

THIS FILING IS

Item 1: ☒ An Initial (Original)  
Submission

OR ☐ Resubmission No. \_\_\_\_

Form 1 Approved  
OMB No.1902-0021  
(Expires 12/31/2019)  
Form 1-F Approved  
OMB No.1902-0029  
(Expires 12/31/2019)  
Form 3-Q Approved  
OMB No.1902-0205  
(Expires 12/31/2019)



# FERC FINANCIAL REPORT

## FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)

NorthWestern Corporation

Year/Period of Report

End of 2018/Q2

**FERC FORM NO. 1/3-Q:  
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION		
01 Exact Legal Name of Respondent NorthWestern Corporation		02 Year/Period of Report End of <u>2018/Q2</u>
03 Previous Name and Date of Change (if name changed during year)  / /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 3010 West 69th Street, Sioux Falls, SD 57108		
05 Name of Contact Person Elaine A. Vesco		06 Title of Contact Person Assistant Controller
07 Address of Contact Person (Street, City, State, Zip Code) 11 East Park Street, Butte, MT 59701		
08 Telephone of Contact Person, Including Area Code (406) 497-2759	09 This Report Is (1) <input checked="" type="checkbox"/> An Original      (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 06/30/2018

**QUARTERLY CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

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01 Name Crystal D. Lail	03 Signature  Crystal D. Lail	04 Date Signed (Mo, Da, Yr) 08/03/2018
02 Title VP and Controller		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
LIST OF SCHEDULES (Electric Utility)				
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".				
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
1	Important Changes During the Quarter	108-109		
2	Comparative Balance Sheet	110-113		
3	Statement of Income for the Quarter	114-117		
4	Statement of Retained Earnings for the Quarter	118-119		
5	Statement of Cash Flows	120-121		
6	Notes to Financial Statements	122-123		
7	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122 (a)(b)		
8	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201		
9	Electric Plant In Service and Accum Provision For Depr by Function	208		
10	Transmission Service and Generation Interconnection Study Costs	231		
11	Other Regulatory Assets	232		
12	Other Regulatory Liabilities	278		
13	Elec Operating Revenues (Individual Schedule Lines 300-301)	300-301		
14	Regional Transmission Service Revenues (Account 457.1)	302	Not Applicable	
15	Electric Prod, Other Power Supply Exp, Trans and Distrib Exp	324a-324b		
16	Electric Customer Accts, Service, Sales, Admin and General Expenses	325		
17	Transmission of Electricity for Others	328-330		
18	Transmission of Electricity by ISO/RTOs	331	Not Applicable	
19	Transmission of Electricity by Others	332		
20	Deprec, Depl and Amort of Elec Plant (403,403.1,404,and 405) (except A	338		
21	Amounts Included in ISO/RTO Settlement Statements	397		
22	Monthly Peak Loads and Energy Output	399		
23	Monthly Transmission System Peak Load	400		
24	Monthly ISO/RTO Transmission System Peak Load	400a		

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IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK  
SEE PAGE 109 FOR REQUIRED INFORMATION.



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
NorthWestern Corporation			
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None
2. None
3. See Note 3, "Acquisition", FERC Docket Number EC18-71-000.
4. None
5. None
6. See Note 10, "Financing Activities", FERC Docket Number ES16-18-000 and Montana Public Service Commission Docket Number D2015.12.97.
7. None
8. None
9. See Note 12, "Commitments and Contingencies".
10. None
- 11.(Reserved)
12. None
13. None
14. NA

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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	6,073,057,315	6,010,971,115
3	Construction Work in Progress (107)	200-201	121,627,682	61,848,139
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		6,194,684,997	6,072,819,254
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	2,248,582,136	2,174,435,523
6	Net Utility Plant (Enter Total of line 4 less 5)		3,946,102,861	3,898,383,731
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		3,946,102,861	3,898,383,731
15	Utility Plant Adjustments (116)		357,585,527	357,585,527
16	Gas Stored Underground - Noncurrent (117)		32,130,795	32,121,152
<b>17</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
18	Nonutility Property (121)		686,805	686,805
19	(Less) Accum. Prov. for Depr. and Amort. (122)		47,652	47,652
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	21,408,586	21,376,363
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		47,070,776	46,794,567
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		250,000	250,000
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		69,368,515	69,060,083
<b>33</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		5,106,450	7,357,801
36	Special Deposits (132-134)		5,500,751	1,670,617
37	Working Fund (135)		23,200	23,575
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		64,934,461	78,422,397
41	Other Accounts Receivable (143)		9,328,919	18,748,331
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		2,320,257	2,859,950
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		155,763	430,318
45	Fuel Stock (151)	227	6,926,763	8,051,234
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	35,522,513	34,228,011
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground - Current (164.1)		3,552,035	9,458,237
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		14,230,963	11,099,817
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		132,519	105,516
61	Accrued Utility Revenues (173)		58,025,785	89,068,915
62	Miscellaneous Current and Accrued Assets (174)		63,282	638,932
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		201,183,147	256,443,751
68	<b>DEFERRED DEBITS</b>			
69	Unamortized Debt Expenses (181)		12,810,397	13,221,232
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	369,561,907	346,406,644
73	Prelim. Survey and Investigation Charges (Electric) (183)		0	0
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		779	1,452
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	2,700,009	2,714,455
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		35,575,059	37,090,302
82	Accumulated Deferred Income Taxes (190)	234	127,384,721	172,190,531
83	Unrecovered Purchased Gas Costs (191)		2,863,792	12,581,232
84	Total Deferred Debits (lines 69 through 83)		550,896,664	584,205,848
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		5,157,267,509	5,197,800,092

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
1	PROPRIETARY CAPITAL				
2	Common Stock Issued (201)	250-251	538,894	529,812	
3	Preferred Stock Issued (204)	250-251	0	0	
4	Capital Stock Subscribed (202, 205)		0	0	
5	Stock Liability for Conversion (203, 206)		0	0	
6	Premium on Capital Stock (207)		0	0	
7	Other Paid-In Capital (208-211)	253	1,494,940,000	1,445,181,120	
8	Installments Received on Capital Stock (212)	252	0	0	
9	(Less) Discount on Capital Stock (213)	254	0	0	
10	(Less) Capital Stock Expense (214)	254b	0	0	
11	Retained Earnings (215, 215.1, 216)	118-119	506,542,225	456,208,913	
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	1,985,922	2,143,146	
13	(Less) Reaquired Capital Stock (217)	250-251	95,767,695	96,376,075	
14	Noncorporate Proprietorship (Non-major only) (218)		0	0	
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-10,507,876	-8,772,079	
16	Total Proprietary Capital (lines 2 through 15)		1,897,731,470	1,798,914,837	
17	LONG-TERM DEBT				
18	Bonds (221)	256-257	1,779,660,000	1,779,660,000	
19	(Less) Reaquired Bonds (222)	256-257	0	0	
20	Advances from Associated Companies (223)	256-257	0	0	
21	Other Long-Term Debt (224)	256-257	242,976,900	26,976,900	
22	Unamortized Premium on Long-Term Debt (225)		0	0	
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0	
24	Total Long-Term Debt (lines 18 through 23)		2,022,636,900	1,806,636,900	
25	OTHER NONCURRENT LIABILITIES				
26	Obligations Under Capital Leases - Noncurrent (227)		21,107,299	22,213,443	
27	Accumulated Provision for Property Insurance (228.1)		0	0	
28	Accumulated Provision for Injuries and Damages (228.2)		6,834,652	5,360,150	
29	Accumulated Provision for Pensions and Benefits (228.3)		10,110,083	11,339,112	
30	Accumulated Miscellaneous Operating Provisions (228.4)		136,946,693	162,739,851	
31	Accumulated Provision for Rate Refunds (229)		2,787,981	1,607,624	
32	Long-Term Portion of Derivative Instrument Liabilities		0	0	
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0	
34	Asset Retirement Obligations (230)		39,999,215	39,285,823	
35	Total Other Noncurrent Liabilities (lines 26 through 34)		217,785,923	242,546,003	
36	CURRENT AND ACCRUED LIABILITIES				
37	Notes Payable (231)		0	319,555,991	
38	Accounts Payable (232)		63,289,633	92,462,564	
39	Notes Payable to Associated Companies (233)		0	0	
40	Accounts Payable to Associated Companies (234)		5,519,413	5,307,027	
41	Customer Deposits (235)		6,562,720	5,978,744	
42	Taxes Accrued (236)	262-263	85,213,019	82,521,301	
43	Interest Accrued (237)		16,750,724	16,356,048	
44	Dividends Declared (238)		0	0	
45	Matured Long-Term Debt (239)		0	0	

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**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)** (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		1,008,897	1,476,279
48	Miscellaneous Current and Accrued Liabilities (242)		50,120,501	52,551,978
49	Obligations Under Capital Leases-Current (243)		2,212,304	2,132,733
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		230,677,211	578,342,665
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		48,555,029	45,376,055
57	Accumulated Deferred Investment Tax Credits (255)	266-267	304,989	326,197
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	191,947,941	170,225,442
60	Other Regulatory Liabilities (254)	278	34,259,229	22,002,745
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		358,838,948	356,946,828
64	Accum. Deferred Income Taxes-Other (283)		154,529,869	176,482,420
65	Total Deferred Credits (lines 56 through 64)		788,436,005	771,359,687
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		5,157,267,509	5,197,800,092



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**STATEMENT OF INCOME**

**Quarterly**

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

**Annual or Quarterly if applicable**

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	627,933,216	633,947,377	267,531,183	264,452,975
3	Operating Expenses					
4	Operation Expenses (401)	320-323	273,298,909	307,812,496	101,839,350	126,717,179
5	Maintenance Expenses (402)	320-323	25,781,430	29,230,488	13,262,762	15,003,305
6	Depreciation Expense (403)	336-337	77,205,847	73,318,908	38,506,926	36,655,589
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337	6,351,606	5,977,031	3,165,145	3,009,149
9	Amort. of Utility Plant Acq. Adj. (406)	336-337	3,513,138	3,513,138	1,756,569	1,756,568
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)		4,208,995	8,749,792	1,385,516	2,711,879
13	(Less) Regulatory Credits (407.4)		7,087,784	9,900,208	8,388,830	7,930,656
14	Taxes Other Than Income Taxes (408.1)	262-263	90,414,930	84,241,703	45,077,848	41,565,973
15	Income Taxes - Federal (409.1)	262-263	-7,136,773	-5,579,330	-3,117,141	-4,237,832
16	- Other (409.1)	262-263				-560,459
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	71,420,159	96,618,314	30,645,222	43,545,866
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	61,757,351	83,924,785	26,242,277	38,148,971
19	Investment Tax Credit Adj. - Net (411.4)	266	-21,208	-57,228	-9,254	-15,350
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)		5	5	5	5
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		476,191,893	510,000,314	197,881,831	220,072,235
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		151,741,323	123,947,063	69,649,352	44,380,740

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018		Year/Period of Report End of 2018/Q2	
STATEMENT OF INCOME FOR THE YEAR (Continued)							
<p>9. Use page 122 for important notes regarding the statement of income for any account thereof.</p> <p>10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.</p> <p>11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.</p> <p>12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.</p> <p>13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.</p> <p>14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.</p> <p>15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.</p>							
ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY			
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	Line No.	
						1	
465,768,943	477,436,897	161,687,804	156,104,643	476,469	405,837	2	
						3	
184,300,939	222,115,290	88,654,248	85,408,348	343,722	288,858	4	
21,995,467	25,069,975	3,769,177	4,139,821	16,786	20,692	5	
65,316,733	61,617,593	11,868,800	11,681,001	20,314	20,314	6	
						7	
3,038,726	2,626,763	3,312,880	3,350,268			8	
3,936,390	3,929,629	-423,252	-416,491			9	
						10	
						11	
2,123,571	5,032,964	2,085,424	3,716,828			12	
10,163,169	10,634,805	-3,075,385	-734,597			13	
70,659,787	65,494,683	19,723,647	18,714,910	31,496	32,110	14	
-7,136,773	-5,579,330					15	
						16	
53,236,473	70,569,060	18,166,847	26,031,026	16,839	18,228	17	
46,169,909	64,805,862	15,587,442	19,118,923			18	
-16,598	-47,793	-4,610	-9,435			19	
						20	
						21	
5	5					22	
						23	
						24	
341,121,632	375,388,162	134,641,104	134,231,950	429,157	380,202	25	
124,647,311	102,048,735	27,046,700	21,872,693	47,312	25,635	26	



Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018		Year/Period of Report End of 2018/Q2	
STATEMENT OF INCOME FOR THE YEAR (continued)							
Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)	
			Current Year (c)	Previous Year (d)			
27	Net Utility Operating Income (Carried forward from page 114)		151,741,323	123,947,063	69,649,352	44,380,740	
28	Other Income and Deductions						
29	Other Income						
30	Nonutility Operating Income						
31	Revenues From Merchandising, Jobbing and Contract Work (415)		663,273	552,062	346,565	257,439	
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		73,098	74,675	33,351	38,865	
33	Revenues From Nonutility Operations (417)		2,834	4,310	1,347	2,162	
34	(Less) Expenses of Nonutility Operations (417.1)		549,554	462,890	264,826	243,458	
35	Nonoperating Rental Income (418)						
36	Equity in Earnings of Subsidiary Companies (418.1)	119	-157,224	78,894	-153,923	-14,579	
37	Interest and Dividend Income (419)		8,993	4,751	5,853	2,090	
38	Allowance for Other Funds Used During Construction (419.1)		1,530,308	2,253,348	912,246	1,280,459	
39	Miscellaneous Nonoperating Income (421)		-766,214	1,271,174	1,042,607	779,357	
40	Gain on Disposition of Property (421.1)						
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		659,318	3,626,974	1,856,518	2,024,605	
42	Other Income Deductions						
43	Loss on Disposition of Property (421.2)						
44	Miscellaneous Amortization (425)						
45	Donations (426.1)		524,350	539,522	277,477	282,833	
46	Life Insurance (426.2)						
47	Penalties (426.3)		1,174,647	5,000	1,165,853		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		51,815	36,098	18,654	9,403	
49	Other Deductions (426.5)		-293,735	1,549,366	1,259,327	851,261	
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		1,457,077	2,129,986	2,721,311	1,143,497	
51	Taxes Applicable to Other Income and Deductions						
52	Taxes Other Than Income Taxes (408.2)	262-263	28,157	25,022	12,369	11,598	
53	Income Taxes-Federal (409.2)	262-263	5,986,002	5,872,581	3,477,961	4,347,125	
54	Income Taxes-Other (409.2)	262-263	550,350	344,508	-466,984	-81,246	
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	11,968,384	29,294,467	8,725,868	4,571,651	
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	16,620,292	35,658,416	10,263,413	9,051,347	
57	Investment Tax Credit Adj.-Net (411.5)						
58	(Less) Investment Tax Credits (420)						
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		1,912,601	-121,838	1,485,801	-202,219	
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		-2,710,360	1,618,826	-2,350,594	1,083,327	
61	Interest Charges						
62	Interest on Long-Term Debt (427)		36,183,260	39,072,026	18,091,706	19,536,058	
63	Amort. of Debt Disc. and Expense (428)		600,691	700,785	300,339	345,862	
64	Amortization of Loss on Reacquired Debt (428.1)		1,424,925	1,384,967	707,472	692,483	
65	(Less) Amort. of Premium on Debt-Credit (429)						
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)						
67	Interest on Debt to Assoc. Companies (430)						
68	Other Interest Expense (431)		9,129,417	7,145,827	4,767,548	3,699,852	
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		592,936	1,134,979	355,228	640,891	
70	Net Interest Charges (Total of lines 62 thru 69)		46,745,357	47,168,626	23,511,837	23,633,364	
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		102,285,606	78,397,263	43,786,921	21,830,703	
72	Extraordinary Items						
73	Extraordinary Income (434)						
74	(Less) Extraordinary Deductions (435)						
75	Net Extraordinary Items (Total of line 73 less line 74)						
76	Income Taxes-Federal and Other (409.3)	262-263					
77	Extraordinary Items After Taxes (line 75 less line 76)						
78	Net Income (Total of line 71 and 77)		102,285,606	78,397,263	43,786,921	21,830,703	

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
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**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		456,208,913	394,744,813
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6	Cumulative-effective adjustment to Retained Earnings for			
7	stranded tax effects of Other Comprehensive Income costs		2,142,821	
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)		2,142,821	
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		102,442,830	78,318,369
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31				
32				
33	Common Stock Dividend		-54,252,339	( 50,396,200)
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-54,252,339	( 50,396,200)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		506,542,225	422,666,982
	APPROPRIATED RETAINED EARNINGS (Account 215)			



