426	90,078							
8	Commercial & Industrial	Rate (\$ per kWh)	Gross Program Savings (kwh)	Adjustment Factor	Net Savings (kwh)	Estimated Lost Revenue (\$)							
9	Bill Line Item	Rate (\$ per kWh)	Gross Program Savings (kwh)	Adjustment Factor	Net Savings (kwh)	Estimated Lost Revenue (\$)							
10	GS-1 Sec Non-Demand	\$0.03273	4,456	1.00	4,456	591							
11	GS-1 Sec Demand	\$0.03273	4,096,597	1.00	4,096,597	53,975							
12	GS-1 Ph Non-Demand	\$0.03273	0	1.00	0	0							
13	GS-1 Ph Demand	\$0.03273	4,495	1.00	4,495	598							
14	GS-2 Substation	\$0.03273	0	1.00	0	0							
15	GS-2 Transmission	\$0.03273	0	1.00	0	0							
16					Sub Total General Services	55,061							
17	Note 1: using rates expected to be in effect at the time (see Rates tab)												
18	Total CU-4-related DSM Lost Revenues Before Substitution												
19						\$	145,137						
20	Stipulated CU-4-related DSM Lost Revenues												
21	Tractor 2009-10												
22	Based on Cumulative DSM Savings Since January 2009												
23	Residential	Rate (\$ per kWh)	Gross Program Savings (kwh)	Adjustment Factor	Net Savings (kwh)	Estimated Lost Revenue (\$)							
24		\$0.03273	31,611,631	1.00	31,611,631	401,272							
25	Bill Line Item	Rate (\$ per kWh)	Gross Program Savings (kwh)	Adjustment Factor	Net Savings (kwh)	Estimated Lost Revenue (\$)							
26	Residential	\$0.03273	31,611,631	1.00	31,611,631	401,272							
27	Commercial & Industrial	Rate (\$ per kWh)	Gross Program Savings (kwh)	Adjustment Factor	Net Savings (kwh)	Estimated Lost Revenue (\$)							
28	Bill Line Item	Rate (\$ per kWh)	Gross Program Savings (kwh)	Adjustment Factor	Net Savings (kwh)	Estimated Lost Revenue (\$)							
29	GS-1 Sec Non-Demand	\$0.03273	163,891	1.00	163,891	2,142							
30	GS-1 Sec Demand	\$0.03273	16,026,356	1.00	16,026,356	208,471							
31	GS-1 Ph Non-Demand	\$0.03273	0	1.00	0	0							
32	GS-1 Ph Demand	\$0.03273	163,891	1.00	163,891	2,142							
33	GS-2 Substation	\$0.03273	0	1.00	0	0							
34	GS-2 Transmission	\$0.03273	0	1.00	0	0							
35					Sub Total General Services	234,050							
36	Note 1: using rates expected to be in effect at the time (see Rates tab)												
37	Total CU-4-related DSM Lost Revenues												
38						\$	635,362						

A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Electric DSM Lost Revenues - Colstrip Unit 4												
2	(fixed cost portion of CU-4 supply rate)												
118	Tranche 2010-11												
119	Based on cumulative DSM Savings Since January 2009												
120	Residential												
121													
122													
123													
124													
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1	Electric DSM Lost Revenues - Dave Gates Generating Station																																																						
2	(fixed cost portion of DGGs)																																																						
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4	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="4">Tracker 2010-11</th> <th colspan="4">Tracker 2011-12</th> <th colspan="4">Tracker 2012-13</th> <th colspan="2">Tracker 2013-14</th> </tr> <tr> <th colspan="2">July-December 2010</th> <th colspan="2">January-June 2011</th> <th colspan="2">Period July 2011 - June 2012</th> <th colspan="2">Period July 2012 - June 2013</th> <th colspan="2">Period July 2013 - June 2014</th> <th colspan="2"></th> <th colspan="2"></th> </tr> <tr> <th>Target</th> <th>Reported</th> </tr> </table>													Tracker 2010-11				Tracker 2011-12				Tracker 2012-13				Tracker 2013-14		July-December 2010		January-June 2011		Period July 2011 - June 2012		Period July 2012 - June 2013		Period July 2013 - June 2014						Target	Reported												
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5	DSM Targets and Results:																																																						
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42	GS-1 Secondary, non demand																																																						
43	GS-1 Secondary, demand																																																						
44	GS-1 Primary, non demand																																																						
45	GS-1 Primary, demand																																																						
46	Total C&I																																																						
47																																																							
48	Rates: Source: Appendix E - 05/01/11 Rate Change Revised, Docket D2010.7.74, page 5 of 10																																																						
49	DGGs Fixed Rate (after losses)																																																						
50																																																							
51	Residential																																																						
52	GS-1 Sec Non-Demand																																																						
53	GS-1 Sec Demand																																																						
54	GS-1 Pri Non-Demand																																																						
55	GS-1 Pri Demand																																																						
56	GS-2 Substation																																																						
57	GS-2 Transmission																																																						
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60	January-June 2011																																																						
61	Based on INCREMENTAL DSM Savings Since January 2011																																																						
62	Residential																																																						
63	Gross Program Net Estimated																																																						
64	Rate ¹ Savings Adjustment Savings Revenue																																																						
65	Bill Line Item (\$ per kw/h) (kw/h) Factor (kw/h) (\$)																																																						
66	Residential \$0.004600 9,210,833 1.00 9,210,833 42,370																																																						
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69	Commercial & Industrial																																																						
70	Gross Program Net Estimated																																																						
71	Rate ¹ Savings Adjustment Savings Revenue																																																						
72	Bill Line Item (\$ per kw/h) (kw/h) Factor (kw/h) (\$)																																																						
73	GS-1 Sec Non-Demand \$0.004600 30,817 1.00 30,817 142																																																						
74	GS-1 Sec Demand \$0.004800 3,029,833 1.00 3,029,833 13,937																																																						
75	GS-1 Pri Non-Demand \$0.004474 0 1.00 0 -																																																						
76	GS-1 Pri Demand \$0.004474 30,917 1.00 30,917 138																																																						
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78	GS-2 Substation \$0.004435 0 1.00 0 -																																																						
79	GS-2 Transmission \$0.004409 0 1.00 0 -																																																						
80	Sub Total General Service 3,091,888 14,218																																																						
81																																																							
82	Total DGGs-related DSM Lost Revenues \$ 56,588																																																						
83																																																							

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1	Electric DSM Lost Revenues - Dave Gates Generating Station (fixed cost portion of DGG)												
2	July 2011-June 2012 Based on INCREMENTAL DSM Savings Since January 2011												
3	Residential												
4	Bill Line Item												
5	Residential												
6	Commercial & Industrial												
7	Bill Line Item												
8	GS-1 Sec Non-Demand												
9	GS-1 Sec Demand												
10	GS-1 Pri Non-Demand												
11	GS-1 Pri Demand												
12	GS-2 Substation												
13	GS-2 Transmission												
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	A	B	C	D	E	F	G
1	Electric DSM Lost Revenues - Spion Kop						
2	(fixed cost portion of Spion Kop)						
3							
4							
5	DSM Targets and Results:		Tracker 2012-13		Tracker 2013-14		
6			December 1, 2012 - June 30, 2013		Period July 2013 - June 2014		
7			Target	Reported	Target	Reported	
8	Annual (Avg. MW)		6.00	4.33	6.00	6.00	
9	Cumulative (Avg. MW)		6.00	4.33	10.33	10.33	
10	Commercial online data for Spion Kop was December 1, 2012. Reported energy savings has been "de-rated" for the 5 months July-Nov. 2012 (153 days).						
11	Disaggregate Targets into Residential & Commercial/Industrial ¹						
12							
13							
14	% Residential		67.4%	53.60%	69.7%	69.7%	
15	% Commercial & Industrial		32.6%	46.40%	30.3%	30.3%	
16							
17	Incremental Res. (Avg. MW)		4.04	2.32	4.18	4.18	
18	Cumulative Res. (Avg. MW)		4.04	2.32	6.50	6.50	
19	Incremental C/I (Avg. MW)		1.96	2.01	1.82	1.82	
20	Cumulative C/I (Avg. MW)		1.96	2.01	3.83	3.83	
21							
22							
23							
24	1. Residential/commercial split based on DSM Program results						
25							
26							
27	Cumulative Annual Energy Savings ²		Target	Reported	Target	Reported	
28	Residential (MWH)		17,707	10,163	38,649	38,649	
29	C/I (MWH)		8,573	8,799	25,556	25,556	
30	Total Savings (MWH)		26,280	18,962	64,205	64,205	
31	Total Savings (Avg. MW)		3.0	2.2	7.3	7.3	
32							
33	2. "Half-year convention":						
34	Savings resulting from the "Increment" in any year is reduced by 50% in that year as associated projects						
35	are completed and start generating savings at different times throughout the first year. This assumption contemplates that						
36	associated projects start generating savings half way through the year on average. In the second year and						
37	beyond, projects completed in the first year generate savings for the entire year so the "Increment" is credited at 100%						
38	for the second year and each successive year.						
39							
40	Disaggregate C&I Savings by service level (tariff)						
41							
42	C&I Savings is broken out as:						
43	GS-1 Secondary, non demand		1%	1%	1%	1%	
44	GS-1 Secondary, demand		98%	98%	98%	98%	
45	GS-1 Primary, non demand		0%	0%	0%	0%	
46	GS-1 Primary, demand		1%	1%	1%	1%	
47	Total C&I		100%	100%	100%	100%	

	A	B	C	D	E	F	G
85		July 2013-June 2014					
86							
87							
88		Residential		Gross		Net	Estimated
89			Average	Program		Savings	Lost
90			Rate	Savings	Adjustment		Revenue
91		Bill Line Item	(\$ per kwh)	(kwh)	Factor	(kwh)	(\$)
92		Residential	\$0.001253	38,648,584	0.91	35,085,135	43,944
93						35,085,135	43,944
94							
95		Commercial & Industrial		Gross		Net	Estimated
96			Average	Program		Savings	Lost
97			Rate	Savings	Adjustment		Revenue
98		Bill Line Item	(\$ per kwh)	(kwh)	Factor	(kwh)	(\$)
99		GS-1 Sec Non-Demand	\$0.001254	255,563	0.91	232,000	291
100		GS-1 Sec Demand	\$0.001254	25,045,215	0.91	22,736,014	28,500
101		GS-1 Pri Non-Demand	\$0.001220	0	0.91	0	-
102		GS-1 Pri Demand	\$0.001220	255,563	0.91	232,000	283
103							
104		GS-2 Substation	\$0.001209	0	0.91	0	-
105		GS-2 Transmission	\$0.001202	0	0.91	0	-
106				Sub Total General Service:		23,200,014	29,073
107							
108				Total Spion Kop-related DSM Lost Revenues		\$	73,018
109							

NorthWestern Energy
Docket D2013.5.33
Electric Tracker

Montana Public Service Commission (PSC)
Set 1 (001-003)

Data Requests received January 17, 2014

PSC-002

Regarding: Solicitations and Power Purchase Agreements
Witness: Markovich

- a. Please provide a copy of the competitive solicitation described in KJM-15:8-11, and copies of all power purchase agreements signed as a result of the solicitation.
- b. For each transaction listed in Exhibit_(FVB-2)13-14, p.3, rows 9, 17, 33, 41, and 42; please provide a copy of the power purchase agreement and, if applicable, the RFP or RFI from which it resulted.
- c. Please explain the purpose of the transactions displayed in rows 37-38 of Exhibit_(FVB-2)13-14, p.3.

RESPONSE:

- a. See Attachment.
- b. See Attachments 1 through 5, which are copies of the power purchase agreements listed in rows 9, 17, 33, 41, and 42. See also Attachment 6, a compilation of the RFPs from which these transactions resulted.
- c. It is an hour ending (HE) 6 for HE 22 energy exchange whereby NorthWestern receives 75 MW in HE 6 and delivers 75 MW in HE 22. This transaction helps deal with the issue of serving load in Mountain Time while scheduling load in Pacific Time.



REQUEST FOR PROPOSALS - FIRM ELECTRICITY SUPPLY

May 9, 2013

I. Introduction

By this Request for Proposal ("RFP"), NorthWestern Energy ("NWE") invites proposals to provide firm electricity products ("Firm Supply") to NWE for the purposes of providing reliable service to retail customers in NWE's Montana Balancing Authority.

NWE is seeking up to 100 MW of Firm Supply for the period of January 1, 2015 through December 31, 2017 at Mid-C or on the NWE system, as described in more detail below. In addition, NWE is seeking up to 300 MW supply for the period of July 1, 2014 through December 31, 2014 on the NWE system.

No legal obligation will arise between NWE and any respondent absent a definitive final agreement executed by each party.

II. General RFP Requirements

NWE requests proposals based on the following minimum criteria:

A. Delivery Points.

NWE requests offers for the delivery of Firm Supply to: (1) the Mid Columbia trading hub ("Mid-C"), or (2) NWE's transmission system as specified in the product descriptions in Section III.

NWE will not select an on system offer if an acceptable delivery point has not been determined prior to the Submission Deadline.

B. Price of Service.

For deliveries to the NWE system, NWE will only accept proposals: (1) based on a fixed price per megawatt hour (MWh); or (2) proposals based on the Intercontinental Exchange (ICE) day-ahead index for Mid-C Peak and Mid-C Off-Peak transactions.

For deliveries to Mid-C, NWE will only accept proposals based on a fixed price per MWh.

C. Contract.

NWE will utilize industry standard agreements such as the WSPP, EEI, ISDA, or other similar standard agreements with the successful respondent(s).

Respondents may submit, provided the terms of existing contractual arrangements allow, offers pursuant to an existing enabling agreement between respondent and NWE.

For respondents without existing enabling agreements, NWE will negotiate in good faith a contractual relationship that would govern the terms of the transaction(s) in the event that the respondent is successful under this RFP. NWE makes no warranty that an enabling agreement will be executed prior to the Submission Deadline and reserves the right to terminate negotiation with any and all potential suppliers at any time during the process.

If there is no acceptable enabling agreement between NWE and a respondent at the Submission Deadline, the offer will not be considered.

D. Credit.

Respondent must indicate how credit will be addressed in its offer. For clarification, NWE will not require margining relative to any transaction that ultimately arises from this process provided that the counterparty maintains an investment grade rating and that the counterparty does not require margining by NWE.

NWE will not grant open credit to a respondent that does not meet its internal creditworthiness standards. NWE will, in its sole discretion, consider a letter of credit or some other acceptable form of collateral in the event a respondent does not meet these standards.

Respondents that do not maintain an investment grade rating or that propose alternate credit arrangements should contact NWE as soon as possible, but no later than May 22, 2013, to discuss potential arrangements. Upon request, respondent shall provide information allowing NWE to evaluate respondent's creditworthiness.

E. Draft Confirmations.

Each respondent shall provide to NWE a draft confirmation for each product on which it intends to bid on or before May 22, 2013. The draft confirmation will include proposed delivery points, a description of the Firm Supply, and any and all terms and conditions, other than price and quantity, which the bidder expects to include in a final confirmation in the event that its bid is selected.

III. Supply Requirements:

A. Firm Supply.

Firm Supply must include firm energy with contingency (operating) reserves.

B. Products Requested.

NWE requests Firm Supply proposals for the following volumes and terms:

Product #1: Mid-C On-Peak Fixed Price Purchase

Term A: 1/1/2015 through 12/31/2015
Term B: 1/1/2016 through 12/31/2016
Term C: 1/1/2017 through 12/31/2017
Volume: Fixed quantity of up to 100 MW in 25 MW increments
Type: Firm Supply
Delivery: Mid-C
Price: Fixed price per MWh (each term priced separately)

Product #2: Mid-C Off-Peak Fixed Price Purchase

Term A: 1/1/2015 through 12/31/2015
Term B: 1/1/2016 through 12/31/2016
Term C: 1/1/2017 through 12/31/2017
Volume: Fixed quantity of up to 100 MW in 25 MW increments
Type: Firm Supply
Delivery: Mid-C
Price: Fixed price per MWh (each term priced separately)

Product #3: NWE System On-Peak Index Based Purchase

Term A: 1/1/2015 through 12/31/2015
Term B: 1/1/2016 through 12/31/2016
Term C: 1/1/2017 through 12/31/2017
Volume: Fixed quantity of up to 100 MW
Type: Firm Supply
Delivery: NWE System. NWE strongly prefers offers at delivery points with firm transmission availability.
Price: Based on the ICE day-ahead Mid-C Peak index plus or minus a fixed amount per MWh.

Product #4: NWE System Off-Peak Index Based Purchase

Term A: 1/1/2015 through 12/31/2015
Term B: 1/1/2016 through 12/31/2016
Term C: 1/1/2017 through 12/31/2017
Volume: Fixed quantity of up to 100 MW

Type: Firm Supply
Delivery: NWE System. NWE strongly prefers offers at delivery points with firm transmission availability.
Price: Based on the ICE day-ahead Mid C Off-Peak index plus or minus a fixed amount per MWh.

Product #5: NWE System On-Peak Fixed Price Purchase

Term A: 1/1/2015 through 12/31/2015
Term B: 1/1/2016 through 12/31/2016
Term C: 1/1/2017 through 12/31/2017
Volume: Fixed quantity of up to 100 MW
Type: Firm Supply
Delivery: NWE System. NWE strongly prefers offers at delivery points with firm transmission availability.
Price: Fixed price per MWh (each term priced separately).

Product #6: NWE System Off-Peak Fixed Price Purchase

Term A: 1/1/2015 through 12/31/2015
Term B: 1/1/2016 through 12/31/2016
Term C: 1/1/2017 through 12/31/2017
Volume: Fixed quantity of up to 100 MW
Type: Firm Supply
Delivery: NWE System. NWE strongly prefers offers at delivery points with firm transmission availability.
Price: Fixed price per MWh (each term priced separately).

Product #7: 2014 NWE System On-Peak Index Based Purchase

Term A: 7/1/2014 through 12/31/2014
Volume: Fixed quantity of up to 300 MW
Type: Firm Supply
Delivery: NWE System. NWE strongly prefers offers at delivery points with firm transmission availability.
Price: Based on the ICE day-ahead Mid-C Peak index plus or minus a fixed amount per MWh.

III. RFP Responses

A. Response Presentation.

Respondents shall submit proposals which conform to the requirements of this RFP, and must provide NWE with sufficient information to adequately evaluate the offers.

Respondents must hold open the offers until the Award Notification date and time. At that time, verbal, telephonically recorded confirmations will be made pending final written confirmations.

B. Responses.

Respondents shall submit offers to this RFP by e-mail prior to the deadline to Joe Stimatz, Manager of Asset Optimization at the email address provided below.

Offers may be made on any or all products. NWE will select the combination of offers that it determines provides the highest value to NWE customers.

C. Schedule and Deadline to Respond.

The proposed procurement and selection process will be carried out in accordance with the following schedule:

<u>Activity</u>	<u>Time and Date</u>
RFP Issued	May 9, 2013
Draft Confirmations Due to NWE	May 22, 2013
Submission Deadline	2:00 pm MDT on May 30, 2013
Award Notification	4:00 pm MDT on May 30, 2013

All offers are due by 2:00 pm MDT on May 30, 2013. All offers must remain valid until 4:00 pm MDT on May 30, 2013.

NWE will notify successful the successful respondents, if any, by 4:00 pm MDT on May 30, 2013.

NWE Reserves the right to modify all or part of the proposed schedule set forth in this Article IV at any time during the RFP process.

V. Selection Criteria

Respondents must satisfy the specific requirements listed in this RFP document. Proposals not meeting the minimum requirements of this RFP will not be considered. Responses will be evaluated based upon price, the reliability of the Firm Supply and respondent financial and operational ability to provide the services outlined in the proposal. NWE reserves the right to consider any other factors that may be relevant to its Firm Supply needs.

NWE reserves the right, in its sole discretion: (1) to select some or none of the proposals; (2) to modify, revise, amend, or otherwise change the requirements of this RFP; and (3) to withdraw, in whole or in part, without notice, this RFP. This is an RFP and no binding legal obligation will be entered into unless and until the successful bidder and NWE negotiate and execute a definitive agreement.

VI. Confidentiality

NWE is a regulated entity and may be required to release RFP information to the appropriate regulatory authorities and other intervening parties during the course of regulatory proceedings. By submitting an offer pursuant to this RFP, respondent waives any objection to NWE's release of information to regulatory agencies or as otherwise required by law. NWE will not seek protection on behalf of any Respondent for the information contained in any offer.

VII. Contacts

Questions regarding this RFP should be directed to:

Joe Stimatz, Manager of Asset Optimization
joe.stimatz@northwestern.com
Phone: 406-497-3337
Cell: 406-490-3178
Fax: 406-497-2629

Credit questions should be directed to:

Dennis Heinz, Credit Manager
Dennis.Heinz@northwestern.com
Phone: 605-353-7517
Cell: 605-354-2163
Fax: 605-353-7560

WSPP Agreement Service Schedule C – Confirmation

Confirmation Date: May 30, 2013

1. Transaction Specific Agreement

The undersigned Parties agree to a physical energy transaction pursuant to the WSPP Agreement, Service Schedule C, and the Master Confirmation Agreement under the WSPP Agreement between the Parties as further provided below:

Seller: TransAlta Energy Marketing (U.S.) Inc. ("TEMUS"), sometimes referred to as Seller, Party or collectively with NWE, Parties.

Purchaser: NorthWestern Corporation dba NorthWestern Energy ("NWE"), sometimes referred to herein as Purchaser, Party or collectively with TEMUS, Parties.

Period of Delivery: January 1, 2015 through December 31, 2015

Schedule (Days and Hours): Peak Hours

Peak Hours are defined as HE 0700 through HE 2200 PPT, Monday through Saturday, excluding NERC observed holidays. Off-Peak hours are defined as HE 0100 through HE 0600 and HE 2300 and HE 2400, Monday through Saturday, all day Sunday and NERC observed holidays.

Scheduling:

At the Point of Delivery ("POD"), TEMUS shall schedule the Delivery Rate each hour in accordance with the WECC scheduling calendar and the WECC Business Practices. TEMUS agrees to tag the transactions for scheduling purposes.

Delivery Rate:

Period	Jan 2015 – Dec 2015
Delivery Rate (MW/h)	25

Seller will deliver Product to the POD in an amount equal to the Delivery Rate. Seller may replace deliveries at the Alternate POD identified below, or some other mutually agreeable delivery point.

POD: Mid-Columbia

Alternate POD: NWE Transmission System upon mutual consent of both parties

Product: WSPP Schedule C with Contingency (Operating) Reserves, as amended from time to time by the WSPP Agreement governing body.

Contract Quantity: 122,800 MWh

Contract Price: \$39.50/MWh USD

Special Conditions:

1) Credit

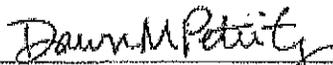
Both parties agree not to margin relative to these transactions provided that the other party maintains investment grade ratings from both Moody's and S&P. In the case of TEMUS, the senior unsecured credit rating will be that of its parent company, TransAlta Corporation. In the event of a split rating, the lower of the two shall apply.

TransAlta Energy Marketing (U.S.) Inc.

NorthWestern Corporation dba
NorthWest Energy



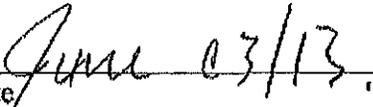
Authorized Signature of Seller
Calvin Johnson
Vice President
Trading and Asset Optimization



Authorized Signature of Buyer
Dawn M. Petritz
Director Energy Risk Management
6/03/13

Name of Seller

Name of Buyer



Date

Date

WSPP Agreement Service Schedule C – Confirmation

Confirmation Date: May 30, 2013

1. Transaction Specific Agreement

The undersigned Parties agree to a physical energy transaction pursuant to the WSPP Agreement, Service Schedule C, and the Master Confirmation Agreement under the WSPP Agreement between the Parties as further provided below:

Seller: TransAlta Energy Marketing (U.S.) Inc. (“TEMUS”), sometimes referred to as Seller, Party or collectively with NWE, Parties.

Purchaser: NorthWestern Corporation dba NorthWestern Energy (“NWE”), sometimes referred to herein as Purchaser, Party or collectively with TEMUS, Parties.

Period of Delivery: January 1, 2016 through December 31, 2016

Schedule (Days and Hours): Peak Hours

Peak Hours are defined as HE 0700 through HE 2200 PPT, Monday through Saturday, excluding NERC observed holidays. Off-Peak hours are defined as HE 0100 through HE 0600 and HE 2300 and HE 2400, Monday through Saturday, all day Sunday and NERC observed holidays.

Scheduling:

At the Point of Delivery (“POD”), TEMUS shall schedule the Delivery Rate each hour in accordance with the WECC scheduling calendar and the WECC Business Practices. TEMUS agrees to tag the transactions for scheduling purposes.

Delivery Rate:

Period	Jan 2016 – Dec 2016
Delivery Rate (MW/h)	25

Seller will deliver Product to the POD in an amount equal to the Delivery Rate. Seller may replace deliveries at the Alternate POD identified below, or some other mutually agreeable delivery point.

POD: Mid-Columbia

Alternate POD: NWE Transmission System upon mutual consent of both parties

Product: WSPP Schedule C with Contingency (Operating) Reserves, as amended from time to time by the WSPP Agreement governing body.

