

Service Date: August 30, 2016

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

IN THE MATTER OF NorthWestern ) REGULATORY DIVISION  
Energy's 2012-2013 Electricity Supply )  
Tracker ) DOCKET NO. D2013.5.33  
)  
IN THE MATTER OF NorthWestern ) DOCKET NO. D2014.5.46  
Energy's 2013-2014 Electricity Supply )  
Tracker )

**NOTICE OF COMMISSION ACTION**

NorthWestern Corporation, doing business as NorthWestern Energy (NorthWestern), filed its 2012-2013 Electricity Supply Tracker on May 31, 2013 with the Montana Public Service Commission ("Commission"). The Commission issued *Interim Order 7283* on June 18, 2013 and granted intervention to the Montana Consumer Counsel ("MCC"), Natural Resources Defense Council and Human Resource Council District XI on August 2, 2013. NorthWestern filed its 2013-2014 Electricity Supply Tracker on May 29, 2014. *See* Notice of Commn. Action, Dkt. D2013.5.33 (May 12, 2014) (consolidating the trackers). The Commission issued a *Notice of Application and Intervention Deadline* on May 31, and *Interim Order 7283a* on June 17, 2014. On August 19, 2014, the Commission granted general intervention to the Montana Environmental Information Center and Sierra Club ("MEIC"). On October 22, 2014, the Commission issued *Procedural Order 7283b* for the consolidated trackers. On February 27, 2015, the Commission issued *Amended Procedural Order 7283f*. On September 15, 2015, the Commission issued a *Notice of Public Hearing*. A public hearing was held in Helena on October 6-7, 2015.

On May 13, 2016, the Commission issued Final Order No. 7283h (Order) involving NorthWestern's 2012-2014 electricity supply trackers. In the Order, the Commission denied recovery of \$8,243,000 for incremental costs of replacement power during the CU4 outage. The Commission also ordered NorthWestern to refund administrative modeling costs in the amount

of \$282,527. The Commission found that the remainder of the electricity supply costs were prudently incurred.

On May 23, 2016, NorthWestern filed a Motion for Reconsideration of Order No. 7283h (Motion). NorthWestern made several arguments that portions of the Order must be reconsidered. On May 31, 2016, the MEIC filed a Motion for Leave to File Response to NorthWestern's Motion. On June 2, 2016, a Notice of Staff Action was issued extending the deadline for the Commission to reconsider its decision.

On June 7, 2016, the Commission granted intervenors the right to file responses by June 10, 2016 to NorthWestern's Motion and permitted NorthWestern to file a reply by June 24, 2016. The MCC filed comments in response to NorthWestern's Motion on June 10, 2016. The MCC limited its comments to urging the Commission to not grant reconsideration of the Order. The MCC argued that NorthWestern did not bring up any new arguments. The MEIC filed its response on June 10, 2016 also recommending that the Commission not reconsider the Order and provided analysis on why the order should not be reconsidered. NorthWestern submitted its reply brief on June 24, 2016 arguing that the Commission should reconsider portions of its Order. The Commission reviewed NorthWestern's Motion for Reconsideration, the intervenors' responses, and NorthWestern's reply.

On August 16, 2016, at a regularly-scheduled work session, the Commission denied NorthWestern's Motion for Reconsideration of Order No. 7283h.

BY THE MONTANA PUBLIC SERVICE COMMISSION

BRAD JOHNSON, Chairman  
TRAVIS KAVULLA, Vice Chairman  
KIRK BUSHMAN, Commissioner  
ROGER KOOPMAN, Commissioner  
BOB LAKE, Commissioner