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STATEMENT OF CASH FLOWS				
<p>(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>				
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)	
1	Net Cash Flow from Operating Activities:			
2	Net Income (Line 78(c) on page 117)	102,285,606	78,397,263	
3	Noncash Charges (Credits) to Income:			
4	Depreciation and Depletion	77,205,847	73,318,908	
5	Amortization	9,864,744	9,490,169	
6	Other Noncash Charges to Income, Net	6,061,344	6,882,177	
7				
8	Deferred Income Taxes (Net)	5,010,900	6,329,580	
9	Investment Tax Credit Adjustment (Net)	-21,208	-57,228	
10	Net (Increase) Decrease in Receivables	22,642,210	11,714,023	
11	Net (Increase) Decrease in Inventory	5,736,171	-1,539,105	
12	Net (Increase) Decrease in Allowances Inventory			
13	Net Increase (Decrease) in Payables and Accrued Expenses	-23,666,788	-24,488,166	
14	Net (Increase) Decrease in Other Regulatory Assets	-2,226,839	1,488,266	
15	Net Increase (Decrease) in Other Regulatory Liabilities	12,256,484	-5,862,067	
16	(Less) Allowance for Other Funds Used During Construction	1,530,308	2,253,348	
17	(Less) Undistributed Earnings from Subsidiary Companies	-157,224	78,894	
18	Other Assets and Liabilities, Net	33,995,911	20,864,405	
19				
20				
21				
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	247,771,298	174,205,983	
23				
24	Cash Flows from Investment Activities:			
25	Construction and Acquisition of Plant (including land):			
26	Gross Additions to Utility Plant (less nuclear fuel)	-132,197,253	-114,311,251	
27	Gross Additions to Nuclear Fuel			
28	Gross Additions to Common Utility Plant	-4,256,164	-3,839,905	
29	Gross Additions to Nonutility Plant			
30	(Less) Allowance for Other Funds Used During Construction	-1,530,308	-2,253,348	
31	Other (provide details in footnote):			
32				
33				
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-134,923,109	-115,897,808	
35				
36	Acquisition of Other Noncurrent Assets (d)			
37	Proceeds from Disposal of Noncurrent Assets (d)		379,491	
38				
39	Investments in and Advances to Assoc. and Subsidiary Companies			
40	Contributions and Advances from Assoc. and Subsidiary Companies			
41	Disposition of Investments in (and Advances to)			
42	Associated and Subsidiary Companies			
43				
44	Purchase of Investment Securities (a)			
45	Proceeds from Sales of Investment Securities (a)			



Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
STATEMENT OF CASH FLOWS				
<p>(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>				
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)	
46	Loans Made or Purchased			
47	Collections on Loans			
48				
49	Net (Increase) Decrease in Receivables			
50	Net (Increase ) Decrease in Inventory			
51	Net (Increase) Decrease in Allowances Held for Speculation			
52	Net Increase (Decrease) in Payables and Accrued Expenses			
53	Other (provide details in footnote):			
54				
55				
56	Net Cash Provided by (Used in) Investing Activities			
57	Total of lines 34 thru 55)	-134,923,109	-115,518,317	
58				
59	Cash Flows from Financing Activities:			
60	Proceeds from Issuance of:			
61	Long-Term Debt (b)			
62	Preferred Stock			
63	Common Stock	44,864,357		
64	Other (provide details in footnote):			
65	Treasury Stock Activity	1,773,732	412,046	
66	Net Increase in Short-Term Debt (c)		2,847,691	
67	Line of Credit Borrowings	1,129,000,000		
68				
69				
70	Cash Provided by Outside Sources (Total 61 thru 69)	1,175,638,089	3,259,737	
71				
72	Payments for Retirement of:			
73	Long-term Debt (b)			
74	Preferred Stock			
75	Common Stock			
76	Debt Financing Costs	-99,540	-141,738	
77	Line of Credit Repayments	-913,000,000		
78	Net Decrease in Short-Term Debt (c)	-319,555,991		
79				
80	Dividends on Preferred Stock			
81	Dividends on Common Stock	-54,252,339	-50,396,200	
82	Net Cash Provided by (Used in) Financing Activities			
83	(Total of lines 70 thru 81)	-111,269,781	-47,278,201	
84				
85	Net Increase (Decrease) in Cash and Cash Equivalents			
86	(Total of lines 22,57 and 83)	1,578,408	11,409,465	
87				
88	Cash and Cash Equivalents at Beginning of Period	9,301,993	2,984,988	
89				
90	Cash and Cash Equivalents at End of period	10,880,401	14,394,453	

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 06/30/2018	Year/Period of Report End of <u>2018/Q2</u>
NOTES TO FINANCIAL STATEMENTS			
<p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.</p> <p>7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.</p> <p>8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.</p> <p>9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.</p>			
<p>PAGE 122 INTENTIONALLY LEFT BLANK SEE PAGE 123 FOR REQUIRED INFORMATION.</p>			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

## NOTES TO FINANCIAL STATEMENTS

(Reference is made to Notes to Financial Statements included in NorthWestern Corporation's Annual FERC Form 1 Report)  
(Unaudited)

### (1) Nature of Operations and Basis of Consolidation

NorthWestern Corporation, doing business as NorthWestern Energy, provides electricity and / or natural gas to approximately 718,300 customers in Montana, South Dakota and Nebraska.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that may affect the reported amounts of assets, liabilities, revenues and expenses during the reporting period. Actual results could differ from those estimates. The unaudited Financial Statements reflect all adjustments (which unless otherwise noted are normal and recurring in nature) that are, in the opinion of management, necessary to fairly present our financial position, results of operations and cash flows. The actual results for the interim periods are not necessarily indicative of the operating results to be expected for a full year or for other interim periods. Events occurring subsequent to June 30, 2018, have been evaluated as to their potential impact to the Financial Statements through the date of issuance.

The Financial Statements included herein have been prepared by NorthWestern, without audit, pursuant to the rules and regulations of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts. Certain information and footnote disclosures normally included in financial statements prepared in accordance with the accounting requirements of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases have been condensed or omitted pursuant to such rules and regulations; however, management believes that the condensed disclosures provided are adequate to make the information presented not misleading. Management recommends that these unaudited Financial Statements be read in conjunction with the audited financial statements and related footnotes included in our FERC Form 1 Annual Report for the year ended December 31, 2017.

#### *Financial Statement Presentation*

The financial statements are presented on the basis of the accounting requirements of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than GAAP. This report differs from GAAP due to FERC requiring the presentation of subsidiaries on the equity method of accounting, which differs from Accounting Standards Codification (ASC) 810, Consolidation. ASC 810 requires that all majority-owned subsidiaries be consolidated (see Note 7). The other significant differences consist of the following:

- Earnings per share is not presented;
- Removal and decommissioning costs of generation, transmission and distribution assets are reflected in the Balance Sheets as a component of accumulated depreciation of \$419.8 million and \$408.4 million as of June 30, 2018 and December 31, 2017, respectively, in accordance with regulatory treatment as compared to regulatory liabilities for GAAP purposes;
- Goodwill is reflected in the Balance Sheets as a utility plant adjustment of \$357.6 million as of June 30, 2018 and December 31, 2017, respectively, in accordance with regulatory treatment, as compared to goodwill for GAAP purposes (see Note 6);



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

- The write-down of plant values associated with the 2002 acquisition of the Montana operations is reflected in the Balance Sheets as a component of accumulated depreciation of \$147.6 million for June 30, 2018 and December 31, 2017, respectively, in accordance with regulatory treatment as compared to plant for GAAP purposes;
- The current portion of gas stored underground is reflected in the Balance Sheets as current and accrued assets, as compared to inventory for GAAP purposes;
- Unamortized debt expense is classified in the Balance Sheets as deferred debits in accordance with regulatory treatment, as compared to long-term debt for GAAP purposes;
- Current and long-term debt is classified in the Balance Sheets as all long-term debt in accordance with regulatory treatment, while current and long-term debt are separately presented for GAAP reporting;
- Accumulated deferred tax assets and liabilities are classified in the Balance Sheets as gross non-current deferred debits and credits, respectively, while GAAP presentation reflects a net non-current deferred tax liability;
- Uncertain tax positions related to temporary differences are classified in the Balance Sheets within the deferred tax accounts in accordance with regulatory treatment, as compared to other noncurrent liabilities for GAAP purposes. In addition, interest related to uncertain tax positions is recognized in interest expense in accordance with regulatory treatment, as compared to income tax expense for GAAP purposes;
- Net periodic benefit costs and net periodic post retirement benefit costs are reflected in operating expense for FERC purposes, as compared to the GAAP presentation, which reflects the current service costs component of the net periodic benefit costs in operating expenses and the other components outside of income from operations. In addition, only the service cost component of net periodic benefit cost is eligible for capitalization for GAAP purposes, as compared to the total net periodic benefit costs for FERC purposes;
- Regulatory assets and liabilities are reflected in the Balance Sheets as non-current items, while current and non-current amounts are separately presented for GAAP; and
- GAAP revenue differs from FERC revenue primarily due to the equity method of accounting as discussed above, netting of electric purchases and sales for resale in revenue for the GAAP presentation as compared to a gross presentation for FERC purposes (with the exception of these transactions in a regional transmission organization), and the classification of regulatory amortizations in revenue for GAAP as compared to expense for FERC purposes. The following table reconciles GAAP revenues to FERC revenues by segment for the six months ended June 30, 2018:

	Total	Electric	Natural Gas	Other
	(in millions)			
GAAP Revenues	\$603.3	\$448.1	\$155.2	\$-
Revenue from equity investments	(1.7)	-	(1.7)	-
Grossing revenues / power purchases	6.8	6.8	-	-
Regulatory amortizations	20.1	11.0	9.1	-
Other	(0.6)	(0.1)	(0.9)	0.4
FERC Revenues	\$627.9	\$465.8	\$161.7	\$0.4

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### **Accounting Standards Adopted**

***Revenue Recognition*** - In May 2014, the Financial Accounting Standards Board (FASB) issued accounting guidance on the recognition of revenue from contracts with customers, which supersedes nearly all existing revenue recognition guidance under GAAP. Under the new standard, entities will recognize revenue to depict the transfer of goods and services to customers in amounts that reflect the payment to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows from an entity's contracts with customers.

We adopted this standard as of January 1, 2018, as required, and used the modified retrospective method of adoption, with no material impact on our financial statements or internal controls. We have also elected to utilize certain practical expedients, which allow us to apply the standard to open contracts at the date of adoption and to reflect the aggregate effect of all modifications when identifying performance obligations and allocating the transaction price for contracts modified before the effective date. We completed a comprehensive review of contracts and their associated terms and conditions. Based on this analysis, we did not have a cumulative-effect adjustment to retained earnings at January 1, 2018. See Note 2 - Revenue from Contracts with Customers, for additional disclosures including revenue recognition policies and our disaggregated revenue by segment for each geographical region.

***Retirement Benefits*** - On January 1, 2018, we adopted Accounting Standards Update (ASU) 2017-07, Compensation—Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost, as issued by the FASB. Under this ASU, companies are required to disaggregate the current service cost component from the other components of net periodic benefit cost and present it with other current compensation costs for related employees in the income statement and present the other components elsewhere in the income statement and outside of income from operations. In addition, only the service cost component of net periodic benefit cost is eligible for capitalization.

ASU 2017-07 was applied on a modified retrospective basis for the presentation of the other components of net periodic benefit cost in the Statements of Income. Using the allowed practical expedient, we applied the amounts disclosed in the "Employee Benefit Plans" note to the 2017 Financial Statements for the restatement of comparative information. The impact of the adoption results in no change to the Statements of Income.

ASU 2017-07 was applied prospectively for the capitalization of related costs in assets and did not have a material impact. As a result of application of accounting principles for rate regulated entities, a similar amount of pension cost, including non-service components, will be recognized consistent with the current ratemaking treatment.

***Statement of Cash Flows*** - In August 2016, the FASB issued guidance that addresses eight classification issues related to the presentation of cash receipts and cash payments in the statement of cash flows. We adopted this standard as of January 1, 2018, with no material impact to our Statements of Cash Flows, and although the guidance requires retrospective treatment, we did not have any cash receipts or payments during the prior year that needed to be reclassified.

In November 2016, the FASB issued guidance that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as other special deposits and special funds. Amounts generally described as other special deposits and special funds should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. We adopted this standard as of January 1, 2018 with retrospective application. For the six months ended June 30, 2017, this change resulted in a \$2.6 million and \$3.8 million increase in cash, cash equivalents, other special deposits, and special funds at the beginning and end of the period on our Statements of Cash



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Flows, respectively. In addition, removing the change in other special deposits from operating activities in the Statements of Cash Flows resulted in an increase of \$1.2 million in our cash provided by operating activities for the six months ended June 30, 2017.

The following table provides a reconciliation of cash, cash equivalents, other special deposits and special funds reported within the Balance Sheets that sum to the total of the same such amounts shown in the Statements of Cash Flows (in thousands):

	June 30, 2018	December 31, 2017	June 30, 2017	December 31, 2016
Cash (131)	\$ 5,106	\$ 7,358	\$ 10,533	\$ 353
Working Funds (135)	23	23	24	23
Special funds (125-128)	250	250	250	250
Other Special Deposits	5,501	1,671	3,588	2,359
Total shown in the Statements of Cash Flows	\$ 10,880	\$ 9,302	\$ 14,395	\$ 2,985

Special funds and other special deposits consist primarily of funds held in trust accounts to satisfy the requirements of certain stipulation agreements and insurance reserve requirements.

***Stranded Tax Effects in Accumulated Other Comprehensive Income*** - In February 2018, the FASB issued guidance to allow a one-time reclassification from accumulated other comprehensive income (AOCI) to retained earnings for stranded tax effects resulting from the new tax reform legislation. The amount of the reclassification is calculated on the basis of the difference between the historical and newly enacted tax rates for deferred tax liabilities and assets related to items within AOCI.

This amendment is effective for fiscal years beginning after December 15, 2018, including interim periods within those years. Early adoption is permitted, including adoption in any interim reporting period for which financial statements have not yet been issued. We early adopted this guidance during the first quarter of 2018, through a one-time reclassification of \$2.1 million of stranded tax effects from AOCI to retained earnings. Adoption of this guidance did not have a material impact on our financial position, results of operations or cash flows.

#### **Accounting Standards Issued**

***Leases*** - In February 2016, the FASB issued revised guidance on accounting for leases. The new standard requires a lessee to recognize in the balance sheet a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term for all leases with terms longer than 12 months. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases. Recognition, measurement and presentation of expenses will depend on classification as a finance or operating lease. The new guidance will be effective for us for interim and annual periods beginning January 1, 2019 and early adoption is permitted. A modified retrospective transition approach is required for lessees for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. An additional transition approach allows an entity to not assess on transition whether any expired or existing land easements are, or contain, leases that were not previously accounted for as leases. In addition, our easements are entered into in perpetuity and do not meet the definition of a lease in accordance with this guidance. We are currently evaluating the impact of adoption of this guidance. We do not have a significant amount of capital or operating leases. Therefore, based on our analysis to this point we do not expect this guidance to have a significant impact on our Financial Statements and disclosures other than an expected increase in assets and liabilities.

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## (2) Revenue from Contracts with Customers

### Accounting Policy

Our revenues are primarily from tariff based sales. We provide gas and/or electricity to customers under these tariffs without a defined contractual term (at-will). As the revenue from these arrangements is equivalent to the electricity or gas supplied and billed in that period (including estimated billings), there will not be a shift in the timing or pattern of revenue recognition for such sales. We have also completed the evaluation of our other revenue streams, including those tied to longer term contractual commitments. These revenue streams have performance obligations that are satisfied at a point in time, and will also not have a shift in the timing or pattern of revenue recognition.

Customers are billed monthly on a cycle basis. To match revenues with associated expenses, we accrue unbilled revenues for electric and natural gas services delivered to customers, but not yet billed at month-end.

### Nature of Goods and Services

We currently provide retail electric and natural gas services to three primary customer classes. Our largest customer class consists of residential customers, which include single private dwellings and individual apartments. Our commercial customers consist primarily of main street businesses, and our industrial customers consist primarily of manufacturing and processing businesses that turn raw materials into products.

**Electric Segment** - Our regulated electric utility business primarily provides generation, transmission, and distribution services to our customers in our Montana and South Dakota jurisdictions. We recognize revenue when electricity is delivered to the customer. Payments on our tariff based sales are generally due in 20-30 days after the billing date.

**Natural Gas Segment** - Our regulated natural gas utility business primarily provides production, storage, transmission and distribution services to our customers in our Montana, South Dakota, and Nebraska jurisdictions. We recognize revenue when natural gas is delivered to the customer. Payments on our tariff based sales are generally due in 20-30 days after the billing date.