Contract Quantity: 123,200 MWh

Contract Price: \$41.40/MWh USD

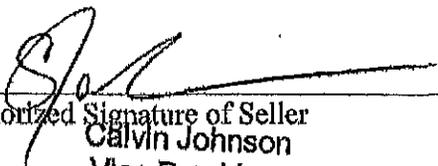
Special Conditions:

1) Credit

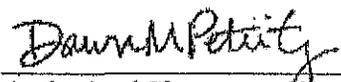
Both parties agree not to margin relative to these transactions provided that the other party maintains investment grade ratings from both Moody's and S&P. In the case of TEMUS, the senior unsecured credit rating will be that of its parent company, TransAlta Corporation. In the event of a split rating, the lower of the two shall apply.

TransAlta Energy Marketing (U.S.) Inc.

NorthWestern Corporation dba
NorthWest Energy



Authorized Signature of Seller
Calvin Johnson
Vice President
Trading and Asset Optimization



Authorized Signature of Buyer
Dawn M. Petritz
Director Energy Risk Management
6/04/13

Name of Seller

Name of Buyer

Date June 3/13

Date

WSPP Agreement Service Schedule C – Confirmation

Confirmation Date: May 30, 2013

1. Transaction Specific Agreement

The undersigned Parties agree to a physical energy transaction pursuant to the WSPP Agreement, Service Schedule C, and the Master Confirmation Agreement under the WSPP Agreement between the Parties as further provided below:

Seller: TransAlta Energy Marketing (U.S.) Inc. (“TEMUS”), sometimes referred to as Seller, Party or collectively with NWE, Parties.

Purchaser: NorthWestern Corporation dba NorthWestern Energy (“NWE”), sometimes referred to herein as Purchaser, Party or collectively with TEMUS, Parties.

Period of Delivery: January 1, 2017 through December 31, 2017

Schedule (Days and Hours): Peak Hours

Peak Hours are defined as HE 0700 through HE 2200 PPT, Monday through Saturday, excluding NERC observed holidays. Off-Peak hours are defined as HE 0100 through HE 0600 and HE 2300 and HE 2400, Monday through Saturday, all day Sunday and NERC observed holidays.

Scheduling:

At the Point of Delivery (“POD”), TEMUS shall schedule the Delivery Rate each hour in accordance with the WECC scheduling calendar and the WECC Business Practices. TEMUS agrees to tag the transactions for scheduling purposes.

Delivery Rate:

Period	Jan 2017 – Dec 2017
Delivery Rate (MW/h)	25

Seller will deliver Product to the POD in an amount equal to the Delivery Rate. Seller may replace deliveries at the Alternate POD identified below, or some other mutually agreeable delivery point.

POD: Mid-Columbia

Alternate POD: NWE Transmission System upon mutual consent of both parties

Product: WSPP Schedule C with Contingency (Operating) Reserves, as amended from time to time by the WSPP Agreement governing body.

Contract Quantity: 122,400 MWh

Contract Price: \$43.35/MWh USD

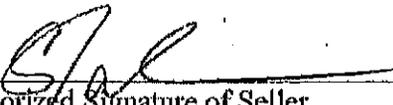
Special Conditions:

1) Credit

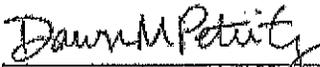
Both parties agree not to margin relative to these transactions provided that the other party maintains investment grade ratings from both Moody's and S&P. In the case of TEMUS, the senior unsecured credit rating will be that of its parent company, TransAlta Corporation. In the event of a split rating, the lower of the two shall apply.

TransAlta Energy Marketing (U.S.) Inc.

North Western Corporation dba
North West Energy



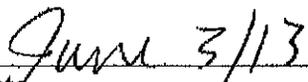
Authorized Signature of Seller
Calvin Johnson
Vice President,
Trading and Asset Optimization



Authorized Signature of Buyer
Dawn M. Petritz
Director Energy Risk Management
6/04/13

Name of Seller

Name of Buyer



Date

Date

WSPP Agreement Service Schedule C – Confirmation

Confirmation Date: May 30, 2013

1. Transaction Specific Agreement

The undersigned Parties agree to a physical energy transaction pursuant to the WSPP Agreement, Service Schedule C, and the Master Confirmation Agreement under the WSPP Agreement between the Parties as further provided below:

Seller: TransAlta Energy Marketing (U.S.) Inc. ("TEMUS"), sometimes referred to as Seller, Party or collectively with NWE, Parties.

Purchaser: NorthWestern Corporation dba NorthWestern Energy ("NWE"), sometimes referred to herein as Purchaser, Party or collectively with TEMUS, Parties.

Period of Delivery: January 1, 2015 through December 31, 2015

Schedule (Days and Hours): Off-Peak Hours

Peak Hours are defined as HE 0700 through HE 2200 PPT, Monday through Saturday, excluding NERC observed holidays. Off-Peak hours are defined as HE 0100 through HE 0600 and HE 2300 and HE 2400, Monday through Saturday, all day Sunday and NERC observed holidays.

Scheduling:

At the Point of Delivery ("POD"), TEMUS shall schedule the Delivery Rate each hour in accordance with the WECC scheduling calendar and the WECC Business Practices. TEMUS agrees to tag the transactions for scheduling purposes.

Delivery Rate:

Period	Jan 2015 – Dec 2015
Delivery Rate (MW/h)	25

Seller will deliver Product to the POD in an amount equal to the Delivery Rate. Seller may replace deliveries at the Alternate POD identified below, or some other mutually agreeable delivery point.

POD: Mid-Columbia

Alternate POD: NWE Transmission System upon mutual consent of both parties

Product: WSPP Schedule C with Contingency (Operating) Reserves, as amended from time to time by the WSPP Agreement governing body.

Contract Quantity: 96,200 MWh

Contract Price: \$29.75/MWh USD

Special Conditions:

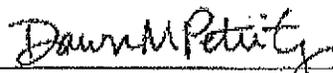
1) Credit

Both parties agree not to margin relative to these transactions provided that the other party maintains investment grade ratings from both Moody's and S&P. In the case of TEMUS, the senior unsecured credit rating will be that of its parent company, TransAlta Corporation. In the event of a split rating, the lower of the two shall apply.

TransAlta Energy Marketing (U.S.) Inc.

NorthWestern Corporation dba
NorthWest Energy


Authorized Signature of Seller
Calvin Johnson
Vice President
Trading and Asset Optimization


Authorized Signature of Buyer
Dawn M. Petritz
Director Energy Risk Management
6/03/13

Name of Seller

Name of Buyer

Date June 03/13

Date

WSPP Agreement Service Schedule C – Confirmation

Confirmation Date: May 30, 2013

1. Transaction Specific Agreement

The undersigned Parties agree to a physical energy transaction pursuant to the WSPP Agreement, Service Schedule C, and the Master Confirmation Agreement under the WSPP Agreement between the Parties as further provided below:

Seller: TransAlta Energy Marketing (U.S.) Inc. (“TEMUS”), sometimes referred to as Seller, Party or collectively with NWE, Parties.

Purchaser: NorthWestern Corporation dba NorthWestern Energy (“NWE”), sometimes referred to herein as Purchaser, Party or collectively with TEMUS, Parties.

Period of Delivery: January 1, 2016 through December 31, 2016

Schedule (Days and Hours): Off-Peak Hours

Peak Hours are defined as HE 0700 through HE 2200 PPT, Monday through Saturday, excluding NERC observed holidays. Off-Peak hours are defined as HE 0100 through HE 0600 and HE 2300 and HE 2400, Monday through Saturday, all day Sunday and NERC observed holidays.

Scheduling:

At the Point of Delivery (“POD”), TEMUS shall schedule the Delivery Rate each hour in accordance with the WECC scheduling calendar and the WECC Business Practices. TEMUS agrees to tag the transactions for scheduling purposes.

Delivery Rate:

Period	Jan 2016 – Dec 2016
Delivery Rate (MW/h)	25

Seller will deliver Product to the POD in an amount equal to the Delivery Rate. Seller may replace deliveries at the Alternate POD identified below, or some other mutually agreeable delivery point.

POD: Mid-Columbia

Alternate POD: NWE Transmission System upon mutual consent of both parties

Product: WSPP Schedule C with Contingency (Operating) Reserves, as amended from time to time by the WSPP Agreement governing body.

Contract Quantity: 96,400 MWh

Contract Price: \$31.50/MWh USD

Special Conditions:

1) Credit

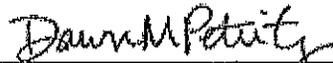
Both parties agree not to margin relative to these transactions provided that the other party maintains investment grade ratings from both Moody's and S&P. In the case of TEMUS, the senior unsecured credit rating will be that of its parent company, TransAlta Corporation. In the event of a split rating, the lower of the two shall apply.

TransAlta Energy Marketing (U.S.) Inc.

NorthWestern Corporation dba
NorthWest Energy

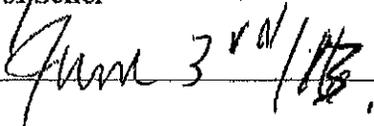
Authorized Signature of Seller

Calvin Johnson
Vice President
Trading and Asset Optimization


Authorized Signature of Buyer
Dawn M. Petritz
Director Energy Risk Management
6/04/13

Name of Seller

Name of Buyer

Date


Date

WSPP Agreement Service Schedule C – Confirmation

Confirmation Date: May 30, 2013

1. Transaction Specific Agreement

The undersigned Parties agree to a physical energy transaction pursuant to the WSPP Agreement, Service Schedule C, and the Master Confirmation Agreement under the WSPP Agreement between the Parties as further provided below:

Seller: TransAlta Energy Marketing (U.S.) Inc. ("TEMUS"), sometimes referred to as Seller, Party or collectively with NWE, Parties.

Purchaser: NorthWestern Corporation dba NorthWestern Energy ("NWE"), sometimes referred to herein as Purchaser, Party or collectively with TEMUS, Parties.

Period of Delivery: January 1, 2017 through December 31, 2017

Schedule (Days and Hours): Off-Peak Hours

Peak Hours are defined as HE 0700 through HE 2200 PPT, Monday through Saturday, excluding NERC observed holidays. Off-Peak hours are defined as HE 0100 through HE 0600 and HE 2300 and HE 2400, Monday through Saturday, all day Sunday and NERC observed holidays.

Scheduling:

At the Point of Delivery ("POD"), TEMUS shall schedule the Delivery Rate each hour in accordance with the WECC scheduling calendar and the WECC Business Practices. TEMUS agrees to tag the transactions for scheduling purposes.

Delivery Rate:

Period	Jan 2017 – Dec 2017
Delivery Rate (MW/h)	25

Seller will deliver Product to the POD in an amount equal to the Delivery Rate. Seller may replace deliveries at the Alternate POD identified below, or some other mutually agreeable delivery point:

POD: Mid-Columbia

Alternate POD: NWE Transmission System upon mutual consent of both parties

Product: WSPP Schedule C with Contingency (Operating) Reserves, as amended from time to time by the WSPP Agreement governing body.

Contract Quantity: 96,600 MWh

Contract Price: \$33.25/MWh USD

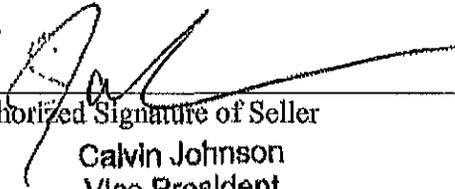
Special Conditions:

1) Credit

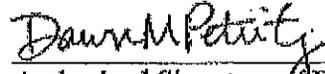
Both parties agree not to margin relative to these transactions provided that the other party maintains investment grade ratings from both Moody's and S&P. In the case of TEMUS, the senior unsecured credit rating will be that of its parent company, TransAlta Corporation. In the event of a split rating, the lower of the two shall apply.

TransAlta Energy Marketing (U.S.) Inc.

NorthWestern Corporation dba
NorthWest Energy



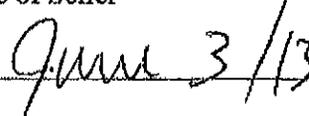
Authorized Signature of Seller
Calvin Johnson
Vice President
Trading and Assol Optimization



Authorized Signature of Buyer
Dawn M. Petritz
Director Energy Risk Management
6/04/13

Name of Seller

Name of Buyer



Date

Date



IBERDROLA RENEWABLES

CONFIRMATION

Via Facsimile

NorthWestern Energy

IR Trade No: BELL 21573894

Date: June 03, 2013

Fax Number:

This Confirmation Agreement confirms the oral agreement between Iberdrola Renewables, LLC ("Seller") and NorthWestern Energy ("Purchaser") regarding the sale and purchase of Firm energy pursuant to the Western Systems Power Pool ("WSPP") Agreement, under the following terms and conditions:

Trade Date: 05/31/2013
 Seller: Iberdrola Renewables, LLC
 Purchaser: NorthWestern Energy
 Term: 1/1/2015 through 12/31/2015
 Schedule: Mondays through Saturdays, excluding NERC holidays, HE 07:00 PPT through HE 22:00 PPT
 Delivery Point: Mid-Columbia
 Contract Price: USD 39.8000 per MWh
 Delivery Rate: 75 MW per hour
 Contract Quantity: 368,400 MWh
 Type of Service: WSPP Schedule C
 Level of Service: Firm
 Broker: None

Scheduling: Both parties shall notify each other of pre-schedules by 10:30 PPT on the Business Day preceding the scheduled delivery, or as mutually agreed by the parties, in accordance with WECC guidelines.

Other: For all WSPP Schedule C, Seller is responsible to provide or procure contingency reserves. In the event of a conflict between the Netting Agreement (if applicable), the WSPP Agreement, the oral agreement, or this Confirmation Agreement, any such conflict shall be resolved by reference to the terms contained in such agreements in descending order of importance as follows: the Netting Agreement, the WSPP Agreement, the taped oral agreement, and this Confirmation Agreement.

Please indicate your acceptance of the terms stated herein by returning an executed copy of this Confirmation by facsimile to Iberdrola Renewables, LLC at 503.798.8905 within five Business Days. Failure to respond within five Business Days will not affect the validity or enforceability of this Transaction, and shall be deemed to be an affirmation of the terms and conditions contained herein, absent manifest error. Please contact IR Confirmation Administration at 503.798.7001 if you have any questions.

***Both parties agree not to margin relative to this transaction provided that the other party maintains investment grade ratings from both Moody's and S&P.

NorthWestern Energy
Authorized Signature

Name: Dawn M. Petritz
Director Energy Risk Management
6/07/13

Title: _____

Date: _____

Iberdrola Renewables, LLC
Authorized Signature

Name: Pam Simonsen

Title: Confirmations Administration

Date: June 03, 2013



IBERDROLA RENEWABLES

CONFIRMATION

Via Facsimile

NorthWestern Energy

IR Trade No: SELL 21573966

Date: June 03, 2013

Fax Number:

This Confirmation Agreement confirms the oral agreement between Iberdrola Renewables, LLC ("Seller") and NorthWestern Energy ("Purchaser") regarding the sale and purchase of Firm energy pursuant to the Western Systems Power Pool ("WSPP") Agreement, under the following terms and conditions:

Trade Date: 06/31/2013
 Seller: Iberdrola Renewables, LLC
 Purchaser: NorthWestern Energy
 Term: 1/1/2016 through 12/31/2016
 Schedule: Mondays through Saturdays, excluding NERC holidays, HE 07:00 PPT through HE 22:00 PPT
 Delivery Point: Mid-Columbia
 Contract Price: USD 41,8500 per MWh
 Delivery Rate: 50 MW per hour
 Contract Quantity: 246,400 MWh
 Type of Service: WSPP Schedule C
 Level of Service: Firm
 Broker: None

Scheduling: Both parties shall notify each other of preschedules by 10:30 PPT on the Business Day preceding the scheduled delivery, or as mutually agreed by the parties, in accordance with WECC guidelines.

Other: For all WSPP Schedule C, Seller is responsible to provide or procure contingency reserves. In the event of a conflict between the Netting Agreement (if applicable), the WSPP Agreement, the oral agreement, or this Confirmation Agreement, any such conflict shall be resolved by reference to the terms contained in such agreements in descending order of importance as follows: the Netting Agreement, the WSPP Agreement, the taped oral agreement, and this Confirmation Agreement.

Please indicate your acceptance of the terms stated herein by returning an executed copy of this Confirmation by facsimile to Iberdrola Renewables, LLC at 503.796.8905 within five Business Days. Failure to respond within five Business Days will not affect the validity or enforceability of this Transaction, and shall be deemed to be an affirmation of the terms and conditions contained herein, absent manifest error. Please contact IR Confirmation Administration at 503.796.7061 if you have any questions.

**Both parties agree not to margin relative to this transaction provided that the other party maintains investment grade ratings from both Moody's and S&P.

NorthWestern Energy
Authorized Signature

Iberdrola Renewables, LLC
Authorized Signature

Name: Dawn M. Petritz
Title: Director Energy Risk Management
Date: 6/07/13

Name: Pam Simonsen
Title: Confirmations Administration
Date: June 03, 2013



IBERDROLA RENEWABLES

CONFIRMATION

Via Facsimile

NorthWestern Energy

IR Trade No: SELL 21674028

Date: June 03, 2013

Fax Number:

This Confirmation Agreement confirms the oral agreement between Iberdrola Renewables, LLC ("Seller") and NorthWestern Energy ("Purchaser") regarding the sale and purchase of Firm energy pursuant to the Western Systems Power Pool ("WSPP") Agreement, under the following terms and conditions:

Trade Date: 05/31/2013
 Seller: Iberdrola Renewables, LLC
 Purchaser: NorthWestern Energy
 Term: 1/1/2017 through 12/31/2017
 Schedule: Mondays through Saturdays, excluding NERC holidays, HE 07:00 PPT through HE 22:00 PPT
 Delivery Point: Mid-Columbia
 Contract Price: USD 43.7000 per MWh
 Delivery Rate: 25 MW per hour
 Contract Quantity: 122,400 MWh
 Type of Service: WSPP Schedule C
 Level of Service: Firm
 Broker: None

Scheduling: Both parties shall notify each other of preschedules by 10:30 PPT on the Business Day preceding the scheduled delivery, or as mutually agreed by the parties, in accordance with WECG guidelines.

Other: For all WSPP Schedule C, Seller is responsible to provide or procure contingency reserves. In the event of a conflict between the Netting Agreement (if applicable), the WSPP Agreement, the oral agreement, or this Confirmation Agreement, any such conflict shall be resolved by reference to the terms contained in such agreements in descending order of importance as follows: the Netting Agreement, the WSPP Agreement, the tapod oral agreement, and this Confirmation Agreement.

Please indicate your acceptance of the terms stated herein by returning an executed copy of this Confirmation by facsimile to Iberdrola Renewables, LLC at 503.796.6806 within five Business Days. Failure to respond within five Business Days will not affect the validity or enforceability of this Transaction, and shall be deemed to be an affirmation of the terms and conditions contained herein, absent manifest error. Please contact IR Confirmation Administration at 503.796.7061 if you have any questions.

Both parties agree not to margin relative to this transaction provided that the other party maintains investment grade ratings from both Moody's and S&P.

NorthWestern Energy
Authorized Signature

Iberdrola Renewables, LLC
Authorized Signature

Name: Dawn M. Petritz
Director Energy Risk Management
Title: 6/07/13

Name: Pam Simonsen
Title: Confirmations Administration

Date: _____

Date: June 03, 2013



IBERDROLA RENEWABLES

CONFIRMATION

Via Facsimile

NorthWestern Energy

IR Trade No: SELL 21573905

Date: June 03, 2013

Fax Number:

This Confirmation Agreement confirms the oral agreement between Iberdrola Renewables, LLC ("Seller") and NorthWestern Energy ("Purchaser") regarding the sale and purchase of Firm energy pursuant to the Western Systems Power Pool ("WSPP") Agreement, under the following terms and conditions:

Trade Date: 05/31/2013
 Seller: Iberdrola Renewables, LLC
 Purchaser: NorthWestern Energy
 Term: 1/1/2015 through 12/31/2015
 Schedule: Mondays through Saturdays HE 01:00 through HE 08:00 and HE 23 00 through HE 24 00, Sundays and NERC Holidays HE 01:00 through HE 24:00 — all in Pacific Prevailing Time.
 Delivery Point: Mid-Columbia
 Contract Price: USD 29.9500 per MWh
 Delivery Rate: 50 MW per hour
 Contract Quantity: 192,400 MWh
 Type of Service: WSPP Schedule C
 Level of Service: Firm
 Broker: None

Scheduling: Both parties shall notify each other of preschedules by 10:30 PPT on the Business Day preceding the scheduled delivery, or as mutually agreed by the parties, in accordance with WECC guidelines.

Other: For all WSPP Schedule C, Seller is responsible to provide or procure contingency reserves. In the event of a conflict between the Netting Agreement (if applicable), the WSPP Agreement, the oral agreement, or this Confirmation Agreement, any such conflict shall be resolved by reference to the terms contained in such agreements in descending order of importance as follows: the Netting Agreement, the WSPP Agreement, the taped oral agreement, and this Confirmation Agreement

Please indicate your acceptance of the terms stated herein by returning an executed copy of this Confirmation by facsimile to Iberdrola Renewables, LLC at 503.796.6905 within five Business Days. Failure to respond within five Business Days will not affect the validity or enforceability of this Transaction, and shall be deemed to be an affirmation of the terms and conditions contained herein, absent manifest error. Please contact IR Confirmation Administration at 503 796 7061 if you have any questions.

****Both parties agree not to margin relative to this transaction provided that the other party maintains investment grade ratings from both Moody's and S&P.**

NorthWestern Energy
Authorized Signature

Iberdrola Renewables, LLC
Authorized Signature

Dawn M. Petric
Director Energy Risk Management

Name: Pern Simonsen

Name: _____

Title: _____

Title: Confirmations Administration

Date: _____

Date: June 03, 2013



IBERDROLA RENEWABLES

CONFIRMATION

Via Facsimile

NorthWestern Energy

IR Trade No: SELL 21573967

Date: June 03, 2013

Fax Number:

This Confirmation Agreement confirms the oral agreement between Iberdrola Renewables, LLC ("Seller") and NorthWestern Energy ("Purchaser") regarding the sale and purchase of Firm energy pursuant to the Western Systems Power Pool ("WSPP") Agreement, under the following terms and conditions:

Trade Date: 05/31/2013
 Seller: Iberdrola Renewables, LLC
 Purchaser: NorthWestern Energy
 Term: 1/1/2016 through 12/31/2016
 Schedule: Mondays through Saturdays HE 01:00 through HE 06:00 and HE 23:00 through HE 24:00, Sundays and NERC Holidays HE 01:00 through HE 24:00 — all in Pacific Prevailing Time.
 Delivery Point: Mid-Columbia
 Contract Price: USD 31.9000 per MWh
 Delivery Rate: 25 MW per hour
 Contract Quantity: 96,400 MWh
 Type of Service: WSPP Schedule C
 Level of Service: Firm
 Broker: None

Scheduling. Both parties shall notify each other of preschedules by 10:30 PPT on the Business Day preceding the scheduled delivery, or as mutually agreed by the parties, in accordance with WECC guidelines

Other: For all WSPP Schedule C, Seller is responsible to provide or procure contingency reserves. In the event of a conflict between the Netting Agreement (if applicable), the WSPP Agreement, the oral agreement, or this Confirmation Agreement, any such conflict shall be resolved by reference to the terms contained in such agreements in descending order of importance as follows: the Netting Agreement, the WSPP Agreement, the taped oral agreement, and this Confirmation Agreement.

Please indicate your acceptance of the terms stated herein by returning an executed copy of this Confirmation by facsimile to Iberdrola Renewables, LLC at 503.796.8905 within five Business Days. Failure to respond within five Business Days will not affect the validity or enforceability of this Transaction, and shall be deemed to be an affirmation of the terms and conditions contained herein, absent manifest error. Please contact IR Confirmation Administration at 503.796.7081 if you have any questions.

****Both parties agree not to margin relative to this transaction provided that the other party maintains investment grade ratings from both Moody's and S&P.**

NorthWestern Energy
Authorized Signature

Name: Dawn M. Petritz
Title: Director Energy Risk Management
Date: 6/07/13

Iberdrola Renewables, LLC
Authorized Signature

Name: Pam Simonsen
Title: Confirmations Administration
Date: June 03, 2013

**CONFIRMATION LETTER NO. 2 -- FIRM (LD) to the
MASTER POWER PURCHASE AND SALE AGREEMENT**

Dated as of July 9, 2012

*Agreed
Kjm
6/3/13*

This confirmation letter shall confirm, the Transaction agreed to on May 30, 2013, between NORTHWESTERN CORPORATION, doing business as NORTHWESTERN ENERGY ("Party A"), and PPL ENERGYPLUS, LLC ("Party B") regarding the sale/purchase of the Product under the terms and conditions as follows:

Seller: PPL EnergyPlus, LLC ✓

Buyer: Northwestern Corporation, doing business as Northwestern Energy ✓

Product: Firm (LD)

Contract Term: From execution and delivery of this Confirmation through the Delivery Period.

