

March 25, 2015

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

**Re: Docket Nos. D2013.5.33/D2014.5.46 Electric Tracker
MEIC Set 4 (044-059) Data Requests**

Dear Ms. Whitney:

Enclosed for filing is a copy of the majority of NorthWestern Energy's responses to MEIC Set 4 (044-059) Data Requests. The responses will be hand delivered to the Montana Public Service Commission and the Montana Consumer Counsel this date. The responses will be mailed to the service list in this docket, e-filed with the PSC, and emailed to counsel of record.

Per Amended Procedural Order No. 7283f, Paragraph 9, parties have 21 days to respond to "data requests that request voluminous production of documents." The following data requests meet this criterion and will be provided on April 1, 2015: MEIC-044, MEIC-050, MEIC-056 parts b and c, and MEIC-057.

Should you have questions please contact Joe Schwartzberger at (406) 497-3362.

Sincerely,

Tracy Lowney Killoy
Administrative Assistant

CERTIFICATE OF SERVICE

I hereby certify that a copy of the majority NorthWestern Energy's responses to MEIC Set 4 (044-059) Data Requests in Docket Nos. D2013.5.33/D2014.5.46 have been hand delivered to the Montana Public Service Commission and to the Montana Consumer Counsel this date. They will be e-filed on the PSC website, e-mailed to counsel of record, and served on the most recent service list by mailing a copy thereof by first class mail, postage prepaid.

Per Amended Procedural Order No. 7283f, Paragraph 9, parties have 21 days to respond to "data requests that request voluminous production of documents." The following data requests meet this criterion and will be provided on April 1, 2015: MEIC-044, MEIC-050, MEIC-056 parts b and c, and MEIC-057.

Date: March 25, 2015

A handwritten signature in blue ink that reads "Tracy Lowney Killoy". The signature is written in a cursive style and is positioned above the printed name and title.

Tracy Lowney Killoy
Administrative Assistant
Regulatory Affairs

Docket Nos.
D2013.5.33/D2014.6.46
Service List

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NorthWestern Energy
Docket D2013.5.33/D2014.5.46
Electric Tracker

Montana Environmental Information Center/Sierra Club
Set 4 (044-059)

Data Requests received March 11, 2015

MEIC-45 Subject: 2013 Unit 4 Generator Overhaul
 Witness: Mike Barnes

- a. Please state whether Northwestern Energy believes or has concluded that the Unit 4 generator event that led to Unit 4 tripping off line on July 1, 2013 was caused in part or in whole by any of the work performed during the May/June 2013 Unit 4 generator overhaul.
- b. If the answer to part a is no, please explain that answer in detail and provide all of the documents that form the basis for this belief or conclusion.
- c. If the answer to part a is no, please explain in detail why Northwestern Energy believes that Colstrip Unit 4 did not experience at any time prior to May 1, 2013 the same failure that it ultimately experienced on July 1, 2013.
- d. If the answer to part a is yes, please identify each aspect of the work performed during the May/June 2013 Unit 4 generator overhaul that Northwestern Energy believes or has concluded caused in part or in whole the event that led to the July 1, 2013 tripping and extended outage of Colstrip Unit 4 and provide the documents that form the basis for that belief or conclusion.

RESPONSE (March 25, 2015):

- a. NorthWestern Energy believes the forced outage event was caused in part or in whole by the work performed on the generator during the May/June 2013 planned overhaul.
- b. Not applicable.
- c. Not applicable.
- d. The basis of NorthWestern's belief is a conclusion identified in the Root Cause Analysis Report on PPL Montana Colstrip 4 Core Failure Event (RCA) where it states: "[t]he cause of the failure was most likely inadequate interlaminar insulation permitting shorting between laminations caused during the prior outage by rotor insertion, skid pan damage or air gap baffle installation." The RCA has been provided in response to Data Request MEIC-9.

NorthWestern Energy
Docket D2013.5.33/D2014.5.46
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Montana Environmental Information Center/Sierra Club
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Data Requests received March 11, 2015

MEIC-46 Subject: Statement Regarding Response to Unit 4 Outage
 Witness: Mike Barnes

Please refer to the updated response to MEIC-35, Attachment 1 at page 13, which states, "Pete agreed we need to review our procedures and make improvements."

- a. Please provide the full name, company affiliation, and title of Pete.
- b. Please elaborate upon the statement that "we need to review our procedures." In particular, which procedures was Pete agreeing needed to be reviewed?
- c. Please elaborate upon the statement that "we need . . . to make improvements." In particular, which improvements did Pete agree needed to be made?
- d. Please produce all documents in NorthWestern Energy's possession in which the owners and/or operator of Colstrip Unit 4 discuss the need to review procedures and/or make improvements in light of the Colstrip Unit 4 outage.

RESPONSE (March 25, 2015):

- a. Pete Simonich, Vice President & COO, PPL Montana, LLC
- b. The referenced procedures were those associated with a rotor-out inspection of a generator during an overhaul.
- c. The discussion was that procedures should be reviewed by plant personnel and if, in that review, improvements could be identified, improvements would then be made. Therefore, Pete did not agree that any particular improvements needed to be made at that time.
- d. Besides documents already produced in response to Data Request MEIC-35, NorthWestern has no additional documents responsive to this request.

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Montana Environmental Information Center/Sierra Club
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MEIC-47 Subject: Business Interruption Insurance
 Witness: Mike Barnes

Please refer to the updated response to MEIC-35, Attachment 1 at page 13, which states, "There was a discussion about Business Interruption Insurance."

- a. What was said during the discussion of Business Interruption Insurance?
- b. Please provide all documents in NorthWestern Energy's possession in which the owners and/or operator of Colstrip Unit 4 discuss the need for Business Interruption Insurance. This request is limited to documents created prior to January 23, 2014.
- c. Please state whether any of the other Colstrip owners have business interruption insurance for their shares of Colstrip Unit 4.
- d. Please state whether any of the other Colstrip owners have business interruption insurance for their shares of any of the Colstrip units.
- e. If the answer to part c or d is yes, please identify which owner and explain in detail the business interruption insurance coverage they have.
- f. Please state whether, prior to July 1, 2013, NorthWestern Energy had business interruption insurance for any of its generating units other than Colstrip Unit 4.
 1. If yes, provide copies of each such insurance policy.
- g. If the answer to either part c or part f is yes, please explain why NorthWestern Energy did not have business interruption insurance for Colstrip Unit 4 prior to July 1, 2013.

RESPONSE (March 25, 2015):

- a. I don't recall.
- b. NorthWestern has no documents responsive to this data request.
- c. To the best of my knowledge, no other Colstrip owner has business interruption insurance on their share of Colstrip Unit 4.