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### Disaggregation of Revenue

The following tables disaggregate our revenue by major source and customer class (in millions):

	Three Months Ended					
	June 30, 2018			June 30, 2017		
	Electric	Natural Gas	Total	Electric	Natural Gas	Total
Montana	\$ 59.5	\$ 17.6	\$ 77.1	\$ 59.7	\$ 16.5	\$ 76.2
South Dakota	14.4	5.6	20.0	12.8	4.3	17.1
Nebraska	—	5.0	5.0	—	4.1	4.1
<b>Residential</b>	<b>73.9</b>	<b>28.2</b>	<b>102.1</b>	<b>72.5</b>	<b>24.9</b>	<b>97.4</b>
Montana	79.6	8.8	88.4	83.0	8.2	91.2
South Dakota	22.3	3.6	25.9	21.4	2.7	24.1
Nebraska	—	2.4	2.4	—	2.1	2.1
<b>Commercial</b>	<b>101.9</b>	<b>14.8</b>	<b>116.7</b>	<b>104.4</b>	<b>13.0</b>	<b>117.4</b>
Industrial	10.7	0.2	10.9	10.1	0.1	10.2
Other	7.1	0.2	7.3	9.0	0.2	9.2
<b>Total Customer Revenues</b>	<b>193.6</b>	<b>43.4</b>	<b>237.0</b>	<b>196.0</b>	<b>38.2</b>	<b>234.2</b>
Other Tariff and Contract Based Revenues	20.5	9.6	30.1	21.1	8.9	30.0
<b>Total Revenue from Contracts with Customers</b>	<b>214.1</b>	<b>53</b>	<b>267.1</b>	<b>217.1</b>	<b>47.1</b>	<b>264.2</b>
Other	0.2	0.2	0.4	—	0.2	0.2
<b>Total Revenues</b>	<b>\$ 214.3</b>	<b>\$ 53.2</b>	<b>\$ 267.5</b>	<b>\$ 217.1</b>	<b>\$ 47.3</b>	<b>\$ 264.4</b>

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**Six Months Ended**

	<b>June 30, 2018</b>			<b>June 30, 2017</b>		
	<b>Electric</b>	<b>Natural Gas</b>	<b>Total</b>	<b>Electric</b>	<b>Natural Gas</b>	<b>Total</b>
Montana	\$ 146.7	\$ 58.5	\$ 205.2	\$ 150.5	\$ 60.3	\$ 210.8
South Dakota	33.1	17.0	50.1	30.1	15.1	45.2
Nebraska	—	16.4	16.4	—	13.1	13.1
<b>Residential</b>	<b>179.8</b>	<b>91.9</b>	<b>271.7</b>	<b>180.6</b>	<b>88.5</b>	<b>269.1</b>
Montana	163.2	29.4	192.6	171.1	30.1	201.2
South Dakota	46.3	11.5	57.8	43.8	10.1	53.9
Nebraska	—	8.5	8.5	—	7.0	7.0
<b>Commercial</b>	<b>209.5</b>	<b>49.4</b>	<b>258.9</b>	<b>214.9</b>	<b>47.2</b>	<b>262.1</b>
Industrial	21.5	0.7	22.2	21.0	0.6	21.6
Other	12.1	0.7	12.8	14.2	0.7	14.9
<b>Total Customer Revenues</b>	<b>422.9</b>	<b>142.7</b>	<b>565.6</b>	<b>430.7</b>	<b>137.0</b>	<b>567.7</b>
Other Tariff and Contract Based Revenues	42.5	19.0	61.5	46.4	19.1	65.5
<b>Total Revenue from Contracts with Customers</b>	<b>465.4</b>	<b>161.7</b>	<b>627.1</b>	<b>477.1</b>	<b>156.1</b>	<b>633.2</b>
Other	0.4	0.4	0.8	0.3	0.4	0.7
<b>Total Revenues</b>	<b>\$ 465.8</b>	<b>\$ 162.1</b>	<b>\$ 627.9</b>	<b>\$ 477.4</b>	<b>\$ 156.5</b>	<b>\$ 633.9</b>

**(3) Acquisition**

**Montana Wind Generation**

In June 2018, we completed the purchase of the 9.7 MW Two Dot wind project near Two Dot, Montana for approximately \$18.5 million. The Two Dot purchase price was allocated based on the estimated fair values of the assets acquired and liabilities assumed at the date of the acquisition as follows (in thousands):



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### Purchase Price Allocation

<b>Assets Acquired</b>	
Net Utility Plant	\$ 18,542
Prepayments	35
<b>Total Assets Acquired</b>	<b>18,577</b>
<b>Liabilities Assumed</b>	
Taxes Accrued	57
Miscellaneous Current and Accrued Liabilities	3
<b>Total Liabilities Assumed</b>	<b>60</b>
<b>Total Purchase Price</b>	<b>\$ 18,517</b>

## (4) Regulatory Matters

### Tax Cuts and Jobs Act

In December 2017, H.R.1 (the Tax Cuts and Jobs Act) was signed into law, which enacts significant changes to U.S. tax and related laws. The primary impact to us is a reduction of the federal corporate income tax rate from 35% to 21% effective January 1, 2018. Our Montana and South Dakota Tax Cuts and Jobs Act filings are discussed below. Dockets have also been opened in our FERC and Nebraska jurisdictions, where we proposed using reduced revenue requirements from the impacts of the Tax Cuts and Jobs Act to defer planned future rate filings in both jurisdictions. In each of our jurisdictions, we expect the Tax Cuts and Jobs Act related credits to continue and be subject to true-up until base rates are reset in a general rate case filing or agreement is reached with our state regulatory commissions as to how the impact of the Tax Cuts and Job Act will be resolved.

As of June 30, 2018, we have cumulative deferred revenue of approximately \$13.5 million associated with the impacts of the Tax Cuts and Jobs Act. For purposes of the filings discussed below, we calculated the customer benefit using two alternate methods based on current and historic test periods. The revenue deferral is based upon our 2018 estimated impact of Tax Cuts and Jobs Act of approximately \$18 million to \$23 million and is offset by a corresponding reduction in income tax expense. Application of the historic method would result in customer refunds that exceed the reduction in our 2018 taxes, which would be an additional reduction in pretax earnings and cash flows ranging from approximately \$5 million to \$10 million.

**Montana** - In March 2018, we submitted a filing to the Montana Public Service Commission (MPSC) calculating the estimated benefit of the Tax Cuts and Jobs Act related savings to customers using two alternative methods. The first method was calculated based on the expected income tax expense reduction in 2018, with no impact to net income. The second method was calculated by revising the electric and natural gas revenue requirements in the last applicable test years. For our electric customers, we proposed to use 50% of the benefit as a direct refund to customers, and to use the other 50% to remove trees outside our electric transmission and distribution lines rights of way, which pose risks to our system including disruption of service, property damage, and / or forest fires. We have begun work to remove trees outside our right of way, and as of June 30, 2018, have deferred \$0.3 million of costs, which is recorded in the Balance Sheets to reflect the impacts of the Tax Cuts and Jobs Act, subject to MPSC approval. For our natural gas customers, we proposed to use the benefit as a direct refund to customers.



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***South Dakota*** - In April 2018, we submitted a filing with the South Dakota Public Utilities Commission (SDPUC) calculating the estimated benefit of the Tax Cuts and Jobs Act related savings to customers based on the expected income tax expense reduction in 2018, with no impact to net income. We also presented a calculation revising the electric and natural gas revenue requirements in the last applicable test years. We proposed to either refund the benefit to customers, or to hold this amount in a regulatory liability to provide rate moderation in our next electric and natural gas rate cases, at the SDPUC's option. Settlement negotiations are currently ongoing. The SDPUC has not established a procedural schedule in this docket.

### **Montana QF Tariff Filing**

Under the Public Utility Regulatory Policies Act (PURPA), electric utilities are required, with certain exceptions, to purchase energy and capacity from independent power producers that are QFs. In May 2016, we filed an application for approval of a revised tariff for standard rates for small QFs (3 MW or less). In November 2017, the MPSC issued an order (QF Order) revising the QF tariff to establish a maximum contract length of 15 years and substantially lowering the rate for future QF contracts. In the QF Order, the MPSC also upheld an initial decision to apply the contract term to our future owned and contracted electric supply resources. We, as well as the QFs, sought judicial review of the QF Order. The matter is now pending before the Montana District Court. The Court is scheduled to hear oral arguments on September 7, 2018.

As a result of the QF Order, we terminated our competitive solicitation process for 20-year resources to determine the lowest-cost / least-risk approach for addressing our intermittent capacity and reserve margin needs in Montana. We continue to evaluate the impact of the QF Order, as we have significant generation capacity deficits and negative reserve margins, and our 2015 resource plan identified price and reliability risks to our customers if we rely solely upon market purchases to address these capacity needs. In addition to our responsibility to meet peak demand, national transmission-related reliability standards effective July 2016 require us to have even greater dispatchable generation capacity available and be capable of increasing or decreasing output to address the irregular nature of intermittent generation such as wind or solar. We expect to file our next electric supply resource procurement plan in December 2018.

### **Cost Recovery Mechanisms**

***Montana House Bill 193 / Electric Tracker*** - In April 2017, the Montana legislature passed House Bill 193 (HB 193), amending the statute that provided for mandatory recovery of our prudently incurred electric supply costs effective July 1, 2017. The revised statute gives the MPSC discretion whether to approve an electric supply cost adjustment mechanism. The MPSC initiated a process to develop a replacement electric supply cost adjustment mechanism, and in response, in July 2017, we filed a proposed electric Power Cost and Credit Adjustment Mechanism (PCCAM). In December 2017, after the intervenors filed testimony, the MPSC issued a Notice of Additional Issues stating that the range of options proposed by the parties was not sufficient and directing parties to consider alternatives incorporating risk-sharing features of other utilities in the region.

We filed testimony in February 2018, responsive to both the intervenors' testimony and the MPSC's Notice of Additional Issues addressing alternative risk-sharing mechanisms. Intervenors filed testimony on the Notice of Additional Issues in March 2018. The MPSC held a hearing during the second quarter of 2018, and we expect a decision in the matter no later than the fourth quarter of 2018. If the MPSC approves a new mechanism, the MPSC may apply the mechanism to variable costs on a retroactive basis to the effective date of HB 193 (July 1, 2017).

***Montana Electric Tracker Open Dockets - 2015/2016 - 2016/2017 - 2017/2018 (2015-2018 Tracker Filings)*** - Under the previous statutory tracker mechanism, each year we submitted an electric tracker filing for recovery of supply costs for the 12-month



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period ended June 30 and for the projected supply costs for the next 12-month period, which were subject to a prudence review. We continue to submit annual filings, pursuant to our tariff, until the MPSC approves a new cost recovery mechanism for electricity supply costs. The MPSC has issued three orders approving interim rates for the 2015-2018 Tracker Filings, but has not established a schedule for adjudication of these filings.

***Montana Electric Tracker Litigation - 2013/2014*** - In 2016, the MPSC issued an order which, in total, resulted in a \$12.4 million disallowance of costs, including interest. The order included a disallowance of replacement power costs from a 2013 outage at Colstrip Unit 4. In September 2016, we appealed that order to the Montana District Court, arguing that the order was arbitrary and capricious and violated Montana law. On July 29, 2018, the District Court affirmed the MPSC's decision.

***Montana Property Tax Tracker*** - Under Montana law, we are allowed to track the changes in the actual level of state and local taxes and fees and recover the increase in taxes and fees, net of the associated income tax benefit. We submit an annual property tax tracker filing with the MPSC for an automatic rate adjustment, with rates effective January 1st of each year. In January 2018, the MPSC issued an order in our 2017 filing applying an alternate allocation methodology both prospectively and retroactively, which reduces our annual recovery of these taxes by approximately \$1.7 million. The change in methodology results in a lower property tax allocation to our Montana electric retail customers and a higher property tax allocation to FERC transmission customers (we do not have a property tax tracker for FERC jurisdictional purposes). We sought reconsideration of the retroactive application of this change in methodology. On June 18, 2018, the MPSC issued an order applying the change on a prospective basis only, resulting in a \$1.7 million adjustment to reflect the increase in recovery of Montana property taxes for 2017 in the three months ended June 30, 2018, which is reflected in the Statements of Income.

#### **Dave Gates Generating Station at Mill Creek (DGGS)**

In 2012 a FERC Administrative Law Judge (ALJ) issued a decision regarding cost allocation at DGGS and concluded that only a portion of the costs should be allocated to FERC jurisdictional customers. In 2016, the FERC denied our request for rehearing of the ALJ decision and ordered us to make refunds, which we did in June 2016. In March 2018, the United States Circuit Court of Appeals for the District of Columbia Circuit denied our petition for review of the FERC's order and the matter is now final.

#### **(5) Income Taxes**

The primary impact of the Tax Cuts and Jobs Act is a reduction of the federal corporate income tax rate from 35% to 21% effective January 1, 2018. We compute income tax expense for each quarter based on the estimated annual effective tax rate for the year, adjusted for certain discrete items. Our effective tax rate typically differs from the federal statutory tax rate due to the regulatory impact of flowing through the federal and state tax benefit of repairs deductions, state tax benefit of accelerated tax depreciation deductions (including bonus depreciation when applicable) and production tax credits. The regulatory accounting treatment of these deductions requires immediate income recognition for temporary tax differences of this type, which is referred to as the flow-through method. When the flow-through method of accounting for temporary differences is reflected in regulated revenues, we record deferred income taxes and establish related regulatory assets and liabilities. We revalued our accumulated deferred tax assets and liabilities as of December 31, 2017, which reflected our estimate of the impact of the Tax Cuts and Jobs Act. We will continue to evaluate subsequent regulations, clarifications and interpretations with the assumptions made, which could materially change our estimate.

The following table summarizes the significant differences in income tax expense based on the differences between our effective tax rate and the federal statutory rate (in thousands):

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Three Months Ended June 30,				
	2018		2017	
Income Before Income Taxes	\$	46,700	\$	22,349
Income tax calculated at federal statutory rate		9,807	21.0%	7,836 35.0%
Permanent or flow through adjustments:				
State income, net of federal provisions		794	1.7	(526) (2.2)
Flow-through repairs deductions		(4,095)	(8.8)	(4,753) (21.2)
Production tax credits		(2,559)	(5.5)	(1,459) (6.5)
Plant and depreciation of flow through items		(571)	(1.2)	(686) (3.1)
Other, net		(626)	(1.3)	(43) 0.6
		(7,057)	(15.1)	(7,467) (32.4)
<b>Income Tax Expense</b>	\$	2,750	5.9%	\$ 369 2.6%

Six Months Ended June 30,				
	2018		2017	
Income Before Income Taxes	\$	107,092	\$	85,694
Income tax calculated at 35% federal statutory rate		22,489	21.0%	29,993 35.0%
Permanent or flow through adjustments:				
State income, net of federal provisions		1,514	1.4	(1,331) (1.5)
Flow-through repairs deductions		(10,681)	(10.0)	(13,550) (15.8)
Production tax credits		(6,447)	(6.0)	(5,290) (6.2)
Plant and depreciation of flow through items		(1,487)	(1.4)	(2,126) (2.5)
Share-based compensation		275	0.3	(399) (0.5)
Other, net		(1,274)	(1.2)	(387) (0.4)
		(18,100)	(16.9)	(23,083) (26.9)
<b>Income Tax Expense</b>	\$	4,389	4.1%	\$ 6,910 8.1%



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### **Uncertain Tax Positions**

We recognize tax positions that meet the more-likely-than-not threshold as the largest amount of tax benefit that is greater than 50 percent likely of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. We have unrecognized tax benefits of approximately \$57.1 million as of June 30, 2018, including approximately \$47.7 million that, if recognized, would impact our effective tax rate. It is reasonably possible that our unrecognized tax benefits may decrease by up to \$20 million in the next 12 months due to the expiration of statute of limitation.

Our policy is to recognize interest related to uncertain tax positions in interest expense. During the six months ended June 30, 2018 and 2017, we recognized \$0.6 million and \$0.3 million, respectively, of expense for interest in the Statements of Income. As of June 30, 2018 and December 31, 2017, we had \$2.1 million and \$1.5 million, respectively, of interest accrued in the Balance Sheets.

Our federal tax returns from 2000 forward remain subject to examination by the Internal Revenue Service.

### **(6) Utility Plant Adjustments**

We completed our annual utility plant adjustments impairment test as of April 1, 2018, and no impairment was identified. We calculate the fair value of our reporting units by considering various factors, including valuation studies based primarily on a discounted cash flow analysis, with published industry valuations and market data as supporting information. Key assumptions in the determination of fair value include the use of an appropriate discount rate and estimated future cash flows. In estimating cash flows, we incorporate expected long-term growth rates in our service territory, regulatory stability, and commodity prices (where appropriate), as well as other factors that affect our revenue, expense and capital expenditure projections.

There were no changes in our utility plant adjustments during the six months ended June 30, 2018.

### **(7) Equity Investments**

	<b>June 30, 2018</b>	<b>December 31, 2017</b>
Havre Pipeline Company, LLC	\$ 14,084	\$ 14,245
Canadian Montana Pipeline Corporation	4,025	3,798
NorthWestern Services, LLC	1,926	1,920
Risk Partners Assurance, Ltd.	1,374	1,413
<b>Total Investments in Subsidiary Companies</b>	<b>\$ 21,409</b>	<b>\$ 21,376</b>

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NOTES TO FINANCIAL STATEMENTS (Continued)			

## (8) Comprehensive Income

The following tables display the components of Other Comprehensive Income, after-tax, and the related tax effects (in thousands):

	Three Months Ended					
	June 30, 2018			June 30, 2017		
	Before-		Net-of-	Before-		Net-of-
	Tax Amount	Tax Expense	Tax Amount	Tax Amount	Tax Expense	Tax Amount
Foreign currency translation adjustment	\$ 86	\$ —	\$ 86	\$ (104)	\$ —	\$ (104)
Reclassification of net losses on derivative instruments	154	(41)	113	153	(60)	93
Other comprehensive income (loss)	\$ 240	\$ (41)	\$ 199	\$ 49	\$ (60)	\$ (11)

	Six Months Ended					
	June 30, 2018			June 30, 2017		
	Before-		Net-of-	Before-		Net-of-
	Tax Amount	Tax Expense	Tax Amount	Tax Amount	Tax Expense	Tax Amount
Foreign currency translation adjustment	\$ 181	\$ —	\$ 181	\$ (53)	\$ —	\$ (53)
Reclassification of net losses on derivative instruments	307	(81)	226	306	(120)	186
Other comprehensive income	\$ 488	\$ (81)	\$ 407	\$ 253	\$ (120)	\$ 133

Balances by classification included within AOCI on the Balance Sheets are as follows, net of tax (in thousands):

	June 30, 2018	December 31, 2017
Foreign currency translation	\$ 1,359	\$ 1,178
Derivative instruments designated as cash flow hedges	(9,755)	(9,981)
Reclassification of certain tax effects from AOCI	(2,143)	—
Postretirement medical plans	31	31
Accumulated other comprehensive income	\$ (10,508)	\$ (8,772)



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The following tables display the changes in AOCI by component, net of tax (in thousands):

Three Months Ended June 30, 2018					
	Affected Line Item in the Statements of Income	Interest Rate Derivative Instruments Designated as Cash Flow Hedges	Pension and Postretirement Medical Plans	Foreign Currency Translation	Total
Beginning balance		\$ (12,018)	\$ 38	\$ 1,273	\$ (10,707)
Other comprehensive income before reclassifications		—	—	86	86
Amounts reclassified from AOCI	Interest on long-term debt	113	—	—	113
Net current-period other comprehensive income		113	—	86	199
Ending balance		\$ (11,905)	\$ 38	\$ 1,359	\$ (10,508)