Delivery Period: July 1, 2014 to December 31, 2014 ✓

Delivery Hours: The Delivery Hours for the Delivery Period shall be "On-Peak" hours, defined as Hour Ending (HE) 0700 through HE 2200 Pacific Prevailing Time (PPT), Monday through Saturday, excluding Sundays and NERC Holidays.

Contract Quantity: 200 MWh/hr all Delivery Hours of the Delivery Period. ✓

Total Contract Quantity: 492,800 MWh

Contract Price: Index minus \$1.65/MWh. In no event shall the Index be less than zero (\$0/MWh) for any hour of the Delivery Term when determining the Contract Price. ✓

"Index" means, for any day other than a Sunday or a NERC Holiday, the weighted average of the Intercontinental Exchange ("ICE") daily Mid-Columbia On-Peak Firm Power Price Bulletin for On-Peak Hours. For purposes of this definition, On-Peak hours shall include HE 0700 through HE 2200 Pacific Prevailing Time ("PPT").

Delivery Point(s): Seller's (Party B's) choice into Northwestern Energy's transmission system (NWMT). ✓

Scheduling: In accordance with the WECC Preschedule Calendar, Party A is responsible for providing all schedules and tags to the NorthWestern Balancing Authority.

Special Condition #1:

Confidentiality: This Confirmation shall be subject to the provisions of Section 10.11 of the Master Agreement; provided, however, that notwithstanding the foregoing, each Party will be entitled, without the consent of the other Party, to disclose such confidential information as and to the extent required by any regulatory authority having jurisdiction over such Party.

Special Condition #2:

Contingency Reserves: Party A and Party B will adhere to the NERC and WECC rules regarding responsibility for providing Contingency Reserves. For the purposes of this confirmation, Contingency Reserves shall mean operating reserves, both spinning and non-spinning (also referred to as supplemental). Party B will not be obligated to provide any other ancillary services, including, without limitation, Regulating Reserve or Frequency Responsive Reserve.

* * * * *

This confirmation is being provided pursuant to and in accordance with the Master Power Purchase and Sale Agreement dated as of July 9, 2012 (the "Master Agreement") between Party A and Party B, and constitutes part of and is subject to the terms and provisions of such Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement.

[Signature page follows]

**CONFIRMATION BETWEEN
Powerex Corp. * and Northwestern Corp. (Energy Supply Division)
Deal No. DYB475**

This document ("Confirmation") confirms the verbal agreement reached on June 3, 2013 between Powerex Corp.* ("Powerex") and Northwestern Corp. ("NWE") regarding the sale and purchase of energy in accordance with the EEI Master Power Purchase & Sale Agreement ("Master Agreement") dated August 1, 2005 in force and effect between the Parties under the following terms and conditions. Consistent with Section 2.2 of the Master Agreement, this Transaction, together with all other Confirmations and the Master Agreement, form a single integrated agreement and are not separate contracts.

Buyer: NWE
Seller: Powerex
Term: July 1 2014 through December 31 2015
Delivery Hours: All hours of the term (around-the-clock)
Product: Firm Energy
Quantity: 50 MW
Delivery Point: BPAT.NWMT is the primary Delivery Point. Any unconstrained point on the NorthWestern transmission system may be substituted by Powerex.
Price: ICE Mid C Peak Index minus \$2.00 for Peak hours
ICE Mid C Off-Peak Index minus \$3.50 for Off-Peak hours

Peak hours shall be defined as Hour Ending (HE) 0700 through HE 2200 (16 hours per day) Pacific Prevailing Time (PPT), Monday through Saturday, excluding NERC Holidays

Off-Peak hours shall be defined as hours means Mondays through Saturdays HE 0100-0600 and HE 2300-2400 PPT, and all day Sundays and including holidays defined by the NERC or any successor organization.

Scheduling: Powerex shall arrange for deliveries on a pre-schedule and/or real time basis in accordance with WECC guidelines.

This Confirmation is being provided pursuant to and in accordance with the Master Agreement in force and effect between the Parties and constitutes part of and is subject to the terms and provisions of such Master Agreement.

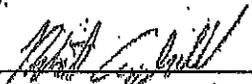
Please confirm that the terms stated in this Confirmation accurately reflects the agreement between NWE and Powerex by returning an executed copy of this Confirmation by fax to Powerex at (604) 891-5045.

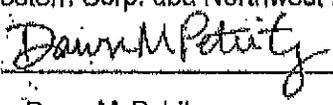
ACKNOWLEDGED AND AGREED TO:

Powerex Corp. *

Northwestern Corp. dba Northwest Energy

from
6/4/13

By: 

By: 

Name: Robert Campbell
Managing Director

Name: Dawn M. Petritz
Director Energy Risk Management

Title: _____

Title: 6/04/13

Date: June 7, 2013

Date: _____

* Powerex Corp., doing business in California as Powerex Energy Corp.



CREDIT SUISSE ENERGY LLC

11 Madison Avenue Telephone 212-325-2000
New York, NY 10010 www.credit-suisse.com

11 December 2008

NorthWestern Corporation
125 South Dakota Avenue
Sioux Falls, SD 57104
United States

Reference ID: 1856327 - 1

1. This confirmation letter shall confirm the Transaction agreed to on 10 December 2008 (Trade Date) between Credit Suisse Energy, LLC ("CSE") and NorthWestern Corporation ("Counterparty") regarding the sale/purchase of the Product under the terms and conditions as follows:

Physical Power Exchange
Fee Payer ("Fee Payer");

CSE

Physical Power Exchange
Fee Receiver ("Fee Receiver");

Counterparty

Product:

Physical Power Exchange where Physical Power Exchange shall mean the Fee Payer shall receive Contract Quantity from Exchange Fee Receiver at CSE Point of Receipt and simultaneously the Exchange Fee Payer shall deliver Contract Quantity at to Exchange Fee Receiver at CSE Point of Delivery.

Physical Power Exchange Fee:

The Fee Payer shall pay the Fee Receiver USD 3.00 per MWH

Delivery Period:

Begin Date:

1 July 2010

End Date:

30 June 2015

Schedule:

Hour Ending (HE) 0100 through (HE) 2400 (24 hours each day), Monday through Sunday, Pacific Prevailing Time (PPT)





Contract Quantity: 25 MW per hour

Total Contract Quantity: 1,095,600 MWH

CSE Point of Receipt: Mid - C

CSE Point of Delivery: NWE System: where NWE System means any available interconnection point on the NorthWestern Energy transmission system where Counterparty can take delivery pursuant to its existing Network Transmission Agreement

Service Type: WSPP Schedule C with Liquidated Damages

NERC Holiday: North American Electricity Reliability Council (NERC) as reflected from time to time on its website currently located at <http://www.nerc.com/~oc/offpeaks.html>, or any successor thereto.

Bookout Clause: CSE has the right to "Bookout" this Transaction with NWE in accordance with the "Bookout Notification Parameters" and the "Bookout Fee" as defined below.

Where,

Bookout means the Parties agree to be relieved of all obligations under this Transaction as of the Bookout Effective Date.

Bookout Notification Parameters means CSE must provide written notification to NWE at least 30 days prior to the date upon which the Bookout becomes effective, the "Bookout Effective Date".

Bookout Fee means the amount CSE shall pay to NWE as the sole remedy for the termination of the Transaction. The Bookout Fee shall be calculated by multiplying \$4/MWH by all remaining MWH in the contract as of the Bookout Effective Date.

2. This transaction is governed by definitions and provisions of the WSPP Agreement, as such agreement may be amended from time to time. In the event of any inconsistency between the WSPP Agreement and this Confirmation, this Confirmation will prevail.





3. Contact Information:

Ricardo A. Harewood	212-325-8678
Dean Brier	212-325-8648
Fax:	212-951-8823
Email:	energy.confirms@credit-suisse.com

Please execute and return this Confirmation to us, or provide notice of a dispute of any terms, or request a correction of any error via fax at (212) 951-8823 or via email to energy.confirms@credit-suisse.com herein within five (5) Local Business Days of the date written above. Your failure to respond within such period shall not affect the enforceability of the Transaction as against you.

Yours faithfully,

Credit Suisse Energy LLC

By: _____
Name: Dean Brier
Title: Vice President

Confirmed as of the date first written above:
NorthWestern Corporation

By: _____
Name:
Title:



Citigroup Energy Inc.
2800 Post Oak Blvd.
Suite 500
Houston, TX 77056



POWER CONFIRMATION

Date: October 24, 2008

To: Northwestern Corporation dba Northwestern Energy
Attn: Kevin Markovich
Email: kevin.markovich@northwestern.com
Tel: 406-497-3336
Fax: 406-497-2629

From: Citigroup Energy Inc.
Attn: Melissa Rodriguez
Email: CEIConfirms@Citigroup.com
Tel: 1-713-752-5418
Fax: 1-646-291-3383

Re: Physical Power Transaction

Transaction Reference Number: 1955965

The purpose of this communication is to set forth the terms and conditions of the above-referenced transaction entered into on the Trade Date specified below (the "Transaction") between Citigroup Energy Inc. ("Citi"), and Northwestern Corporation dba Northwestern Energy ("Counterparty"). This communication constitutes a "Confirmation" as referred to in the Agreement specified below.

U.S. Federal law requires Citi to obtain, verify and record customer identification information.

This Confirmation evidences a complete and binding agreement between the Parties as to the terms of the Transaction to which this Confirmation relates. Until we execute and deliver the Agreement (as defined in Section 2 hereof), this Confirmation shall be deemed to incorporate in their entirety (except as hereinafter modified or amended) the pre-printed form of the 2002 ISDA Master Agreement (the "ISDA Form") and the pre-printed North American Power Annex to the ISDA Form ("Power Annex"). This document constitutes a "Confirmation" as referred to in the ISDA Form and the transaction described above constitutes a "Transaction" as referred to in the ISDA Form.

The 2000 ISDA Definitions ("Definitions"), as published by the International Swaps and Derivatives Association, Inc. ("ISDA") are incorporated herein and made a part hereof for all purposes. The definitions and provisions contained in the 2005 ISDA Commodity Definitions as published by ISDA, and otherwise as amended, supplemented or modified from time to time (the "Commodity Definitions") are also incorporated herein and made a part hereof for all purposes. Additionally, the parties agree that the definitions and provisions contained in Annexes 1 to 16 and Section 6 of the 2002 Master Agreement Protocol published by ISDA are incorporated herein and made a part hereof.

1. Each Party will make each payment specified in this Confirmation as being payable by it, not later than the due date for value on that date in the place of the account specified below or otherwise specified in writing, in freely transferable funds and in the manner customary for payments in the required currency.
2. The Parties agree to negotiate and finalize an agreement in the form of the ISDA Form and, as applicable, a CSA (as hereinafter defined), and Power Annex with such modifications as the Parties will in good faith agree (collectively, the "Agreement") and, upon the execution by the Parties of the Agreement, the Parties agree that this Confirmation will supplement, form part of, and be subject to the Agreement. All provisions





contained in, or incorporated by reference in, the Agreement upon its execution will govern this Confirmation except as expressly modified herein. If CEI and the Counterparty fail to execute and deliver or to negotiate in good faith the Agreement on or before January 31, 2009, unless such time is otherwise extended by the mutual agreement of the Parties, an Additional Termination Event shall have occurred and be deemed to be continuing with respect to both CEI and Counterparty, in which event each of CEI and Counterparty will be deemed to be an Affected Party.

3. The terms of the particular Transaction to which this Confirmation relates are as follows:

Trade Date: October 24, 2008 ✓
Buyer: Northwestern Corporation dba Northwestern Energy ✓
Seller: Citigroup Energy Inc. ✓
Commodity/Product: Firm Energy with Liquidated Damages ✓
Quantity: 25 MW per hour ✓
Total Quantity: 2,191,800 MWH ✓
Term: July 01, 2010 to and including June 30, 2020 ✓
Delivery Period: All deliveries are made during the defined hour periods, Hour Ending (HE) 0100 through (HE) 2400 (24 hours each day), Monday through Sunday and NERC Holidays, Pacific Prevailing Time (PPT). ✓
Contract Price: USD 62.40 per MWH ✓
Delivery Point: Mid Columbia ✓
Calculation Agent: Citigroup Energy Inc.
Scheduling: All scheduling will be completed on or before the time specified by either rule or convention applicable to the market at the delivery point.

4. Credit Provisions.

- (a) The "Cross Default" provisions of Section 5(a)(vi) of the ISDA will apply to CEI and will apply and Counterparty.
- (1) Section 5(a)(vi) is amended by deleting in the seventh line thereof ", or becoming capable at such time of being declared,".
- (2) Section 5(a)(vi) is amended by inserting the following at the end thereof: "provided, however, that notwithstanding the foregoing, an Event of Default shall not occur under either (1) or (2) above if (a) the event or condition referred to in (1) or the failure to pay





referred to in (2) is a failure to pay caused by an error or omission of an administrative or operational nature; (b) funds were available to such party to enable it to make the relevant payment when due; and (c) such relevant payment is made within three Business Days following the error or failure being discovered."

(3) "Specified Indebtedness" shall have the meaning set forth in Section 14 of this Agreement; *provided, however*, that such term shall include any Specified Transaction.

(4) "Threshold Amount" means:

(i) with respect to Party A, 2% of the stockholders' equity of Party A's Credit Support Provider; and

(ii) with respect to Counterparty, \$50,000,000.

Threshold Amount includes the U.S. Dollar equivalent on the date of any default, event of default or other similar condition or event of any obligation stated in any other currency.

For purposes of the above, stockholders' equity shall be determined by reference to the relevant party's most recent consolidated (quarterly, in the case of a U.S. incorporated party) balance sheet and shall include, in the case of a U.S. incorporated party, legal capital, paid-in capital, retained earnings and cumulative translation adjustments. Such balance sheet shall be prepared in accordance with accounting principles that are generally accepted in such party's country of organization.

(b) Credit Support Provider: The Credit Support Provider of Party A shall be Citigroup Inc., which shall provide, within five (5) Business Days of the trade date herewith, an unconditional guarantee of the obligations of Party A hereunder in a form acceptable to Party B, which guarantee shall be in the amount of U.S. \$30,000,000.

(c) Credit Support Annex Provisions.

The terms and provisions of the ISDA Credit Support Annex as published by the International Swaps and Derivatives Association, Inc., is incorporated herein for all purposes (the "CSA"). For purposes of the CSA and Paragraph 13 thereto, the following shall be applicable:

"Threshold" shall mean, with respect to Party A, the lesser of (1) the amount set forth below opposite the lower of the Credit Ratings in effect on any Valuation Date for Party A's Credit Support Provider or (2) zero if on any Valuation Date an Event of Default or Potential Event of Default with respect to such party has occurred and is continuing.

<u>Threshold</u>	<u>S&P Credit Rating</u>	<u>Moody's Credit Rating</u>
U.S. \$20,000,000	AA- and above	Aa3 and above
U.S. \$15,000,000	A+ and A	A1 and A2
U.S. \$ 5,000,000	A-, BBB+ and BBB	A3, Baa1 and Baa2





Zero

Below BBB

Below Baa2

"Threshold" shall mean, with respect to Party B, the lesser of (1) the amount set forth below opposite the lower of the Credit Ratings in effect on any Valuation Date for Party B or (2) zero if on any Valuation Date an Event of Default or Potential Event of Default with respect to such party has occurred and is continuing.

<u>Threshold</u>	<u>S&P Credit Rating</u>	<u>Moody's Credit Rating</u>
U.S. \$30,000,000	AA- and above	Aa3 and above
U.S. \$25,000,000	A- to A+	A3 to A1
U.S. \$20,000,000	BBB+	Baa1
U.S. \$15,000,000	BBB and BBB-	Baa2 and Baa3
Zero	Below BBB-	Below Baa3

- (d) "Minimum Transfer Amount" as of any date shall mean US \$100,000.
- (e) Rounding. The Delivery Amounts will be rounded up and Return Amounts will be rounded down to the nearest integral multiple of US \$100,000.
- (f) "Eligible Collateral" shall mean a Letter of Credit, and/or cash in the form of United States Dollars ("Cash").
- (g) "Letters of Credit" shall mean a letter of credit issued by a major commercial US bank or the U.S. branch office of a foreign bank, with a capital surplus of no less than USD 10 billion and a senior unsecured debt rating of at least "A-" or better as specified by S&P and "A3" or better as specified by Moody's, which Letter of Credit shall be substantially similar to the form Letter of Credit attached to this Confirmation as Exhibit A.
- (h) "Letter of Credit Valuation" shall be 100% unless a Letter of Credit Default shall have occurred with respect to such Letter of Credit, in which case the Valuation Percentage shall be Zero (0).
- (i) "Letter of Credit Default" means with respect to a Letter of Credit, the occurrence of any of the following events: (a) the issuer of such Letter of Credit shall fail to maintain a Credit Rating of at least (i) "A-" by S&P and "A3" by Moody's, if such issuer is rated by both S&P and Moody's, (ii) "A-" by S&P, if such issuer is rated only by S&P, or (iii) "A3" by Moody's, if such issuer is rated only by Moody's; (b) the issuer of the Letter of Credit shall fail to comply with or perform its obligations under such Letter of Credit; (c) the issuer of such Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit; (d) twenty (20) or fewer Business Days remain prior to the expiration of such Letter of Credit and the issuer of such Letter of Credit has indicated its intention not to renew such Letter of Credit or Party B has failed to provide a replacement Letter of Credit to Party A; (e) such Letter of Credit shall expire or terminate, or shall fail or cease to be in full force and effect at any time during the term of the Agreement, in any such case without replacement; or (f) a Bankruptcy with respect to the issuer of such Letter of Credit has occurred.





- (j) "Notification Time" means 1:00 p.m. (New York time) on any Valuation Date.
- (k) "Valuation Date" means, each Local Business Day.
- (l) "Valuation Time" means, the close of business on the Local Business Day immediately preceding the Valuation Date.
- (m) "The "Interest Rate" will be the overnight ask rate in effect for such day, as set forth opposite the caption "O/N" under the heading "USD" on Telerate Page 4659 or any successor page thereto on or about 11:00 a.m., New York time, on such day and if no successor page is quoted, as agreed by the parties."

5. Additional Provisions:

- (a) The parties make the following elections with respect to Clause (j) of the Power Annex:

(c)(i) and (c)(ii) Accelerated Payment Damages.

(d)(i) Timeliness of Payment

Option A

Option B

(h)(i) Wholesale Power Tariffs:

CEI Electric Tariff. Tariff/Date/Docket: FERC/12-19-03/ER04-208-000

Counterparty Electric Tariff. Tariff/Date/Docket:

(h)(iii) Applicability of FERC Standard of Review and Certain Covenants and Waivers

- (b) **Additional Representations.** In connection with this Confirmation, the Transaction to which this Confirmation relates and any other documentation relating to the Agreement, each party to this Confirmation represents and acknowledges to the other party that:

- (i) It is not relying on any advice, statements or recommendations (whether written or oral) of the other party regarding such Transaction, other than the written representations expressly made by that other party in the Agreement and in this Confirmation in respect of such Transaction;
- (ii) It has the capacity to evaluate (internally or through independent professional advice) such Transaction (including decisions regarding the appropriateness or suitability of such Transaction) and has made its own decision to enter into such Transaction;
- (iii) It understands the terms, conditions and risks of such Transaction and is willing to accept those terms and conditions and to assume (financially and otherwise) those risks;
- (iv) It is entering into such Transaction as principal and not as an agent for any other party;





- (v) It acknowledges and agrees that the other party is not acting as a fiduciary or advisor to it in connection with such Transaction; and
- (vi) In the case of Counterparty only, it is entering into such Transaction for the purposes of managing its borrowings or investments, hedging its underlying assets or liabilities or in connection with a line of business, and not for purposes of speculation.
- (c) **Tax Representations.** The following provisions shall be applicable to Sections 3(e) and 3(f) of the ISDA Form:

- (i) **Payer Representations.** For the purpose of Section 3(e) of the ISDA Form, Party A will make the following representation and Party B will make the following representation:

It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 9(h) of the ISDA Form) to be made by it to the other party under this Agreement. In making this representation, it may rely on (i) the accuracy of any representations made by the other party pursuant to Section 3(f) of the ISDA Form, (ii) the satisfaction of the agreement contained in Section 4(a)(i) or 4(a)(iii) of the ISDA Form and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or 4(a)(iii) of the ISDA Form and (iii) the satisfaction of the agreement of the other party contained in Section 4(d) of the ISDA Form, except that it will not be a breach of this representation where reliance is placed on clause (ii) above and the other party does not deliver a form or documents under Section 4(a)(iii) of the ISDA Form by reason of material prejudice to its legal or commercial position.

- (ii) **Payee Representations.** For the purpose of Section 3(f) of the ISDA Form, CEI and Counterparty make the representations specified below, if any:

The following representation will apply to CEI:

It is a corporation organized under the laws of the State of Delaware and its U.S. taxpayer identification number is 27-0069674. It is "exempt" within the meaning of Treasury Regulation sections 1.6041-3(p) and 1.6049-4(c) from information reporting on Form 1099 and backup withholding.

The following representation will apply to Counterparty:

It is a corporation created or organized in the United States or under the laws of the United States and its U.S. taxpayer identification number is _____. It is "exempt" within the meaning of Treasury Regulation sections 1.6041-3(p) and 1.6049-4(c) from information reporting on Form 1099 and backup withholding.

- (d) **Waiver of Right to Trial by Jury.** Each party hereby irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or proceeding relating to this Agreement. ✓
- (e) **Netting of Payments.** For Scheduled Settlement Dates, with regard to payments due on that date, Multiple Transaction Payment Netting will apply to the following groups of Transactions, each of which shall be treated separately for purposes of payment netting: Power Transactions (other





than options on physical power); Gas Transactions (other than options on physical Gas); options on physical power; options on physical gas; and financially-settled Transactions in Commodities (to the extent operationally feasible). If a party wishes to net payments across any of these groups of Transactions and/or payments with respect to other types of Transactions on a particular date, either party may notify the other in writing, not less than one Local Business Day in advance of one or more Scheduled Settlement Dates, that with regard to payments due on that date, Multiple Transaction Payment Netting will apply. Except to the extent that such advance written notice shall have been given, Multiple Transaction Payment Netting will not apply for purposes of Section 2(c) of this Agreement with respect to such other Transactions.

- (f) **Set-Off.** Section 6 of the Agreement is amended by the deletion of paragraph (f) in its entirety and the addition of the following:

(f) **Set-Off.** Without affecting the provisions of this Agreement requiring the calculation of certain net payment amounts, all payments under this Agreement will be made without set-off or counterclaim; provided, however, that upon the designation of any Early Termination Date, in addition to and not in limitation of any other right or remedy (including right to set off, counterclaim or otherwise withhold payment or any recourse to any Credit Support Document) under applicable law, the Non-defaulting Party or non-Affected Party (in either case, "X") may without prior notice to any person set off any sum or obligation (whether or not arising under this Agreement and whether matured or unmatured, whether or not contingent and irrespective of the currency, place of payment or booking office of the sum or obligation) owed by the Defaulting Party or Affected Party (in either case, "Y") to X or any Affiliate of X against any sum or obligation (whether or not arising under this Agreement, whether matured or unmatured, whether or not contingent and irrespective of the currency, place of payment or booking office of the sum or obligation) owed by X or any Affiliate of X to Y and, for this purpose, may convert one currency into another at a market rate determined by X. If any sum or obligation is unascertained, X may in good faith estimate that obligation and set off in respect of the estimate, subject to X or Y, as the case may be, accounting to the other when the obligation is ascertained.

- (g) **Severability.** Except as otherwise provided in Sections 5(b)(i) or 5(b)(ii) of the ISDA Form in the event that any one or more of the provisions contained in this Confirmation should be held invalid, illegal, or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The parties shall endeavor, in good faith negotiations, to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

- (h) **Limitation of Liability.** No party shall be required to pay or be liable to the other party for any consequential, indirect or punitive damages, opportunity costs or lost profits.

- (i) **Governing Law.** THIS CONFIRMATION AND THE TRANSACTION ENTERED INTO HEREUNDER WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND THE UNITED STATES COURT FOR THE SOUTHERN DISTRICT OF NEW YORK IN CONNECTION WITH ALL MATTERS RELATING HERETO AND WAIVE ANY OBJECTION TO THE LAYING OF VENUE IN, AND ANY CLAIM OF INCONVENIENT FORUM WITH RESPECT TO THESE COURTS. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS PROVISION SHALL PROHIBIT A PARTY FROM BRINGING AN ACTION TO ENFORCE A MONEY JUDGEMENT IN ANY OTHER JURISDICTION.





**EXHIBIT A
to Confirmation**

Form of Letter of Credit

IRREVOCABLE TRANSFERABLE STANDBY LETTER OF CREDIT

Letter of Credit No. _____ Issue Date: _____, 20__

Beneficiary:

Account Party:

[Citigroup Energy Inc.]

[Name of Account Party]

[Address]

[Address of Account Party]

Attn: _____

Attn: _____

Ladies and Gentlemen:

We hereby establish in favor of you, Citigroup Energy Inc. (the "Beneficiary"), at the request and for the account of [name of account party] (the "Account Party"), with respect to the Confirmation dated as of _____, 20__, by and between you and the Account Party, as may be amended from time to time, our irrevocable Transferable Standby Letter of Credit No. _____ (the "Credit") whereby we irrevocably authorize you to draw on us, in accordance with the terms and conditions hereinafter set forth, in an amount not to exceed in the aggregate \$ _____.