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MEIC-47 cont'd

- d. NorthWestern objects to part of MEIC-47 because it is not relevant and not reasonably calculated to lead to admissible evidence as it relates to information regarding Colstrip Units 1 and 2. Pursuant to Rule 26(b)(1) of the Montana Rules of Civil Procedure (“M. R. Civ. P.”), a party may only obtain discovery “relevant to any party’s claim or defense” and that “appears reasonably calculated to lead to the discovery of admissible evidence.” The Commission adopted M. R. Civ. P. 26 in its administrative rules. *See* ARM 38.2.3301. Discovery is irrelevant if it has “no bearing on [the] legitimate issues” in the docket. *Henricksen v. State*, 2004 MT 20, ¶ 44, 319 Mont. 307, 84 P.3d 38. In *Henricksen*, the Supreme Court affirmed the district court’s decision to deny the State’s discovery requests for the other party’s financial documents, school transcripts or personnel records since the issue to be decided by the court involved the party’s mental and emotional states and not a claim for lost earnings or lost earning capacity. *Id.*

Before the Commission in this docket is NorthWestern’s electricity supply tracker. As required by law, the Commission established an “electricity cost recovery mechanism” that permits NorthWestern “to fully recover prudently incurred electricity supply costs.” *See* Mont. Code Ann. § 69-8-210(1). In this matter, NorthWestern filed applications requesting permission to track certain electricity supply costs incurred during two tracker years.¹ Specifically, these are electricity supply costs incurred from July 1, 2012 to June 30, 2014. In Order No. 6925f in Docket No. D2008.6.69 (“Order”), the Commission granted NorthWestern the right to include its interest in Colstrip Unit No. 4 (“CU4”) in rate base as an electricity supply resource. Additionally, in that Order, ¶¶ 260-61, the Commission permitted NorthWestern to track costs from CU4 incurred in a tracker year. NorthWestern’s applications in this docket include requests to track the following variable costs related to CU4: fuel costs, property taxes, demand-side management lost revenues, and carrying costs. This docket also includes a request to recover certain replacement power costs resulting from an outage at CU4 that occurred in the second half of 2013.

This data request seeks information that is not relevant or reasonably calculated to lead to discovery of admissible evidence because the request seeks information about assets that NorthWestern does not own nor have an interest in. The data request, in part, asks for information about Units 1 and 2. NorthWestern only owns part of CU4.² Information

¹ The Commission consolidated NorthWestern’s 2013 Electricity Supply Tracker docket with its 2014 Electricity Supply Tracker docket. *See* Notice of Commission Action issued May 12, 2014.

² NorthWestern’s ownership interest in CU4 entitles it to 222 megawatts of generation. Pursuant to a reciprocal sharing agreement, NorthWestern receives 111 MW from CU4 and 111 MW from Colstrip Unit 3. However, NorthWestern does not own any interest in Colstrip Unit 3.

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MEIC-47 cont'd

concerning business interruption insurance at Colstrip Units 1 and 2 will not lead to the discovery of admissible evidence regarding business interruption insurance at CU4. Colstrip Units 1 and 2 are very different plants and are not good proxies for CU4.

When seeking information about Colstrip Units not involved in this docket, this data request seeks information that is beyond the scope of the docket. It would appear that the Montana Environmental Information Center and the Sierra Club (“MEIC/SC”) are attempting to expand the scope of the docket, which they are not permitted to do given their intervenor status. Over NorthWestern’s objection, the Commission granted general intervenor status to the MEIC/SC in this docket. *See* Notice of Commission Action issued August 20, 2014 (“Notice”). As a general intervenor, MEIC/SC is not permitted to expand or broaden the issues in the docket. ARM 38.2.2403 (general intervention is limited to “[a]ny person, other than the original parties to the proceeding, who shall desire to appear and participate in any proceeding before the commission, and who does not desire to *broaden the issues of the original proceeding.*”) (emphasis added). The Commission reminded the parties of this fact in the Notice: “general intervention is limited to the scope of the original proceeding by definition.” *See* Notice, p. 3.

The MEIC/SC sought general intervenor status in this docket “to demonstrate that NorthWestern Energy has not established that it prudently incurred the costs associated with Colstrip Unit 4.” MEIC/SC Petition for General Intervention, p. 3. In their Petition, they unambiguously assert that they would limit their testimony to the issue of “whether NorthWestern Energy’s costs due to the Colstrip Unit 4 outage were ‘prudently incurred.’” *Id.*, p. 5. Since this data request seeks information about Colstrip Units 1 and 2, which will not lead to discovery of admissible evidence about the outage at CU4 or the other variable costs involved in this docket, the MEIC/SC are attempting to do exactly what NorthWestern provided that they would do, and what the Commission reminded the parties is impermissible to do, in this case: broaden the issues. The Commission should not permit the MEIC/SC to broaden the issues in this docket with this data request.

Also, previously in this docket, the Commission sustained NorthWestern’s objection to data requests that sought information regarding Units 1 and 2. *See* Notice of Commission Action issued on November 26, 2014. Therefore, based on the foregoing, the Commission should sustain NorthWestern’s objection to the part of this data request that seeks information concerning Colstrip Units 1 and 2.

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MEIC-47 cont'd

Notwithstanding said objection, NorthWestern provides the following response regarding Colstrip Unit 3: To the best of my knowledge, no other Colstrip owner has business interruption insurance on Colstrip Unit 3.

- e. Not applicable.
- f. Even though this subpart is in violation of Amended Procedural Order No. 7283f, ¶ 8(c) limiting each data request to no more than five subparts, NorthWestern provides the following response: No.
- g. Even though this subpart is in violation of Amended Procedural Order No. 7283f, ¶ 8(c) limiting each data request to no more than five subparts, NorthWestern provides the following response: Not applicable.

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MEIC-48 Subject: Consultant Hired to Review Repair of Unit 4
 Witness: Mike Barnes

Please refer to Attachment 1 to the response to MEIC-6, at p 17, which states that “Colstrip has hired an independent consultant to review this repair.”

- a. Please identify the entity or entities that constitute “Colstrip” as used in this sentence.
- b. Please identify the independent consultant referred to in this sentence.
- c. Please produce all documents in NorthWestern Energy’s possession that were created by the independent consultant in his or her review of the Unit 4 repair.
- d. Please produce all communications between NorthWestern Energy and the independent consultant concerning the independent consultant’s review of the Unit 4 repair.