Three Months Ended June 30, 2017					
	Affected Line Item in the Statements of Income	Interest Rate Derivative Instruments Designated as Cash Flow Hedges	Pension and Postretirement Medical Plans	Foreign Currency Translation	Total
Beginning balance		\$ (10,259)	\$ (742)	\$ 1,431	\$ (9,570)
Other comprehensive loss before reclassifications		—	—	(104)	(104)
Amounts reclassified from AOCI	Interest on long-term debt	93	—	—	93
Net current-period other comprehensive income (loss)		93	—	(104)	(11)
Ending balance		\$ (10,166)	\$ (742)	\$ 1,327	\$ (9,581)

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Six Months Ended June 30, 2018					
	Affected Line Item in the Statements of Income	Interest Rate Derivative Instruments Designated as Cash Flow Hedges	Pension and Postretirement Medical Plans	Foreign Currency Translation	Total
Beginning balance		\$ (9,981)	\$ 31	\$ 1,178	\$ (8,772)
Other comprehensive income before reclassifications		—	—	181	181
Amounts reclassified from AOCI	Interest on long-term debt	226	—	—	226
Net current-period other comprehensive income		226	—	181	407
Reclassification of certain tax effects from AOCI		(2,150)	7	—	(2,143)
Ending balance		\$ (11,905)	\$ 38	\$ 1,359	\$ (10,508)

Six Months Ended June 30, 2017					
	Affected Line Item in the Statements of Income	Interest Rate Derivative Instruments Designated as Cash Flow Hedges	Pension and Postretirement Medical Plans	Foreign Currency Translation	Total
Beginning balance		\$ (10,352)	\$ (742)	\$ 1,380	\$ (9,714)
Other comprehensive loss before reclassifications		—	—	(53)	(53)
Amounts reclassified from AOCI	Interest on long-term debt	186	—	—	186
Net current-period other comprehensive income (loss)		186	—	(53)	133
Ending balance		\$ (10,166)	\$ (742)	\$ 1,327	\$ (9,581)

#### (9) Related Party Transactions

Accounts receivable from and payables to associated companies primarily include intercompany billings for direct charges, overhead, and income tax obligations. The following table reflects our accounts receivable from and accounts payable to associated companies (in thousands):



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	June 30, 2018	December 31, 2017
Accounts Receivable from Associated Companies:		
Havre Pipeline Company, LLC	\$ 138	\$ 412
Risk Partners Assurance, Ltd.	18	18
	<u>\$ 156</u>	<u>\$ 430</u>
Accounts Payable to Associated Companies:		
Canadian Montana Pipeline Corporation	\$ 3,871	\$ 3,684
NorthWestern Services, LLC	1,648	1,623
	<u>\$ 5,519</u>	<u>\$ 5,307</u>

#### (10) Financing Activities

In September 2017, we entered into an Equity Distribution Agreement with Merrill Lynch, Pierce, Fenner & Smith Incorporated and J. P. Morgan Securities LLC, collectively the sales agents, pursuant to which we offered and sold shares of our common stock from time to time, having an aggregate gross sales price of up to \$100 million. During the three months ended June 30, 2018, we issued 835,765 shares of our common stock at an average price of \$54.45, for net proceeds of \$44.9 million, which is net of sales commissions and other fees paid of approximately \$0.6 million. These issuances concluded this program. Since inception of the program, we sold 1,724,703 shares of our common stock at an average price of \$57.98 per share. Net proceeds received were approximately \$98.6 million, which are net of sales commissions and other fees paid of approximately \$1.4 million.

#### (11) Employee Benefit Plans

We sponsor and/or contribute to pension and postretirement health care and life insurance benefit plans for eligible employees. Net periodic benefit cost (income) for our pension and other postretirement plans consists of the following (in thousands):

	Pension Benefits		Other Postretirement Benefits	
	Three Months Ended June 30,		Three Months Ended June 30,	
	2018	2017	2018	2017
Components of Net Periodic Benefit Cost (Income)				
Service cost	\$ 2,684	\$ 2,367	\$ 87	\$ 100
Interest cost	6,102	6,388	142	178
Expected return on plan assets	(7,044)	(5,974)	(238)	(211)
Amortization of prior service cost	1	—	(470)	(470)
Recognized actuarial loss (gain)	1,108	1,944	(20)	81
Net Periodic Benefit Cost (Income)	<u>\$ 2,851</u>	<u>\$ 4,725</u>	<u>\$ (499)</u>	<u>\$ (322)</u>

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	Pension Benefits		Other Postretirement Benefits	
	Six Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Components of Net Periodic Benefit Cost (Income)				
Service cost	\$ 5,888	\$ 5,497	\$ 199	\$ 228
Interest cost	12,210	12,817	289	358
Expected return on plan assets	(14,104)	(11,982)	(477)	(424)
Amortization of prior service cost	2	2	(941)	(941)
Recognized actuarial loss (gain)	2,180	3,919	(40)	159
Net Periodic Benefit Cost (Income)	\$ 6,176	\$ 10,253	\$ (970)	\$ (620)

## (12) Commitments and Contingencies

### ENVIRONMENTAL LIABILITIES AND REGULATION

#### Environmental Matters

The operation of electric generating, transmission and distribution facilities, and gas gathering, storage, transportation and distribution facilities, along with the development (involving site selection, environmental assessments, and permitting) and construction of these assets, are subject to extensive federal, state, and local environmental and land use laws and regulations. Our activities involve compliance with diverse laws and regulations that address emissions and impacts to the environment, including air and water, protection of natural resources, avian and wildlife. We monitor federal, state, and local environmental initiatives to determine potential impacts on our financial results. As new laws or regulations are implemented, our policy is to assess their applicability and implement the necessary modifications to our facilities or their operation to maintain ongoing compliance.

Our environmental exposure includes a number of components, including remediation expenses related to the cleanup of current or former properties, and costs to comply with changing environmental regulations related to our operations. At present, the majority of our environmental reserve relates to the remediation of former manufactured gas plant sites owned by us and is estimated to range between \$26.7 million and \$31.2 million. As of June 30, 2018, we have a reserve of approximately \$29.6 million, which has not been discounted. Environmental costs are recorded when it is probable we are liable for the remediation and we can reasonably estimate the liability. We use a combination of site investigations and monitoring to formulate an estimate of environmental remediation costs for specific sites. Our monitoring procedures and development of actual remediation plans depend not only on site specific information but also on coordination with the different environmental regulatory agencies in our respective jurisdictions; therefore, while remediation exposure exists, it may be many years before costs are incurred.

Over time, as costs become determinable, we may seek authorization to recover such costs in rates or seek insurance reimbursement as applicable; therefore, although we cannot guarantee regulatory recovery, we do not expect these costs to have a material effect on our financial position or results of operations.



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**Manufactured Gas Plants** - Approximately \$22.8 million of our environmental reserve accrual is related to manufactured gas plants. A formerly operated manufactured gas plant located in Aberdeen, South Dakota, has been identified on the Federal Comprehensive Environmental Response, Compensation, and Liability Information System list as contaminated with coal tar residue. We are currently conducting feasibility studies, implementing remedial actions pursuant to work plans approved by the South Dakota Department of Environment and Natural Resources, and conducting ongoing monitoring and operation and maintenance activities. As of June 30, 2018, the reserve for remediation costs at this site is approximately \$9.3 million, and we estimate that approximately \$4.3 million of this amount will be incurred during the next five years.

We also own sites in North Platte, Kearney and Grand Island, Nebraska on which former manufactured gas facilities were located. We are currently working independently to fully characterize the nature and extent of potential impacts associated with these Nebraska sites. Our reserve estimate includes assumptions for site assessment and remedial action work. At present, we cannot determine with a reasonable degree of certainty the nature and timing of any risk-based remedial action at our Nebraska locations.

In addition, we own or have responsibility for sites in Butte, Missoula and Helena, Montana on which former manufactured gas plants were located. The Butte and Helena sites, both listed as high priority sites on Montana's state superfund list, were placed into the Montana Department of Environmental Quality (MDEQ) voluntary remediation program for cleanup due to soil and groundwater impacts. Soil and coal tar were removed at the sites in accordance with the MDEQ requirements. Groundwater monitoring is conducted semiannually at both sites. At this time, we cannot estimate with a reasonable degree of certainty the nature and timing of additional remedial actions and/or investigations, if any, at the Butte site. In August 2016, the MDEQ sent us a Notice of Potential Liability and Request for Remedial Action regarding the Helena site. In September 2017, we submitted a Draft Remedial Investigation Work Plan for the Helena site, based on the request of the MDEQ. Comments from the MDEQ are expected before the end of 2018.

An investigation conducted at the Missoula site did not require remediation activities, but required preparation of a groundwater monitoring plan. Monitoring wells have been installed and groundwater is monitored semiannually. At the request of Missoula Valley Water Quality District (MVWQD), a draft risk assessment was prepared for the Missoula site and presented to the MVWQD. We and the MVWQD agreed additional site investigation work is appropriate. Analytical results from an October 2016 sampling exceeded the Montana Maximum Contaminant Level for benzene and/or total cyanide in certain monitoring wells. These results were forwarded to MVWQD which shared the same with the MDEQ. MDEQ requested that MVWQD file a formal complaint with MDEQ's Enforcement Division, which MVWQD filed in July 2017. This is expected to prompt MDEQ to reevaluate its position concerning listing the Missoula site on the State of Montana's superfund list. New landowners purchased a portion of the Missoula site using funding provided by a third party. The terms of the funding require the new landowners to address environmental issues. The new landowners contacted us and we addressed their immediate concerns. After researching historical ownership we have identified another potentially responsible party with whom we have initiated communications regarding the site. At this time, we cannot estimate with a reasonable degree of certainty the nature and timing of risk-based remedial action, if any, at the Missoula site.

**Global Climate Change** - National and international actions have been initiated to address global climate change and the contribution of greenhouse gas (GHG) including, most significantly, carbon dioxide (CO<sub>2</sub>). These actions include legislative proposals, Executive and Environmental Protection Agency (EPA) actions at the federal level, actions at the state level, and private party litigation relating to GHG emissions. Coal-fired plants have come under particular scrutiny due to their level of GHG emissions. We have joint ownership interests in four coal-fired electric generating plants, all of which are operated by other companies. We are responsible for our proportionate share of the capital and operating costs while being entitled to our proportionate share of the power generated.

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While numerous bills have been introduced that address climate change from different perspectives, including through direct regulation of GHG emissions, the establishment of cap and trade programs and the establishment of Federal renewable portfolio standards, Congress has not passed any federal climate change legislation and we cannot predict the timing or form of any potential legislation. In the absence of such legislation, EPA is presently regulating new and existing sources of GHG emissions through regulations. EPA is currently reviewing its existing regulations as a result of an Executive Order issued by President Trump on March 28, 2017 (the Executive Order) instructing all federal agencies to review all regulations and other policies (specifically including the Clean Power Plan, which is discussed in further detail below) that burden the development or use of domestically produced energy resources and suspend, revise or rescind those that pose an undue burden beyond that required to protect the public interest.

The Clean Power Plan (CPP) was published in October 2015 and was intended to establish GHG performance standards for existing power plants under Clean Air Act Section 111(d). The CPP established CO<sub>2</sub> emission performance standards for existing electric utility steam generating units and natural gas combined cycle units. As a result of the Executive Order review, on October 10, 2017, the EPA proposed to repeal the CPP. Subsequently, the EPA issued an Advance Notice of Proposed Rulemaking, soliciting information on systems of emission reduction that comply with EPA's interpretation of the Clean Air Act, for possible replacement of the CPP, which was published in the Federal Register on December 28, 2017.

Following the issuance of the CPP in October 2015, petitions for review were filed in the United States Court of Appeals for the District of Columbia Circuit (D.C. Circuit), including a petition by us. The United States Supreme Court (Supreme Court) issued a stay pending resolution of the case by the D.C. Circuit. Following issuance of the Executive Order, the EPA has requested the D.C. Circuit to hold the case in abeyance. The D.C. Circuit has incrementally granted those requests, most recently in an order issued on June 26, 2018, holding the case in abeyance for an additional 60 days. In that recent order, three of the nine D.C. Circuit Judges expressed they would not vote for further abeyances, absent good reason otherwise. On July 9, 2018, the EPA forwarded its proposed rule replacing the CPP to the Office of Management and Budget (OMB) for interagency review.

In addition, administrative requests for reconsideration of the CPP were filed with the EPA, including one filed by us in December 2015. We requested the EPA reconsider the CPP, in part, on the grounds that the CO<sub>2</sub> reductions in the CPP applicable to Montana were substantially greater than the reductions the EPA had originally proposed. The EPA denied the petition for reconsideration on January 11, 2017, and we appealed that denial to the D.C. Circuit on March 13, 2017. The EPA has also requested that this case be held in abeyance.

We cannot predict what, if any, action the D.C. Circuit may take in either of these two cases, particularly in light of the EPA's proposal to repeal the CPP. If the CPP is not repealed, survives the legal challenges described above, and is implemented as written, or if a replacement to the CPP is adopted with similar requirements, it could result in significant additional compliance costs that would affect our future results of operations and financial position if such costs are not recovered through regulated rates. We will continue working with federal and state regulatory authorities, other utilities, and stakeholders to seek relief from any GHG regulations that, in our view, disproportionately impacts customers in our region.

Future additional environmental requirements could cause us to incur material costs of compliance, increase our costs of procuring electricity, decrease transmission revenue and impact cost recovery. Technology to efficiently capture, remove and/or sequester such GHG emissions may not be available within a timeframe consistent with the implementation of any such requirements. Physical impacts of climate change also may present potential risks for severe weather, such as droughts, fires, floods, ice storms and tornadoes, in the locations where we operate or have interests. These potential risks may impact costs for electric and natural gas supply and maintenance of generation, distribution, and transmission facilities.



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**Clean Air Act Rules and Associated Emission Control Equipment Expenditures** - The EPA has proposed or issued a number of rules under different provisions of the Clean Air Act that could require the installation of emission control equipment at the generation plants in which we have joint ownership.

On January 10, 2017, the EPA published amendments to the requirements under the Clean Air Act for state plans for protection of visibility. Among other things, these amendments revised the process and requirements for the state implementation plans and extended the due date for the next periodic comprehensive regional haze state implementation plan revisions from 2018 to 2021. Therefore, by 2021, Montana, or EPA, must develop a revised plan that demonstrates reasonable progress toward eliminating man-made emissions of visibility impairing pollutants, which could impact Colstrip Unit 4. In March 2017, we filed a Petition for Review of these amendments with the D.C. Circuit, which was consolidated with other petitions challenging the final rule. While the EPA has not responded to our petition, on January 19, 2018, EPA advised the D.C. Circuit that it intended to initiate rulemaking to revisit the amendment, and asked that the case be held in abeyance. On January 30, 2018, the D.C. Circuit granted the EPA's request to hold the case in abeyance pending further order of the court. On April 27, 2018, the EPA filed a status report with the D.C. Circuit advising it that EPA has continued to assess the rule and expressing the EPA's belief that the case should remain in abeyance while its administrative proceeding continues.

**Jointly Owned Plants** - We have joint ownership in generation plants located in South Dakota, North Dakota, Iowa and Montana that are or may become subject to the various regulations discussed above that have been issued or proposed. Regarding the CPP, as discussed above, we cannot predict the impact of the CPP on us until there is a definitive judicial decision or administrative action by the EPA repealing or significantly changing the CPP.

**Other** - We continue to manage equipment containing polychlorinated biphenyl (PCB) oil in accordance with the EPA's Toxic Substance Control Act regulations. We will continue to use certain PCB-contaminated equipment for its remaining useful life and will, thereafter, dispose of the equipment according to pertinent regulations that govern the use and disposal of such equipment.

We routinely engage the services of a third-party environmental consulting firm to assist in performing a comprehensive evaluation of our environmental reserve. Based upon information available at this time, we believe that the current environmental reserve properly reflects our remediation exposure for the sites currently and previously owned by us. The portion of our environmental reserve applicable to site remediation may be subject to change as a result of the following uncertainties:

- We may not know all sites for which we are alleged or will be found to be responsible for remediation; and
- Absent performance of certain testing at sites where we have been identified as responsible for remediation, we cannot estimate with a reasonable degree of certainty the total costs of remediation.

## LEGAL PROCEEDINGS

### Pacific Northwest Solar Litigation

Pacific Northwest Solar, LLC (PNWS) is a solar QF developer seeking to construct small solar facilities in Montana. We began negotiating in early 2016 to purchase the output from these facilities pursuant to our standard QF-1 Tariff, which is applicable to projects greater than 100 kW, but no larger than 3 MW.



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On June 16, 2016, however, the MPSC suspended the availability of the QF-1 Tariff standard rates for solar projects, which included the various projects proposed by PNWS. The MPSC exempted from the suspension any projects for which a QF had submitted a signed power purchase agreement and had executed an interconnection agreement. Because PNWS had not executed interconnection agreements for any of its projects as of June 16, 2016, it did not qualify for the exemption.

In November 2016, PNWS sued us in state court seeking unspecified damages for breach of contract and other relief, including a judicial declaration that some or all of 21 proposed power purchase agreements were in effect. We removed the state lawsuit to the United States District Court for the District of Montana.

PNWS also requested the MPSC to exempt its projects from the tariff suspension. We joined in PNWS's request to the MPSC for relief on four of the projects. The MPSC did not grant PNWS or us the relief requested.

On August 14, 2017, PNWS amended its original complaint to seek enforcement and/or damages related to four of the 21 power purchase agreements.

Currently pending before the United States District Court are our motion to dismiss, our motion for partial summary judgment, and PNWS's motion for summary judgment on its request for declaratory relief regarding those four power purchase agreements.

We dispute the remaining claims in PNWS' lawsuit and intend to vigorously defend those claims. This matter is in the initial stages, and we cannot predict an outcome or estimate the amount or range of loss that would result from an adverse outcome in the remaining claims.