Subject to the terms hereof, funds are available to you hereunder against presentation of a completed certificate (a "Certificate"), dated and signed by your representative, including one of the following statements:

1. An Event of Default (as defined in the Confirmation dated as of _____, 20__, by and between you and [name of Account Party], as may be amended from time to time) has occurred and is continuing with respect to the Account Party under the Confirmation. Therefore the Beneficiary does hereby demand payment of the entire undrawn amount of the Credit; or
2. An Early Termination Date (as defined in the Confirmation dated as of _____, 20__, by and between you and [name of Account Party], as may be amended from time to time) has occurred as a result of a Termination Event (as defined in such Confirmation) and Account Party has failed to make payments in an aggregate amount of \$ _____ due and owing to the Beneficiary in accordance with the terms of the Confirmation. Wherefore the Beneficiary does hereby demand payment of \$ _____.

Partial drawings are allowed under this Credit. The amount which may be drawn under this Credit shall be automatically reduced by the amount of any drawings previously paid by us hereunder.

Presentation of your Certificate shall be made on any day which is a New York Banking Day for us at or prior to [5:00 p.m. (New York time)] at our office located at _____, Presentation must be made by hand, mail or courier service, to such address, or by tested telex or SWIFT. If your presentation is made at such office, in compliance with the other terms and conditions of this Credit, on or prior to



Citigroup Energy Inc.
2800 Post Oak Blvd.
Suite 600
Houston, TX 77058



the expiry date hereof, we hereby irrevocably undertake to honor such presentation [by close of business on the next New York Banking Day].

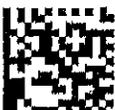
This Credit is effective immediately and expires at our close of business on _____, 20____, [(the "Initial Expiry Date"); provided however, that this Credit shall be automatically extended without amendment for one or more additional one-year periods from the Initial Expiry Date or any subsequent expiry date, unless at least 60 days prior to such date you receive a notice in writing by certified mail, [tested telex or SWIFT] at the above address, that we elect not to extend this Credit for such additional period. Upon your receipt of such a notice of non-extension, you shall be entitled to make immediate demand for payment of the full amount available under this Credit, by presentation of your Certificate.

This Credit shall be subject to the provisions of the International Standby Practices 1998, International Chamber of Commerce Publication No. 680 ("ISP"), and as to matters not addressed by ISP, shall be governed by the laws of the State of New York and applicable U.S. federal laws.

This Credit is transferable, and we hereby consent to such transfer, but otherwise may not be amended, changed or modified without our express written consent and that of the Beneficiary and the Account Party.

Very truly yours,

[ISSUING BANK]



- Page 1 of 3 -



5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom
Tel +44 (0)20 7623 2323

To: Northwestern Corporation
125 South Dakota Avenue
Sioux Falls
United States

Attention:

Facsimile Number: 001 651 305 8138

Date: 24 September, 2010

Reference: 23706371

Power Transaction (Fixed Price)

CONFIRMATION

The purpose of this facsimile (this "Confirmation") is to confirm the terms and conditions of the Transaction described below, entered into between Barclays Bank PLC (London Head Office) ("Barclays") and Northwestern Corporation (the "Counterparty") on the date Trade Date specified below (the "Transaction").

This Confirmation supersedes any previous Confirmation or other written communication with respect to the Transaction described below and evidences a complete binding agreement between you and us as to the terms of the Transaction described below. This Confirmation constitutes a "Confirmation" as referred to in the Agreement specified below.

This Confirmation supplements, forms a part of, and is subject to the ISDA Master Agreement dated as of 17 September, 2009, as amended and supplemented from time to time (the "Agreement") between you and us. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

In the event of any inconsistency between this Confirmation and any other relevant governing document, this Confirmation will govern for purposes of the Transaction. Capitalized terms used in this Confirmation and not defined in this Confirmation shall have the respective meanings assigned in the Agreement.

- Page 2 of 3 -

Each party represents to the other party that (absent a written agreement between the parties that expressly imposes affirmative obligations to the contrary):

- (a) **Purpose.** It is entering into the Transaction for the purposes of hedging its assets or liabilities or in connection with a line of business.

The terms of the particular Transaction to which this Confirmation relates are as follows:

Trade Date: 21 September, 2010

Seller: Barclays

Buyer: Counterparty

Product: Mid Columbia, Firm Energy (LD)

Contract Quantity: "Contract Quantity" shall mean in respect of the Delivery Period, the product of the Quantity and the total number of hours in such Delivery Period, expressed in MWh. For the purposes of this Transaction, this amount will be 614,000.00 MWh.

Quantity: 25.00 MW per hour

Delivery Point: Mid - Columbia

Contract Price: USD 30,178,100.00

Energy Price: "Energy Price" shall mean a price expressed in USD per MW. For the purposes of this Transaction, such price will be USD 49.15 per MW.

Delivery Period: In respect of each Calculation Period, and further in respect of each Monday to Saturday inclusive therein, from 01 July, 2012 to and including 30 June, 2017, but excluding North American Electric Reliability Council ("NERC") holidays, each of the sixteen (16) "peakload" hours during such day, beginning at and including the hour ending 07:00 hours Pacific Prevailing time and ending at and including the hour ending 22:00 hours Pacific Prevailing time on such day.

Other Charges: Not applicable

Special Conditions: Not applicable

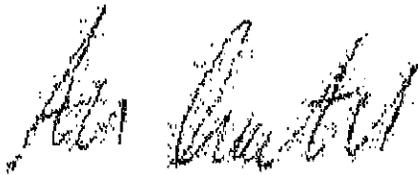
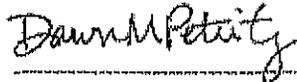
Scheduling: Toll free 24-hour no.: +1 (0) 866-861-0478 (Real Time)
+1 (0) 866-304-2113 (Day Ahead)

The time of dealing will be confirmed by Barclays Bank PLC upon written request.

Please confirm that the foregoing correctly sets forth all the terms and conditions of our agreement with respect to the Transaction by responding within two (2) Business Days by promptly signing in the space provided below and faxing the signed copy to Barclays, Commodities Transaction Documentation & Management Group, toll-free facsimile number 1-866-871-3834, or alternatively to standard facsimile number +44 (0)20-7516-7484 / +44 (0)20-7773-6494, telephone +44 (0)20-7773-0172 / 5490 / 6472. Your failure to respond within such period shall not affect the validity or enforceability of the Transaction as against you. This facsimile shall be the only Confirmation documentation in respect of this Transaction and accordingly no hard copy versions of this Confirmation for this Transaction shall be provided unless the Counterparty requests.

For and on behalf of
BARCLAYS BANK PLC

For and on behalf of
NORTHWESTERN CORPORATION


Alex Instrall

NAME: Alex Instrall
Authorised Signatory
Date: 24 September 2010

NAME:
Authorised Signatory
Date: 10/04/10



5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom
Tel +44 (0)20 7623 2323

To: Northwestern Corporation
125 South Dakota Avenue
Sioux Falls
United States
SD 57104-6403

Attention: John M. Smith
Facsimile Number: 0016513058138
Email Address:
Date: 13 October, 2011
Reference: 27729813

Power Transaction (Fixed Price)

CONFIRMATION

The purpose of this facsimile (this "Confirmation") is to confirm the terms and conditions of the Transaction described below, entered into between Barclays Bank PLC (London Head Office) ("Barclays") and Northwestern Corporation (the "Counterparty") on the date ("Trade Date") specified below (the "Transaction").

This Confirmation supersedes any previous Confirmation or other written communication with respect to the Transaction described below and evidences a complete binding agreement between you and us as to the terms of the Transaction described below. This Confirmation constitutes a "Confirmation" as referred to in the Agreement specified below.

This Confirmation supplements, forms a part of, and is subject to the ISDA Master Agreement dated as of 17 September, 2009, as amended and supplemented from time to time (the "Agreement") between you and us. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

In the event of any inconsistency between this Confirmation and any other relevant governing document, this Confirmation will govern for purposes of the Transaction. Capitalized terms used in this Confirmation and not defined in this Confirmation shall have the respective meanings assigned in the Agreement.

Each party represents to the other party that (absent a written agreement between the parties that expressly imposes affirmative obligations to the contrary):

- (a) **Purpose.** It is entering into the Transaction for the purposes of hedging its assets or liabilities or in connection with a line of business.

The terms of the particular Transaction to which this Confirmation relates are as follows:



- Page 2 of 3 -

Trade Date: 12 October, 2011

Seller: Barclays

Buyer: Counterparty

Product: Mid Columbia, Firm Energy (LD)

Contract Quantity: "Contract Quantity" shall mean in respect of the Delivery Period, the product of the Quantity and the total number of hours in such Delivery Period, expressed in MWh. For the purposes of this Transaction, this amount will be 245,600.00 MWh.

Quantity: 25.00 MW per hour

Delivery Point: Mid Columbia

Contract Price: USD 40.7500 per MW

Delivery Period: In respect of each Monday to Saturday inclusive therein, from and including 01 January, 2013 to and including 31 December, 2014, each of the sixteen (16) "peakload" hours during such day, beginning at and including the hour ending 07:00 hours Pacific Prevailing time and ending at and including the hour ending 22:00 hours Pacific Prevailing time on such day.

Other Charges: Not applicable

Special Conditions: Not applicable

Scheduling: Toll free 24-hour no.: +1 (0) 866-861-0478 (Real Time)
+1 (0) 866-304-2113 (Day Ahead)

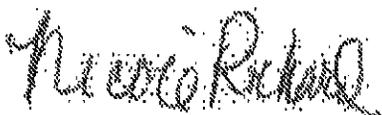
The time of dealing will be confirmed by Barclays Bank PLC upon written request.



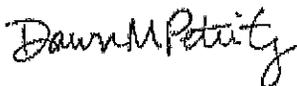
Please confirm that the foregoing correctly sets forth all the terms and conditions of our agreement with respect to the Transaction by responding within two (2) Business Days by promptly signing in the space provided below and faxing the signed copy to Barclays, Commodities Documentation Group, America - toll-free facsimile number (from USA) 1 877 354 8065, contact Mechelle Stevens, telephone 001 713 401 6750, email uspowergasconfirms@barcap.com / gtdmista@barcap.com / uscommoditiesderivs@barcap.com, Asia Pac - facsimile number 0065 6308 7890, EMEA - facsimile number 0044 (0)207 516 7484. Your failure to respond within such period shall not affect the validity or enforceability of the Transaction as against you. This facsimile shall be the only Confirmation documentation in respect of this Transaction and accordingly no hard copy versions of this Confirmation for this Transaction shall be provided unless the Counterparty requests.

For and on behalf of
BARCLAYS BANK PLC

For and on behalf of
NORTHWESTERN CORPORATION



Nicole Richard



Dawn M. Petritz
Director Energy Risk Management
10/13/11

NAME: Nicole Richard
Authorised Signatory
Date: 13 October 2011

NAME:
Authorised Signatory
Date:





POWER CONFIRMATION

Date: October 12, 2011

To: Northwestern Corporation dba Northwestern Energy
Attn: Dawn Petritz
Email: dawn.petritz@northwestern.com
Tel: 1-406-497-3336
Fax: 1-653-305-8138

From: Citigroup Energy Inc.
Attn: Viridiana Gamez
Email: ceiconfirms@citi.com
Tel: 1-713-693-6697
Fax: 1-646-291-3383

Re: Physical Power Transaction

Transaction Reference Number: 9776170

The purpose of this letter agreement is to confirm the terms and conditions of the Transaction entered into between us on the Trade Date referred to below. This letter constitutes a "Confirmation" as referred to in the Agreement specified below.

U.S. Federal law requires Citi to obtain, verify and record customer identification information.

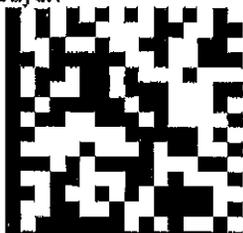
1. This Confirmation supplements, forms a part of, and is subject to, the ISDA 2002 Master Agreement dated as of November 18, 2008 as amended and supplemented from time to time (the "Agreement") between you and us. All provisions contained in the Agreement shall govern this Confirmation except as expressly modified below.

The definitions and provisions contained in the 2000 ISDA Definitions (which include the Annex thereto), as amended and/or supplemented from time to time (the "Swap Definitions") and in the 2005 ISDA Commodity Definitions (the "Commodity Definitions", and together with the Swap Definitions, the "Definitions"), in each case as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Confirmation. In the event of any inconsistency between the Swap Definitions and Commodity Definitions, the Commodity Definitions will govern. In the event of any inconsistency between either set of Definitions and this Confirmation, this Confirmation will govern."

2. Terms used but not defined herein shall have the meaning ascribed to them in the Agreement.
3. The terms of the particular Transaction to which this Confirmation relates are as follows:

Trade Date: October 12, 2011

Buyer: Northwestern Corporation dba Northwestern Energy



Trade Date: October 12, 2011
Reference: 9776170 - 1
Page 1 of 3



Seller: Citigroup Energy Inc.

Commodity/Product: Firm Energy with Liquidated Damages

Quantity: 25 MW per hour

Total Quantity: 192,400 MWH

Term: January 01, 2013 to and including December 31, 2014

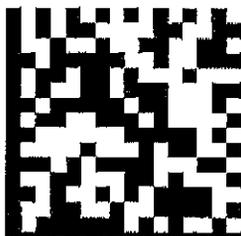
Delivery Period: All deliveries are made during the defined Offpeak hour periods, Hour Ending (HE) 0100 through (HE) 0600, (HE) 2300 and 2400, (8 hours each day), Monday through Saturday, Hour Ending (HE) 0100 through (HE) 2400 (24 hours each day), Sunday and NERC Holidays, Pacific Prevailing Time (PPT)

Contract Price: USD 30.30 per MWH

Delivery Point: Mid Columbia

Scheduling: All scheduling will be completed on or before the time specified by either rule or convention applicable to the market at the delivery point.

Northwestern Corporation dba Northwestern Energy hereby agrees to check this Confirmation carefully and immediately upon receipt so that errors or discrepancies can be promptly identified and rectified. If this Confirmation correctly sets forth the terms of our agreement, please confirm such agreement by executing this Confirmation in the space provided below and returning it to Citigroup Energy Inc. at 1-646-291-3383. In the absence of the receipt by Citigroup Energy Inc. of an executed Confirmation or an objection to the terms hereof delivered to Citigroup Energy Inc. in accordance with the terms of the Agreement, the acceptance of the provisions of this Confirmation by Northwestern Corporation dba Northwestern Energy shall be governed by the applicable terms and conditions of the Agreement, which, for this particular purpose, shall be deemed to control over any conflicting terms in this Confirmation.



Citigroup Energy Inc.
2800 Post Oak Blvd.
Suite 500
Houston, TX 77056

Docket No. D2013.5.33
Data Request PSC-002b
Attachment 1-Row 9
Page 2 of 29


Accepted and confirmed as of the date first written:

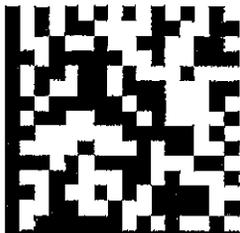
Northwestern Corporation dba Northwestern Energy

Citigroup Energy Inc.



By: _____
Name: Dawn M. Petritz
Title: Director Energy Risk Management

By: _____
Name: Stephanie Sever
Title: Vice President



Trade Date: October 12, 2011
Reference: 9778170 - 1
Page 3 of 3



CONFIRMATION AGREEMENT

Date: October 21, 2011
Buyer: NorthWestern Corporation
Seller: Cargill Power Markets, LLC
Agreement: WSPP Agreement and Service Schedule C
Trade Date: October 12, 2011

This confirmation agreement is provided to confirm the oral agreement entered into on the above referenced trade date pursuant to the following terms and conditions:

Start Date: 01/01/2013
End Date: 12/31/2014
Delivery Hours: HE 0100 - HE 0600 and HE 2300 - HE 2400, Monday through Saturday, excluding NERC holidays; and HE 0100 - HE 2400 Sundays and NERC holidays

Hourly Volume: 50 MWh/Hr
Total Volume: 384,800 MW

Price: \$30.00
Total Value: \$11,544,000.00

Delivery Point(s): Mid-C

The Seller and Buyer agreed to the above transactions pursuant to and in accordance with the terms and conditions of the WSPP Agreement and Service Schedule C, as amended and effective as of August 19, 2011.

This Confirmation Agreement shall be final and binding, whether or not signed, unless NorthWestern Corporation is notified in writing of any inaccuracy within five (5) business days following the receipt of this Confirmation Agreement.

NorthWestern Corporation

Counterparty:

Signed: Dawn M. Petritz

Signed: [Signature]

Name: Dawn M. Petritz

Name: John Huey

Title: Director, Energy Risk Management

Title: Manager, Structured Trading

Date: 10/21/2011

Date: 11/28/11



CONFIRMATION AGREEMENT

Date: October 21, 2011
Buyer: NorthWestern Corporation
Seller: Cargill Power Markets, LLC
Agreement: WSPP Agreement and Service Schedule C
Trade Date: October 12, 2011

This confirmation agreement is provided to confirm the oral agreement entered into on the above referenced trade date pursuant to the following terms and conditions:

Start Date: 01/01/2013
End Date: 12/31/2014
Delivery Hours: HE 0700 -- HE 2200, Monday through Saturday, excluding NERC holidays

Hourly Volume: 50 MWh/Hr
Total Volume: 491,200 MW

Price: \$40.85
Total Value: \$20,065,520.00

Delivery Point(s): Mid-C

The Seller and Buyer agreed to the above transactions pursuant to and in accordance with the terms and conditions of the WSPP Agreement and Service Schedule C, as amended and effective as of August 19, 2011.

This Confirmation Agreement shall be final and binding, whether or not signed, unless NorthWestern Corporation is notified in writing of any inaccuracy within five (5) business days following the receipt of this Confirmation Agreement.

NorthWestern Corporation
Signed: Dawn M. Petritz
Name: Dawn M. Petritz
Title: Director, Energy Risk Management
Date: 10/21/2011

Counterparty
Signed: [Signature]
Name: John Tvey
Title: Manager, Structured Trading
Date: 11/28/2011

DB Energy Trading LLC

Trade No. 14610067

13-Oct-2011

NorthWestern Corporation
Attention: Confirmations
Phone: (406) 497-3336
Fax Number: 651-305-8138

Confirmation Letter

This letter is to serve as a written confirmation of the understanding reached on 12-Oct-2011, between representatives of DB Energy Trading LLC and NorthWestern Corporation (also referred to individually as "Party" or collectively as "Parties") regarding the sale and purchase of electric energy pursuant to the BEI dated 28-Dec-2005 under the terms and conditions that follow.

The terms of the Transaction to which this Confirmation relates are as follows:

General Terms:

Trade Date: 12-Oct-2011
Seller: DB Energy Trading LLC
Buyer: NorthWestern Corporation
Commodity: Electricity
Schedule: On-Peak (Monday - Saturday excluding NERC holidays HE 7:00 - HE 22:00 PPT)
Location: Mid-Columbia
Product Type: Firm Electricity with liquidated damages
Delivery Period: 01-Jan-2013 through 31-Dec-2014, inclusive
Quantity: 25 MWH; Total 245,600 MWH
Fixed Price: USD 41,0000 per MWH
Payments Date(s): 20 Calendar Days after the last calendar day of the current month subject to adjustment in accordance with the Modified Following Business Day Convention

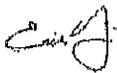
SPECIAL TERMS:

Scheduling: (713) 653-5170

Please confirm that the transaction terms stated herein accurately reflect the agreement reached between Parties, by returning an executed copy of this letter by facsimile to (646) 461-2381. If you have any comments or questions, please call (713) 653-6910. We will consider this Confirmation as being fully executed within 2 NERC Business Days from the date it was sent, unless we hear from you to the contrary.

Sincerely,
DB Energy Trading LLC

Accepted:
NorthWestern Corporation



Name: Erick Yiu
Title: Authorized Signatory



Name: George Patterson
Title: Authorized Signatory



Dawn M. Petritz
Director Energy Risk Management



Merrill Lynch Commodities, Inc., 20 E Greenway Plaza, 7th Floor, Houston, TX 77046

NORTHWESTERN CORPORATION
3010 W. 69th Street
Sioux Falls, SD 57108
Attn: Confirmations Department
Phone: 605-353-7517
Fax: 605 353 7569

Physical Power Fixed Price Confirmation
Trade ID: 3688225 (Original Version)

This letter shall confirm the agreement reached on 10/13/2011 between Merrill Lynch Commodities, Inc. ("MLC") and NORTHWESTERN CORPORATION ("Northwestern") regarding the purchase/sale of Electric Energy under the terms and conditions as follows:

Seller:	Merrill Lynch Commodities, Inc.
Buyer:	NORTHWESTERN CORPORATION
Commodity:	Power
Contract Quantity:	25 Megawatt-hour, Total: 192,400 Megawatt-hour
Price per MWH:	USD 30.50 per Megawatt-hour
Scheduling Period:	(HF: 01:00 through HF: 06:00, 23:00 - 24:00), (01:00 - 24:00) PPT, off-peak (Monday through Saturday) (Sunday) Pacific Prevailing Times, including NERC holidays
Delivery Point:	MC
Delivery Period:	01/01/2013 through 12/31/2014
Product Type:	Firm LD, WSPP Schedule C
Scheduling:	Schedule Prior business Day by 1100 CPT, (1-800-650-9288)

Please sign and return by facsimile within two (2) business days to fax number 713-544-1507.



This confirmation is being provided in accordance with the ISDA dated 03 December 2010 ("Agreement") and shall constitute part of and is subject to the terms and provisions of such Agreement. Failure to object to this confirmation within 2 (two) Business Days shall be deemed an acceptance of the terms contained herein, as provided by and in accordance with the terms and conditions of the Agreement.

Merrill Lynch Commodities, Inc.

NORTHWESTERN CORPORATION

Capital S. Fisher

Dawn M. Petritz

Dawn M. Petritz
Director Energy Risk Management
10/20/11



Morgan Stanley

Morgan Stanley Capital Group Inc.
2000 Westchester Avenue
Purchase, New York 10577
May 28, 2009

NORTHWESTERN CORPORATION
125 S DAKOTA AVE 1100
SIOUX FALLS, SD 57104-6403

USA
Kevin Markovitch
TEL: 406-497-2332
FAX: 16513058138

From:
Morgan Stanley Capital Group Inc.
2000 Westchester Avenue
Purchase, New York 10577
Contact: Commodity Confirms
Phone: 914-225-4300
Fax: 914-750-0445

MS Reference: 2217152 2.3
Trade Date: May 21, 2009

This Confirmation confirms the terms of Morgan Stanley Capital Group Inc. ("MSCGI") agreement regarding the purchase or sale of Firm energy (the "Transaction") from / to NORTHWESTERN CORPORATION. Morgan Stanley Capital Group Inc. and NORTHWESTERN CORPORATION are sometimes referred to individually as a "Party" or collectively as the "Parties". The terms are as follows:

Purchaser: NORTHWESTERN CORPORATION
Seller: Morgan Stanley Capital Group Inc.
Term: July 1, 2013 to June 30, 2017
Delivery Hours: Monday through Saturday, Exclude NERC holidays, EIE 0700 through 2200 (16 hours)
Pacific Prevailing Time (PPT)
Contract Quantity: 25 MWh of Firm Energy per hour. (Total 491,600.00 MWh)
Delivery Point: Mid Columbia
Energy Price: 61.75
Scheduling: Scheduling to be completed in accordance with WECC Guidelines.
Morgan Stanley Real-Time Communications and Scheduling:
Option Exercise Line: 914-225-1501
Western Prescheduling: 914-225-1496
Eastern Prescheduling: 914-225-1509
Real Time (24 hour): 914-225-1500

Special Conditions

For the period starting with the Trade Date and continuing through 12/31/2010, for purposes of calculating a party's Exposure pursuant to the CSA, and notwithstanding anything to the contrary contained in the CSA, if either party has Exposure to the other party in respect of this Transaction, then the amount of Exposure for this Transaction is deemed to be zero dollars (\$0) for both parties. Provided however, if an Early Termination Date has been designated and is in effect as a result of an Event of Default, a Potential Event of Default, or a Termination Event, the parties shall determine the Payments on Early Termination, including Settlement Amounts and Unpaid Amounts in accordance with Section 6(e) of the Master Agreement and Part 1(h) of the Schedule. On and after January 1, 2011 Exposure for this Transaction shall be calculated pursuant to the terms of the CSA.

This confirmation letter is provided pursuant to and in accordance with the ISDA dated March 3, 2006 and as amended from time to time, the ("Agreement") between NORTHWESTERN CORPORATION and MSCGI, and constitutes part of and is subject to all the terms and provisions of such agreement. Terms used but not defined herein shall have the meaning ascribed to them in the agreement. Please confirm that terms stated herein accurately reflect the agreement reached between NORTHWESTERN CORPORATION and MSCGI by returning an executed copy of this Confirmation Letter. (Fax: 914-225-9306)

Morgan Stanley Capital Group Inc.