RESPONSE (March 25, 2015):

- a. PPL Montana, LLC as operator of the Colstrip Units 3 and 4.
- b. Ronald A. Halpern, Generator Consulting Services, Inc. – Schenectady, NY
- c. NorthWestern has no documents responsive to this request.
- d. There were no communications between NorthWestern personnel and Mr. Halpern.

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MEIC-49 Subject: Root Cause Analysis
 Witness: Mike Barnes

Please refer to the Root Cause Analysis produced in response to MEIC-9. Identify the entity or entities that paid the consulting fees and costs for the Root Cause Analysis to be produced.

RESPONSE (March 25, 2015):

The owners of Colstrip Units 3 and 4 paid for the costs of the Root Cause Analysis.

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MEIC-51 Subject: Authors of Root Cause Analysis
 Witness: Mike Barnes

Please refer to the Root Cause Analysis produced in response to MEIC-9. With respect to the study authors Ronald Halpern and Robert Ward, please produce all documents in NorthWestern Energy's possession regarding the following:

- a. Experience and qualifications of each author;
- b. Case name, case number, and jurisdiction for all public service commission or state or federal court proceedings in which either author submitted expert testimony;
- c. For each instance in which either author submitted expert testimony, please produce the public version of the expert testimony;
- d. Has Mr. Halpern or Mr. Ward ever concluded that the negligence of an owner or operator, or the contractor of an owner or operator, was a partial or sole cause of an outage?

RESPONSE (March 25, 2015):

- a. See Attachments 1 and 2.
- b. NorthWestern does not have information responsive to this request.
- c. Not applicable.
- d. At this time, NorthWestern does not know the answer to this question as there has been no direct communication with these individuals.

Ronald A. Halpern

*Generator Consulting Services, Inc.
2098 Lynnwood Drive
Schenectady, N.Y. 12309
518-393-0021
Email: Ron@gencs.com*

Experience **1998-present** **Generator Consulting Services, Inc. Schenectady, N.Y.**
President

- Provide impartial third party commercial and technical consulting on all manufacturers large power generator operation, maintenance, service, testing & inspection, failure/root cause analysis, project planning & management, specification preparation & proposal evaluation

1974-1998 General Electric-Variou assignments:

1992–1998 **GE Energy Services** **Schenectady, N.Y.**
Generator Product Line Manager

- Set strategic direction for generator business for over 10,000 GE units globally served by 60 engineers, & 300 service engineers and technicians.
- Responsible for leadership in GE's global generator parts & services business.
- Identified, generated product specifications, appropriated funding and managed annual new product development budgets and associated sales.
- Formulated GE's business wide strategy on liquid cooled generator leaks, bar abrasion and rewinds
- Mentored the GE process teams for Stators, fields, retaining rings, and uprates
- Represented GE in all customer, industry and external functions such as technical paper generation, trade shows, state of the art seminars, major technical conferences, customer meetings, trade press, press releases, insurance industry relations.
- Attended and published several papers at EPRI, CIGRE, GE SOA's, annual utility conferences, Power Gen Int'l., Latin America & Europe.
- Served as primary focus for competitive intelligence and strategy
- Evaluated and provided strategic direction for major proposals and commercial decisions
- Evaluated, reviewed and approved all major strategic and transactional headquarters pricing decisions; advised field of appropriate transactional pricing levels
- Directed commercialization efforts of new and existing products and services
- Identified and evaluated candidate organizations for acquisitions
- Project managed the BECO Pilgrim forced outage, failure investigation and

record setting rewind

- Led GE's Generator efforts on Conditioned Based Maintenance strategy
- Grew liquid cooled stator rewind business while reducing installation cycles 40% to perfect the short cycle rewind capability resulting in several world record outage cycles for fossil and nuclear rewinds.
- Led the implementation, promotion and commercialization of the highly successful Epoxy injection leak repair process.
- Led the repair and rewind new business ventures on Westinghouse, Alstom, Toshiba, Hitachi, Ansaldo and other Non-GE OEM's.

1990-1992 GE Global Service and Parts Schenectady, N.Y.

Manager Gas Turbine Generator Parts/Outage Support

- Responsible for \$280M gas turbine generator parts delivery group during period of record growth
- Interfaced with high level manufacturing and sourcing contacts to insure accurate and timely design and manufacturing.
- Identified, hired and organized a new group of 20+ people to manage conversions, modifications and uprates.
- Served as primary high level customer interface for escalation issues

1988-1990 GE Product Service Schenectady, N.Y.

Manager Contract Administration/Outage Support

- Established a new group of 6 engineers with contractual responsibility for selected, high priority, non-routine major global turbine generator projects having special requirements.
- Designed and implemented new systems to reduce costs and improve profitability.
- Maintained high visibility position with senior level management for commercial and technical reporting.

1985-1988 Generator Engineering Schenectady, N.Y.

Technical Leader Generator Rebuild and Supply Engineering

- Provided senior level HQ engineering technical support to field personnel.
- Responsible for supervision & training generator engineering personnel, field engineers, service shop, overseas business associates.
- Personally managed the advanced generator maintenance program which trained over 80 generator specialists, startup engineers, and shop personnel in a 6 year period.
- Transitioned experience from two departing senior engineers to preserve technical expertise.
- Presented training and information seminars to IEEE, utilities and at GE technical conferences
- Instituted a new warranty complaint tracking and processing system to

- expedite estimating, processing and tracking.
- Completed a project covering 25 years of stator rewinds to predict future market potential, and competitive positioning
 - Worked to effectively reduce costs for stator rewinds
 - Project managed the first major generator synchronous condenser conversion
 - Managed one of the first radial-axial-radial to diagonal flow field conversions to eliminate grounds, coil distortion and thermal sensitivity; provided direction for the first time temporary repair of a RAR field to generate new business.
 - Authored and Published several Technical information letters
 - Provided total technical management for a unique cracked shaft repair.
 - Coordinated the technology transfer of the medium generator fleet from Lynn, Ma. To Schdy.
 - Anchored a major failure investigation of an overseas nuclear unit
 - Designed and Automated a new computer driven rewind quote and ordering system
 - Led several overseas high profile failure, repair and maintenance efforts

1982-1985 Generator Engineering Schenectady, N.Y.

Technical Leader Generator Availability Engineering

- Provided senior level engineering technical support to field personnel.
- Mentored, trained and supervised less experienced office and field engineers on factory and field projects, designed several technical training courses.
- Supervised factory/manufacturing technical support for redesigns, replacement fields, retaining ring diagnostic inspections and replacements,
- Supported field ground investigations, negative sequence heating evaluations, field and stator contamination problems, rewinds and auxiliary equipment operation.
- Led the generator portion of several major GE technical conferences
- Led the technical evaluation and resolutions of unusual field thermal sensitivity vibration issues to restore several units to service
- Directed the repair of fields with unusual damage
- Provided support for manufacturing pursuit of a new field rewind business.