### **State of Montana - Riverbed Rents**

On April 1, 2016, the State of Montana (State) filed a complaint on remand (the State's Complaint) with the Montana First Judicial District Court (State District Court), naming us, along with Talen Montana, LLC (Talen) as defendants. The State claims it owns the riverbeds underlying 10 of our hydroelectric facilities (dams, along with reservoirs and tailraces) on the Missouri, Madison and Clark Fork Rivers, and seeks rents for Talen's and our use and occupancy of such lands. The facilities at issue in the litigation include the Hebgen, Madison, Hauser, Holter, Black Eagle, Rainbow, Cochrane, Ryan, and Morony facilities on the Missouri and Madison Rivers and the Thompson Falls facility on the Clark Fork River. We acquired these facilities from Talen in November 2014.

The litigation has a long prior history, which culminated with a 2012 decision by the United States Supreme Court holding that the Montana Supreme Court erred in not considering a segment-by-segment approach to determine navigability and relying on present day recreational use of the rivers. It also held that what it referred to as the Great Falls Reach "at least from the head of the first waterfall to the foot of the last" was not navigable for title purposes, and thus the State did not own the riverbeds in that segment. The United States Supreme Court remanded the case to the Montana Supreme Court for further proceedings not inconsistent with its opinion. Following the 2012 remand, the case laid dormant for four years until the State's Complaint was filed with the State District Court. On April 20, 2016, we removed the case from State District Court to the United States District Court for the District of Montana (Federal District Court). The State filed a motion to remand and following briefing and argument, on October 10, 2017, the Federal District Court Judge entered an order denying the State's motion. As the State's Complaint included a claim that the State owned the riverbeds in the Great Falls Reach, on October 16, 2017, we and Talen renewed our earlier filed motions seeking to dismiss the portion of the State's Complaint concerning the Great Falls Reach in light of the United States Supreme Court's decision. On August 1, 2018 the Federal District Court issued an order, which granted the motions to dismiss the State's claims "to the extent that they pertain to approximately 8.2 miles of the riverbed of the Missouri River between Black Eagle Falls and the Great Falls for failure to state a claim

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upon which relief can be granted." This order removes four hydroelectric facilities from the case, leaving six facilities at issue.

We dispute the State's claims and intend to vigorously defend the lawsuit. This matter is in the initial stages, and we cannot predict an outcome. If the Federal District Court determines the riverbeds under all of the 6 remaining hydroelectric facilities are navigable (including the five hydroelectric facilities on the Great Falls Reach) and if it calculates damages as the State District Court did in 2008, we estimate the annual rents could be approximately \$7 million commencing in November 2014, when we acquired the facilities. We anticipate that any obligation to pay the State rent for use and occupancy of the riverbeds would be recoverable in rates from customers, although there can be no assurances that the MPSC would approve any such recovery.

### **Wilde Litigation**

On October 10, 2017, Martin Wilde, a Montana resident and wind developer, and three entities with which he is affiliated, commenced a lawsuit against the MPSC, each individual commissioner of the MPSC (in each of their official and individual capacities), and NorthWestern in the Montana Eighth Judicial District Court (Eighth District Court). The plaintiffs allege that the MPSC collaborated with NorthWestern to set discriminatory rates and contract durations for QF developers. The plaintiffs seek power purchase agreements at \$45.19 per megawatt hour for a 25-year term or, as an alternative remedy to the alleged discrimination, a reduction in NorthWestern's rates by \$17.03 per megawatt hour. The plaintiffs also seek compensatory damages of not less than \$4.8 million, various forms of declaratory relief, injunctive relief, unspecified damages, and punitive damages.

On October 20, 2017, the Eighth District Court conducted a hearing on the plaintiffs' application for a preliminary injunction to stop the defendants from the alleged ongoing discrimination that harms development of renewable energy in Montana. At the hearing's conclusion, the court did not rule on the requested injunction but orally ordered post-hearing briefs and set deadlines for answers and dispositive motions. On November 11, 2017, Mr. Wilde died in a farming accident, and, at plaintiffs' request, the Eighth District Court stayed the proceeding through May 11, 2018. On May 10, 2018, the plaintiffs requested a status conference to determine a schedule and next steps for this litigation. The Court has not set a status conference.

### **Other Legal Proceedings**

We are also subject to various other legal proceedings, governmental audits and claims that arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these other actions will not materially affect our financial position, results of operations, or cash flows.

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STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES					
<p>1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.</p> <p>2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.</p> <p>3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.</p> <p>4. Report data on a year-to-date basis.</p>					
Line No.	Item  (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year		( 739,850)		1,379,674
2	Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value				( 53,744)
4	Total (lines 2 and 3)				( 53,744)
5	Balance of Account 219 at End of Preceding Quarter/Year		( 739,850)		1,325,930
6	Balance of Account 219 at Beginning of Current Year		33,373		1,176,729
7	Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				( 2,142,821)
8	Current Quarter/Year to Date Changes in Fair Value				180,959
9	Total (lines 7 and 8)				( 1,961,862)
10	Balance of Account 219 at End of Current Quarter/Year		33,373		( 785,133)



STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES	

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Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)		
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	5,339,772,353	4,152,474,718		
4	Property Under Capital Leases	40,209,537			
5	Plant Purchased or Sold				
6	Completed Construction not Classified				
7	Experimental Plant Unclassified	1,631,264	1,631,264		
8	Total (3 thru 7)	5,381,613,154	4,154,105,982		
9	Leased to Others				
10	Held for Future Use	4,922,322	4,892,457		
11	Construction Work in Progress	121,627,682	98,684,572		
12	Acquisition Adjustments	686,521,839	856,841,431		
13	Total Utility Plant (8 thru 12)	6,194,684,997	5,114,524,442		
14	Accum Prov for Depr, Amort, & Depl	2,248,582,136	1,734,043,198		
15	Net Utility Plant (13 less 14)	3,946,102,861	3,380,481,244		
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	2,106,666,021	1,673,116,605		
19	Amort & Depl of Producing Nat Gas Land/Land Right	30,511,458			
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant	75,382,676	24,904,612		
22	Total In Service (18 thru 21)	2,212,560,155	1,698,021,217		
23	Leased to Others				
24	Depreciation				
25	Amortization and Depletion				
26	Total Leased to Others (24 & 25)				
27	Held for Future Use				
28	Depreciation				
29	Amortization				
30	Total Held for Future Use (28 & 29)				
31	Abandonment of Leases (Natural Gas)				
32	Amort of Plant Acquisition Adj	36,021,981	36,021,981		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	2,248,582,136	1,734,043,198		

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
989,553,494	1,519,564			196,224,577	3
			40,209,537		4
					5
					6
					7
989,553,494	1,519,564		40,209,537	196,224,577	8
					9
29,865					10
12,214,517				10,728,593	11
		-170,319,592			12
1,001,797,876	1,519,564	-170,319,592	40,209,537	206,953,170	13
429,517,305	912,722	4,529,778	24,125,702	55,453,431	14
572,280,571	606,842	-174,849,370	16,083,835	151,499,739	15
					16
					17
362,242,818	912,722	4,529,778	24,125,702	41,738,396	18
30,511,458					19
					20
36,763,029				13,715,035	21
429,517,305	912,722	4,529,778	24,125,702	55,453,431	22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
429,517,305	912,722	4,529,778	24,125,702	55,453,431	33



Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of <u>2018/Q2</u>
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**ELECTRIC PLANT IN SERVICE AND ACCUMULATED PROVISION FOR DEPRECIATION BY FUNCTION**

1. Report below the original cost of plant in service by function. In addition to Account 101, include Account 102, and Account 106. Report in column (b) the original cost of plant in service and in column(c) the accumulated provision for depreciation and amortization by function.

Line No.	Item (a)	Plant in Service Balance at End of Quarter (b)	Accumulated Depreciation and Amortization Balance at End of Quarter (c)
1	Intangible Plant	25,020,773	11,414,939
2	Steam Production Plant	372,095,993	241,656,365
3	Nuclear Production Plant		
4	Hydraulic Production - Conventional	528,327,694	118,169,661
5	Hydraulic Production - Pumped Storage		
6	Other Production	485,813,173	93,059,588
7	Transmission	971,952,318	411,950,057
8	Distribution	1,632,590,138	750,725,281
9	Regional Transmission and Market Operation		
10	General	138,305,893	71,045,326
11	TOTAL (Total of lines 1 through 10)	4,154,105,982	1,698,021,217

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Transmission Service and Generation Interconnection Study Costs					
1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies. 2. List each study separately. 3. In column (a) provide the name of the study. 4. In column (b) report the cost incurred to perform the study at the end of period. 5. In column (c) report the account charged with the cost of the study. 6. In column (d) report the amounts received for reimbursement of the study costs at end of period. 7. In column (e) report the account credited with the reimbursement received for performing the study.					
Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	<b>Transmission Studies</b>				
2	FAC Studies	5,461	253	10,000	253
3	SIS Studies	154,073	253	31,758	253
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	<b>Generation Studies</b>				
22	FAC Studies	31,407	253	540,000	253
23	FEA Studies	20,517	253	64,691	253
24	SIS Studies	35,911	253	164,980	253
25	Optional Studies	70	253	10,000	253
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

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OTHER REGULATORY ASSETS (Account 182.3)							
1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable. 2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes. 3. For Regulatory Assets being amortized, show period of amortization.							
Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)	
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount (e)		
1	Montana:						
2							
3	FAS 109 & Other	143,877,347	5,936,210			149,813,557	
4							
5	Basin Creek Capital Lease	7,246,435		243	10,667	7,235,768	
6							
7	BPA Residential Exchange Program	1,560,988	1,312,124	254	1,555,875	1,317,237	
8	Docket 2016.8.61 and Docket 2017.8.63						
9	Annual Amortization						
10							
11	Property Tax Tracker	1,305,883	6,589,154	(2)407	1,371,360	6,523,677	
12	Docket 2016.1.9 and Docket 2017.11.86						
13	Annual Amortization						
14							
15	FAS 106	2,653,640		(2)926	203,094	2,450,546	
16	Docket 93.6.24 and Docket 2009.9.129						
17							
18	FAS 112	4,329,709				4,329,709	
19	Docket 93.6.24 and Docket 2009.9.129						
20							
21	CTC QF Over/Under Collections	336,948	391,624	407	360,507	368,065	
22	Docket 97.7.90 and Docket 2001.1.5						
23	Annual Amortization						
24							
25	Compensated Absences	10,842,347	530,730	242	71,177	11,301,900	
26	Docket 97.11.219						
27							
28	Excess Refunds Interim General Rate Case	32,105				32,105	
29							
30	Pension Plan	107,234,736	547,614			107,782,350	
31							
32	Montana Consumer Counsel Tax	1,443,898	10,423	Various	130	1,454,191	
33	Docket 2017.9.77						
34							
35	Montana Public Service Commission Tax	2,589,867	25,409	Various	31,136	2,584,140	
36	Docket 2017.9.78						
37							
38	Natural Gas Transmission Verification Program	859,535	1,361,157			2,220,692	
39	Docket No. D2016.11.88						
40							
41	Study of the Costs & Benefits of	55,683	100,994			156,677	
42	of Customer Generators						
43							



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**OTHER REGULATORY ASSETS (Account 182.3)**

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.  
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.  
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets  (a)	Balance at Beginning of Current Quarter/Year  (b)	Debits  (c)	CREDITS		Balance at end of Current Quarter/Year  (f)
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount (e)	
1	Asset Retirement Obligation	11,756,564	492,490			12,249,054
2						
3						
4	South Dakota:					
5						
6	FAS 109 & Other	18,579,521	2,208,417			20,787,938
7						
8	Pension Plan	9,178,845		(2)407	50,515	9,128,330
9						
10	Manufactured Gas Plants	12,260,094		2407	124,434	12,135,660
11	Docket NG 11-003					
12						
13	Rate Case Costs	130,132		407	19,521	110,611
14	Docket EL 14-106					
15						
16	Field Inventory	599,383		407	22,479	576,904
17	Docket EL 14-106					
18						
19	Rate Case Costs/LT RA Field Inventory	167,990				167,990
20	Docket EL 14-106					
21						
22	Asset Retirement Obligation	3,665,498	158,540			3,824,038
23						
24	FAS 109 & Other - Corporate	13,010,768				13,010,768
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	<b>TOTAL :</b>	353,717,916	19,664,886		3,820,895	369,561,907

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OTHER REGULATORY LIABILITIES (Account 254)						
1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable. 2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes. 3. For Regulatory Liabilities being amortized, show period of amortization.						
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Montana Operations:					
2						
3	Deferred Gas Storage Sales	9,043,398	2407	105,129		8,938,269
4	Docket D2001.1.1					
5	Amortization 2001 - 2039					
6						
7	Montana Public Service Commission &	811,015	Various	6,052	196,255	1,001,218
8	Montana Consumer Counsel Taxes					
9	Dockets D2017.9.78 and D2017.9.77					
10						
11	Tax Cut Jobs Act Deferral	6,104,377	(2)407	311,948	4,575,164	10,367,593
12	Docket N2017.12.94					
13						
14	South Dakota Operations:					
15						
16	Current Ad Valorem True-Up	858,951	(2)407	330,342		528,609
17	Docket GE98-001					
18						
19	Aberdeen Manufactured Gas Plant	1,627,673	2407	288,888	380,992	1,719,777
20	Docket NG 11-003					
21						
22	Unbilled Revenues	8,993,952	Various	140,456		8,853,496
23						
24	Tax Cut Jobs Act Deferral	1,262,831			1,587,436	2,850,267
25	Nebraska Docket NG-0095/PI-213					
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	28,702,197		1,182,815	6,739,847	34,259,229

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ELECTRIC OPERATING REVENUES (Account 400)			
<p>1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.</p> <p>2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.</p> <p>3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.</p> <p>4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.</p> <p>5. Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.</p>			

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	184,425,972	
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	206,201,108	
5	Large (or Ind.) (See Instr. 4)	33,171,789	
6	(444) Public Street and Highway Lighting	9,078,848	
7	(445) Other Sales to Public Authorities	405,959	
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales	530,217	
10	TOTAL Sales to Ultimate Consumers	433,813,893	
11	(447) Sales for Resale	6,833,585	
12	TOTAL Sales of Electricity	440,647,478	
13	(Less) (449.1) Provision for Rate Refunds	11,628,998	
14	TOTAL Revenues Net of Prov. for Refunds	429,018,480	
15	Other Operating Revenues		
16	(450) Forfeited Discounts	255,966	
17	(451) Miscellaneous Service Revenues	127,551	
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	1,859,154	
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	4,427,107	
22	(456.1) Revenues from Transmission of Electricity of Others	30,080,685	
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	36,750,463	
27	TOTAL Electric Operating Revenues	465,768,943	

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ELECTRIC OPERATING REVENUES (Account 400)					
<p>6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)</p> <p>7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.</p> <p>8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.</p> <p>9. Include unmetered sales. Provide details of such Sales in a footnote.</p>					
MEGAWATT HOURS SOLD			AVG.NO. CUSTOMERS PER MONTH		Line
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	No.	
				1	
1,594,043				2	
				3	
1,877,790				4	
335,851				5	
33,051				6	
3,431				7	
				8	
4,837				9	
3,849,003				10	
437,749				11	
4,286,752				12	
				13	
4,286,752				14	

Line 12, column (b) includes \$ 0 of unbilled revenues.