NORTHWESTERN CORPORATION

Deborah A. Hart

Deborah Hart
Vice President

Name: *Dawn M Petritz*

Title: _____

CREDIT SUISSE ENERGY LLC

11 Madison Avenue Telephone 212-925-2000
New York, NY 10010 www.credit-suisse.com

11 December 2008

NorthWestern Corporation
125 South Dakota Avenue
Sioux Falls, SD 57104
United States

Reference ID: 1856327 - 1

-
1. This confirmation letter shall confirm the Transaction agreed to on 10 December 2008 (Trade Date) between Credit Suisse Energy, LLC ("CSE") and NorthWestern Corporation ("Counterparty") regarding the sale/purchase of the Product under the terms and conditions as follows:

Physical Power Exchange
Fee Payer ("Fee Payer");

CSE

Physical Power Exchange
Fee Receiver ("Fee Receiver");

Counterparty

Product:

Physical Power Exchange where Physical Power Exchange shall mean the Fee Payer shall receive Contract Quantity from Exchange Fee Receiver at CSE Point of Receipt and simultaneously the Exchange Fee Payer shall deliver Contract Quantity at to Exchange Fee Receiver at CSE Point of Delivery.

Physical Power Exchange Fee:

The Fee Payer shall pay the Fee Receiver USD 3.00 per MWH

Delivery Period:
Begin Date:

1 July 2010

End Date:

30 June 2015

Schedule:

Hour Ending (HE) 0100 through (HE) 2400 (24 hours each day), Monday through Sunday, Pacific Prevailing Time (PPT)



Contract Quantity: 25 MW per hour

Total Contract Quantity: 1,095,600 MWH

CSE Point of Receipt: Mid - C

CSE Point of Delivery: NWE System: where NWE System means any available interconnection point on the NorthWestern Energy transmission system where Counterparty can take delivery pursuant to its existing Network Transmission Agreement

Service Type: WSPP Schedule C with Liquidated Damages

NERC Holiday: North American Electricity Reliability Council (NERC) as reflected from time to time on its website currently located at <http://www.nerc.com/~oc/offpeaks.html>, or any successor thereto.

Bookout Clause: CSE has the right to "Bookout" this Transaction with NWE in accordance with the "Bookout Notification Parameters" and the "Bookout Fee" as defined below.

Where,

Bookout means the Parties agree to be relieved of all obligations under this Transaction as of the Bookout Effective Date.

Bookout Notification Parameters means CSE must provide written notification to NWE at least 30 days prior to the date upon which the Bookout becomes effective, the "Bookout Effective Date".

Bookout Fee means the amount CSE shall pay to NWE as the sole remedy for the termination of the Transaction. The Bookout Fee shall be calculated by multiplying \$4/MWH by all remaining MWH in the contract as of the Bookout Effective Date.

2. This transaction is governed by definitions and provisions of the WSPP Agreement, as such agreement may be amended from time to time. In the event of any inconsistency between the WSPP Agreement and this Confirmation, this Confirmation will prevail.



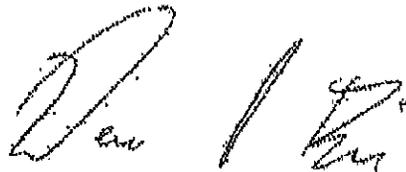
3. Contact Information:

Ricardo A. Harewood 212-325-8678
Dean Brier 212-325-8648
Fax: 212-951-8823
Email: energy.confirms@credit-suisse.com

Please execute and return this Confirmation to us, or provide notice of a dispute of any terms, or request a correction of any error via fax at (212) 951-8823 or via email to energy.confirms@credit-suisse.com herein within five (5) Local Business Days of the date written above. Your failure to respond within such period shall not affect the enforceability of the Transaction as against you.

Yours faithfully,

Credit Suisse Energy LLC



By: _____
Name: Dean Brier
Title: Vice President

Confirmed as of the date first written above;
NorthWestern Corporation



By: _____
Name:
Title:



Morgan Stanley

Morgan Stanley Capital Group Inc.
2000 Westchester Avenue
Purchase, New York 10577
September 24, 2010

NORTHWESTERN CORPORATION
125 S DAKOTA AVE 1100
SIOUX FALLS, SD 57104-6403

USA
Kevin Markovich
TEL: 406-497-2332
FAX: 16513058138

From:
Morgan Stanley Capital Group Inc.
2000 Westchester Avenue
Purchase, New York 10577
Contact: Commodity Confirms
Phone: 914-225-4300
Fax: 914-750-0445

MS Reference: 2757430 1.1
Trade Date: September 21, 2010

This Confirmation confirms the terms of Morgan Stanley Capital Group Inc. ("MSCGI") agreement regarding the purchase or sale of firm energy (the "Transaction") from / to NORTHWESTERN CORPORATION ("NorthwestCorp"). Morgan Stanley Capital Group Inc. and NORTHWESTERN CORPORATION are sometimes referred to individually as a "Party" or collectively as the "Parties". The terms are as follows:

Purchaser: Morgan Stanley Capital Group Inc.
Seller: NORTHWESTERN CORPORATION
Term: July 1, 2012 to June 30, 2017
Delivery Hours: Monday through Saturday, Exclude NERC holidays, HE 0700 through 2200 (16 hours)
Pacific Prevailing Time (PPT)
Contract Quantity: 25 MWh of firm Energy per hour. (Total 614,000.00 MWh)
Delivery Point: Mid Columbia
Energy Price: \$Electricity - Mid C Peak - ICE/10x Daily - Power/MWh
Scheduling: Pre-schedule in accordance with WECC Guidelines.

Morgan Stanley Real-Time Communications and Scheduling:
Option Exercise Line: 914-225-1501
Western Rescheduling: 914-225-1496
Eastern Rescheduling: 914-225-1509
Real Time (24 hour): 914-225-1500

This confirmation letter is provided pursuant to and in accordance with the ISDA dated March 3, 2006 and as amended from time to time, the ("Agreement") between NORTHWESTERN CORPORATION and MSCGI, and constitutes part of and is subject to all the terms and provisions of such agreement. Terms used but not defined herein shall have the meaning ascribed to them in the agreement. Please confirm that terms stated herein accurately reflect the agreement reached between NORTHWESTERN CORPORATION and MSCGI by returning an executed copy of this Confirmation Letter. (Fax: 914-750-0445)

Morgan Stanley Capital Group Inc.

NORTHWESTERN CORPORATION

Deborah L. Hart

Deborah Hart
Vice President

Name:

Dawn M. Petry

Title:

Director-Energy Risk Management

Thanks!

WSPP Agreement Service Schedule C – Confirmation

Confirmation Date: Sep 22, 2010

Deal Number: XXXXXXXX

015 300262

1. Transaction Specific Agreement

The undersigned Parties agree to a physical energy transaction pursuant to the WSPP Agreement, Service Schedule C, and the Master Confirmation Agreement under the WSPP Agreement between the Parties as further provided below:

Seller: TransAlta Energy Marketing (U.S.) Inc. ("TEMUS"), sometimes referred to as Seller, Party or collectively with NWE, Parties.

Purchaser: NorthWestern Corporation dba NorthWestern Energy ("NWE"), sometimes referred to herein as Purchaser, Party or collectively with TEMUS, Parties.

Period of Delivery: July 1, 2012 through June 30, 2017

Schedule (Days and Hours): Peak Hours

Peak Hours are defined as HE 0700 through HE 2200 PPT, Monday through Saturday, excluding NERC observed holidays. Off-Peak hours are defined as HE 0100 through HE 0600 and HE 2300 and HE 2400, Monday through Saturday, all day Sunday and NERC observed holidays.

Scheduling:

At the Point of Delivery ("POD"), TEMUS shall schedule the Delivery Rate each hour in accordance with the WECC scheduling calendar and the WECC Business Practices. TEMUS agrees to tag the transactions for scheduling purposes.

Delivery Rate:

Period	July 2012 -- June 2017
Delivery Rate (MW/h)	25

Seller will deliver Product to the POD in an amount equal to the Delivery Rate. Seller may replace deliveries at the Alternate POD identified below, or some other mutually agreeable delivery point.

POD: NWE Transmission System – seller can select any point on NWE’s Transmission System in accordance with the Scheduling section above

Alternate POD: Mid Columbia upon mutual consent of both parties

Product: WSPP Schedule C with Contingency (Operating) Reserves, as amended from time to time

Contract Quantity: 614,000 MWh

Contract Price: \$47.75/MWh USD

Special Conditions:

1) Washington State Engrossed Senate Substitute Bill 6001 (“ESSB 6001”) Compliance

Both parties acknowledge and agree that ESSB 6001 is not applicable to this Transaction as North Western Energy is not an “Electric Utility” operating or serving customers within the State of Washington and the term of the deal does not constitute a “Long Term Financial Commitment” as both such terms are defined in ESSB 6001.

2) Credit

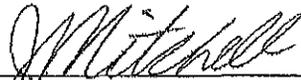
Collateral Threshold for both parties is based on the senior unsecured credit ratings by S&P and Moody’s, in the case of TEMUS, the senior unsecured credit rating will be that of its parent company, TransAlta Corporation. In the event of a split rating, the lower of the two shall apply.

Rating S&P/Moody’s	Collateral Threshold
BBB+/Baa1	\$5M USD \$30M
BBB/Baa2	\$25M USD
BBB-/Baa3	\$15M USD
BB+/Ba1 or lower	\$0 USD

The Minimum Transfer Amount with respect to both Parties is \$100,000 unless the Collateral Threshold for that Party is zero, in which case the Minimum Transfer Amount for that Party will be \$1.00. Any amounts due to be delivered by one Party to the other shall be rounded up to the nearest integral amount of \$100,000. Any amounts due to be returned by one Party to the other shall be rounded down to the nearest integral amount of \$100,000.

TransAlta Energy Marketing (U.S.) Inc.

North Western Corporation dba
North Western Energy



Authorized Signature of Seller
Jason Mitchell # 106561
Settlements Analyst



Authorized Signature of Buyer



Dawn M. Petritz

Name of Seller

Name of Buyer

SUBMITTED

9/30/10

Date **SEP 23 2010**

Date

FOR PAYMENT

**CONFIRMATION LETTER NO. 5 - FIRM (LD) to the
MASTER POWER PURCHASE AND SALE AGREEMENT
Dated as of October 15, 2001 (as amended)**

This confirmation letter shall confirm the Transaction agreed to on May 21, 2009, between NORTHWESTERN CORPORATION, doing business as NORTHWESTERN ENERGY ("Party A"), and PPL ENERGYPLUS, LLC ("Party B") regarding the sale/purchase of the Product under the terms and conditions as follows:

Seller: PPL EnergyPlus, LLC ✓

Buyer: NorthWestern Corporation, doing business as NorthWestern Energy

Product: Firm (LD) ✓

Contract Term: From execution and delivery of this Confirmation through June 30, 2017 ✓

Contract Quantity: 25 MWh/hr ✓

Delivery Period: July 1, 2010 through June 30, 2017 ✓

Delivery Hours: "On-Peak" hours, defined as Hour Bidding (HB) 0700 through HB 2200 Pacific Prevailing Time (PPT), Monday through Saturday, excluding Sundays and NERC Holidays.

Delivery Points: The Delivery Points provisions of Confirmation Letter No. 3 dated July 5, 2006 between Buyer and Seller are hereby incorporated by reference into this Confirmation Letter as though set forth in full herein. Without limiting the foregoing, at all times while Confirmation Letter No. 3 is in effect, the Primary Delivery Points, the Delivery Point Maximum Quantity for each Primary Delivery Point and the Alternate Delivery Points at any time under this Transaction will be identical to the Primary Delivery Points, Delivery Point Maximum Quantities and Alternate Delivery Points at such time under Confirmation Letter No. 3.

Contract Price: \$60.30/MWh ✓

Special Condition #1:

The Parties agree that the Credit and Collateral Requirements set forth in the Master Agreement (as subsequently amended) shall be applicable to this Transaction, except as specifically modified for purposes of this Transaction and as set forth below. In the event of any inconsistency between the provisions of the Master Agreement and the provisions of this Confirmation regarding the Credit and Collateral Requirements, the provisions set forth in this Confirmation shall control.

The provisions of Special Condition #1 of Confirmation Letter No. 3 dated July 5, 2006 between Buyer and Seller are hereby amended as follows and, as so amended, are hereby incorporated by reference into this Confirmation Letter as though set forth in full herein:

(n) Amendment of Definition of "Collateral Threshold". The definition of "Collateral Threshold" in Special Condition #1 of Confirmation Letter No. 3 between the Parties is hereby amended and restated to read in its entirety as follows:

"Collateral Threshold" shall mean, with respect to each Party at any time, the applicable collateral threshold, if any, set forth for such Party in Schedule 2 to Confirmation Letter No. 3; provided, however, that at any time during the Delivery Period that Confirmation Letter No. 5 between the Parties is in effect, "Collateral Threshold" for purposes of this Confirmation shall mean, with respect to each Party, the applicable collateral threshold set forth for such party in Schedule 1 to Confirmation Letter No. 5."

(b) Amendment of Definition of "Exposure Amount". The definition of "Exposure Amount" in Special Condition #1 of Confirmation Letter No. 3 between the Parties is hereby amended and restated to read in its entirety as follows:

"Exposure Amount" shall mean (i) the net aggregate sum of the Mark-to-Market Amount (as defined below) under Confirmation Letter No. 3 and the Mark-to-Market Amount under Confirmation Letter No. 5, less (ii) any and all amounts due from Party A to Party B under this Agreement, plus (iii) any and all amounts due from Party B to Party A under this Agreement."

(c) Amendment of Definition of "Mark-to-Market Amount". Clause (b)(i) of the definition of "Mark-to-Market Amount" in Special Condition #1 of Confirmation Letter No. 3 between the Parties is hereby amended to replace "13,600,800 MWh" with "the total quantity of the Product (measured in MWh) required to be delivered to Party A hereunder".

(d) Amendment of Schedule 2. At any and all times while Confirmation Letter No. 5 between the Parties is in effect, Schedule 1 to such Confirmation Letter No. 5 shall supersede and replace in its entirety Schedule 2 to Confirmation Letter No. 3 between the Parties.

Special Condition #2:

Confidentiality: This Confirmation shall be subject to the provisions of Section 10.11 of the Master Agreement; provided, however, that notwithstanding the foregoing, each Party will be entitled, without the consent of the other Party, to disclose such confidential information as and to the extent required by any regulatory authority having jurisdiction over such Party.

Special Condition #3:

Contingency Reserves: Buyer and Seller will adhere to the NERC and WECC rules regarding responsibility for providing contingency reserves (both spinning and non-spinning, with at least half required to be spinning), as in effect from time to time during the Contract Term; provided, however, that Seller will not at any time during the Contract Term be obligated to provide contingency reserves of a higher quality or larger quantity

JUL. 13. 2009 2:51PM

PPL BUTTE 4065330207

NO. 7359 P. 4/7

Docket No. D2013.5.33
Data Request PSC-002b
Attachment 3-Row 33

To: Power Confirmations Page 3 of 6

2009-07-10 11:08:18 (GMT)

18013058100 Print Down Print Page 6 of 9

JUL. 8. 2009 10:49AM

PPL BUTTE 4065330207

NO. 7346 P. 4

than the sum of six percent of the Quantity provided from hydropower generation and eight percent of the Quantity provided from thermal generation. Seller will not be obligated to provide any other ancillary services, including, without limitation, Frequency Responsive Reserve.

Scheduling: WECC standard operating procedures

This confirmation is being provided pursuant to and in accordance with the Master Power Purchase and Sale Agreement dated as of October 15, 2001 (the "Master Agreement") between Party A and Party B, and constitutes part of and is subject to the terms and provisions of such Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement.

[Signature pages follow]

RECEIVED TIME JUL 10. 11:09AM

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PPL BUTTE 4065330207

NO. 7359 P. 6/7

Docket No. D2013.5.33
Data Request PSC-002b
Attachment 3-Row 33
Page 8 of 9

To: Power Confirmations Page 5 of 9

2008-07-10 10:50:10 (GMT)

1057150851511 From: L. Law Peltz

JUL. 8. 2009 10:50AM

PPL BUTTE 4065330207

NO. 7346 P. 6

PPL ENERGYPLUS, LLC

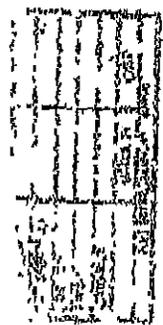
Robert D. Cabband
President

OFFICE OF
GENERAL COUNSEL
BY: *EE*
DATE: 7/8/09

CREDIT
DEPARTMENT
BY: *[Signature]*
DATE: 7/8/09

Denette L. Gleason 7-8-09
Denette L. Gleason
Trading Controls Analyst
408-833-3502
Fax: 408-833-0208

SIGNATURE PAGE TO
CONFIRMATION LETTER NO. 5 - FIRM (LD) to
MASTER POWER PURCHASE AND SALE AGREEMENT
Dated as of October 15, 2001 (as amended)



RECEIVED TIME JUL. 10. 11:09AM

Schedule I

<u>Quarter or Other Period</u>	<u>Party A Collateral Threshold</u>	<u>Party B Collateral Threshold</u>
Apr. 1 - Jun. 30, 2009	\$28,870,000.00	\$78,990,000.00
Jul. 1 - Sep. 30, 2009	\$27,170,000.00	\$72,480,000.00
Oct. 1 - Dec. 31, 2009	\$25,460,000.00	\$67,590,000.00
Jan. 1 - Mar. 31, 2010	\$23,740,000.00	\$62,320,000.00
Apr. 1 - Jun. 30, 2010	\$22,080,000.00	\$58,830,000.00
Jul. 1 - Sep. 30, 2010	\$10,000,000.00	\$54,300,000.00
Oct. 1 - Dec. 31, 2010	\$38,800,000.00	\$50,420,000.00
Jan. 1 - Mar. 31, 2011	\$37,000,000.00	\$48,530,000.00
Apr. 1 - Jun. 30, 2011	\$35,000,000.00	\$42,730,000.00
Jul. 1 - Sep. 30, 2011	\$35,000,000.00	\$38,870,000.00
Oct. 1 - Dec. 31, 2011	\$33,000,000.00	\$34,950,000.00
Jan. 1 - Mar. 31, 2012	\$31,000,000.00	\$31,110,000.00
Apr. 1 - Jun. 30, 2012	\$30,000,000.00	\$30,000,000.00
Jul. 1 - Sep. 30, 2012	\$28,000,000.00	\$29,000,000.00
Oct. 1 - Dec. 31, 2012	\$28,000,000.00	\$28,000,000.00
Jan. 1 - Mar. 31, 2013	\$26,800,000.00	\$26,800,000.00
Apr. 1 - Jun. 30, 2013	\$25,000,000.00	\$25,000,000.00
Jul. 1 - Sep. 30, 2013	\$24,500,000.00	\$24,500,000.00
Oct. 1 - Dec. 31, 2013	\$23,000,000.00	\$23,000,000.00
Jan. 1 - Mar. 31, 2014	\$22,000,000.00	\$22,000,000.00
Apr. 1 - Jun. 30, 2014	\$21,000,000.00	\$21,000,000.00
Jul. 1, 2014 - Jun. 30, 2017	\$25,000,000.00	\$25,000,000.00

Schedule I to Confirmation Letter No. 5

RECEIVED TIME JUL 10 11:09AM

**Revised CONFIRMATION LETTER NO. 1 – FIRM (LD) to the
MASTER POWER PURCHASE AND SALE AGREEMENT
Dated as of July 9, 2012**

This revised confirmation letter shall replace any and all other confirmation letters previously exchanged by the Parties concerning, and shall confirm, the Transaction agreed to on November 27, 2012, between NORTHWESTERN CORPORATION, doing business as NORTHWESTERN ENERGY (“Party A”), and PPL ENERGYPLUS, LLC (“Party B”) regarding the sale/purchase of the Product under the terms and conditions as follows:

Seller: PPL EnergyPlus, LLC ✓
Buyer: Northwestern Corporation, doing business as Northwestern Energy ✓
Product: Firm (LD) ✓
Contract Term: From execution and delivery of this Confirmation through May 31, 2014. ✓
Delivery Period: December 1, 2012 to May 31, 2014 ✓
Delivery Hours: The Delivery Hours for the Delivery Period shall be “On-Peak” hours, defined as Hour Ending (HE) 0700 through HE 2200 Pacific Prevailing Time (PPT), Monday through Saturday, excluding Sundays and NERC Holidays. ✓
Contract Quantity: 25 MWh/hr all Delivery Hours of the Delivery Period; ✓
Total Contract Quantity: 184,000 MWh ✓
Contract Price: Index less \$2.75/MWh ✓

“Index” means, for any day other than a Sunday or a NERC Holiday, the weighted average of the Intercontinental Exchange (“ICE”) daily Mid-Columbia On-Peak Firm Power Price Bulletin for On-Peak Hours. For purposes of this definition, On-Peak hours shall include HE 0700 through HE 2200 Pacific Prevailing Time (“PPT”). ✓

Delivery Points:

Primary Delivery Points:

Party A shall designate COLSTRIP 1 & 2 (a “Primary Delivery Point), equal to the Contract Quantity, as a firm network receipt point into Party A’s transmission system under its Network Service Agreement.

Alternate Delivery Points:

Upon any request by Party B, Party A shall, without any charge to Party B, arrange with the applicable transmission provider for receipt of all or a portion of the Contract Quantities at one or more secondary delivery points (any such secondary delivery point, an "Alternate Delivery Point") under Party A's Network Service Agreement. An Alternate Delivery Point may be at any on-system points of interconnection (including any generation integration points) or any points of interconnection of Party A's Transmission System with any other transmission system or balancing area, in each case as requested by Party B and subject in each case to the availability of sufficient transmission capacity to receive such quantities at such Alternate Delivery Points. Any such Alternate Delivery Points shall be subject to the terms and conditions of the applicable transmission provider's Open Access Transmission Tariff and all applicable FERC requirements, including as to priority of service (including cases of competing uses by Party A). If such Alternate Delivery Points are or become unavailable for any reason, Party B shall be required to deliver the applicable quantities to Party A at one or more Alternate Delivery Points or Primary Delivery Points.

Scheduling: In accordance with the WECC Preschedule Calendar. ✓

Special Condition #1:

Confidentiality: This Confirmation shall be subject to the provisions of Section 10.11 of the Master Agreement; provided, however, that notwithstanding the foregoing, each Party will be entitled, without the consent of the other Party, to disclose such confidential information as and to the extent required by any regulatory authority having jurisdiction over such Party. ✓

Special Condition #2:

Contingency Reserves: Buyer and Seller will adhere to the NERC and WECC rules regarding responsibility for providing Contingency Reserves, however, that Seller will not at any time during the Contract Term be obligated to provide Contingency Reserves of a higher quality than required at the time the Confirmation is executed and delivered. For the purposes of this confirmation, Contingency Reserves shall mean operating reserves, both spinning and non-spinning (also referred to as supplemental). Seller will not be obligated to provide any other ancillary services, including, without limitation, Regulating Reserve or Frequency Responsive Reserve.

* * * * *

This confirmation is being provided pursuant to and in accordance with the Master Power Purchase and Sale Agreement dated as of July 9, 2012 (the "Master Agreement") between Party

A and Party B, and constitutes part of and is subject to the terms and provisions of such Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement.

[Signature page follows]

NORTHWESTERN CORPORATION,
doing business as
NORTHWESTERN ENERGY

Dawn M. Petritz

Dawn M. Petritz
Director Energy Risk Management
12/07/12

PPL ENERGYPLUS, LLC

Danette L. Gleason

Team Lead - Trading Controls

December 7, 2012

**Danette L. Gleason
Team Leader - Trading Controls
406-533-3502
FAX: 406-533-0208**





Powerex Corp.
Suite 1400-666 Bernard Street
Vancouver BC Canada V6C 2X8

604 891-5000
800 270-4907
www.powerex.com

**CONFIRMATION BETWEEN
Powerex Corp. * and Northwestern Corp. (Energy Supply Division)
Deal No. DJK732**

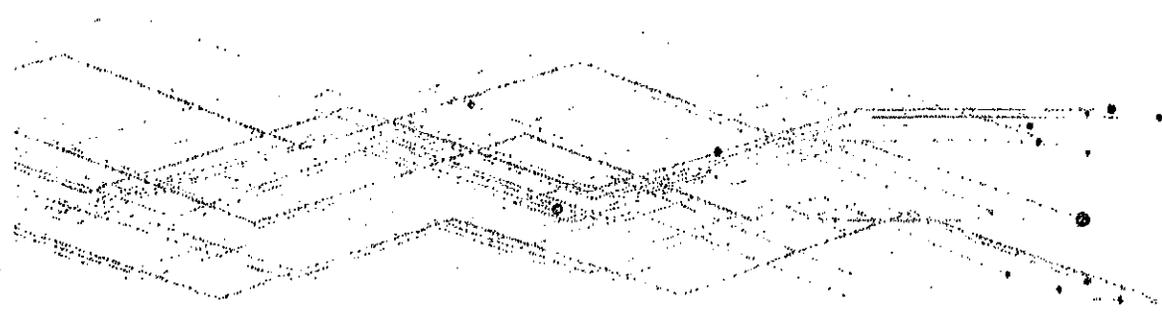
This document ("Confirmation") confirms the verbal agreement reached on October 12, 2011 between Powerex Corp.* ("Powerex") and Northwestern Corp. ("NWE") regarding the sale and purchase of energy in accordance with the EEI Master Power Purchase & Sale Agreement ("Master Agreement") dated August 1, 2005 in force and effect between the Parties under the following terms and conditions. Consistent with Section 2.2 of the Master Agreement, this Transaction, together with all other Confirmations and the Master Agreement, form a single integrated agreement and are not separate contracts.