1978-1982 Generator Engineering Schenectady, N.Y.

Engineer Generator Availability Engineering

- Provided technical support for maintenance and installation of GE's worldwide fleet of large steam turbine generators
- Made frequent trips to job site to resolve unusual/outstanding technical problems and advise GE field personnel and customers.
- Wrote repair procedures & resolved root cause and effect of units forced out of service, responsible for field engineering and generator specialist manuals
- Made recommendations for proper operation and protection of operating units
- Made formal technical presentations to other components, customers on

state of the art maintenance activities.

- Worked with engineering design units, production and manufacturing organizations , marketing, lab
- Spearheaded the early retaining ring stress corrosion investigations and repairs to set overall policy
- Investigated early copper dust incidents and developed repair procedures.

1974-1978 Installation & Service Engineering Various locations

Installation Engineer/Field Engineer/Generator Specialist

- Responsible for field technical support for installation of 12 new 600+MW units
- Worked on the maintenance of large, medium steam, and gas turbines in the Philadelphia district
- Installed a 660 MW G3 large steam turbine in Minneapolis
- Headquarters assignment for installation of new computer system to track installations
- Graduated the Advanced Generator Maintenance Program.
- Major rebuild of several overseas generators while on loan to the international department, including turbine work.
- Tested, inspected and maintained utility and industrial Generators throughout the central U.S.

Education

- City College of New York. B.E. Mechanical Engineering
- University of Minnesota, MBA courses
- General Electric, Numerous Internal courses and programs

Publications

- Over two dozen generator technical papers

ROBERT T. WARD

733 Bar Harbor Drive
Pittsburgh, PA 15239
Home: (724) 327-7763

WARD ELECTRIC SERVICE CORPORATION

CELL: (412) 401 7406
Fax: (724) 325-5572
E-mail wescrob@aol.com

CAREER OBJECTIVE

Since retiring from Westinghouse in 1994, Mr. Ward has formed his Own Corporation and has worked part time in providing the technologies in many areas of his expertise. The assignments have been foreign and national and have ranged from manufacturing evaluations and advice, root cause analysis, technical projects, to simple inspections and tests.

EDUCATION

BS Mathematics, University of Pittsburgh 1954
Completion of 58 Engineering Credits- University Of Pittsburgh 1954-1958

EMPLOYMENT

President, Ward Electric Service Corporation, 1995 to present.

Provided engineering solutions for OEM generator problems of many kinds. Performed various consulting and inspection duties for Partial Discharge problems, coil manufacturing, stator and rotor winding and core damage. Managed several EPRI projects. Performed root cause studies Generator familiarization courses have been given to utility personnel. Jobs have included Siemens, Westinghouse, ABB, Alstom, Allis Chalmers, General Electric, Brush, English Electric; ACEC and Elliott equipment. Recent root cause studies include Sammis Unit #6, Cholla Unit #2, ElRama Unit #4, and Hunter Unit #1.

. Have written purchasing and manufacturing specifications and conducted generator-training sessions on both stators and rotors. Has supplied and presented papers to EPRI and IEEE conferences on core and winding issues.

Senior Service Engineer, Westinghouse Electric Corp., 1972 to 1995

Provided the necessary support to marketing, field engineers, and drafting to keep the Westinghouse fleet of generators available for service. Duties included redesign of generators for uprating and improved performance, maintenance recommendations and specifications to address problems related to operating conditions analysis of root causes of various service related incidents, and the preparation of procedures and processes to carry out manufacturing and maintenance programs. These included field header and cap replacements on liquid cooled generators. These procedures included the use of high frequency equipment and TIG methods of repair.

Field Service Engineer, Westinghouse Electric Corp., 1965 to 1972

Performed complete maintenance inspections, repairs, rewinding and testing of all types of electrical rotating equipment. Developed and wrote procedures for repairing,

testing, rewinding and inspecting electrical apparatus.
and core rebuilding/repair on all types of generators.

Executed field rewinds

Insulation and Coil Design Engineer, Westinghouse Electric Corp., 1949-1965
Designed all types of rotating machine coils and insulation systems. Thorough detail design was experienced on insulation systems for both generator rotors and stators. Assignments included shop manufacturing follow and providing the necessary process specs for doing the work. Product serviced included magnet design and manufacture. Total knowledge of coil manufacturing operations and requirements.

Patents and Disclosures

Holder of nine patents and 17 disclosures on generator windings and associated equipment.

Membership in Professional Societies

Institute of Electrical Engineers----Life Member
Committee member for IEEE Maintenance Guide P62 and Rewind Specification P1665
EPRI Advisor and Project Leader

NorthWestern Energy
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Electric Tracker

Montana Environmental Information Center/Sierra Club
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Data Requests received March 11, 2015

MEIC-52 Subject: NorthWestern Energy's Response to MEIC-41, Attachment 3
 Witness: Dave Fine

- a. Please provide the projected generation by month for the period July 2013 through January 2014 for Colstrip Unit 3 and Unit 4 provided in Attachment 3 to the response to MEIC-41 disaggregated by unit, not aggregated into a single figure for both units for each month.
- b. Provide in Excel readable electronic format the outputs for the years 2013 and 2014 from the modeling analysis discussed in NorthWestern Energy's Response to MEIC-41, Attachment 3.
- c. Provide the projected Colstrip Unit 4 generation by hour for the period July 1, 2013 through January 23, 2014.
- d. What forced outage rates were assumed for Colstrip Units 3 and 4 as inputs in the analysis underlying NorthWestern Energy's Response to MEIC-41, Attachment 3?

RESPONSE (March 25, 2015):

Please note that NorthWestern was obligated to destroy all information, including models, developed for the initial evaluation of the PPL Montana (PPLM) assets. As is customary when a seller enters into a Confidentiality Agreement with bidders for the potential sale of its business, Paragraph 6 of PPL's September 15, 2012 Confidentiality Agreement with NorthWestern Energy (provided as Attachment 1) required NorthWestern, as a condition of having access to PPL's confidential information, to agree to return or destroy all confidential information it obtained from PPL at any time PPL so requests. When PPL and NorthWestern did not reach an agreement for any of PPLM assets, PPLM sent a letter to NorthWestern Energy on February 11, 2013 (provided as Attachment 2) requesting NorthWestern to destroy and return to PPL all confidential information. Consequently, NorthWestern destroyed its final models with the final inputs for the January 2013 bids (Project Mustang I). Therefore, NorthWestern does not possess a majority of the information sought in this data request as Attachment 3 to Data Request MEIC-41 utilized data mostly from Project Mustang I.