Line 12, column (d) includes 0 MWH relating to unbilled revenues

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ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES					
Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.					
Line No.	Account (a)	Year to Date Quarter (b)			
1	1. POWER PRODUCTION AND OTHER SUPPLY EXPENSES				
2	Steam Power Generation - Operation (500-509)	24,655,523			
3	Steam Power Generation - Maintenance (510-515)	4,586,425			
4	Total Power Production Expenses - Steam Power	29,241,948			
5	Nuclear Power Generation - Operation (517-525)				
6	Nuclear Power Generation - Maintenance (528-532)				
7	Total Power Production Expenses - Nuclear Power				
8	Hydraulic Power Generation - Operation (535-540.1)	6,486,501			
9	Hydraulic Power Generation - Maintenance (541-545.1)	2,023,046			
10	Total Power Production Expenses - Hydraulic Power	8,509,547			
11	Other Power Generation - Operation (546-550.1)	6,799,323			
12	Other Power Generation - Maintenance (551-554.1)	755,652			
13	Total Power Production Expenses - Other Power	7,554,975			
14	Other Power Supply Expenses				
15	Purchased Power (555)	75,646,610			
16	System Control and Load Dispatching (556)	152,134			
17	Other Expenses (557)	-8,909,624			
18	Total Other Power Supply Expenses (line 15-17)	66,889,120			
19	Total Power Production Expenses (Total of lines 4, 7, 10, 13 and 18)	112,195,590			
20	2. TRANSMISSION EXPENSES				
21	Transmission Operation Expenses				
22	(560) Operation Supervision and Engineering	2,337,102			
23					
24	(561.1) Load Dispatch-Reliability	475,559			
25	(561.2) Load Dispatch-Monitor and Operate Transmission System	458,843			
26	(561.3) Load Dispatch-Transmission Service and Scheduling	630,804			
27	(561.4) Scheduling, System Control and Dispatch Services				
28	(561.5) Reliability, Planning and Standards Development	39,849			
29	(561.6) Transmission Service Studies				
30	(561.7) Generation Interconnection Studies				
31	(561.8) Reliability, Planning and Standards Development Services				
32	(562) Station Expenses	827,302			
33	(563) Overhead Line Expenses	685,516			
34	(564) Underground Line Expenses				
35	(565) Transmission of Electricity by Others	14,657,630			
36	(566) Miscellaneous Transmission Expenses	116,272			
37	(567) Rents	375,708			
38	(567.1) Operation Supplies and Expenses (Non-Major)				

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ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES				
Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.				
Line No.	Account (a)	Year to Date Quarter (b)		
39	TOTAL Transmission Operation Expenses (Lines 22 - 38)	20,604,585		
40	Transmission Maintenance Expenses			
41	(568) Maintenance Supervision and Engineering	515,264		
42	(569) Maintenance of Structures	20,481		
43	(569.1) Maintenance of Computer Hardware	648,598		
44	(569.2) Maintenance of Computer Software	1,229		
45	(569.3) Maintenance of Communication Equipment	51,194		
46	(569.4) Maintenance of Miscellaneous Regional Transmission Plant			
47	(570) Maintenance of Station Equipment	432,152		
48	(571) Maintenance Overhead Lines	1,299,171		
49	(572) Maintenance of Underground Lines	305		
50	(573) Maintenance of Miscellaneous Transmission Plant			
51	(574) Maintenance of Transmission Plant			
52	TOTAL Transmission Maintenance Expenses (Lines 41 - 51)	2,968,394		
53	Total Transmission Expenses (Lines 39 and 52)	23,572,979		
54	3. REGIONAL MARKET EXPENSES			
55	Regional Market Operation Expenses			
56	(575.1) Operation Supervision	3,055		
57	(575.2) Day-Ahead and Real-Time Market Facilitation	163,908		
58	(575.3) Transmission Rights Market Facilitation	1,527		
59	(575.4) Capacity Market Facilitation			
60	(575.5) Ancillary Services Market Facilitation	45,958		
61	(575.6) Market Monitoring and Compliance	22,979		
62	(575.7) Market Facilitation, Monitoring and Compliance Services			
63	Regional Market Operation Expenses (Lines 55 - 62)	237,427		
64	Regional Market Maintenance Expenses			
65	(576.1) Maintenance of Structures and Improvements			
66	(576.2) Maintenance of Computer Hardware			
67	(576.3) Maintenance of Computer Software			
68	(576.4) Maintenance of Communication Equipment			
69	(576.5) Maintenance of Miscellaneous Market Operation Plant			
70	Regional Market Maintenance Expenses (Lines 65-69)			
71	TOTAL Regional Control and Market Operation Expenses (Lines 63,70)	237,427		
72	4. DISTRIBUTION EXPENSES			
73	Distribution Operation Expenses (580-589)	9,588,933		
74	Distribution Maintenance Expenses (590-598)	9,966,244		
75	Total Distribution Expenses (Lines 73 and 74)	19,555,177		



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ELECTRIC CUSTOMER ACCOUNTS, SERVICE, SALES, ADMINISTRATIVE AND GENERAL EXPENSES					
Report the amount of expenses for customer accounts, service, sales, and administrative and general expenses year to date.					
Line No.	Account (a)	Year to Date Quarter (b)			
1	(901-905) Customer Accounts Expenses	6,909,955			
2	(907-910) Customer Service and Information Expenses	2,942,619			
3	(911-917) Sales Expenses	119,682			
4	8. ADMINISTRATIVE AND GENERAL EXPENSES				
5	Operations				
6	920 Administrative and General Salaries	17,331,367			
7	921 Office Supplies and Expenses	5,994,813			
8	(Less) 922 Administrative Expenses Transferred-Credit	2,401,269			
9	923 Outside Services Employed	2,360,397			
10	924 Property Insurance	1,415,448			
11	925 Injuries and Damages	4,013,557			
12	926 Employee Pensions and Benefits	908,785			
13	927 Franchise Requirements				
14	928 Regulatory Commission Expenses	1,296,396			
15	(Less) 929 Duplicate Charges-Credit				
16	930.1 General Advertising Expenses	11,339			
17	930.2 Miscellaneous General Expenses	7,223,840			
18	931 Rents	912,598			
19	TOTAL Operation (Total of lines 6 thru 18)	39,067,271			
20	Maintenance				
21	935 Maintenance of General Plant	1,695,706			
22	TOTAL Administrative and General Expenses (Total of lines 19 and 21)	40,762,977			

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as "wheeling")					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	MONTANA CHOICE TRANSMISSION CUST				
2	Ash Grove Cement	Talen Energy	Ash Grove Cement	FNO	
3	Aspen Air Corporation	Talen Energy	Aspen Air Corporation	FNO	
4	Barretts Minerals, Inc.	Talen Energy	Barretts Minerals, Inc.	FNO	
5	Beartooth Electric Cooperative, Inc.	Twin Eagle & WAPA	Beartooth Electric Cooperative, .	FNO	
6	Benefis Health System	Energy Keepers Inc.	Benefis Health Systems	FNO	
7	Big Horn County Electric Coop, Inc.	Twin Eagle & WAPA	Big Horn County Electric Coop, I.	FNO	
8	Bonneville Power Administration	BPA	Bonneville Power Administration	FNO	
9	Basin Electric Power Cooperative	Basin Electric & WAPA	Basin Electric Power Cooperative	FNO	
10	Basin Electric Power Cooperative	Basin Electric & WAPA	Basin Electric Power Cooperative	FNO	
11	CHS, Inc.	Morgan Stanley	CHS, Inc.	FNO	
12	City of Great Falls	Talen Energy	City of Great Falls	FNO	
13	Talen Montana, LLC	Avista Energy	Colstrip Steam Electric Station	FNO	
14	CryptoWat Mining, LLC	Talen Energy	CryptoWatt Mining, LLC	FNO	
15	Phillips 66 Company	Energy Keepers, Inc.	Phillips 66 Company	FNO	
16	ExxonMobil Corporation	Talen Energy	ExxonMobil Corporation	FNO	
17	General Mills Operations, LLC	Talen Energy	General Mills Operations, LLC	FNO	
18	Great Falls Public Schools	Talen Energy	Great Falls Public Schools	FNO	
19	Oldcastle Materials Cement Holdings, Inc.	Energy Keepers, Inc.	Oldcastle Materials Cement Holdi.	FNO	
20	Imerys Talc America, Inc.	Energy Keepers, Inc.	Imerys Talc America, Inc.	FNO	
21	Suiza Dairy Group, LLC	Talen Energy	Suiza Dairy Group, LLC	FNO	
22	Calumet Refining, LLC	Talen Energy	Montana Refining Company, Inc.	FNO	
23	Montana Resources	Talen Energy	Montana Resources	FNO	
24	REC Silicon Company	Morgan Stanley	REC Silicon Company	FNO	
25	Roseburg Forest Products Company	Energy Keepers Inc.	Roseburg Forest Products Company	FNO	
26	Stillwater Mining Company	Talen Energy	Stillwater Mining Company	FNO	
27	Town of Philipsburg	Town of Philipsburg	Town Of Philipsburg	FNO	
28	Western Area Power Authority	WAPA	Western Area Power Administration	FNO	
29	Project Spokane LLC	Energy Keepers, Inc.	Project Spokane, LLC	FNO	
30					
31	MONTANA				
32	Western Area Power Administration	WAPA	NWMT	NF	
33	Western Area Power Administration	WAPA	WAPA	NF	
34	Western Area Power Administration	WAPA	WAPA	NF	
	<b>TOTAL</b>				

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')						
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>						
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
						1
Vol #5	Colstrip	Clancy, MT	7	8,954	8,954	2
Vol #5	Colstrip	Billings, MT	11	13,196	13,196	3
Vol #5	Colstrip	Dillon, MT	6	8,489	8,489	4
Vol #5	Various/Great Falls	Various in Montana	18	17,734	17,734	5
Vol #5	Kerr	Various in Montana	7	8,306	8,306	6
Vol #5	Various/Great Falls	Various in Montana	18	16,340	16,340	7
Vol #5	BPAT.NWMT	Various in Montana	212	183,968	183,968	8
Vol #5	Crossover/Gt Falls	Various NWMT & WAUW	195	193,692	193,692	9
Vol #5	Crossover	Various NWMT & WAUW	15	17,923	17,923	10
Vol #5	BPAT.NWMT & Various	Various in Montana	58	58,497	58,497	11
Vol #5	Colstrip	Various in Montana	6	5,347	5,347	12
Vol #5	AVAT.NWMT	Nichols Pump Sub	10	7,623	7,623	13
Vol #5	Colstrip	Butte, MT	64	5,365	5,365	14
Vol #5	Kerr	Various in Montana	70	129,424	129,424	15
Vol #5	Colstrip	Billings, MT	35	61,094	61,094	16
Vol #5	Colstrip	Great Falls, MT	4	4,734	4,734	17
Vol #5	Colstrip	Great Falls, MT	1	2,865	2,865	18
Vol #5	Kerr	Three Forks, MT	8	10,034	10,034	19
Vol #5	Kerr	Three Forks, MT	6	7,216	7,216	20
Vol #5	Colstrip	Various in Montana	2	1,534	1,534	21
Vol #5	Colstrip	Great Falls, MT	25	29,375	29,375	22
Vol #5	Colstrip	Butte, MT	50	90,506	90,506	23
Vol #5	Hardin & Rimrock	Butte, MT	135	169,693	169,693	24
Vol #5	Kerr	Missoula, MT	8	12,986	12,986	25
Vol #5	Colstrip	Various in Montana	37	61,556	61,556	26
Vol #5	Philipsburg Sub	Philipsburg, MT		178	178	27
Vol #5	Great Falls (WAPA)	Various NWMT & WAUW	4	2	2	28
Vol #5	Kerr	Bonner, MT	20	42,309	42,309	29
						30
						31
Vol #5	Canyon Ferry	NWMT.System		3,006	3,006	32
Vol #5	Canyon Ferry	Crossover		60,034	60,034	33
Vol #5	Canyon Ferry	Great Falls		12,110	12,110	34
			1,738	3,024,978	3,024,978	



Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')				
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>				
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
				1
29,901			29,901	2
54,723			54,723	3
35,152			35,152	4
119,350			119,350	5
43,586			43,586	6
114,738			114,738	7
1,158,006			1,158,006	8
1,127,890			1,127,890	9
103,247			103,247	10
391,371			391,371	11
28,873			28,873	12
49,513			49,513	13
25,291			25,291	14
530,177			530,177	15
228,445			228,445	16
20,265			20,265	17
12,115			12,115	18
43,241			43,241	19
31,463			31,463	20
7,845			7,845	21
121,514			121,514	22
402,934			402,934	23
703,863			703,863	24
56,387			56,387	25
261,379			261,379	26
974			974	27
6,200			6,200	28
147,920			147,920	29
				30
				31
		13,016	13,016	32
		259,947	259,947	33
		52,436	52,436	34
12,469,540	1,355,937	1,656,265	15,481,742	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Western Area Power Administration	WAPA	NWMT	NF	
2	Western Area Power Administration	WAPA	NWMT	SFP	
3	Western Area Power Administration	WAPA	WAPA	NF	
4	Western Area Power Administration	WAPA	WAPA	NF	
5	Western Area Power Administration	WAPA	NWMT	NF	
6					
7	PacifiCorp	NWMT	NWMT	SFP	
8	PacifiCorp	NWMT	NWMT	NF	
9	PacifiCorp	Colstrip Partners	PacifiCorp	NF	
10	PacifiCorp	Colstrip Partners	PacifiCorp	SFP	
11	PacifiCorp	Colstrip Partners	PacifiCorp	NF	
12	PacifiCorp	PacifiCorp	NWMT	NF	
13	PacifiCorp	PacifiCorp	NWMT	NF	
14	PacifiCorp	PacifiCorp	NWMT	NF	
15	PacifiCorp	BPA	NWMT	NF	
16	PacifiCorp	BPA	PacifiCorp	NF	
17	PacifiCorp	BPA	PacifiCorp	SFP	
18	PacifiCorp	PacifiCorp	PacifiCorp	NF	
19	PacifiCorp	PacifiCorp	PacifiCorp	NF	
20	PacifiCorp	PacifiCorp	NWMT	NF	
21					
22	Avista Corporation	AVISTA	NWMT	NF	
23	Avista Corporation	AVISTA	NWMT	NF	
24	Avista Corporation	Colstrip Partners	AVISTA	NF	
25	Avista Corporation	Colstrip Partners	AVISTA	SFP	
26	Avista Corporation	NWMT	NWMT	SFP	
27	Avista Corporation	NWMT	NWMT	NF	
28					
29	Bonneville Power Administration	BPA	NWMT	NF	
30	Bonneville Power Administration	BPA	PacifiCorp	NF	
31	Bonneville Power Administration	BPA	PacifiCorp	NF	
32	Bonneville Power Administration	BPA	WAPA	NF	
33					
34	Black Hills Power Inc.	BPA	BPA	NF	
	<b>TOTAL</b>				

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)  
(Including transactions referred to as "wheeling")

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.

6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.

7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.

8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
Vol #5	Great Falls	NWMT.System		1,628	1,628	1
Vol #5	Great Falls	NWMT.System	2	4,362	4,362	2
Vol #5	Crossover	Great Falls		299	299	3
Vol #5	Great Falls	Crossover		36,449	36,449	4
Vol #5	Crossover	NWMT.System		12	12	5
						6
Vol #5	Colstrip	NWMT.System		72	72	7
Vol #5	Colstrip	NWMT.System		129	129	8
Vol #5	Colstrip	YTP		2,576	2,576	9
Vol #5	Colstrip	YTP	1	1,416	1,416	10
Vol #5	Colstrip	JEFF		1	1	11
Vol #5	MLCK	JEFF		69	69	12
Vol #5	MLCK	NWMT.System		6	6	13
Vol #5	BRDY	NWMT.System		3	3	14
Vol #5	BPAT.NWMT	Colstrip		36	36	15
Vol #5	BPAT.NWMT	JEFF		241	241	16
Vol #5	BPAT.NWMT	YTP		223	223	17
Vol #5	BRDY	MLCK		9	9	18
Vol #5	BRDY	YTP		59	59	19
Vol #5	YTP	Colstrip		49	49	20
						21
Vol #5	AVAT.NWMT	NWMT.System		334	334	22
Vol #5	AVAT.NWMT	Colstrip		85	85	23
Vol #5	Colstrip	AVAT.NWMT		8,741	8,741	24
Vol #5	Colstrip	AVAT.NWMT	3	6,912	6,912	25
Vol #5	Colstrip	NWMT.System		144	144	26
Vol #5	Colstrip	NWMT.System		466	466	27
						28
Vol #5	BPAT.NWMT	NWMT.System		31,135	31,135	29
Vol #5	BPAT.NWMT	YTP		20	20	30
Vol #5	BPAT.NWMT	BRDY		22	22	31
Vol #5	BPAT.NWMT	Great Falls		601	601	32
						33
Vol #5	BPAT.NWMT	BPAT.NWMT		15	15	34
			1,738	3,024,978	3,024,978	



Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	7,049		7,049	1
18,960			18,960	2
	1,295		1,295	3
	64,391		64,391	4
	93,485		93,485	5
				6
312			312	7
	559		559	8
	11,154		11,154	9
6,130			6,130	10
	4		4	11
	299		299	12
	26		26	13
	13		13	14
	156		156	15
	1,044		1,044	16
	966		966	17
	39		39	18
	255		255	19
	212		212	20
				21
	1,446		1,446	22
	368		368	23
	37,849		37,849	24
29,923			29,923	25
623			623	26
	2,018		2,018	27
				28
	134,815		134,815	29
	87		87	30
	95		95	31
	2,602		2,602	32
				33
	65		65	34
12,469,540	1,355,937	1,656,265	15,481,742	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Black Hills Power Inc.	NWMT	NWMT	NF	
2	Black Hills Power Inc.	PacifiCorp	NWMT	NF	
3	Black Hills Power Inc.	BPA	PacifiCorp	NF	
4	Black Hills Power Inc.	BPA	NWMT	NF	
5	Black Hills Power Inc.	NWMT	PacifiCorp	NF	
6	Black Hills Power Inc.	NWMT	PacifiCorp	NF	
7					
8	Basin Electric Power Cooperative	BPA	PacifiCorp	NF	
9	Basin Electric Power Cooperative	NWMT	PacifiCorp	NF	
10	Basin Electric Power Cooperative	PacifiCorp	WAPA	NF	
11	Basin Electric Power Cooperative	PacifiCorp	WAPA	NF	
12	Basin Electric Power Cooperative	WAPA	PacifiCorp	NF	
13	Basin Electric Power Cooperative	WAPA	WAPA	LFP	
14					
15	Shell Energy North America	BPA	NWMT	NF	
16	Shell Energy North America	BPA	MATL	NF	
17	Shell Energy North America	BPA	WAPA	NF	
18	Shell Energy North America	WAPA	NWMT	NF	
19	Shell Energy North America	WAPA	BPA	NF	
20	Shell Energy North America	AVISTA	NWMT	NF	
21	Shell Energy North America	AVISTA	WAPA	NF	
22	Shell Energy North America	PacifiCorp	BPA	NF	
23	Shell Energy North America	PacifiCorp	NWMT	NF	
24	Shell Energy North America	PacifiCorp	WAPA	NF	
25	Shell Energy North America	BPA	PacifiCorp	NF	
26	Shell Energy North America	BPA	PacifiCorp	NF	
27					
28	EDF Trading North America, LLC	NWMT	BPAT	NF	
29	EDF Trading North America, LLC	BPA	PacifiCorp	NF	
30					
31	Energy Keepers, Inc.	NWMT	BPA	NF	
32	Energy Keepers, Inc.	NWMT	BPA	SFP	
33	Energy Keepers, Inc.	NWMT	BPA	LFP	
34	Energy Keepers, Inc.	NWMT	NWMT	NF	
	<b>TOTAL</b>				