- Buyer:** NWE
- Seller:** Powerex
- Term:** January 1, 2013 through December 31, 2014
- Delivery Hours:** Off Peak: Mondays through Saturdays HE 0100-0600 and HE 2300-2400 PPT, and all day Sundays and including holidays defined by the NERC or any successor organization.
- Product:** Firm Energy
- Quantity:** 50 MW
- Delivery Point:** Any unconstrained interconnection point(s) to the NorthWestern transmission system
- Price:** ICE DA Off Peak Mid-C Index less \$4.75 with the following condition:

If Mid-C Index is \$4.75/MWh or lower, the price will be adjusted to be the lesser of 0 or Mid-C Index (without the \$4.75 discount).
- Scheduling:** Powerex shall arrange for deliveries on a pre-schedule and/or real time basis in accordance with WECC guidelines.

This Confirmation is being provided pursuant to and in accordance with the Master Agreement in force and effect between the Parties and constitutes part of and is subject to the terms and provisions of such Master Agreement.

Please confirm that the terms stated in this Confirmation accurately reflects the agreement between NWE and Powerex by returning an executed copy of this Confirmation by fax to Powerex at (604) 891-5045.



ACKNOWLEDGED AND AGREED TO:

Powerex Corp. *

By: Mark Holman

Name: Mark Holman
Managing Director

Title: _____

Date: _____

Northwestern Corp. dba Northwest Energy

By: Dawn M. Petritz

Name: Dawn M. Petritz

Title: Director Energy Risk Management

Date: 10/14/11

* Powerex Corp., doing business in California as Powerex Energy Corp.

Morgan Stanley

Morgan Stanley Capital Group Inc.
2000 Westchester Avenue
Purchase, New York 10577
September 24, 2010

NORTHWESTERN CORPORATION
125 S DAKOTA AVE 1100
SIOUX FALLS, SD 57104-6403

USA
Kevin Markovich
TEL: 406-497-2332
FAX: 16513058138

From:
Morgan Stanley Capital Group Inc.
2000 Westchester Avenue
Purchase, New York 10577
Contact: Commodity Confirms
Phone: 914-225-4300
Fax: 914-750-0445

MS Reference: 2757429 1.3
Trade Date: September 21, 2010

This Confirmation confirms the terms of Morgan Stanley Capital Group Inc. ("MSCGI") agreement regarding the purchase or sale of firm energy (the "Transaction") from / to NORTHWESTERN CORPORATION ("NorthwestCorp"). Morgan Stanley Capital Group Inc. and NORTHWESTERN CORPORATION are sometimes referred to individually as a "Party" or collectively as the "Parties". The terms are as follows:

Purchaser: NORTHWESTERN CORPORATION
Seller: Morgan Stanley Capital Group Inc.
Term: July 1, 2012 to June 30, 2017
Delivery Hours: Monday through Saturday, Exclude NERC holidays, HE 0700 through 2200 (16 hours)
Pacific Prevailing Time (PPT)
Contract Quantity: 25 MWh of firm Energy per hour. (Total 614,000.00 MWh)
Delivery Point: At MSCGI's choice, any point on or interconnected with the Northwestern Balancing Authority Area.
Energy Price: \$Electricity - Mid C Peak - ICE/10x Daily - Power-2.00/MWh
Scheduling: Scheduling to be completed in Pre-schedule or Real Time in accordance with WECC Guidelines. Seller shall submit hourly schedules designating delivery point prior to the deadline of the Northwestern Transmission System Operator.

Morgan Stanley Real-Time Communications and Scheduling:

Option Exercise Line: 914-225-1501
Western Prescheduling: 914-225-1496
Eastern Prescheduling: 914-225-1509
Real Time (24 hour): 914-225-1500

This confirmation letter is provided pursuant to and in accordance with the ISDA dated March 3, 2006 and as amended from time to time, the ("Agreement") between NORTHWESTERN CORPORATION and MSCGI, and constitutes part of and is subject to all the terms and provisions of such agreement. Terms used but not defined herein shall have the meaning ascribed to them in the agreement. Please confirm that terms stated herein accurately reflect the agreement reached between NORTHWESTERN CORPORATION and MSCGI by returning an executed copy of this Confirmation Letter. (Fax: 914-750-0445)

Morgan Stanley Capital Group Inc.

NORTHWESTERN CORPORATION

Deborah Hart

Deborah Hart
Vice President

Name: *Dawn M. Pettit*
Title: Director-Energy Risk Management



46 Basin Creek Road
Butte, MT 69701
(406) 533-0770
(406) 533-0208 - fax

CONFIRMATION

Date: April 8, 2013
Seller: PPL EnergyPlus, LLC ✓
Purchaser: NorthWestern Corporation d/b/a NorthWestern Energy ✓
Agreement: WSPP Agreement and Service Schedule C ✓

This Confirmation is provided to confirm the oral agreement entered into between Purchaser and Seller on **April 5, 2013**; whereby Seller agreed to sell and deliver to Purchaser and Purchaser agreed to purchase and receive from Seller Firm Capacity/Energy Sale or Exchange Service, as described in WSPP Service Schedule C, ("Firm Energy") pursuant to the following terms and conditions:

Start Date: July 1, 2013 ✓
End Date: July 31, 2013 ✓
Delivery Terms: On Peak: Hour Ending (HE) 0700 through HE 2200, Pacific Prevailing Time (PPT), Monday through Saturday, excluding Sundays and NERC Holidays. ✓
Price: Firm Index less \$2.25. ✓

"Firm Index" means, for any day other than a Sunday or a NERC holiday, the weighted average of the Intercontinental Exchange ("ICE") daily Mid-Columbia On-Peak Firm Power Price Bulletin for On-Peak Hours. This definition of "Firm Index" may be altered during the term of this Agreement if the ICE daily Mid-Columbia Firm Power Price Bulletin for On-Peak ceases to be published or upon written mutual agreement of the Parties; provided, however, that if the ICE daily Mid-Columbia Firm Power Price Bulletin ceases to be published, the Parties shall agree on a domestic published replacement index for Mid-Columbia. For purposes of this definition, On-Peak hours shall include HE 0700 through HE 2200 Pacific Prevailing Time ("PPT"). The definition of On-Peak hours shall be amended from time to time to reflect the prevailing standard used by the electric industry in the northwest region.

Quantity: 125 MW per hour ✓
Total Quantity: 52,000 MWh ✓
Delivery Points: Seller's choice into NorthWestern Energy's transmission system (NWMT). ✓

Seller and Purchaser agreed to the above transaction pursuant to and in accordance with the terms and conditions of the WSPP Agreement and Service Schedule C, in effect as of the date of this Confirmation, as amended from time to time ("Agreement") and those additional terms and conditions provided for in Special Provisions below.

Special Provisions: NONE

Upon receipt of this Confirmation, Purchaser shall notify Seller of its approval by executing and returning the Confirmation Agreement by fax to (406) 533-0208 within five (5) Business Days. This Confirmation shall be final and binding, whether or not signed or confirmed by Purchaser, unless Purchaser advises Seller in writing of any inaccuracy within 5 Business Days following the receipt of this Confirmation.



45 Basin Creek Road
Butte, MT 59701
(406) 533-0770
(406) 533-0208 - fax

Purchaser
NorthWestern Corporation
dba NorthWestern Energy

Seller
PPL EnergyPlus, LLC

Signed: *Dawn M. Petritz*
Name: Dawn M. Petritz
Title: Director Energy Risk Management
4/11/13
Date: _____

Signed: *Teresa H. Bishop*
Name: 4-9-13
Title: Teresa H. Bishop
Trading Controls Analyst
Date: 406-533-3530
FAX: 406-533-0208

[Faint, illegible text or stamp]



45 Basin Creek Road
Butte, MT 59701
(406) 533-0770
(406) 533-0208 - fax

CONFIRMATION

Date: April 8, 2013 ✓
Seller: PPL EnergyPlus, LLC ✓
Purchaser: NorthWestern Corporation d/b/a NorthWestern Energy ✓
Agreement: WSPP Agreement and Service Schedule C ✓

This Confirmation is provided to confirm the oral agreement entered into between Purchaser and Seller on April 5, 2013; whereby Seller agreed to sell and deliver to Purchaser and Purchaser agreed to purchase and receive from Seller Firm Capacity/Energy Sale or Exchange Service, as described in WSPP Service Schedule C, ("Firm Energy") pursuant to the following terms and conditions:

Start Date: August 1, 2013 ✓
End Date: August 31, 2013 ✓
Delivery Terms: On Peak: Hour Ending (HE) 0700 through HE 2200, Pacific Prevailing Time (PPT), Monday through Saturday, excluding Sundays and NERC Holidays.
Price: Firm Index less \$2.25. ✓

"Firm Index" means, for any day other than a Sunday or a NERC holiday, the weighted average of the Intercontinental Exchange ("ICE") daily Mid-Columbia On-Peak Firm Power Price Bulletin for On-Peak Hours. This definition of "Firm Index" may be altered during the term of this Agreement if the ICE daily Mid-Columbia Firm Power Price Bulletin for On-Peak ceases to be published or upon written mutual agreement of the Parties; provided, however, that if the ICE daily Mid-Columbia Firm Power Price Bulletin ceases to be published, the Parties shall agree on a domestic published replacement index for Mid-Columbia. For purposes of this definition, On-Peak hours shall include HE 0700 through HE 2200 Pacific Prevailing Time ("PPT"). The definition of On-Peak hours shall be amended from time to time to reflect the prevailing standard used by the electric industry in the northwest region.

Quantity: 100 MW per hour ✓
Total Quantity: 43,200 MWh ✓
Delivery Points: Seller's choice into NorthWestern Energy's transmission system (NWMT). ✓

Seller and Purchaser agreed to the above transaction pursuant to and in accordance with the terms and conditions of the WSPP Agreement and Service Schedule C, in effect as of the date of this Confirmation, as amended from time to time ("Agreement") and those additional terms and conditions provided for in Special Provisions below.

Special Provisions: NONE

Upon receipt of this Confirmation, Purchaser shall notify Seller of its approval by executing and returning the Confirmation Agreement by fax to (406) 533-0208 within five (5) Business Days. This Confirmation shall be final and binding, whether or not signed or confirmed by Purchaser, unless Purchaser advises Seller in writing of any inaccuracy within 5 Business Days following the receipt of this Confirmation.



45 Basin Creek Road
Butte, MT 59701
(406) 533-0770
(406) 533-0208 - fax

Purchaser
NorthWestern Corporation
dba NorthWestern Energy

Seller
PPL EnergyPlus, LLC

Signed: *Dawn M. Petritz*
Name: Dawn M. Petritz
Title: Director Energy Risk Management
Date: 4/09/13

Signed: *Teresa H. Bishop*
Name: 4-9-13
Title: Teresa H. Bishop
Date: Trading Controls Analyst
406-533-3530
FAX: 406-533-0208



45 Basin Creek Road
Butte, MT 59701
(406) 533-0770
(406) 533-0208 - fax

CONFIRMATION

Date: April 8, 2013
Seller: PPL EnergyPlus, LLC ✓
Purchaser: NorthWestern Corporation d/b/a Northwestern Energy ✓
Agreement: WSPP Agreement and Service Schedule C ✓

This Confirmation is provided to confirm the oral agreement entered into between Purchaser and Seller on **April 5, 2013**; whereby Seller agreed to sell and deliver to Purchaser and Purchaser agreed to purchase and receive from Seller Firm Capacity/Energy Sale or Exchange Service, as described in WSPP Service Schedule C, ("Firm Energy") pursuant to the following terms and conditions:

Start Date: December 1, 2013 ✓
End Date: December 31, 2013 ✓
Delivery Terms: On Peak Hour Ending (HE) 0700 through HE 2200, Pacific Prevailing Time (PPT), Monday through Saturday, excluding Sundays and NERC Holidays. ✓
Price: Firm Index less \$2.25. ✓

"Firm Index" means, for any day other than a Sunday or a NERC holiday, the weighted average of the Intercontinental Exchange ("ICE") daily Mid-Columbia On-Peak Firm Power Price Bulletin for On-Peak Hours. This definition of "Firm Index" may be altered during the term of this Agreement if the ICE daily Mid-Columbia Firm Power Price Bulletin for On-Peak ceases to be published or upon written mutual agreement of the Parties; provided, however, that if the ICE daily Mid-Columbia Firm Power Price Bulletin ceases to be published, the Parties shall agree on a domestic published replacement index for Mid-Columbia. For purposes of this definition, On-Peak hours shall include HE 0700 through HE 2200 Pacific Prevailing Time ("PPT"). The definition of On-Peak hours shall be amended from time to time to reflect the prevailing standard used by the electric industry in the northwest region.

Quantity: 50 MW per hour ✓
Total Quantity: 20,000 MWh ✓
Delivery Points: Seller's choice into Northwestern Energy's transmission system (NWMT). ✓

Seller and Purchaser agreed to the above transaction pursuant to and in accordance with the terms and conditions of the WSPP Agreement and Service Schedule C, in effect as of the date of this Confirmation, as amended from time to time ("Agreement") and those additional terms and conditions provided for in Special Provisions below.

Special Provisions: NONE

Upon receipt of this Confirmation, Purchaser shall notify Seller of its approval by executing and returning the Confirmation Agreement by fax to (406) 533-0208 within five (5) Business Days. This Confirmation shall be final and binding, whether or not signed or confirmed by Purchaser, unless Purchaser advises Seller in writing of any inaccuracy within 5 Business Days following the receipt of this Confirmation.



45 Basin Creek Road
Butte, MT 68701
(406) 533-0770
(406) 533-0208 - fax

Purchaser
NorthWestern Corporation
dba NorthWestern Energy

Seller
PPL EnergyPlus, LLC

Signed: *Dawn M. Petritz*
Name: Dawn M. Petritz
Title: Director Energy Risk Management
4/11/13
Date: _____

Signed: *Teresa H. Bishop* 4/9/13
Name: Teresa H. Bishop
Title: Trading Controls Analyst
Date: 406-533-3530
FAX: 406-533-0208

46 Basin Creek Road
Butte, MT 59701
(406) 533-0770
(406) 533-0208 - fax



CONFIRMATION

Date: April 8, 2013
Seller: PPL EnergyPlus, LLC ✓
Purchaser: NorthWestern Corporation d/b/a NorthWestern Energy ✓
Agreement: WSPP Agreement and Service Schedule C ✓

This Confirmation is provided to confirm the oral agreement entered into between Purchaser and Seller on **April 5, 2013**; whereby Seller agreed to sell and deliver to Purchaser and Purchaser agreed to purchase and receive from Seller Firm Capacity/Energy Sale or Exchange Service, as described in WSPP Service Schedule C, ("Firm Energy") pursuant to the following terms and conditions:

Start Date: January 1, 2014 ✓
End Date: February 28, 2014 ✓
Delivery Terms: On Peak: Hour Ending (HE) 0700 through HE 2200, Pacific Prevailing Time (PPT), Monday through Saturday, excluding Sundays and NERC Holidays. ✓
Price: Firm Index less \$2.25. ✓

"Firm Index" means, for any day other than a Sunday or a NERC holiday, the weighted average of the Intercontinental Exchange ("ICE") daily Mid-Columbia On-Peak Firm Power Price Bulletin for On-Peak Hours. This definition of "Firm Index" may be altered during the term of this Agreement if the ICE daily Mid-Columbia Firm Power Price Bulletin for On-Peak ceases to be published or upon written mutual agreement of the Parties; provided, however, that if the ICE daily Mid-Columbia Firm Power Price Bulletin ceases to be published, the Parties shall agree on a domestic published replacement index for Mid-Columbia. For purposes of this definition, On-Peak hours shall include HE 0700 through HE 2200 Pacific Prevailing Time ("PPT"). The definition of On-Peak hours shall be amended from time to time to reflect the prevailing standard used by the electric industry in the northwest region. ✓

Quantity: 25 MW per hour ✓
Total Quantity: 20,000 MWh ✓
Delivery Points: Seller's choice into NorthWestern Energy's transmission system (NWMT). ✓

Seller and Purchaser agreed to the above transaction pursuant to and in accordance with the terms and conditions of the WSPP Agreement and Service Schedule C, in effect as of the date of this Confirmation, as amended from time to time ("Agreement") and those additional terms and conditions provided for in Special Provisions below.

Special Provisions: NONE

Upon receipt of this Confirmation, Purchaser shall notify Seller of its approval by executing and returning the Confirmation Agreement by fax to (406) 533-0208 within five (5) Business Days. This Confirmation shall be final and binding, whether or not signed or confirmed by Purchaser, unless Purchaser advises Seller in writing of any inaccuracy within 5 Business Days following the receipt of this Confirmation.



45 Basin Creek Road
Butte, MT 69701
(406) 533-0770
(406) 533-0208 - fax

Purchaser
NorthWestern Corporation
dba NorthWestern Energy

Signed: *Dawn M. Petritz*
Name: Dawn M. Petritz
Title: Director Energy Risk Management
Date: 4/09/13

Seller
PPL EnergyPlus, LLC

Signed: *Teresa H. Bishop* 4/9/13
Name: Teresa H. Bishop
Title: Trading Controls Analyst
Date: 406-533-3530
FAX: 406-533-0208

Powerex Corp. and NorthWestern Corp.

This Confirmation dated August 29, 2011 confirms the agreement between Powerex Corp. ("Powerex") and NorthWestern Corp. dba NorthWestern Energy ("NorthWestern") with respect to the sale by Powerex and purchase by NorthWestern of the Product, all as more particularly described in this Confirmation. This Confirmation is entered into pursuant to and in accordance with and constitutes part of and is subject to the terms and conditions of the Master Power Purchase and Sale Agreement between the Parties dated August 1, 2005 (the "Master Agreement"). This Confirmation and the Master Agreement form a single integrated agreement and are not separate contracts. Capitalized terms used but not defined in this Confirmation shall have the meanings ascribed thereto in the Master Agreement. In the event of any conflict between this Confirmation and the Master Agreement, this Confirmation shall take precedence.

Seller: Powerex

Buyer: NorthWestern

Product: WSPP Schedule C Energy

Term: November 1, 2011 through December 31, 2013

Contract Price: That price per MW of Product equal to the simple monthly average of Mid-C Physical On-Peak daily index published by Intercontinental Exchange per MW, plus \$4.25/MWh

Delivery Periods: November 1, 2011 through March 31, 2012;
November 1, 2012 through March 31, 2013; and
November 1, 2013 through December 31, 2013,
(each of the foregoing periods, a "Delivery Period").

Quantity: For each month during a Delivery Period, Powerex must deliver and NorthWestern must receive and purchase such quantity of Product which is equal to the product of 60 MW (the "Base Quantity") multiplied by 30% multiplied by the number of hours in the month.

Delivery Point: NWMT.SYS, BPAT.NWMT, Hardin substation,¹ Colstrip or any unconstrained interconnection point to the NorthWestern transmission system, as determined by Powerex.

¹ The high voltage side of the step-up transformer located at the interconnection of Hardin Generating Station with NorthWestern Energy's transmission system facilities at the Hardin Auto Substation near Hardin, MT.

- Delivery Option:** NorthWestern may require Powerex to shape the delivery of the Product (each such shape, the "Daily Delivery Profile") for each hour during a Delivery Period in any quantity up to the Base Quantity by notifying Powerex by email before 05:30 Pacific Prevailing Time ("PPT") on the pre-schedule day applicable to the date of deliveries. Upon such notice to Powerex of the required Daily Delivery Profile, Powerex shall be obliged to deliver and NorthWestern shall be obliged to receive and purchase such Daily Delivery Profile from Powerex at the Contract Price and on the terms and conditions contemplated herein and in the Master Agreement.
- Notifications:** NorthWestern shall notify Powerex of its hourly delivery profile by 05:30 PPT on the applicable pre-schedule day.
- Source:** Powerex may source the supply for the Daily Delivery Profile from various firm resources for each hour of delivery, as determined pre-schedule or real-time, at Powerex's option.
- Non-Performance:** If Powerex fails to deliver the Daily Delivery Profile or any portion thereof, Section 4.1 of the Master Agreement shall apply. Such quantity of the Daily Delivery Profile that is undelivered shall be deemed to have been delivered for the sole purpose of satisfying NorthWestern's obligation to receive the Quantity as contemplated in this Confirmation.
- If NorthWestern fails to receive the Daily Delivery Profile or any portion thereof, Section 4.2 of the Master Agreement shall apply. In the event damages are payable from NorthWestern to Powerex under Section 4.2, then following receipt of payment of damages thereunder, such quantity of the Daily Delivery Profile that is not received by NorthWestern shall be deemed to have been received for the sole purpose of satisfying NorthWestern's obligation to receive the Quantity as contemplated in this Confirmation.
- Scheduling:** Powerex shall schedule the Daily Delivery Profile to the Delivery Point on a pre-schedule or real-time basis, at Powerex's option.

Contacts for Powerex:

	<u>Phone</u>	<u>Fax</u>
Pre-Scheduler:	(604) 891-5007	(604) 891-5045
Real-Time:	(604) 891-5091	(604) 891-5045
Settlements Manager:	(604) 891-6062	(604) 891-6011
Contracts:	(604) 891-6090	(604) 891-5025

Contacts for NorthWestern:

	<u>Phone</u>	<u>Fax</u>
Pre-Scheduler:	(406) 497-3339	(406) 497-2629
Real-Time:	(406) 496-5030	(406) 497-2629
Settlements Manager:	(406) 497-3310	(406) 497-3350

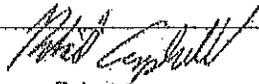
Execution:

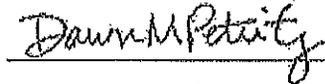
This Agreement may be executed in counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement, and may be delivered by facsimile or via electronic mail.

NOW THEREFORE this Agreement is hereby agreed to by the Parties:

POWEREX CORP.*

NORTHWESTERN CORP.**

By: _____

 Title: _____
 Robert Campbell
 Managing Director
 Date: _____

By: _____

 Title: Director, Energy Risk Management
 Date: 8/30/11

*Powerex Corp., doing business in California as Powerex Energy Corp.

**NorthWestern Corp. doing business as NorthWestern Energy

**Revised CONFIRMATION LETTER NO. 1 – FIRM (LD) to the
MASTER POWER PURCHASE AND SALE AGREEMENT
Dated as of July 9, 2012**

This revised confirmation letter shall replace any and all other confirmation letters previously exchanged by the Parties concerning, and shall confirm, the Transaction agreed to on November 27, 2012, between NORTHWESTERN CORPORATION, doing business as NORTHWESTERN ENERGY (“Party A”), and PPL ENERGYPLUS, LLC (“Party B”) regarding the sale/purchase of the Product under the terms and conditions as follows:

Seller: PPL EnergyPlus, LLC ✓
Buyer: Northwestern Corporation, doing business as Northwestern Energy ✓
Product: Firm (LD) ✓
Contract Term: From execution and delivery of this Confirmation through May 31, 2014. ✓
Delivery Period: December 1, 2012 to May 31, 2014 ✓
Delivery Hours: The Delivery Hours for the Delivery Period shall be “On-Peak” hours, defined as Hour Ending (HE) 0700 through HE 2200 Pacific Prevailing Time (PPT), Monday through Saturday, excluding Sundays and NERC Holidays. ✓
Contract Quantity: 25 MWh/hr all Delivery Hours of the Delivery Period; ✓
Total Contract Quantity: 184,000 MWh ✓
Contract Price: Index less \$2.75/MWh ✓

“Index” means, for any day other than a Sunday or a NERC Holiday, the weighted average of the Intercontinental Exchange (“ICE”) daily Mid-Columbia On-Peak Firm Power Price Bulletin for On-Peak Hours. For purposes of this definition, On-Peak hours shall include HE 0700 through HE 2200 Pacific Prevailing Time (“PPT”). ✓

Delivery Points:

Primary Delivery Points:

Party A shall designate COLSTRIP 1 & 2 (a “Primary Delivery Point), equal to the Contract Quantity, as a firm network receipt point into Party A’s transmission system under its Network Service Agreement.

Alternate Delivery Points:

Upon any request by Party B, Party A shall, without any charge to Party B, arrange with the applicable transmission provider for receipt of all or a portion of the Contract Quantities at one or more secondary delivery points (any such secondary delivery point, an "Alternate Delivery Point") under Party A's Network Service Agreement. An Alternate Delivery Point may be at any on-system points of interconnection (including any generation integration points) or any points of interconnection of Party A's Transmission System with any other transmission system or balancing area, in each case as requested by Party B and subject in each case to the availability of sufficient transmission capacity to receive such quantities at such Alternate Delivery Points. Any such Alternate Delivery Points shall be subject to the terms and conditions of the applicable transmission provider's Open Access Transmission Tariff and all applicable FERC requirements, including as to priority of service (including cases of competing uses by Party A). If such Alternate Delivery Points are or become unavailable for any reason, Party B shall be required to deliver the applicable quantities to Party A at one or more Alternate Delivery Points or Primary Delivery Points.