Please note as well that the information provided in response to Data Request MEIC-41 and in response to part c below was generated for long-term evaluation purposes and not for shorter term asset management and decision making. Actual operation of Colstrip Unit 4 is expected to and does deviate from long-term projections, and, therefore, these long-term projections are not appropriate or relevant for purposes other than those for which they were intended.

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MEIC-52 cont'd

- a. The requested information does not exist. The source of the information provided in Attachment 3 was a model that used a single unit representing NorthWestern's ownership position at Colstrip.
- b. NorthWestern does not have information besides what has already been provided. The GENTRADER[®] model was only used as the source of Colstrip energy production estimates, and therefore, there were no other outputs that resulted from the model.
- c. With regard to the information supplied in MEIC-41 Attachment 3, hourly projections of Colstrip Units 3 & 4 associated with the Attachment 3 values are no longer available to NorthWestern for 2013 (see above explanation). Please see the "MEIC-52" folder on the attached CD for the electronic file containing the hourly projections for NorthWestern's share of Units 3 & 4 for January 2014, which is being provided from the modeling performed for Project Mustang II.
- d. The model which produced the output that is contained in MEIC-41 Attachment 3 did not incorporate forced outage rates for Colstrip Unit 4 expressed as a percentage of time that the unit would be offline due to a forced outage. Forced outages were included in the model by limiting the maximum output for NorthWestern's share (222 MW) to 202 MW. This value is equivalent to a 91% annual average capacity factor for a non-outage year.

CONFIDENTIAL

September 15, 2012

NorthWestern Corporation
3010 W. 69th Street
Sioux Falls, SD 57108

Attn:

RE: Confidentiality Agreement

Ladies and Gentlemen:

The undersigned, NorthWestern Corporation d/b/a NorthWestern Energy ("Buyer"), has expressed interest in exploring a transaction (a "Transaction") involving the possible acquisition of PPL Montana Holdings, LLC (together with its subsidiaries and certain related assets, the "Business") from one or more subsidiaries of PPL Corporation (together with its subsidiaries and affiliates, "PPL"), and in connection therewith may be provided with certain information relating to the Business. As a condition to any information being furnished to the Buyer and its Representatives (as defined below), the Buyer and PPL agree to be bound by the terms and conditions set forth in this letter agreement (this "Agreement"). The Buyer further agrees to inform each of its Representatives to whom any information subject to this Agreement is disclosed of the terms and conditions of this Agreement, and to direct each such Representative to fully observe and be bound by this Agreement to the same extent as if such Representative were a party hereto.

1. Confidential Information. As used in this Agreement, the term "Confidential Information" means all information relating to the Business (including without limitation, all such information concerning or relating to the Business's assets, liabilities, businesses, customers, or suppliers) or PPL furnished after the date hereof by or on behalf of PPL or its Representatives, or learned or obtained after the date hereof in any fashion by the Buyer in connection with visits, if any, in connection with the Transaction to facilities included in the Business (which information learned or obtained in connection with such visits shall be deemed disclosed by PPL), whether in oral, written or electronic form. "Confidential Information" shall include all information of the types described above, regardless of the manner or form in which it is furnished, learned or obtained, and includes, without limitation, all data, reports, interpretations, forecasts and records containing or otherwise reflecting any of such information, whether prepared by PPL, its Representatives or others, and any summaries, analyses or other documents created by the Buyer, PPL, any of its Representatives or others which refer to, relate to, discuss, constitute, or embody all or any portion of any of such information. Notwithstanding the foregoing, the term "Confidential Information" shall not include information that: (a) is or becomes generally available to the public other than as a result (directly or indirectly) of a disclosure or other action by the Buyer or its Representatives; (b) was (as demonstrable by written records of Buyer) in the Buyer's possession and obtained on a nonconfidential basis prior to the disclosure thereof by PPL or its Representatives; (c) becomes available to the Buyer on a nonconfidential basis from a person other than PPL or its Representatives who is not otherwise bound by any obligation of confidentiality with respect thereto; (d) has been independently developed by Buyer without the

use of the information provided by or on behalf of PPL in connection with the Transaction; or (e) is or becomes available, whether before or after the date hereof, to Buyer as part of the ordinary course of its business relationship with PPL.

2. Representatives. As used in this Agreement, the term "Representatives" means, as to any person, such person's affiliates and its and their directors, officers, managers, employees, agents, debt financing sources and advisors (including, without limitation, financial advisors, counsel, and accountants) and controlling persons. As used in this Agreement, the term "person" shall be broadly interpreted to include, without limitation, an individual, and any corporation, company, partnership, limited liability company, or other entity, organization, or association.

3. Restrictions on Use and Disclosure. Subject to Section 4 below, unless otherwise agreed to in writing by PPL, Buyer agrees for a period of three (3) years from and after the date hereof: (a) to keep all Confidential Information confidential and not to disclose or reveal any Confidential Information to any person other than Representatives of Buyer who are actively and directly participating in the evaluation of a Transaction on behalf of Buyer; (b) not to use Confidential Information for any purpose other than its evaluation of a possible Transaction; and (c) not to disclose to any person (other than those of its Representatives who are actively and directly participating in the evaluation of a Transaction on behalf of Buyer) any information relating to a possible Transaction, any proposed terms or conditions of a possible Transaction, or any other information or matters relating thereto, including, without limitation, the fact that discussions are taking place with respect thereto, the status thereof, or the fact that Confidential Information has been made available to the Buyer or its Representatives. The Buyer agrees to take all reasonable measures to restrain its Representatives from prohibited or unauthorized disclosure or use of any Confidential Information and, regardless of compliance by Buyer with the foregoing, shall be responsible and liable to PPL for any breach of the terms of this Agreement by the Buyer or any of its Representatives to the same extent as if such Representative were a party hereto.

