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NORTHWESTERN ENERGY TO REFUND CUSTOMERS \$8.1 MILLION

Commission greenlights plan to credit customers for revenue from NorthWestern's transmission rates, pending final approval.

HELENA, Montana — NorthWestern Energy will begin refunding its electric customers in Montana \$8.1 million as a result of a recent settlement concerning the price of transmitting power over NorthWestern's system.

The Montana Public Service Commission's final order in NorthWestern's 2019 electric rate case required NorthWestern to credit its customers for revenue it collects from other energy companies who use NorthWestern's system to transmit energy used in interstate commerce. The prices those energy companies pay NorthWestern for transmission service are set by the Federal Energy Regulatory Commission.

On January 29, 2021, FERC approved a settlement that will update the prices of NorthWestern's transmission services. The settlement will raise NorthWestern's customer credit for transmission revenue from \$54.9 million to \$60.9 million. This results in a \$6 million rate reduction for customers. The Commission's final order from the 2019 electric rate case also requires NorthWestern to refund customers \$8.1 million for the period July 1, 2019, through March 31, 2021.

Today, the Commission approved on an interim basis NorthWestern's plan to comply with the Commission's final order. The \$8.1 million will be refunded to customers over a one-year period. Additionally, retail customer transmission rates will decrease by \$3.5 million annually, and retail customer generation supply rates will decrease by \$2.4 million annually. The rate reduction and refund will be effective April 1, 2021.

The Commission and the Montana Consumer Counsel, which represents the interest of ratepayers in Commission proceedings, will continue to evaluate NorthWestern's refund

proposal. If the Commission determines that the total refund and the plan for crediting customers is just and reasonable, it will issue a final order in the coming months.

The Commission regulates private investor-owned natural gas, electric, telephone, water, and sewer companies, certain motor carriers, and oversees natural gas pipeline safety and railroad safety within Montana. The Commission works to ensure that Montanans receive safe and reliable service from regulated public utilities and that the utilities charge fair prices. For more information, visit psc.mt.gov or contact the Commission at 1-800-646-6150. Follow the Commission at Twitter.com/@MT_PSC or visit Facebook.com/MontanaPSC.

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