Scheduling: In accordance with the WECC Preschedule Calendar. ✓

Special Condition #1:

Confidentiality: This Confirmation shall be subject to the provisions of Section 10.11 of the Master Agreement; provided, however, that notwithstanding the foregoing, each Party will be entitled, without the consent of the other Party, to disclose such confidential information as and to the extent required by any regulatory authority having jurisdiction over such Party. ✓

Special Condition #2:

Contingency Reserves: Buyer and Seller will adhere to the NERC and WECC rules regarding responsibility for providing Contingency Reserves, however, that Seller will not at any time during the Contract Term be obligated to provide Contingency Reserves of a higher quality than required at the time the Confirmation is executed and delivered. For the purposes of this confirmation, Contingency Reserves shall mean operating reserves, both spinning and non-spinning (also referred to as supplemental). Seller will not be obligated to provide any other ancillary services, including, without limitation, Regulating Reserve or Frequency Responsive Reserve.

* * * * *

This confirmation is being provided pursuant to and in accordance with the Master Power Purchase and Sale Agreement dated as of July 9, 2012 (the "Master Agreement") between Party

A and Party B, and constitutes part of and is subject to the terms and provisions of such Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement.

[Signature page follows]

NORTHWESTERN CORPORATION,
doing business as
NORTHWESTERN ENERGY

Dawn M. Petritz

Dawn M. Petritz
Director Energy Risk Management
12/07/12

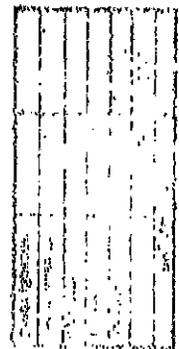
PPL ENERGYPLUS, LLC

Danette L. Gleason

Team Lead - Trading Controls

December 7, 2012

**Danette L. Gleason
Team Leader - Trading Controls
406-533-3502
FAX: 406-533-0208**





REQUEST FOR PROPOSALS - FIRM ELECTRICITY

October 1, 2008

By this Request for Proposal (RFP), NorthWestern Energy (NWE) invites proposals to provide firm electricity products ("Firm Supply") to NWE for the purposes of providing reliable service to NWE's retail customers. This RFP is a request for proposals and no legal obligation will arise between NWE and any respondent absent a definitive final agreement executed by each party.

NWE will evaluate the proposals based on the following criteria:

a) **Compliance with Requirements**

The respondents must satisfy the specific requirements listed in this RFP document. Proposals not meeting the requirements of this RFP shall not be considered.

b.) **Price of Service**

NWE will accept proposals that rely on any reasonable basis for the Firm Supply described in this RFP. However, the respondent should provide a clear description of its pricing basis. Respondents are strongly encouraged to follow the suggested pricing concepts outlined in the "Requirements" section below.

c) **Ability to Perform Service**

The respondent must provide documentation to support its ability to timely provide the Firm Supply in a manner consistent with the requirements described in this RFP. This documentation should include reference lists from parties that have obtained Firm Supply as described herein, or similar services in the past from the respondent.

I. Requirements:

A. Firm Supply

Firm Supply is defined as firm base load energy with Contingency (Operating) Reserves available 7 x 24 throughout the term. When submitting its offer, respondents must consider that if (when) NERC enacts BAL-002, or a similar standard for reliability, the Buyer and Seller must adhere to the Balancing Authority's ("BA") rules regarding who is responsible for providing contingency reserves.

B. Volume

NWE seeks Firm Supply in a total amount of 50 to 100 MW. Respondent must offer the Firm Supply in 25 MW blocks within the 50 to 100 MW range.

C. Term

NWE seeks offers for a term of 5, 7, or 10 years commencing July 1, 2010.

D. Delivery Points

NWE seeks offers which will deliver Firm Supply to: (1) Any available interconnection point on the NWE Energy transmission system where NWE can take delivery pursuant to its existing Network Transmission Agreement; or (2) at the Mid Columbia trading hub.

E. Pricing

NWE will consider both fixed or index offers, but NWE prefers fixed price offers. Those respondents electing to submit index based offers must identify with particularity the index to be utilized.

F. Contract

NWE intends to utilize industry standard agreements such as the WSPP, EEI Master Agreement or other similar standard agreements with the successful respondent(s). Respondents may submit, provided the terms allow, their offer pursuant to an existing master agreement between itself and NWE.

G. Credit

NWE will negotiate credit terms. NWE will not grant any credit to a respondent that does not meet its internal creditworthiness standards. NWE will consider a letter of

credit or some other acceptable form of collateral in the event a respondent does not meet NWE's creditworthiness standards. Respondents should indicate how credit will be addressed in their offers.

II. RFP Responses

1. Response Development and Presentation

On the attached offer sheets, or as a separate attachment, respondents should provide special conditions or qualifications including but not limited to:

- a) Definition of Terms used in the response
- b) Description of Firm Supply to be provided
- c) Scheduling and Tagging Provisions.
- d) Pricing
- e) Non-Price Terms and Conditions
- f) Administrative Matters as Appropriate at the Proposal level
- h) Contact Person (mailing address, fax, phone, e-mail).
- i) Respondents submitting offers must hold open the offer until the Award Notification date (Oct 24). At that time verbal, telephonically recorded confirmations will be made pending final written agreements.

Responses that fail to meet the foregoing criteria and the minimum requirements set out in Section II shall be deemed incomplete and rejected from consideration.

2. Responses

It is expected that potential suppliers will respond by e-mail on or before the deadline to Kevin Markovich at the email address provided below.

Offers may be made on any or all blocks. NWE will select the combination of offers that provides the highest value to NWE.

3. Deadline to Respond

All offers are due by 5:00 pm Mountain time on Tuesday, October 21, 2008. All offers must remain open until 12:00 pm Mountain time on Friday, October 24,

2008. Verbal confirmations of selected offers will occur prior to 12:00 pm on October 24, 2008.

4. Commencement

The delivery of Firm Supply will commence on July 1, 2010 or agreed upon by the parties.

III. Proposed Timeline

This is an estimate only and may vary for a variety of reasons.

The proposed procurement and selection process will be carried out in accordance with the following schedule:

<u>Activity</u>	<u>Date</u>
RFP Issued	10/01/2008
Submission Deadline	10/21/2008
Award Notification	10/24/2008

NWE Reserves the right to modify all or part of this proposed schedule at any time during the RFP process.

IV. Selection

NWE reserves the right, in its sole discretion: (1) to select some or none of the proposals; (2) to modify, revise, amend, or otherwise change the requirements of this RFP and (2) to withdraw, in whole or in part, without notice, this RFP. This is an RFP and no binding legal obligation will be entered into unless and until the successful bidder and NWE negotiate and execute a definitive agreement.

V. Confidentiality

Because NWE is a regulated entity, NWE may be required to release RFP information to the appropriate regulatory authorities and other intervening parties during the course of future regulatory proceedings. NWE will not seek protection on behalf of any Respondent the confidentiality of any bid.

VI. Contact

Questions regarding this RFP should be directed to:

Kevin Markovich
Kevin.Markovich@northwestern.com
Phone: 406-497-3336
Cell: 406-490-3284
Fax: 406-497-2629

Credit questions should be directed to:

Dennis Heinz
Dennis.Heinz@northwestern.com
Phone: 605-353-7517
Cell: 605-354-2163
Fax: 605-353-7569



OFFER SHEET
2008 Firm Electricity RFP
5 Year Product Commencing July 1, 2010

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume	Fixed Price (\$/per MWh)	Index Price (Including discount, premium and named Index)	Delivery Point
25 MW			

Special Conditions:
 (Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE Energy or any of its affiliates to enter into any transaction. The prices and terms are subject to change and further review and approval, until execution of a definitive agreement containing all appropriate provisions, including those related to dispute resolution, credit, and governing law. Neither party is obligated to enter into a transaction or definitive agreement with the other party, and each party may cease discussions for any reason at any time.



OFFER SHEET
2008 Firm Electricity RFP
7 Year Product Commencing July 1, 2010

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume	Fixed Price (\$/per MWh)	Index Price (Including discount, premium and named Index)	Delivery Point
25 MW			

Special Conditions:
 (Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE Energy or any of its affiliates to enter into any transaction. The prices and terms are subject to change and further review and approval, until execution of a definitive agreement containing all appropriate provisions, including those related to dispute resolution, credit, and governing law. Neither party is obligated to enter into a transaction or definitive agreement with the other party, and each party may cease discussions for any reason at any time.



OFFER SHEET
2008 Firm Electricity RFP
10 Year Product Commencing July 1, 2010

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume	Fixed Price (\$/per MWh)	Index Price (Including discount, premium and named Index)	Delivery Point
25 MW			

Special Conditions:
 (Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE Energy or any of its affiliates to enter into any transaction. The prices and terms are subject to change and further review and approval, until execution of a definitive agreement containing all appropriate provisions, including those related to dispute resolution, credit, and governing law. Neither party is obligated to enter into a transaction or definitive agreement with the other party, and each party may cease discussions for any reason at any time.



REQUEST FOR PROPOSALS - FIRM ELECTRICITY

May 1, 2009

By this Request for Proposal (RFP), NorthWestern Energy (NWE) invites proposals to provide firm electricity products ("Firm Supply") to NWE for the purposes of providing reliable service to NWE's retail customers. This RFP is a request for proposals and no legal obligation will arise between NWE and any respondent absent a definitive final agreement executed by each party.

NWE will evaluate the proposals based on the following criteria:

a) Compliance with Requirements

The respondents must satisfy the specific requirements listed in this RFP document. Proposals not meeting the requirements of this RFP shall not be considered.

b.) Price of Service

NWE will only accept proposals that rely on a fixed dollar value or fixed price per Megawatt hour (MWh) over the entire term of the contract.

c) Ability to Perform Service

The respondent must provide documentation to support its ability to timely provide the Firm Supply in a manner consistent with the requirements described in this RFP. This documentation should include reference lists from parties that have obtained Firm Supply as described herein, or similar services in the past from the respondent.

I. Requirements:

A. Firm Supply

Firm Supply is defined as firm energy with Contingency (Operating) Reserves. When submitting its offer, respondents must consider that if (when) NERC enacts BAL-002, or a similar standard for reliability, the Buyer and Seller must adhere to the Balancing Authority's ("BA") rules regarding who is responsible for providing contingency reserves.

B. Volume and Term

NWE seeks Firm Supply proposals for the following volumes and terms:

Product #1: 7/1/2010 through 6/30/2017: 25 MW for each "On-peak" hour

Product #2: 7/1/2010 through 6/30/2017: 25 MW for every hour (7x24)

Product #3: 7/1/2013 through 6/30/2017: 25 MW for each "On-peak" hour

Product #4: 7/1/2013 through 6/30/2017: 25 MW for every hour (7x24)

"On-peak" hours are Hour Ending ("HE") 0700 through HE 2200 PPT, Monday through Saturday, excluding NERC holidays.

C. Delivery Points

NWE seeks offers which will deliver Firm Supply to: (1) Any available interconnection point on the NWE Energy transmission system where NWE can take delivery pursuant to its existing Network Transmission Agreement; or (2) at the Mid Columbia trading hub.

D. Pricing

NWE will only consider fixed price offers.

E. Contract

NWE intends to utilize industry standard agreements such as the WSPP, EEI, ISDA, or other similar standard agreements with the successful respondent(s). Respondents may submit, provided the terms allow, their offer pursuant to an existing master agreement between itself and NWE. If there is not an acceptable enabling

agreement between NWE and the selected counterparty(s) at the time of selection, the transaction will be telephonically confirmed and recorded, and each party must agree that work will commence immediately on putting an EEI or ISDA agreement in place within 30 days. Long form written confirmations will not be signed by NWE prior to execution of an EEI or ISDA.

F. Credit

Each respondent will be required to provide a minimum of \$15 million in open credit specific to any commitments entered into under this RFP. \$15 million is the total amount of credit that must be provided, regardless of how many of the products are chosen with any single respondent. NWE will negotiate other credit terms and conditions as necessary. NWE will not grant any credit to a respondent that does not meet its internal creditworthiness standards. NWE will, in its sole discretion, consider a letter of credit or some other acceptable form of collateral in the event a respondent does not meet NWE's creditworthiness standards. Respondents should indicate how credit will be addressed in their offers.

II. RFP Responses

1. Response Development and Presentation

On the attached offer sheets, or as a separate attachment, respondents should provide special conditions or qualifications including but not limited to:

- a) Definition of Terms used in the response
- b) Description of Firm Supply to be provided
- c) Scheduling and Tagging Provisions.
- d) Pricing
- e) Non-Price Terms and Conditions
- f) Administrative Matters as Appropriate at the Proposal level
- h) Contact Person (mailing address, fax, phone, e-mail).
- i) Respondents submitting offers must hold open the offer until the Award Notification date (May 21). At that time verbal, telephonically recorded confirmations will be made pending final written agreements.

Responses that fail to meet the foregoing criteria and the minimum requirements set out in Section II shall be deemed incomplete and rejected from consideration.

2. Responses

It is expected that potential suppliers will respond by e-mail on or before the deadline to Kevin Markovich at the email address provided below.

Offers may be made on any or all products. NWE will select the combination of offers that provides the highest value to NWE.

3. Deadline to Respond

All offers are due by 3:00 pm Mountain time on Wednesday, May 20, 2009. All offers must remain valid until 8:00 am Mountain time on Thursday, May 21, 2009. Verbal confirmations of selected offers will occur prior to 8:00 am on May 21, 2009.

III. **Proposed Timeline**

This is an estimate only and may vary for a variety of reasons.

The proposed procurement and selection process will be carried out in accordance with the following schedule:

<u>Activity</u>	<u>Date</u>
RFP Issued	5/01/2009
Submission Deadline	5/20/2009
Award Notification	5/21/2009

NWE Reserves the right to modify all or part of this proposed schedule at any time during the RFP process.

IV. **Selection**

NWE reserves the right, in its sole discretion: (1) to select some or none of the proposals; (2) to modify, revise, amend, or otherwise change the requirements of this RFP and (2) to withdraw, in whole or in part, without notice, this RFP. This is an RFP and no binding legal obligation will be entered into unless and until the successful bidder and NWE negotiate and execute a definitive agreement.

V. Confidentiality

Because NWE is a regulated entity, NWE may be required to release RFP information to the appropriate regulatory authorities and other intervening parties during the course of future regulatory proceedings. NWE will not seek protection on behalf of any Respondent for the information contained in any bid.

VI. Contacts

Questions regarding this RFP should be directed to:

Kevin Markovich
Kevin.Markovich@northwestern.com
Phone: 406-497-3336
Cell: 406-490-3284
Fax: 406-497-2629

Credit questions should be directed to:

Dennis Heinz
Dennis.Heinz@northwestern.com
Phone: 605-353-7517
Cell: 605-354-2163
Fax: 605-353-7569

NorthWestern Energy

OFFER SHEET 2009 Firm Electricity RFP Product #1 7 Year "On-Peak" Product Commencing July 1, 2010

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume	Fixed Price (\$/per MWh)	Delivery Point
25 MW		

Special Conditions:
(Attach sheet if necessary)

Contingences – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE Energy or any of its affiliates to enter into any transaction. The prices and terms are subject to change and further review and approval, until execution of a definitive agreement containing all appropriate provisions, including those related to dispute resolution, credit, and governing law. Neither party is obligated to enter into a transaction or definitive agreement with the other party, and each party may cease discussions for any reason at any time.



OFFER SHEET
2009 Firm Electricity RFP
Product #2

7 Year "Flat" (7x24) Product Commencing July 1, 2010

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume	Fixed Price (\$/per MWh)	Delivery Point
25 MW		

Special Conditions:
(Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE Energy or any of its affiliates to enter into any transaction. The prices and terms are subject to change and further review and approval, until execution of a definitive agreement containing all appropriate provisions, including those related to dispute resolution, credit, and governing law. Neither party is obligated to enter into a transaction or definitive agreement with the other party, and each party may cease discussions for any reason at any time.



OFFER SHEET
2009 Firm Electricity RFP
Product #3
4 Year "On-Peak" Product Commencing July 1, 2013

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume	Fixed Price (\$/per MWh)	Delivery Point
25 MW		

Special Conditions:
(Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE Energy or any of its affiliates to enter into any transaction. The prices and terms are subject to change and further review and approval, until execution of a definitive agreement containing all appropriate provisions, including those related to dispute resolution, credit, and governing law. Neither party is obligated to enter into a transaction or definitive agreement with the other party, and each party may cease discussions for any reason at any time.

NorthWestern Energy

OFFER SHEET 2009 Firm Electricity RFP Product #4

4 Year "Flat" (7x24) Product Commencing July 1, 2013

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume	Fixed Price (\$/per MWh)	Delivery Point
25 MW		

Special Conditions:
(Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE Energy or any of its affiliates to enter into any transaction. The prices and terms are subject to change and further review and approval, until execution of a definitive agreement containing all appropriate provisions, including those related to dispute resolution, credit, and governing law. Neither party is obligated to enter into a transaction or definitive agreement with the other party, and each party may cease discussions for any reason at any time.



REQUEST FOR PROPOSALS - FIRM ELECTRICITY AND EXCHANGE

September 8, 2010

By this Request for Proposal (RFP), NorthWestern Energy (NWE) invites proposals to provide firm electricity products and exchanges ("Firm Supply") to NWE for the purposes of providing reliable service to NWE's retail customers. This RFP is a request for proposals and no legal obligation will arise between NWE and any respondent absent a definitive final agreement executed by each party.

NWE will evaluate the proposals based on the following criteria:

a) **Compliance with Requirements**

The respondents must satisfy the specific requirements listed in this RFP document. Proposals not meeting the requirements of this RFP shall not be considered.

b.) **Price of Service**

NWE will only accept proposals that rely on a fixed dollar value or fixed price per Megawatt hour (MWh) over the entire term of the contract.

c) **Ability to Perform Service**

The respondent must provide documentation to support its ability to timely provide the Firm Supply in a manner consistent with the requirements described in this RFP. Some examples of documentation include: membership in WSPP, prior energy purchase/sales transactions with NWE, a description of a resource, with operational history, capable of providing the requested products, etc. NWE, at its sole discretion, will determine if a respondent is capable of providing the requested products(s).

I. Requirements:

A. Firm Supply

Firm Supply is defined as firm energy with Contingency (Operating) Reserves. When submitting its offer, respondents must acknowledge they will adhere to the standards, requirements, and rules of the Balancing Authority (BA) where the energy is delivered, particularly those involving responsibility for contingency reserves.

B. Products Requested

NWE seeks Firm Supply proposals for the following volumes and terms:

Product #1: 50 MW On-Peak Purchase

Term: 7/1/2012 through 6/30/2017
Volume: 50 MW per hour for each "On-Peak" hour
Type: Firm Energy
Delivery: See below
Price: Must be a fixed price per MWh

Product #2: 50 MW On-Peak Energy Exchange

Term: 7/1/2012 through 6/30/2017
Volume: Up to 50 MW for each "On-Peak" hour
Type: Firm Energy for Firm Energy
Delivery: NWE receives energy at any available interconnection point on the NWE Energy transmission system where NWE can take delivery pursuant to its existing Network Transmission Agreement. NWE delivers a like-kind of energy at the Mid Columbia trading hub.
Price: Must be a fixed price per MWh paid to or received from NWE

"On-peak" hours are Hour Ending ("HE") 0700 through HE 2200 PPT, Monday through Saturday, excluding NERC holidays.

C. Delivery Points

NWE seeks offers which will deliver Firm Supply to: (1) Any available interconnection point on the NWE Energy transmission system where NWE can take delivery pursuant to its existing Network Transmission Agreement; or (2) at the Mid Columbia trading hub.

D. Pricing

NWE will only consider fixed price offers.

E. Contract

NWE intends to utilize industry standard agreements such as the WSPP, EEI, ISDA, or other similar standard agreements with the successful respondent(s). Respondents may submit, provided the terms allow, their offer pursuant to an existing master agreement between itself and NWE. If there is not an acceptable enabling agreement between NWE and a respondent at the response deadline, the respondents offer will not be considered.

During the time this RFP is open, NWE will work with potential respondents to negotiate and sign a master agreement that would govern the terms of the transaction(s) if the respondent is successful. NWE makes no warranty that it will ensure an agreement is in place prior to the response deadline.

F. Credit

Each respondent will be required to provide a minimum of \$20 million in open credit specific to any commitments entered into under this RFP. NWE will negotiate other credit terms and conditions as necessary. NWE will not grant any credit to a respondent that does not meet its internal creditworthiness standards. NWE will, in its sole discretion, consider a letter of credit or some other acceptable form of collateral in the event a respondent does not meet NWE's creditworthiness standards. Respondents should indicate how credit will be addressed in their offers.

II. RFP Responses

1. Response Development and Presentation

On the attached offer sheets, or as a separate attachment, respondents should provide special conditions or qualifications including but not limited to:

- a) Definition of Terms used in the response

- b) Description of Firm Supply to be provided
- c) Scheduling and Tagging Provisions.
- d) Pricing
- e) Non-Price Terms and Conditions
- f) Administrative Matters as Appropriate at the Proposal level
- h) Contact Person (mailing address, fax, phone, e-mail).
- i) Respondents submitting offers must hold open the offer until the Award Notification date (September 22). At that time verbal, telephonically recorded confirmations will be made pending final written agreements.

Responses that fail to meet the foregoing criteria and the minimum requirements set out in Section II shall be deemed incomplete and rejected from consideration.

2. Responses

It is expected that potential suppliers will respond by e-mail on or before the deadline to Kevin Markovich at the email address provided below.

Offers may be made on any or both products. NWE will select the combination of offers that provides the highest value to NWE.

3. Deadline to Respond

All offers are due by 3:00 pm Mountain time on Tuesday, September 21, 2010. All offers must remain valid until 9:00 pm Mountain time on Tuesday, September 21, 2010. Verbal confirmations of selected offers will occur prior to 9:00 pm on September 21, 2010.

III. **Proposed Timeline**

This is an estimate only and may vary for a variety of reasons.

The proposed procurement and selection process will be carried out in accordance with the following schedule:

Activity
RFP Issued

Date
9/08/2010

Submission Deadline
Award Notification

9/21/2010
9/21/2010

NWE Reserves the right to modify all or part of this proposed schedule at any time during the RFP process.

IV. Selection

NWE reserves the right, in its sole discretion: (1) to select some or none of the proposals; (2) to modify, revise, amend, or otherwise change the requirements of this RFP and (2) to withdraw, in whole or in part, without notice, this RFP. This is an RFP and no binding legal obligation will be entered into unless and until the successful bidder and NWE negotiate and execute a definitive agreement.

V. Confidentiality

Because NWE is a regulated entity, NWE may be required to release RFP information to the appropriate regulatory authorities and other intervening parties during the course of future regulatory proceedings. NWE will not seek protection on behalf of any Respondent for the information contained in any bid.

VI. Contacts

Questions regarding this RFP should be directed to:

Kevin Markovich
Kevin.Markovich@northwestern.com
Phone: 406-497-3336
Cell: 406-490-3284
Fax: 406-497-2629

Credit questions should be directed to:

Dennis Heinz
Dennis.Heinz@northwestern.com
Phone: 605-353-7517
Cell: 605-354-2163
Fax: 605-353-7569

NorthWestern[™] Energy

OFFER SHEET 2010 Firm Electricity RFP Product #1

5 Year “On-Peak” Product Commencing July 1, 2012

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume per On-Peak Hour	Fixed Price (\$/per MWh)	Actual Delivery Point on NWE System If Known Otherwise, “NWE Transmission System” or “Mid Columbia Trading Hub”

Special Conditions:
 (Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE Energy or any of its affiliates to enter into any transaction. Neither party is obligated to enter into a transaction or definitive agreement with the other party until a verbal, telephonically recorded confirmation of these terms is made, which will be further supplemented with a written confirmation signed by both parties. Until that time, each party may cease discussions for any reason at any time.

NorthWestern[™] Energy

OFFER SHEET 2010 Firm Electricity RFP Product #2

5 Year On-Peak Exchange Product Commencing July 1, 2010

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume per On-Peak hour Delivered to NWE	Fixed Price paid by NWE to Respondent (\$/per MWh)	Actual Delivery Point on NWE System If Known Otherwise, "NWE Transmission System"

Volume per On-Peak hour Delivered by NWE to Respondent	Fixed Price paid by Respondent to NWE (\$/per MWh)	Delivery Point
		Mid Columbia Trading Hub

Special Conditions:
 (Attach sheet if necessary)

Contingencies -- These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE Energy or any of its affiliates to enter into any transaction. Neither party is obligated to enter into a transaction or definitive agreement with the other party until a verbal, telephonically recorded confirmation of these terms is made, which will be further supplemented with a written confirmation signed by both parties. Until that time, each party may cease discussions for any reason at any time.