4. Compelled Disclosure. In the event that the Buyer or any of its Representatives is legally compelled, pursuant to a subpoena, civil investigative demand, regulatory demand (including requests for information from regulators) or similar process or pursuant to applicable law, rule, regulation, stock exchange rule or disclosure requirement of the Securities and Exchange Commission (collectively, "Law"), to disclose any Confidential Information or any other information concerning the Business or a Transaction, the Buyer agrees that it shall provide PPL with prompt notice of such request or requirement, unless restricted by Law, together with the text of the proposed disclosure as far in advance of its disclosure as is reasonably practicable, and will in good faith consult with and consider the suggestions of PPL concerning the nature and scope of the information the Buyer proposes to disclose. The Buyer agrees to cooperate fully with and not to oppose any action by PPL to obtain a protective order or other appropriate remedy in order to limit such disclosure. In the event that no such protective order or other remedy is obtained, or in the event that PPL waives compliance with the terms of this Agreement, the Buyer may disclose only that part of the Confidential Information as it is advised by counsel is legally required to be disclosed, and shall use its reasonable best efforts to ensure that all Confidential Information that is so disclosed will be accorded confidential treatment. Notwithstanding the foregoing, prior notice to PPL shall not be required in the event that any Confidential Information is required to be disclosed during a routine review, meeting or inspection of any governmental authority applicable to the Buyer or any of its Representatives; provided that the Buyer or any

such Representative shall give notice to PPL as promptly as reasonably practicable after such disclosure, shall disclose only that part of the Confidential Information that Buyer reasonably believes is required to be disclosed under the circumstances, and shall use its reasonable best efforts to ensure that all Confidential Information that is so disclosed will be accorded confidential treatment.

5. Ownership. The Buyer acknowledges that the Confidential Information is and shall remain the sole and exclusive property of PPL. No right or license, by implication or otherwise, is granted by PPL as a result of this Agreement or as a result of any disclosure of Confidential Information.

6. Return or Destruction. If the Buyer determines that it does not wish to further pursue a Transaction, it will promptly advise PPL of that decision in writing. In such case, or at any other time if PPL so requests in writing, the Buyer shall, and shall cause its Representatives to: (a) promptly destroy or return to PPL all Confidential Information furnished by or on behalf of PPL; (b) promptly destroy all copies, summaries, extracts, memoranda, notes and other writings of, containing, or based upon any Confidential Information, regardless of who prepared such writings; and (c) promptly expunge all Confidential Information from all computers and other electronic or other storage devices. Neither Buyer nor any of its Representatives shall retain any copies or other reproductions in whole or in part of any such material except to the extent (y) required by Law or (z) such material exists in data form on Buyer's back-up media, provided that Buyer agrees not to, and does not, access such data for any purpose. An officer of the Buyer shall certify to PPL, in writing, that Buyer has completed compliance with this paragraph by Buyer and its Representatives within fifteen (15) days following the earlier of Buyer's notice to PPL that it does not wish to further pursue a Transaction, or PPL's request to Buyer to take the actions set forth in sections 6(a), (b), and (c). Compliance with this paragraph 6 shall not terminate or relieve Buyer or its Representatives from their obligations under this Agreement.

7. No Warranty. Buyer acknowledges that neither PPL nor any of its Representatives makes any express or implied representation or warranty as to the accuracy or completeness of any information provided to Buyer or its Representatives. Except as may be provided in the definitive written agreement with regard to any Transaction between PPL and Buyer, Buyer agrees that neither PPL nor any of PPL's Representatives shall have any liability to the Buyer or any of Buyer's Representatives relating to or arising from the use of any information by the Buyer or its Representatives or for any errors in or omissions from such information.

8. Procedures. The Buyer acknowledges that PPL may establish procedures and guidelines governing the process for the submission and evaluation of proposals with respect to a Transaction, and any other matters relating thereto (the "Procedures"). The Buyer acknowledges and agrees that (a) PPL and its Representatives are free to conduct the process leading up to a Transaction as PPL and its Representatives determine in their sole discretion (including, without limitation, by negotiating with any third party and entering into a preliminary or definitive agreement without prior notice to the Buyer or any other person); (b) PPL reserves the right, in its sole discretion, to change the Procedures at any time without prior notice to the Buyer or any other person, to reject any and all proposals made by the Buyer or any of its Representatives regarding a Transaction, and to terminate discussions and negotiations with the Buyer at any time and for any reason; and (c) neither PPL nor any of its Representatives nor any third party with whom PPL may enter into any agreement for the sale of the Business shall have any liability to

the Buyer or its Representatives arising out of or relating to such transaction. The Buyer hereby confirms that it is not acting as a broker for or Representative of any person and is considering the Transaction only for the Buyer's own account. Without the prior written consent of PPL, Buyer will not, directly or indirectly, enter into any agreement, arrangement or understanding with any person evaluating the Transaction for its own account regarding the joint submission of a proposal with respect to a Transaction.

9. Communications. Buyer acknowledges and agrees that (i) Buyer and its Representatives will not contact, directly or indirectly, any directors, officers, employees, customers, suppliers or affiliates of PPL, or any regulators or other third persons with whom PPL has a relationship, for any purpose relating to the Transaction without PPL's prior written consent and (ii) all (a) communications regarding a Transaction, (b) requests for additional information, (c) requests for facility tours or management meetings, and (d) discussions or questions regarding the Procedures will be submitted only to PPL's financial advisor, UBS Securities LLC.

10. Non-Solicitation. The Buyer agrees that, without PPL's prior written consent, it will not, and the employees of Buyer and its affiliates who are Representatives hereunder will not, for a period of two (2) years from the date hereof, directly or indirectly solicit for employment or employ (i) any employee of PPL who is based in Montana or primarily engaged in the Business, or (ii) any other employee of PPL with whom Buyer has had contact or who (or whose performance) became known to the Buyer in connection with the process contemplated by this Agreement; provided, however, that the Buyer shall not be prohibited from: (a) employing any such person who contacts the Buyer on his or her own initiative and without any direct or indirect solicitation by the Buyer; (b) conducting generalized solicitations for employees (which solicitations are not specifically targeted at PPL's employees) through the use of media advertisements, professional search firms or otherwise; or (c) if the Buyer and PPL consummate a Transaction, employing such persons connected with the Business in accordance with the terms of the definitive agreement with respect to such Transaction.

11. Securities Laws. The Buyer is aware, and will advise its Representatives who are informed of the matters that are the subject of this Agreement, of the restrictions imposed by the United States securities laws on the purchase or sale of securities by any person who has received material, non-public information from the issuer of such securities and on the communication of such information to any other person when it is reasonably foreseeable that such other person is likely to purchase or sell such securities in reliance upon such information.

12. No Implied Obligations. This Agreement binds the parties only with respect to the matters expressly set forth herein. PPL has no obligation to disclose any information to Buyer or its Representatives. Neither party is bound or committed to negotiate or consummate a Transaction unless and until a definitive agreement regarding such Transaction has been executed and delivered on behalf of both parties by their duly authorized officers, in which case the obligations of the parties to consummate such Transaction and to negotiate any matters in connection therewith shall be subject to, and governed solely by, the terms and conditions of such definitive agreement. For purposes hereof, the term "definitive agreement" does not include an executed letter of intent or any other preliminary written agreement, nor does it include any written or oral acceptance of an offer or bid on the Buyer's part.

13. Non-Exclusive Remedies. It is understood and agreed that the Confidential Information is special, unique and of extraordinary character, and that PPL may be irreparably harmed by a breach of this Agreement. In the event that the Buyer or its Representatives shall have knowledge of any breach of this agreement, Buyer shall promptly give notice thereof to PPL. Without prejudice to the rights and remedies otherwise available to PPL, the Buyer agrees that PPL shall be entitled to seek equitable relief by way of injunction or otherwise if the Buyer or any of its Representatives breaches or threatens to breach any of the provisions of this agreement. The Buyer further agrees to waive, and to use its reasonable best efforts to cause its Representatives to waive, any requirement for the securing or posting of any bond in connection with such relief. The Buyer also agrees to indemnify and hold PPL harmless from any damages, losses, costs or liabilities (including, without limitation, reasonable legal fees or other costs of enforcing this indemnity) arising out of or resulting from any unauthorized use or disclosure by the Buyer or its Representatives of any Confidential Information or other violation of the terms of this Agreement.

14. Restrictions on Agreements. The Buyer shall not enter into any agreement, arrangement or other understanding, whether written or oral, or discussions which might lead to such agreement, arrangement or understanding, with any potential debt financing source or sources which may reasonably be expected to limit, restrict, restrain, or otherwise impair in any manner, directly or indirectly, the ability of such debt financing source or sources to provide financing or other assistance to any other party in any transaction involving a potential purchase of the Business.

15. No Contest. In consideration of the collective benefit to all persons participating in the sale process of finality in the process and of PPL providing Buyer with access to the Confidential Information pursuant to this Agreement, the sufficiency of which consideration is hereby acknowledged, Buyer further agrees (i) not to object in any regulatory proceedings seeking authorization relating to any sale of the Business by PPL and (ii) not to seek from any regulatory agency or any court in any proceeding related to the sale of the Business by PPL any order, judgment or decree that Buyer's bid was the "highest" or "best" bid, that Buyer is or should be chosen as the successful bidder in the process, that PPL erred in its evaluation of the price, terms or conditions of Buyer's bid or any bid of any other person participating in the process as compared to the chosen successful bidder's bid (if there be one), or that PPL otherwise exercised its discretion in connection with this process in an inappropriate manner. Notwithstanding the foregoing, under no circumstances shall Buyer be restricted, in any capacity, from participating in any regulatory, court or other proceedings concerning any sale of the Business by PPL for the sole purpose of protecting, preserving or otherwise maintaining its contractual rights and obligations, duties to customers, and other interests related to the Business.

16. Assignment. The Buyer agrees that the rights and remedies of PPL under this Agreement shall inure to the benefit of, and shall be separately enforceable by, PPL, its affiliates, and its and their respective successors and assigns, including but not limited to any and each successor owner of any of the Confidential Information. The Buyer shall not assign this Agreement without the prior written consent of PPL except that, without such consent, Buyer shall cause its obligations under this Agreement to be assumed, either in writing or by operation of law, by any successor (by merger, sale of assets, or otherwise) to the business of Buyer or of any portion thereof to which any of the Confidential Information has been disclosed. No

assignment of this Agreement or of any rights or obligations hereunder shall relieve the Buyer of any of its obligations hereunder.

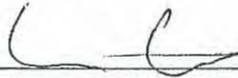
17. Governing Law; Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of New York. PPL and the Buyer hereby irrevocably and unconditionally consent to submit to the nonexclusive jurisdiction of the courts of the Southern District of New York and of the United States of America located in the Southern District of New York with respect to any actions, suits or proceedings arising out of or relating to this agreement and the transactions contemplated hereby, and further agree that service of any process, summons, notice or document by U.S. registered mail to the respective addresses set forth on the first page of this agreement shall be effective service of process for any action, suit or proceeding brought against the parties in any such court. PPL and the Buyer hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this agreement or the transactions contemplated hereby, in the courts of the Southern District of New York and of the United States of America located in the Southern District of New York, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT.

18. Miscellaneous. This Agreement contains the entire agreement between PPL and the Buyer concerning the subject matter hereof, and no modification of this Agreement or waiver of any terms hereof shall be binding upon PPL or the Buyer, unless approved in writing by both of the parties hereto. No failure or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder. If any provision of this Agreement shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid or unenforceable, such judgment shall not affect, impair or invalidate the remainder of this Agreement but shall be confined in its operation to the provision of this Agreement directly involved in the controversy in which such judgment shall have been rendered. This Agreement may be executed in counterparts and by original or facsimile signatures, each of which shall be an original, but all of which together shall constitute one and the same agreement.

[Signatures on following page]

Please confirm your agreement with the foregoing by signing and returning to the undersigned the duplicate copy of this Agreement enclosed herewith.

PPL CORPORATION

By:  _____

Name: Paul A. Farr

Title: Executive Vice President and
Chief Financial Officer

Accepted and Agreed
as of the date set forth above:

NorthWestern Corporation

By: _____

Name: _____

Title: _____

Please confirm your agreement with the foregoing by signing and returning to the undersigned the duplicate copy of this Agreement enclosed herewith.

PPL CORPORATION

By: _____

Name: _____

Title: _____

Accepted and Agreed
as of the date set forth above:

NorthWestern Corporation

By:  _____
Name: Brian Bil
Title: VP - CFO

Paul Farr
Executive Vice President
and Chief Financial Officer
Tel. 610.774.2426 Fax 610.774.7016
E-mail: pfarr@pplweb.com

PPL Corporation
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5151
http://www.pplweb.com



CONFIDENTIAL

February 11, 2013

NorthWestern Corporation
3010 W. 69th Street
Sioux Falls, SD 57108

Attn: Brian Bird
Vice President and Chief Financial Officer

Re: Confidentiality Agreement – Return or Destruction of Confidential
Information

Ladies and Gentlemen:

Reference is made to that certain letter agreement dated September 15, 2012 (the "Confidentiality Agreement") between PPL Corporation ("PPL") and NorthWestern Corporation ("NorthWestern"). Any capitalized term used and not defined herein shall have the meaning given such term in the Confidentiality Agreement.

In accordance with Section 6 of the Confidentiality Agreement, PPL hereby requests that NorthWestern (i) destroy or return to PPL all Confidential Information as provided therein (and cause its Representatives to do the same), and (ii) certify compliance with such provision no later than 15 days following delivery of this letter.