REQUEST FOR PROPOSALS - FIRM ELECTRICITY AND EXCHANGE

September 30, 2011

By this Request for Proposal (RFP), NorthWestern Energy (NWE) invites proposals to provide firm electricity products and exchanges ("Firm Supply") to NWE for the purposes of providing reliable service to NWE's retail customers in its Montana Balancing Authority. No legal obligation will arise between NWE and any respondent absent a definitive final agreement executed by each party.

NWE is seeking up to 100 MW of Firm Supply for the period of January 1, 2013 through December 31, 2014, as described in more detail below.

NWE will evaluate the proposals based on the following criteria:

A. Compliance with Requirements

The respondents must satisfy the specific requirements listed in this RFP document. Proposals not meeting the requirements of this RFP shall not be considered.

B. Price of Service

NWE will accept proposals that rely on a fixed dollar value or fixed price per Megawatt hour (MWh) or proposals based on the Intercontinental Exchange (ICE) day-ahead index for Mid C Peak and Mid C Off-Peak transactions.

C. Delivery Points

NWE seeks offers which will deliver Firm Supply to: (1) Any available interconnection point on the NWE Energy transmission system where NWE can take delivery pursuant to its existing Network Transmission Service on the NWE transmission system or (2) at the Mid Columbia trading hub.

D. Contract

NWE intends to utilize industry standard agreements such as the WSPP, EEI, ISDA, or other similar standard agreements with the successful respondent(s). Respondent may submit, provided the terms allow, its offer pursuant to an existing master agreement between itself and NWE. If there is not an acceptable enabling agreement between NWE and a respondent at the response deadline, the respondent's offer will not be considered.

Potential respondents that do not currently have a master agreement in place should notify NWE by October 5 of their intent to respond. During the time this RFP is open, NWE will work in good faith to negotiate and execute a master agreement that would govern the terms of the transaction(s) if the respondent is successful. NWE makes no warranty that an enabling agreement will be negotiated and executed prior to the response deadline.

F. Credit

Each respondent will be required to provide NWE a minimum of \$20 million in open credit for the full RFP quantity (or a proportional amount if the respondent offers a lower quantity), either through an existing agreement, additional credit through an existing agreement, or through an arrangement specific to this transaction. NWE will not grant any credit to a respondent that does not meet its internal creditworthiness standards. NWE will, in its sole discretion, consider a letter of credit or some other acceptable form of collateral in the event a respondent does not meet NWE's creditworthiness standards. Respondents should indicate how credit will be addressed in their offers.

I. Requirements:

A. Firm Supply

Firm Supply is defined as firm energy with Contingency (Operating) Reserves. By submitting its offer, a respondent acknowledges that it will adhere to the standards, requirements, and rules of the WECC and the Balancing Authority (BA) where the energy is delivered, particularly those involving responsibility for contingency reserves.

B. Products Requested

NWE seeks Firm Supply proposals for the following volumes and terms:

Product #1: On-Peak Fixed Price Purchase

Term: 1/1/2013 through 12/31/2014 (2 Years)
Volume: Fixed quantity of up to 100 MW in 25 MW increments
Type: Firm Energy
Delivery: Mid-C or NWE System as described above
Price: Must be a fixed price per MWh

Product #2: Off-Peak Fixed Price Purchase

Term: 1/1/2013 through 12/31/2014 (2 Years)
Volume: Fixed quantity of up to 100 MW in 25 MW increments
Type: Firm Energy
Delivery: Mid-C or NWE System as described above
Price: Must be a fixed price per MWh

Product #3: On-Peak Index Based Purchase

Term: 1/1/2013 through 12/31/2014 (2 Years)
Volume: Fixed quantity of up to 100 MW in 25 MW increments
Type: Firm Energy
Delivery: NWE System as described above
Price: Based on the ICE day-ahead Mid C Peak index plus or minus a fixed amount per MWh.

Product #4: Off-Peak Index Based Purchase

Term: 1/1/2013 through 12/31/2014 (2 Years)
Volume: Fixed quantity of up to 100 MW in 25 MW increments
Type: Firm Energy
Delivery: NWE System as described above
Price: Based on the ICE day-ahead Mid C Off-Peak index plus or minus a fixed amount per MWh.

Product #5: On-Peak Exchange

Term: 1/1/2013 through 12/31/2014 (2 Years)
Volume: Fixed quantity of up to 100 MW in 25 MW increments
Type: Firm Energy for Firm Energy
Delivery: NWE receives energy at any available interconnection point on the NWE transmission system where NWE can take delivery pursuant to its existing Network Transmission Service with the NWE Balancing Authority. NWE delivers a like-quantity of energy at the Mid Columbia trading hub.

Price: Must be a fixed price per MWh paid to or received from NWE

Product #6: Off-Peak Exchange

Term: 1/1/2013 through 12/31/2014 (2 Years)

Volume: Fixed quantity of up to 100 MW in 25 MW increments

Type: Firm Energy for Firm Energy

Delivery: NWE receives energy at any available interconnection point on the NWE transmission system where NWE can take delivery pursuant to its existing Network Transmission Service with the NWE Balancing Authority. NWE delivers a like-quantity of energy at the Mid Columbia trading hub.

Price: Must be a fixed price per MWh paid to or received from NWE

II. RFP Responses

1. Response Development and Presentation

On the attached offer sheets, or as a separate attachment, if warranted, respondents should provide special conditions or qualifications including but not limited to:

- a) Definition of Terms used in the response
- b) Description of Firm Supply to be provided
- c) Scheduling and Tagging Provisions.
- d) Pricing
- e) Non-Price Terms and Conditions
- f) Administrative Matters as Appropriate at the Proposal level
- h) Contact Person (mailing address, fax, phone, e-mail).
- i) Respondents submitting offers must hold open the offer until the Award Notification date and time.. At that time, verbal, telephonically recorded confirmations will be made pending final written agreements.

Responses that fail to meet the foregoing criteria and the minimum requirements set out in Section II shall be deemed incomplete and rejected from consideration without notification or justification to respondent.

2. Responses

It is expected that potential suppliers will respond by e-mail prior to the deadline to Kevin Markovich at the email address provided below.

Offers may be made on any or all products. NWE will select the combination of offers that it determines provides the highest value to NWE customers.

3. Schedule and Deadline to Respond

The proposed procurement and selection process will be carried out in accordance with the following schedule:

<u>Activity</u>	<u>Time and Date</u>
RFP Issued	9/30/2011
Submission Deadline	3:00 pm MDT on 10/12/2011
Award Notification	4:00 pm MDT on 10/12/2011

All offers are due by 3:00 pm MDT on Wednesday, October 12, 2011. All offers must remain valid until 4:00 pm MDT on Wednesday, October 12, 2011.

NWE will notify successful bidders, if any, by 4:00 pm on October 12, 2011.

NWE Reserves the right to modify all or part of this proposed schedule at any time during the RFP process.

III. Selection

NWE reserves the right, in its sole discretion: (1) to select some or none of the proposals; (2) to modify, revise, amend, or otherwise change the requirements of this RFP and (3) to withdraw, in whole or in part, without notice, this RFP. This is an RFP and no binding legal obligation will be entered into unless and until the successful bidder and NWE negotiate and execute a definitive agreement.

IV. Confidentiality

NWE may be required to release RFP information to the appropriate regulatory authorities and other intervening parties during the course of future regulatory proceedings. NWE will not seek protection on behalf of any Respondent for the information contained in any bid.

V. Contacts

Questions regarding this RFP should be directed to:

Kevin Markovich
Kevin.Markovich@northwestern.com
Phone: 406-497-3336
Cell: 406-490-3284
Fax: 406-497-2629

Credit questions should be directed to:

Dennis Heinz
Dennis.Heinz@northwestern.com
Phone: 605-353-7517
Cell: 605-354-2163
Fax: 605-353-7560

NorthWestern Energy

OFFER SHEET 2011 Firm Electricity RFP Product #1- Fixed Price 2 Year On-Peak Product Commencing Jan 1, 2013

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume per Hour	Fixed Price (\$/per MWh)	Actual Delivery Point on NWE System If Known Otherwise, "NWE Transmission System" or "Mid Columbia Trading Hub"

Special Conditions:
(Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE to enter into any transaction. Neither party is obligated to enter into a transaction or definitive agreement with the other party until a verbal, telephonically recorded confirmation of these terms is made, which will be further supplemented with a written confirmation signed by both parties. Until that time, each party may cease discussions for any reason at any time.



OFFER SHEET
2011 Firm Electricity RFP
Product #2 - Fixed Price
2 Year Off-Peak Product Commencing Jan 1, 2013

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume per Hour	Fixed Price (\$/per MWh)	Actual Delivery Point on NWE System If Known Otherwise, "NWE Transmission System" or "Mid Columbia Trading Hub"

Special Conditions:
(Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE to enter into any transaction. Neither party is obligated to enter into a transaction or definitive agreement with the other party until a verbal, telephonically recorded confirmation of these terms is made, which will be further supplemented with a written confirmation signed by both parties. Until that time, each party may cease discussions for any reason at any time.



OFFER SHEET
2011 Firm Electricity RFP
Product #3- Index Price
2 Year On-Peak Product Commencing Jan 1, 2013

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume per Hour	(Discount) / Premium to ICE Day-ahead Index (\$ per MWh)	Actual Delivery Point on NWE System If Known Otherwise, "NWE Transmission System"

Special Conditions:
 (Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE to enter into any transaction. Neither party is obligated to enter into a transaction or definitive agreement with the other party until a verbal, telephonically recorded confirmation of these terms is made, which will be further supplemented with a written confirmation signed by both parties. Until that time, each party may cease discussions for any reason at any time.

NorthWestern Energy

OFFER SHEET 2011 Firm Electricity RFP Product #4- Index Price 2 Year Off-Peak Product Commencing Jan 1, 2013

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume per Hour	(Discount) / Premium to ICE Day-ahead Index (\$ per MWh)	Actual Delivery Point on NWE System If Known Otherwise, "NWE Transmission System"

Special Conditions:
 (Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE to enter into any transaction. Neither party is obligated to enter into a transaction or definitive agreement with the other party until a verbal, telephonically recorded confirmation of these terms is made, which will be further supplemented with a written confirmation signed by both parties. Until that time, each party may cease discussions for any reason at any time.

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OFFER SHEET 2011 Firm Electricity RFP Product #5

2 Year On-Peak Exchange Product Commencing Jan 1, 2013

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume per On-Peak hour Delivered to NWE	Fixed Price paid by NWE to Respondent (\$/per MWh)	Actual Delivery Point on NWE System If Known Otherwise, "NWE Transmission System"

Volume per On-Peak hour Delivered by NWE to Respondent	Fixed Price paid by Respondent to NWE (\$/per MWh)	Delivery Point
		Mid Columbia Trading Hub

Special Conditions:
 (Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE to enter into any transaction. Neither party is obligated to enter into a transaction or definitive agreement with the other party until a verbal, telephonically recorded confirmation of these terms is made, which will be further supplemented with a written confirmation signed by both parties. Until that time, each party may cease discussions for any reason at any time.

NorthWestern Energy

OFFER SHEET 2011 Firm Electricity RFP Product #6

2 Year Off-Peak Exchange Product Commencing Jan 1, 2013

Counterparty Name: _____

Contact Name: _____

Phone number: _____

Volume per On-Peak hour Delivered to NWE	Fixed Price paid by NWE to Respondent (\$/per MWh)	Actual Delivery Point on NWE System If Known Otherwise, "NWE Transmission System"

Volume per On-Peak hour Delivered by NWE to Respondent	Fixed Price paid by Respondent to NWE (\$/per MWh)	Delivery Point
		Mid Columbia Trading Hub

Special Conditions:
 (Attach sheet if necessary)

Contingencies – These Proposed Terms/Conditions are for discussion purposes only, and not an offer or commitment of NWE to enter into any transaction. Neither party is obligated to enter into a transaction or definitive agreement with the other party until a verbal, telephonically recorded confirmation of these terms is made, which will be further supplemented with a written confirmation signed by both parties. Until that time, each party may cease discussions for any reason at any time.

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Montana Public Service Commission (PSC)
Set 1 (001-003)

Data Requests received January 17, 2014

PSC-003

Regarding: ACEEE Energy Efficiency Program Recognition
Witness: Thomas

- a. In April of 2013 NorthWestern announced that the American Council for an Energy-Efficient Economy (ACEEE) recognized NorthWestern's E+ Business Partners Program as an exemplary energy efficiency program. Please describe this recognition, specific recognized features of the program, and why ACEEE recognized these program features.
- b. Please describe how the recognized program features benefit ratepayers.
- c. Please describe how the recognized program compares with other NorthWestern energy efficiency programs regarding the exemplary qualities recognized by ACEEE.

RESPONSE:

- a. The following description of this recognition is sourced from the ACEEE web site at this link: <http://aceee.org/blog/2013/06/leaders-pack-utility-energy-efficiency>.

Leaders of the Pack: Utility Energy Efficiency Programs
Innovate, Evolve, and Expand

June 20, 2013 - 8:07am

By Seth Nowak, Senior Analyst

In the last few years, customer-funded energy efficiency programs administered by utilities and statewide public benefits organizations have been developing innovative program designs, services, and delivery methods and expanding into new markets across the country. To recognize and profile the best program practices, and share what works for outstanding electric and natural gas programs, ACEEE has conducted its third national review of leading programs and is now releasing *Leaders of the Pack: ACEEE's Third National Review of Exemplary Energy Efficiency Programs*.

ACEEE solicited nominations of exemplary programs from across the country and convened a panel of experts on utility energy efficiency programs to review and select exemplars in each of a diverse set of categories. We sought

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PSC-003 cont'd

programs with demonstrated ability to deliver direct energy savings cost-effectively through energy efficiency with high levels of customer service and satisfaction. Other characteristics we looked for were innovative features that hold the promise of significant future impacts, and how transferable we expected the program's success to be.

Overall investment in utility energy efficiency programs has approximately tripled since ACEEE's last review in 2008, when program budgets were just over \$2 billion per year, to almost \$6 billion in 2012. With the increasing role of energy efficiency within energy resource portfolios, it is especially critical for program planners, administrators, and implementers to have access to up-to-date, quality data and information about leading program designs and what gets results. The report provides descriptive profiles of all the exemplary programs, with their background, structure, performance results, and contact information for program representatives. Common trends among the leading programs include:

- Targeting market niches and sub-segments.
- Finding ways to reach previously underserved customers with new programs and approaches.
- Continuing many "tried and true" approaches to save energy cost-effectively year after year.
- Adapting and tuning offerings to maintain and grow cost-effective energy savings.
- Simplifying processes for customers to help to increase the number of program participants.
- Making financing more widespread.
- Incorporating the latest energy-efficient technologies, such as LEDs and other emerging technologies.

Award certificates were presented to some of the selected programs at the National Symposium on Market Transformation in March, and all will be recognized at the National Conference on Energy Efficiency as a Resource in Nashville, Tennessee, September 22-24, 2013.

Today's exemplary programs embody a long, rich history of innovation, hard work, and proven results. The programs that ACEEE selected in our third national review are a strong testament to the role that well-designed energy efficiency programs can play as a utility resource.

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Specific recognized features of the program are detailed by the following excerpt from NorthWestern's write-up sent to ACEEE for consideration for award as an Exemplary Program:

Program Write-Up Template for Exemplary Programs 2013

1. Program name: E+ Business Partners Program
2. Program administrator: NorthWestern Energy – (David Bausch, Senior DSM Engineer, P.E.)
3. Implementation organization: NorthWestern Energy
4. Program overview:
 - A. Customer sector(s) targeted:
 - a. Electric and natural gas commercial and small industrial customers.

End uses/measures targeted:

In general, the projects that this program promotes are site-specific and include packages of DSM measures that are relevant to the business and of interest to the business owner. A Business Partners proposal is prepared by the property owner, usually with the help of an engineering or architectural firm. This proposal may include any/all DSM measures that can be demonstrated as cost-effective. Typical measures to improve lighting, heating and cooling (HVAC) systems, refrigeration, air handling, and pumping systems. Recently popular measures include variable air volume systems, variable speed drive motors and associated control equipment, and new refrigeration cases. Typically, these package proposals include a comprehensive retrofit of the retail and warehouse lighting systems in addition to the other more specialized measures. The Business Partners proposals must include calculations of energy savings and cost-effectiveness. Complex proposals must include results of computer energy simulation using an approved software package.

New and retrofit facilities are eligible. *Available to:* Electric or natural gas commercial and industrial supply customers.

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PSC-003 cont'd

B. Services offered and delivery approach

The Business Partners program is a non-prescriptive rebate program. This program has two unique elements:

1. Outside service providers (vendors) are contracted to seek out E+ Business Partners Projects and work them to completion. NorthWestern has five of these contractors active at this time. These service providers are placed on a "Performance Contract". If these contractors do not produce successful projects, they do not get paid by NorthWestern. They receive the following levels of incentives:

- a. Project signing and customer commitment

- 11% of electric resource value, and/or
- 5.5% of the natural gas resource value

- b. Project completion, and additional payment of:

- 11% of electric resource value, and/or
- 5.5% of the natural gas resource value

2. Marketing and Outreach support for the Vendors

NorthWestern has developed a separate team of professionals whose sole purpose is finding qualified E+ Business Partners Program leads among commercial/small industrial customers and referring those leads to the contractors/vendors noted above. They have no other purpose than to tirelessly promote the E+ Business Partners Program and find and qualify leads for referral. They have no alliances, loyalties or allegiances to any program vendor or contractor. They are accountable directly to NorthWestern DSM staff.

This program offers customized incentives to unique, site-specific projects. Eligibility extends to any electric or natural gas commercial/small industrial customer of NorthWestern Energy in Montana, and will handle anything a qualified customer wants to do that provides cost-effective conservation. Cost-effectiveness must be supported by specifications and energy savings calculations that pass muster with utility engineering staff.

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PSC-003 cont'd

Projects for the Business Partners program can originate with the customer, with the implementation staff, or with NWE staff. Utility program staff will provide project scoping studies both at a customer's request and in cold calls. A proposal includes a facility description, the proposed measures, cost estimates, an economic analysis, and a project implementation schedule. The proposal is reviewed and analyzed by program implementation staff and by NWE staff. Incentives for a project are capped so as to not reduce the project's payback period to less than one and one-half years.

When utility program staff are satisfied that a proposed project meets the program requirements, they submit a rebate funding request internal to NWE based upon the project's scope, cost, and projected energy savings. Upon approval of the request by NWE management, the program staff makes an offer to the customer to fund the proposed project. If the customer agrees to the offer, a contract is drafted. The contract must be previewed by the same NWE parties who were required to approve the rebate amount and, following the customer's signature, is executed by all of those same parties. This process can take two to three months.

During the project implementation phase, program staff and implementation staff sometimes provide advisory services to the customer such as assistance in review of design or bid documents, assistance in investigating or arranging financing options, project management assistance, and assistance with project commissioning.

Upon receiving the customer's written notification of project completion, for which there is no prescribed form or format, the program staff authorize a rebate check. All Business Partners projects are verified and inspected by program staff or Customer Advocates. When Customer Advocates perform an inspection, they typically take the rebate check with them to deliver to the customer at the time of the inspection.

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Data Requests received January 17, 2014

PSC-003 cont'd

C. Description of any financial incentives provided to participants

Financial incentives to the property owner/participant (different from the vendor/contractor discussed above) are given in the form of a cash incentive, paid by check upon completion of the project and inspection by the utility or its agent. This incentive is based on the electric and/or natural gas resource value of the energy saved over the life of the measure(s). The incentive offered ranges up to approximately 50% of the avoided cost-based resource value of the project. Customers/participants are expected to contribute some of their own money to the project, and the utility also considers the simple payback faced by the customer when calculating this financial incentive. Negotiation (with guidance to the utility from the Utility Cost Test ratio) of the incentive amount also occurs to encourage customers to commit and complete their projects.

D. Background and key points in program history and evolution

NorthWestern's DSM Program staff have worked in this field for most of their careers, and they know well the difficulty of trying to directly reach those customers whose facilities or processes are both eligible for and would benefit from the program. Direct contact is best, and ongoing support and "hand-holding" is needed and most effective in getting commercial DSM done. Utility staff cannot be in the field and in the office at the same time, so an extension of their reach and presence is achieved through the design and ongoing operation of the E+ Business Partners Program.

While there is no project minimum or maximum size, not every project that qualifies for the program warrants the effort required for program participation (for example, the mere replacement of a water heater). The program seeks custom applications that, ideally, involve multiple measures or system redesign and not simply the change of a single piece of equipment.

This program was initiated in 2005 with one outside contractor who was somewhat reluctant to try the Performance Contract approach. At this time in history, utility avoided costs were somewhat higher and this enabled fairly attractive financial incentives to be paid to both contractors and customers. The first program contractor met with success in finding and completing projects, and then expressed interest in a longer term contract with NorthWestern Energy.

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PSC-003 cont'd

NorthWestern introduced more competition into the E+ Business Partners Program by finding and hiring additional vendors/contractors who began to compete with one another to find the best projects and get them completed and claim the incentive.

NorthWestern then identified a group of talented and highly motivated individuals within the ranks of its other outside service providers and assigned them to be marketing and outreach specialists for the E+ Business Partners Program. This team is paid a salary and their travel costs are fully reimbursed by NorthWestern. They make cold calls, hold training and informational sessions, and “work their turf” like seasoned sales representatives.

The mix of competition, performance-based compensation for contractors, site-specific projects, flexibility with qualifying DSM measures, customized incentives and aggressive marketing support in the E+ Business Partners Program has been successful for NorthWestern and its participating customers.

The program’s approach encourages the development of one-on-one relationships with customers and vendors, an approach that works well in a state like Montana with a small population. The greatest marketing success has come from direct outreach to folks in the industry – engineers and equipment vendors. Over time, the development of personal contacts and relationships has resulted in customers coming to the program with projects.

Why ACEEE recognized these program features is not something NorthWestern can directly declare, as NorthWestern does not presume to speak for ACEEE or its selection process or judgments regarding various candidate programs reviewed for this award. NorthWestern contacted Mr. Seth Nowak, Senior Analyst for ACEEE Utilities Programs who served as ACEEE’s administrator for ACEEE’s Third National Review of Exemplary Energy Efficiency Programs and asked him to respond to this part of this question. His response is as follows:

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Hi Bill,

The following are from the final report. You can use any part or parts of this in your response. In short, we were looking at the criteria below, and in particular considered if programs were among the best in the geographic region, and in the program category (in this case, commercial and industrial custom programs). The program profile itself, showing energy savings, positive TRC, spells out the specifics of how the program was exemplary according to the criteria.

Please let me know if you have any further questions or need anything else.

Best Regards,

Seth

The primary selection criteria for recognition by ACEEE were:

1. **Direct Energy Savings:** Demonstrated ability of the program to deliver significant immediate and long-term kWh (and/or therm) savings from energy efficiency.
2. **Market Impacts:** Demonstrated ability of the program to produce desirable and lasting improvements in the energy efficiency characteristics and performance of the targeted market.
3. **Cost Effectiveness:** Demonstrated ability to yield significant energy savings and related benefits relative to the costs of the program.
4. **Customer Service and Satisfaction:** High quality of services available and provided to customers participating in programs.
5. **Innovation:** Incorporation of particularly innovative measures, program designs, and/or implementation techniques that have achieved positive near-term results and promise significant future impacts.
6. **Transferability:** Well-documented programs with characteristics amenable to replicating the program design in other similar settings.

Additional factors that were regarded favorably by the program review panel included: success in serving "hard to reach" target populations; success in achieving deep energy savings by participants; and the ability to leverage significant customer investments in energy efficiency. ACEEE specifically sought out programs from geographically under-represented areas and from cooperative and public power utilities, and took into consideration that what constitutes an exemplary program varies based on program size, type of organization, state regulation, customer sectors and industry served, program budgets, and other factors.

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- b. The recognized program features benefit ratepayers by increasing the amount of participation in the E+ Business Partners Program. This increased participation increases the amount of cost-effective electric DSM resource acquired. Acquisition of cost-effective DSM decreases the overall cost of the electric supply resource portfolio (and subsequent costs to ratepayers) compared to what the energy supply cost otherwise would have been absent the DSM acquisition resulting from increased participation in the E+ Business Program.

- c. By comparison, the E+ Business Partners Program is based on cost-effectiveness and shares some features with other electric DSM Programs in NorthWestern's portfolio of DSM programs, including educational and informational materials, targeted program marketing to reach certain market segments or groups of customers, availability of certain prescriptive rebates for commonly applicable measures such as lighting retrofits in commercial buildings, and cash payments from NorthWestern directly to participating customers to help offset their installation costs for qualified DSM measures. NorthWestern's E+ Home Energy Audit Program is similar to the E+ Business Partners Program in providing on-site help to customers.

By contrast, the E+ Business Partners Program is unique in that it provides more flexibility for packages of DSM measures. It accommodates any and all energy efficiency and energy savings measures that can be demonstrated to be cost-effective to qualify for cash incentives. This feature of the program allows for packages or bundles of DSM measures that are specific to and customized for each commercial building and/or facility. This program is also unique in that it uses performance-based incentives to motivate contractors to aggressively identify, develop and complete E+ Business Partners projects.