Very truly yours,

Paul A. Farr

NorthWestern Energy
Docket D2013.5.33/D2014.5.46
Electric Tracker

Montana Environmental Information Center/Sierra Club
Set 4 (044-059)

Data Requests received March 11, 2015

MEIC-53 Subject: NorthWestern Energy's Response to MEIC-9
 Witness: Mike Barnes

Please show precisely each instance where the root cause assessment provided in response to MEIC-9 discusses the question of whether the May/June 2013 Colstrip Unit 4 generator overhaul caused or contributed to the event that led to the Colstrip Unit 4 outage.

RESPONSE (March 25, 2015):

NorthWestern has reviewed the report, and the instances referred to in the question include, but may not be limited to, the following:

Page 1, second and third paragraph of Section 1.1 Executive Summary;

Page 31, Section 4.1;

Pages 38 and 39, Section 4.3; and

Page 41, Section 5 Discussions & Conclusions, third paragraph.

NorthWestern Energy
Docket D2013.5.33/D2014.5.46
Electric Tracker

Montana Environmental Information Center/Sierra Club
Set 4 (044-059)

Data Requests received March 11, 2015

MEIC-54 Subject: Northwestern Energy's Response to MEIC-5
 Witness: Kevin Markovich

Please refer to NorthWestern Energy's Response to MEIC-5.

- a. Please provide in Excel readable electronic format (with all cells and links active) the calculations and workpapers used to develop the "Actual monthly spot purchase prices" used in each of the three attachments to this response.
- b. Please provide Attachments 1 through 3 in electronic Excel readable format with all cells and links active.

RESPONSE (March 25, 2015):

- a. See the MEIC-54a file in the "MEIC-54" folder on the CD attached to Data Request MEIC-52 for the source data for "Actual monthly spot purchase prices" for Attachments 1 and 3 provided in response to Data Request MEIC-5. The source data for "Actual monthly spot purchase prices" for MEIC-5 Attachment 2 was page 5 of Exhibit __ (FVB-1)13-14 accompanying the Prefiled Direct Testimony of Frank V. Bennett in Docket No. D2014.5.46. The electronic version of that exhibit was provided in response to Data Request MCC-076.
- b. See MEIC-54b file, the electronic versions of MEIC-5 Attachments 1 through 3, in the "MEIC-54" folder on the CD attached to Data Request MEIC-52.

NorthWestern Energy
Docket D2013.5.33/D2014.5.46
Electric Tracker

Montana Environmental Information Center/Sierra Club
Set 4 (044-059)

Data Requests received March 11, 2015

MEIC-55 Subject: NorthWestern Energy's Response to MEIC-35
Witness: Mike Barnes

Provide copies of the original 2013 and 2014 Colstrip Unit 4 operating plans and all revisions thereto.

RESPONSE (March 25, 2015):

After seeking clarification from the Montana Environmental Information Center/Sierra Club regarding what they were seeking in response to this data request, it was agreed that the following response would be acceptable: The Annual Operating Plan referenced in the response to Data Request MEIC-35 relates to the Western Energy Company mine and is not related to the operation of Colstrip Unit 4.

NorthWestern Energy
Docket D2013.5.33/D2014.5.46
Electric Tracker

Montana Environmental Information Center/Sierra Club
Set 4 (044-059)

Data Requests received March 11, 2015

MEIC-56 Subject: NorthWestern Energy's Response to MEIC-35, Attachment 1
 Witness: Mike Barnes

Please refer to NorthWestern Energy's Response to MEIC-35, Attachment 1:

- a. Provide the conclusive root cause assessment that PGE needed, according to statements made on page 13.
- b. Provide copies of any correspondence between NorthWestern Energy, its office or employees and any other Colstrip Unit 4 owner(s) that addressed the root cause of the July 1, 2013 Unit 4 generator event.
- c. Provide copies of any correspondence between NorthWestern Energy, its office or employees and Siemens that addressed the root cause of the July 1, 2013 Unit 4 generator event.

RESPONSE (March 25, 2015):

- a. NorthWestern is not in possession of, nor is NorthWestern aware of, any conclusive Root Cause assessment completed for PGE or by PGE.

NorthWestern Energy
Docket D2013.5.33/D2014.5.46
Electric Tracker

Montana Environmental Information Center/Sierra Club
Set 4 (044-059)

Data Requests received March 11, 2015

MEIC-58 Subject: NorthWestern Energy's Response to MEIC-3
 Witness: Mike Barnes

- a. Specify the month by month costs of furloughing Colstrip employees during the Colstrip Unit 4 outage.
- b. Specify whether part or all of the cost of this furloughing was covered by the insurance from FM Global.
- c. If only part of the cost of furloughing Colstrip employees was covered by the insurance from FM Global, specify how much of this cost NorthWestern Energy has paid or will have to pay.
- d. Provide copies of any reports or other correspondence from FM Global concerning the root cause of or the costs of the Colstrip Unit 4 outage.

RESPONSE (March 25, 2015):

- a. The result of the furlough was a cost savings over keeping the employees on site. These employees were considered surplus employees during the outage, but were needed once the unit was back in service. The Collective Bargaining agreement with the union allowed for a furlough to be initiated for up to 90 days. The furlough arrangement in the Collective Bargaining agreement allowed for what amounts to an unpaid involuntary leave; they did not earn wages during the furlough, but maintained their benefits.
- b. See the response to part a, above.
- c. See the response to part a, above.
- d. See the response to part a, above.

NorthWestern Energy
Docket D2013.5.33/D2014.5.46
Electric Tracker

Montana Environmental Information Center/Sierra Club
Set 4 (044-059)

Data Requests received March 11, 2015

MEIC-59 Subject: Replacement Power from Colstrip Unit 3
 Witness: Mike Barnes/Kevin Markovich

Provide the hour-by-hour costs paid by NorthWestern Energy for the replacement power it obtained from Colstrip Unit 3 during the Colstrip Unit 4 outage.

RESPONSE (March 25, 2015):

Mike Barnes response: The power received from Unit 3 by NorthWestern under the reciprocal sharing agreement during the Colstrip 4 outage (or at any other time under the reciprocal sharing agreement) is not replacement power. Under that agreement, NorthWestern is entitled to 111MWh/hr from each plant when operating at full capacity, essentially a 15% share of the output of each. If one or both is either de-rated or off-line for some reason, NorthWestern is entitled to a 15% of each unit's capacity.

Kevin Markovich response: Colstrip Unit 3 did not provide any replacement power during the Colstrip Unit 4 outage. The power from Colstrip Unit 3 was planned, forecasted, and part of the expected supply from NorthWestern's supply portfolio before and after the Colstrip Unit 4 outage. See the response to Data Requests MEIC-5 and MCC-025 in this docket for replacement power cost estimates during the Colstrip Unit 4 outage.