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018		Year/Period of Report End of 2018/Q2	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')							
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>							
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.	
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)		
Vol #5	Canyon Ferry	NWMT.System		4	4	1	
Vol #5	YTP	NWMT.System		1	1	2	
Vol #5	BPAT.NWMT	YTP		121	121	3	
Vol #5	BPAT.NWMT	NWMT.System		5	5	4	
Vol #5	Crossover	YTP		20	20	5	
Vol #5	Canyon Ferry	YTP		68	68	6	
						7	
Vol #5	BPAT.NWMT	YTP		142	142	8	
Vol #5	Colstrip	YTP		55	55	9	
Vol #5	YTP	Great Falls		90	90	10	
Vol #5	YTP	Crossover		23	23	11	
Vol #5	Crossover	YTP		786	786	12	
Vol #5	Crossover	Great Falls	31	67,704	67,704	13	
						14	
Vol #5	BPAT.NWMT	NWMT.System		892	892	15	
Vol #5	BPAT.NWMT	MATL.NWMT		147	147	16	
Vol #5	BPAT.NWMT	Crossover		4,498	4,498	17	
Vol #5	Crossover	NWMT.System		144	144	18	
Vol #5	Crossover	BPAT.NWMT		4,514	4,514	19	
Vol #5	AVAT.NWMT	NWMT.System		32	32	20	
Vol #5	AVAT.NWMT	Crossover		235	235	21	
Vol #5	YTP	BPAT.NWMT		8,405	8,405	22	
Vol #5	YTP	NWMT.System		71	71	23	
Vol #5	YTP	Crossover		9	9	24	
Vol #5	BPAT.NWMT	BRDY		578	578	25	
Vol #5	BPAT.NWMT	YTP		10,119	10,119	26	
						27	
Vol #5	Colstrip	BPAT.NWMT		70	70	28	
Vol #5	BPAT.NWMT	YTP		61	61	29	
						30	
Vol #5	Kerr	BPAT.NWMT		5,435	5,435	31	
Vol #5	Kerr	BPAT.NWMT	1	2,808	2,808	32	
Vol #5	Kerr	BPAT.NWMT	37	80,808	80,808	33	
Vol #5	Kerr	NWMT.SYSTEM		4,517	4,517	34	
			1,738	3,024,978	3,024,978		



Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')				
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>				
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	17		17	1
	4		4	2
	524		524	3
	22		22	4
	87		87	5
	294		294	6
				7
	615		615	8
	238		238	9
	390		390	10
	100		100	11
	3,403		3,403	12
293,880			293,880	13
				14
	3,862		3,862	15
	637		637	16
	19,476		19,476	17
	624		624	18
	19,546		19,546	19
	139		139	20
	1,018		1,018	21
	36,394		36,394	22
	307		307	23
	39		39	24
	2,503		2,503	25
	43,815		43,815	26
				27
	303		303	28
	264		264	29
				30
	23,534		23,534	31
12,156			12,156	32
261,755			261,755	33
	19,559		19,559	34
12,469,540	1,355,937	1,656,265	15,481,742	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Energy Keepers, Inc.	NWMT	NWMT	NF	
2	Energy Keepers, Inc.	NWMT	NWMT	NF	
3	Energy Keepers, Inc.	NWMT	PacifiCorp	SFP	
4	Energy Keepers, Inc.	NWMT	PacifiCorp	NF	
5	Energy Keepers, Inc.	NWMT	PacifiCorp	LFP	
6	Energy Keepers, Inc.	NWMT	PacifiCorp	NF	
7	Energy Keepers, Inc.	NWMT	PacifiCorp	SFP	
8					
9	Portland General Electric Company	NWMT	NWMT	NF	
10	Portland General Electric Company	Colstrip Partners	BPA	NF	
11	Portland General Electric Company	BPA	NWMT	NF	
12	Portland General Electric Company	BPA	NWMT	NF	
13	Portland General Electric Company	Avista	NWMT	NF	
14					
15	Idaho Power Company	Avista	NWMT	NF	
16	Idaho Power Company	Avista	PacifiCorp	NF	
17	Idaho Power Company	Avista	PacifiCorp	NF	
18	Idaho Power Company	BPA	NWMT	NF	
19	Idaho Power Company	BPA	PacifiCorp	NF	
20	Idaho Power Company	BPA	PacifiCorp	NF	
21					
22	Morgan Stanley Capital Group	PacifiCorp	NWMT	NF	
23	Morgan Stanley Capital Group	PacifiCorp	MATL	NF	
24	Morgan Stanley Capital Group	PacifiCorp	MATL	NF	
25	Morgan Stanley Capital Group	BPA	PacifiCorp	NF	
26	Morgan Stanley Capital Group	BPA	PacifiCorp	NF	
27	Morgan Stanley Capital Group	BPA	PacifiCorp	NF	
28	Morgan Stanley Capital Group	BPA	PacifiCorp	SFP	
29	Morgan Stanley Capital Group	BPA	WAPA	NF	
30	Morgan Stanley Capital Group	BPA	NWMT	NF	
31	Morgan Stanley Capital Group	BPA	NWMT	SFP	
32	Morgan Stanley Capital Group	BPA	NWMT	LFP	
33	Morgan Stanley Capital Group	BPA	MATL	SFP	
34	Morgan Stanley Capital Group	BPA	MATL	NF	
	<b>TOTAL</b>				

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2			
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')						
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>						
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
Vol #5	Colstrip	NWMT.SYSTEM		30	30	1
Vol #5	Kerr	NWMT.SYSTEM		3	3	2
Vol #5	Kerr	BRDY	3	5,967	5,967	3
Vol #5	Kerr	BRDY		635	635	4
Vol #5	Kerr	BRDY	25	54,600	54,600	5
Vol #5	Kerr	YTP		412	412	6
Vol #5	Kerr	YTP		288	288	7
						8
Vol #5	Colstrip	NWMT System		61	61	9
Vol #5	Colstrip	BPAT.NWMT		1,605	1,605	10
Vol #5	BPAT.NWMT	NWMT.System		24	24	11
Vol #5	BPAT.NWMT	Colstrip		493	493	12
Vol #5	AVAT.NWMT	NWMT.System		20	20	13
				-		14
Vol #5	AVAT.NWMT	NWMT.System		35	35	15
Vol #5	AVAT.NWMT	YTP		555	555	16
Vol #5	AVAT.NWMT	JEFF		370	370	17
Vol #5	BPAT.NWMT	NWMT.System		18	18	18
Vol #5	BPAT.NWMT	YTP		282	282	19
Vol #5	BPAT.NWMT	JEFF		150	150	20
						21
Vol #5	BRDY	NWMT.System		71	71	22
Vol #5	BRDY	MATL.NWMT		254	254	23
Vol #5	JEFF	MATL.NWMT		21	21	24
Vol #5	BPAT.NWMT	YTP		56	56	25
Vol #5	BPAT.NWMT	BRDY		144	144	26
Vol #5	BPAT.NWMT	JEFF		5	5	27
Vol #5	BPAT.NWMT	JEFF	2	3,760	3,760	28
Vol #5	BPAT.NWMT	Crossover		550	550	29
Vol #5	BPAT.NWMT	NWMT.System		2,699	2,699	30
Vol #5	BPAT.NWMT	NWMT.System	1	1,800	1,800	31
Vol #5	BPAT.NWMT	MATL.NWMT	50	109,200	109,200	32
Vol #5	BPAT.NWMT	MATL.NWMT	219	478,017	478,017	33
Vol #5	BPAT.NWMT	MATL.NWMT		13,127	13,127	34
			1,738	3,024,978	3,024,978	



Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	130		130	1
	13		13	2
25,975			25,975	3
	2,750		2,750	4
237,000			237,000	5
	1,784		1,784	6
1,247			1,247	7
				8
	264		264	9
	6,950		6,950	10
	104		104	11
	2,135		2,135	12
	87		87	13
				14
	152		152	15
	2,403		2,403	16
	1,602		1,602	17
	78		78	18
	1,221		1,221	19
	650		650	20
				21
	307		307	22
	1,100		1,100	23
	91		91	24
	242		242	25
	624		624	26
	22		22	27
16,624			16,624	28
	2,382		2,382	29
	11,687		11,687	30
7,793			7,793	31
474,000			474,000	32
2,076,119			2,076,119	33
	56,839		56,839	34
12,469,540	1,355,937	1,656,265	15,481,742	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Morgan Stanley Capital Group	BPA	Glacier Wind	NF	
2	Morgan Stanley Capital Group	MATL	AVISTA	NF	
3	Morgan Stanley Capital Group	MATL	AVISTA	SFP	
4	Morgan Stanley Capital Group	NWMT	BPA	NF	
5	Morgan Stanley Capital Group	nwmt	BPA	NF	
6	Morgan Stanley Capital Group	MATL	BPA	NF	
7	Morgan Stanley Capital Group	MATL	BPA	SFP	
8	Morgan Stanley Capital Group	NWMT	BPA	NF	
9	Morgan Stanley Capital Group	MATL	PacifiCorp	NF	
10	Morgan Stanley Capital Group	MATL	PacifiCorp	SFP	
11	Morgan Stanley Capital Group	MATL	PacifiCorp	NF	
12	Morgan Stanley Capital Group	MATL	PacifiCorp	SFP	
13	Morgan Stanley Capital Group	Colstrip Partners	PacifiCorp	NF	
14	Morgan Stanley Capital Group	Colstrip Partners	PacifiCorp	SFP	
15	Morgan Stanley Capital Group	NWMT	MATL	NF	
16	Morgan Stanley Capital Group	NWMT	MATL	NF	
17	Morgan Stanley Capital Group	Colstrip Partners	MATL	NF	
18	Morgan Stanley Capital Group	NWMT	MATL	NF	
19	Morgan Stanley Capital Group	NWMT	MATL	NF	
20	Morgan Stanley Capital Group	NWMT	NWMT	NF	
21	Morgan Stanley Capital Group	MATL	NWMT	NF	
22	Morgan Stanley Capital Group	NWMT	MATL	NF	
23	Morgan Stanley Capital Group	NWMT	NWMT	NF	
24	Morgan Stanley Capital Group	NWMT	MATL	NF	
25	Morgan Stanley Capital Group	Colstrip Partners	MATL	NF	
26	Morgan Stanley Capital Group	Colstrip Partners	NWMT	NF	
27	Morgan Stanley Capital Group	Colstrip Partners	Glacier Wind	NF	
28	Morgan Stanley Capital Group	MATL	Glacier Wind	NF	
29	Morgan Stanley Capital Group	MATL	WAPA	NF	
30	Morgan Stanley Capital Group	MATL	WAPA	NF	
31	Morgan Stanley Capital Group	Glacier Wind	AVISTA	SFP	
32	Morgan Stanley Capital Group	Glacier Wind	AVISTA	NF	
33	Morgan Stanley Capital Group	Glacier Wind	AVISTA	NF	
34	Morgan Stanley Capital Group	Glacier Wind	AVISTA	SFP	
	<b>TOTAL</b>				

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')						
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>						
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
Vol #5	BPAT.NWMT	GLWND1		518	518	1
Vol #5	MATL.NWMT	AVAT.NWMT		2,016	2,016	2
Vol #5	MATL.NWMT	AVAT.NWMT	4	9,600	9,600	3
Vol #5	KERR	BPAT.NWMT		10	10	4
Vol #5	JUDITH GAP	BPAT.NWMT		28	28	5
Vol #5	MATL.NWMT	BPAT.NWMT		25,632	25,632	6
Vol #5	MATL.NWMT	BPAT.NWMT	1	2,712	2,712	7
Vol #5	TFALLS	BPAT.NWMT		304	304	8
Vol #5	MATL.NWMT	BRDY		1,058	1,058	9
Vol #5	MATL.NWMT	BRDY	1	1,128	1,128	10
Vol #5	MATL.NWMT	JEFF		937	937	11
Vol #5	MATL.NWMT	JEFF	1	2,184	2,184	12
Vol #5	MATL.NWMT	YTP		3,325	3,325	13
Vol #5	MATL.NWMT	YTP		816	816	14
Vol #5	BASIN CREEK	MATL.NWMT		10	10	15
Vol #5	BGI	MATL.NWMT		44	44	16
Vol #5	COLSTRIP	NWMT.SYSTEM		48	48	17
Vol #5	HOLTER	MATL.NWMT		18	18	18
Vol #5	NWMTIMBALANCE	MATL.NWMT		9	9	19
Vol #5	NWMTIMBALANCE	NWMT.SYSTEM		8	8	20
Vol #5	MATL.NWMT	NWMT.YSTEM		1,626	1,626	21
Vol #5	COLSTRIP	MATL.NWMT		521	521	22
Vol #5	JUDITH GAP	NWMT.SYSTEM		13	13	23
Vol #5	JUDITH GAP	MATL.NWMT		79	79	24
Vol #5	TFALLS	MATL.NWMT		20	20	25
Vol #5	TFALLS	NWMT.System		20	20	26
Vol #5	COLSTRIP	GLWND1		11	11	27
Vol #5	MATL.NWMT	GLWND1		466	466	28
Vol #5	MATL.NWMT	CROSSOVER		912	912	29
Vol #5	MATL.NWMT	GREAT FALLS		20	20	30
Vol #5	GLWND1	AVAT.NWMT	1	2,280	2,280	31
Vol #5	GLWND1	AVAT.NWMT		1,462	1,462	32
Vol #5	GLWND2	AVAT.NWMT		453	453	33
Vol #5	GLWND2	AVAT.NWMT	1	2,520	2,520	34
			1,738	3,024,978	3,024,978	



Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	2,243		2,243	1
	8,729		8,729	2
41,560			41,560	3
	43		43	4
	121		121	5
	110,986		110,986	6
11,741			11,741	7
	1,316		1,316	8
	4,581		4,581	9
4,883			4,883	10
	4,057		4,057	11
9,455			9,455	12
	14,397		14,397	13
3,533			3,533	14
	43		43	15
	191		191	16
	208		208	17
	78		78	18
	39		39	19
	35		35	20
	7,041		7,041	21
	2,256		2,256	22
	56		56	23
	342		342	24
	87		87	25
	87		87	26
	48		48	27
	2,018		2,018	28
	3,949		3,949	29
	87		87	30
9,871			9,871	31
	6,330		6,330	32
	1,961		1,961	33
10,910			10,910	34
12,469,540	1,355,937	1,656,265	15,481,742	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Morgan Stanley Capital Group	Glacier Wind	BPA	NF	
2	Morgan Stanley Capital Group	Glacier Wind	BPA	SFP	
3	Morgan Stanley Capital Group	Glacier Wind	BPA	NF	
4	Morgan Stanley Capital Group	Glacier Wind	NWMT	NF	
5	Morgan Stanley Capital Group	Glacier Wind	NWMT	NF	
6	Morgan Stanley Capital Group	Glacier Wind	MATL	NF	
7	Morgan Stanley Capital Group	Glacier Wind	MATL	NF	
8	Morgan Stanley Capital Group	Glacier Wind	PacifiCorp	NF	
9	Morgan Stanley Capital Group	Glacier Wind	PacifiCorp	NF	
10	Morgan Stanley Capital Group	Glacier Wind	PacifiCorp	NF	
11	Morgan Stanley Capital Group	Glacier Wind	PacifiCorp	SFP	
12	Morgan Stanley Capital Group	Glacier Wind	PacifiCorp	NF	
13	Morgan Stanley Capital Group	Glacier Wind	PacifiCorp	SFP	
14	Morgan Stanley Capital Group	Glacier Wind	PacifiCorp	NF	
15	Morgan Stanley Capital Group	Glacier Wind	PacifiCorp	SFP	
16	Morgan Stanley Capital Group	Glacier Wind	PacifiCorp	NF	
17	Morgan Stanley Capital Group	Glacier Wind	WAPA	NF	
18	Morgan Stanley Capital Group	Glacier Wind	WAPA	NF	
19	Morgan Stanley Capital Group	Glacier Wind	Glacier Wind	NF	
20	Morgan Stanley Capital Group	AVISTA	Glacier Wind	NF	
21	Morgan Stanley Capital Group	AVISTA	NWMT	NF	
22	Morgan Stanley Capital Group	AVISTA	MATL	NF	
23	Morgan Stanley Capital Group	AVISTA	BPA	NF	
24	Morgan Stanley Capital Group	WAPA	AVISTA	NF	
25	Morgan Stanley Capital Group	WAPA	BPA	NF	
26	Morgan Stanley Capital Group	WAPA	BPA	NF	
27	Morgan Stanley Capital Group	WAPA	NWMT	NF	
28	Morgan Stanley Capital Group	WAPA	MATL	NF	
29	Morgan Stanley Capital Group	WAPA	MATL	NF	
30	Morgan Stanley Capital Group	WAPA	PacifiCorp	NF	
31	Morgan Stanley Capital Group	WAPA	PacifiCorp	NF	
32	Morgan Stanley Capital Group	WAPA	PacifiCorp	NF	
33	Morgan Stanley Capital Group	WAPA	WAPA	NF	
34					
	<b>TOTAL</b>				

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')						
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>						
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
Vol #5	GLWND1	BPAT.NWMT		11,861	11,861	1
Vol #5	GLWND1	BPAT.NWMT	1	2,064	2,064	2
Vol #5	GLWND2	BPAT.NWMT		8,470	8,470	3
Vol #5	GLWND1	NWMT.SYSTEM		1,500	1,500	4
Vol #5	GLWND2	NWMT.SYSTEM		1,584	1,584	5
Vol #5	GLWND1	MATL.NWMT		1,219	1,219	6
Vol #5	GLWND2	MATL.NWMT		702	702	7
Vol #5	GLWND1	BRDY		1,337	1,337	8
Vol #5	GLWND2	BRDY		293	293	9
Vol #5	GLWND1	JEFF		568	568	10
Vol #5	GLWND1	JEFF	6	13,440	13,440	11
Vol #5	GLWND2	JEFF		753	753	12
Vol #5	GLWND2	JEFF	1	1,680	1,680	13
Vol #5	GLWND1	YTP		1,717	1,717	14
Vol #5	GLWND1	YTP	1	1,800	1,800	15
Vol #5	GLWND2	YTP		992	992	16
Vol #5	GLWND1	CROSSOVER		536	536	17
Vol #5	GLWND2	CROSSOVER		155	155	18
Vol #5	GLWND2	GLWND1		25	25	19
Vol #5	AVAT.NWMT	GLWND1		258	258	20
Vol #5	AVAT.NWMT	NWMT.SYSTEM		324	324	21
Vol #5	AVAT.NWMT	MATL.NWMT		2,975	2,975	22
Vol #5	AVAT.NWMT	BPAT.NWMT		10	10	23
Vol #5	GREAT FALLS	AVAT.NWMT		276	276	24
Vol #5	GREAT FALLS	BPAT.NWMT		3,926	3,926	25
Vol #5	CROSSOVER	BPAT.NWMT		210	210	26
Vol #5	GREAT FALLS	NWMT.SYSTEM		869	869	27
Vol #5	GREAT FALLS	MATL.NWMT		846	846	28
Vol #5	CROSSOVER	MATL.NWMT		80	80	29
Vol #5	GREAT FALLS	YTP		572	572	30
Vol #5	GREAT FALLS	JEFF		190	190	31
Vol #5	GREAT FALLS	BRDY		174	174	32
Vol #5	GREAT FALLS	CROSSOVER		507	507	33
						34
			1,738	3,024,978	3,024,978	



Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	51,358		51,358	1
8,935			8,935	2
	36,675		36,675	3
	6,495		6,495	4
	6,859		6,859	5
	5,278		5,278	6
	3,040		3,040	7
	5,789		5,789	8
	1,269		1,269	9
	2,459		2,459	10
58,184			58,184	11
	3,260		3,260	12
7,273			7,273	13
	7,434		7,434	14
7,793			7,793	15
	4,295		4,295	16
	2,321		2,321	17
	671		671	18
	108		108	19
	1,117		1,117	20
	1,403		1,403	21
	12,882		12,882	22
	43		43	23
	1,195		1,195	24
	17,000		17,000	25
	909		909	26
	3,763		3,763	27
	3,663		3,663	28
	346		346	29
	2,477		2,477	30
	823		823	31
	753		753	32
	2,195		2,195	33
				34
12,469,540	1,355,937	1,656,265	15,481,742	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Naturener Power Watch, LLC	Glacier Wind	AVISTA	SFP	
2	Naturener Power Watch, LLC	AVISTA	Glacier Wind	SFP	
3	Naturener Power Watch, LLC	AVISTA	WAPA	NF	
4	Naturener Power Watch, LLC	Glacier Wind	NWMT	NF	
5	Naturener Power Watch, LLC	Glacier Wind	Glacier Wind	SFP	
6	Naturener Power Watch, LLC	Glacier Wind	Glacier Wind	SFP	
7	Naturener Power Watch, LLC	Glacier Wind	Glacier Wind	SFP	
8					
9	MAG Energy Solutions	NWMT	MATL	NF	
10	MAG Energy Solutions	NWMT	MATL	NF	
11	MAG Energy Solutions	MATL	NWMT	NF	
12	MAG Energy Solutions	WAPA	NWMT	NF	
13	MAG Energy Solutions	WAPA	PacifiCorp	NF	
14	MAG Energy Solutions	WAPA	PacifiCorp	NF	
15	MAG Energy Solutions	WAPA	MATL	NF	
16	MAG Energy Solutions	WAPA	MATL	NF	
17					
18	Macquarie Energy LLC	WAPA	NWMT	NF	
19	Macquarie Energy LLC	WAPA	PacifiCorp	NF	
20	Macquarie Energy LLC	WAPA	PacifiCorp	NF	
21					
22	Rainbow Energy Marketing Corp	Colstrip Partners	NWMT	NF	
23	Rainbow Energy Marketing Corp	Colstrip Partners	BPA	NF	
24					
25	Talen Energy, LLC	NWMT	BPA	LFP	
26	Talen Energy, LLC	NWMT	PacifiCorp	LFP	
27	Talen Energy, LLC	NWMT	PacifiCorp	LFP	
28					
29					
30	Talen Energy Marketing, LLC	WAPA	PacifiCorp	LFP	
31	Talen Energy Marketing, LLC	NWMT	BPAT	LFP	
32	Talen Energy Marketing, LLC	NWMT	PacifiCorp	LFP	
33	Talen Energy Marketing, LLC	NWMT	PacifiCorp	LFP	
34	Talen Energy Marketing, LLC	PPLM	PacifiCorp	LFP	
	<b>TOTAL</b>				

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')						
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>						
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
Vol #5	GLWND1	AVAT.NWMT		720	720	1
Vol #5	AVAT.NWMT	GLWND1	1	1,464	1,464	2
Vol #5	AVAT.NWMT	GREAT FALLS		35	35	3
Vol #5	GLWND1	NWMT.SYSTEM		3	3	4
Vol #5	GLWND1	GLWND2	2	4,800	4,800	5
Vol #5	GLWND1	GLWND2	1	2,515	2,515	6
Vol #5	GLWND1	GLWND2	2	3,595	3,595	7
						8
Vol #5	MATL.NWMT	BRDY		135	135	9
Vol #5	MATL.NWMT	JEFF		858	858	10
Vol #5	MATL.NWMT	NWMT.SYSTEM		40	40	11
Vol #5	CROSSOVER	NWMT.SYSTEM		25	25	12
Vol #5	CROSSOVER	BRDY		1	1	13
Vol #5	CROSSOVER	JEFF		338	338	14
Vol #5	CROSSOVER	MATL.NWMT		42	42	15
Vol #5	MATL.NWMT	CROSSOVER		147	147	16
						17
Vol #5	CROSSOVER	NWMT.SYSTEM		16	16	18
Vol #5	CROSSOVER	BRDY		144	144	19
Vol #5	CROSSOVER	JEFF		147	147	20
						21
Vol #5	CANYON FERRY	NWMT.SYSTEM		16	16	22
Vol #5	CANYON FERRY	BPAT.NWMT		102	102	23
						24
Vol #5	Colstrip	BPAT	100	218,400	218,400	25
Vol #5	MATL.NWMT	BRDY	7	15,288	15,288	26
Vol #5	Colstrip	JEFF	73	159,432	159,432	27
						28
						29
Vol #5	CROSSOVER	BRDY	15	32,760	32,760	30
Vol #5	GTFALLSNWMT	BPAT.NWMT	25	54,600	54,600	31
Vol #5	BLACK EAGLE	BRDY	4	8,736	8,736	32
Vol #5	CROOKED FALLS	JEFF	7	15,288	15,288	33
Vol #5	COLSTRIP	JEFF	7	15,288	15,288	34
			1,738	3,024,978	3,024,978	



Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')				
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>				
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
3,160			3,160	1
6,320			6,320	2
	152		152	3
	13		13	4
20,780			20,780	5
10,938			10,938	6
15,800			15,800	7
				8
	585		585	9
	3,715		3,715	10
	173		173	11
	108		108	12
	4		4	13
	1,464		1,464	14
	182		182	15
	637		637	16
				17
	69		69	18
	624		624	19
	637		637	20
				21
	69		69	22
	442		442	23
				24
948,000			948,000	25
66,360			66,360	26
692,040			692,040	27
				28
				29
142,200			142,200	30
237,000			237,000	31
37,920			37,920	32
66,360			66,360	33
66,360			66,360	34
12,469,540	1,355,937	1,656,265	15,481,742	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as "wheeling")					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1					
2	Powerex Corporation	BPA	NWMT	NF	
3	Powerex Corporation	BPA	PacifiCorp	NF	
4	Powerex Corporation	PacifiCorp	BPA	NF	
5	Powerex Corporation	BPA	PacifiCorp	NF	
6	Powerex Corporation	BPA	WAPA	NF	
7	Powerex Corporation	MATL	PacifiCorp	LFP	
8	Powerex Corporation	BPA	PacifiCorp	NF	
9	Powerex Corporation	BPA	PacifiCorp	NF	
10	Powerex Corporation	WAPA	BPA	NF	
11	Powerex Corporation	WAPA	NWMT	NF	
12					
13	Puget Sound Energy Marketing	Colstrip Partners	BPA	NF	
14	Puget Sound Energy Marketing	NWMT	NWMT	NF	
15	Puget Sound Energy Marketing	BPA	NWMT	NF	
16					
17	Cycle Power Partners LLC	NWMT	NWMT	NF	
18	Cycle Power Partners LLC	NWMT	PacifiCorp	NF	
19	Cycle Power Partners LLC	NWMT	PacifiCorp	NF	
20					
21	The Energy Authority, Inc.	AVISTA	PacifiCorp	NF	
22	The Energy Authority, Inc.	BPA	PacifiCorp	NF	
23					
24	Westar Energy	WAPA	PacifiCorp	NF	
25					
26	SOUTH DAKOTA				
27	Bryant, City of	WAPA	Bryant	LFP	
28	Langford, City of	WAPA	Langford	LFP	
29	Southwest Power Pool (SPP)	SPP	Various	LFP	
30	Southwest Power Pool (SPP)	SPP	Various	FNS	
31					
32					
33					
34					
	<b>TOTAL</b>				

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018		Year/Period of Report End of 2018/Q2	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')							
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>							
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.	
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)		
						1	
Vol #5	BPAT.NWMT	NWMT.SYSTEM		138	138	2	
Vol #5	BPAT.NWMT	JEFF		69	69	3	
Vol #5	YTP	BPAT.NWMT		102	102	4	
Vol #5	BPAT.NWMT	YTP		239	239	5	
Vol #5	BPAT.NWMT	CROSSOVER		39	39	6	
Vol #5	MATL.NWMT	BRDY	69	150,696	150,696	7	
Vol #5	BPAT.NWMT	BRDY		49	49	8	
Vol #5	BPAT.NWMT	JEFF		195	195	9	
Vol #5	CROSSOVER	BPAT.NWMT		1,442	1,442	10	
Vol #5	CROSSOVER	NWMT.SYSTEM		6	6	11	
						12	
Vol #5	COLSTRIP	BPAT.NWMT		1,396	1,396	13	
Vol #5	COLSTRIP	NWMT.SYSTEM		72	72	14	
Vol #5	BPAT.NWMT	COLSTRIP		410	410	15	
						16	
Vol #5	HORSESHOE	NWMT.SYSTEM		93	93	17	
Vol #5	HORSESHOE	BRDY		194	194	18	
Vol #5	HORSESHOE	JEFF		2,124	2,124	19	
						20	
Vol #5	AVAT.NWMT	YTP		55	55	21	
Vol #5	BPAT.NWMT	YTP		799	799	22	
						23	
Vol #5	CROSSOVER	YTP		160	160	24	
						25	
						26	
Vol. 2	Huron 115 kV Bus	Bryant 25 kV		679	679	27	
Vol. 2	Huron 115 kV Bus	Langford 12.5 kV		547	547	28	
Sch. 7 & 8	Various	Various				29	
Sch. 9	Various	Various				30	
						31	
						32	
						33	
						34	
			1,738	3,024,978	3,024,978		



Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
				1
	598		598	2
	299		299	3
	442		442	4
	1,035		1,035	5
	169		169	6
654,120			654,120	7
	212		212	8
	844		844	9
	6,244		6,244	10
	26		26	11
				12
	6,045		6,045	13
	312		312	14
	1,775		1,775	15
				16
	403		403	17
	840		840	18
	9,197		9,197	19
				20
	238		238	21
	3,460		3,460	22
				23
	693		693	24
				25
				26
5,478			5,478	27
3,706			3,706	28
		83,662	83,662	29
		1,572,603	1,572,603	30
				31
				32
				33
				34
12,469,540	1,355,937	1,656,265	15,481,742	

Name of Respondent NorthWestern Corporation			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018		Year/Period of Report End of 2018/Q2	
TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")								
<p>1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.</p> <p>2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.</p> <p>3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.</p> <p>4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.</p> <p>5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last line.</p> <p>7. Footnote entries and provide explanations following all required data.</p>								
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	MONTANA							
2	Vigilante Elec Coop	OLF	8,428	8,428	14,259			14,259
3	Bonneville Power Adminn	OLF					159,915	159,915
4	Bonneville Power Adminn	OLF					750,225	750,225
5	Southwest Power Pool	FNS	27,455	27,455	316,574			316,574
6								
7	Supply:							
8	Talen Montana, LLC	NF	15,288	15,288		71,242		71,242
9	Avista Utilities	NF	5,373	5,373		30,763		30,763
10	Seattle City Light	NF	466	466		537		537
11								
12	SOUTH DAKOTA							
13	East River	FNS			4,505			4,505
14	Southwest Power Pool	FNS			5,295,007			5,295,007
15								
16								
	TOTAL		57,010	57,010	5,630,345	102,542	910,140	6,643,027

[illegible]



Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2
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**AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS**

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)		1,946,319		
3	Net Sales (Account 447)				
4	Transmission Rights		1,527		
5	Ancillary Services		45,958		
6	Other Items (list separately)				
7	Operation Supervision		3,055		
8	Day Ahead and Real Time Administration		163,908		
9	Market Monitoring and Compliance		22,979		
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
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41					
42					
43					
44					
45					
46	TOTAL		2,183,746		

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report End of 2018/Q2	
<b>MONTHLY PEAKS AND OUTPUT</b>						
<p>(1) (1) Report the monthly peak load and energy output. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non- integrated system. In quarter 1 report January, February, and March only. In quarter 2 report April, May, and June only. In quarter 3 report July, August, and September only.</p> <p>(2) Report on column (b) by month the system's output in Megawatt hours for each month.</p> <p>(3) Report on column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.</p> <p>(4) Report on column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.</p> <p>(5) Report on columns (e) and (f) the specified information for each monthly peak load reported on column (d).</p> <p>(6) Report Monthly Peak Hours in military time; 0100 for 1:00 AM, 1200 for 12 AM, and 1830 for 6:30 PM, etc.</p>						
NAME OF SYSTEM: See footnote						
Line No.	Month (a)	Total Monthly Energy (MWH) (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
1	January				0	0
2	February				0	0
3	March				0	0
4	Total					
5	April				0	0
6	May				0	0
7	June				0	0
8	Total					
9	July				0	0
10	August				0	0
11	September				0	0
12	Total					

Name of Respondent NorthWestern Corporation				This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018		Year/Period of Report End of 2018/Q2		
MONTHLY TRANSMISSION SYSTEM PEAK LOAD										
<p>(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>(2) Report on Column (b) by month the transmission system's peak load.</p> <p>(3) Report on Columns (c ) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</p> <p>(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.</p>										
NAME OF SYSTEM: Montana Operations										
Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January									
2	February									
3	March									
4	Total for Quarter 1									
5	April	1,574	6	1000	911	623	438		754	
6	May	1,432	30	1700	792	554	438		662	
7	June	1,590	25	1700	990	595	438		1,960	
8	Total for Quarter 2				2,693	1,772	1,314		3,376	
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year				2,693	1,772	1,314		3,376	

Name of Respondent NorthWestern Corporation				This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 06/30/2018		Year/Period of Report End of 2018/Q2		
MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD										
<p>(1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>(2) Report on Column (b) by month the transmission system's peak load.</p> <p>(3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</p> <p>(4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).</p> <p>(5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).</p>										
NAME OF SYSTEM: South Dakota Operations										
Line No.	Month	Monthly Peak MW - Total	Day of Monthly Peak	Hour of Monthly Peak	Imports into ISO/RTO	Exports from ISO/RTO	Through and Out Service	Network Service Usage	Point-to-Point Service Usage	Total Usage
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	January									
2	February									
3	March									
4	Total for Quarter 1									
5	April	259	6	900				273	14	287
6	May	282	31	1900				294	12	306
7	June	308	5	1700				321	13	334
8	Total for Quarter 2							888	39	927
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year							888	39	927



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
NorthWestern Corporation			
FOOTNOTE DATA			

**Schedule Page: 120 Line No.: 6 Column: b**

	6/30/2018	6/30/2017
<b>Other Noncash Charges to Income, Net:</b>		
Amortization of debt issue costs, discount, and deferred hedge gain	\$2,332,488	\$2,392,625
Gain on disposition of assets	0	(362,544)
Other noncash (gains) losses	(9,399)	1,026,203
Stock based compensation costs	3,738,255	3,825,893
	<u>\$6,061,344</u>	<u>\$6,882,177</u>
<b>Other Assets and Liabilities, Net:</b>		
Net change - other current assets	\$(2,546,788)	\$(4,252,256)
Net change - accrued utility revenues	31,043,130	23,871,570
Net change - deferred debits	10,172,766	5,770,550
Net change - deferred credits	19,694,129	4,888,051
Net change - noncurrent liabilities	(24,367,325)	(9,413,508)
	<u>\$33,995,911</u>	<u>\$20,864,405</u>

**Schedule Page: 120 Line No.: 6 Column: c**

Refer to footnote at column (b) line 6 for details.

**Schedule Page: 120 Line No.: 18 Column: b**

Refer to footnote at column (b) line 6 for details.

**Schedule Page: 120 Line No.: 18 Column: c**

Refer to footnote at column (b) line 6 for details.

Also, the 2017 amount has been restated to reflect the adoption of FASB Accounting Standards update No. 2016-18, Statement of Cash Flows, Restricted Cash, which we adopted January 1, 2018, with retrospective application. This standard requires that amounts generally described as restricted cash should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. For more detail on the components of cash, cash equivalents, and amounts generally described as restricted cash, refer to footnote at column (b) line 86.

**Schedule Page: 120 Line No.: 86 Column: b**

The following table provides a reconciliation of cash, cash equivalents, other special funds, and other special deposits reported within the Balance Sheets that sum to the total cash and cash equivalents amounts reflected in the Statements of Cash Flows:

	6/30/2018	12/31/2017	6/30/2017	12/31/2016
Cash (131)	\$5,106,450	\$7,357,801	\$10,532,568	\$353,420
Working Funds (135)	23,200	23,575	23,575	22,934
Special Funds (125-128)	250,000	250,000	250,000	250,000
Other Special Deposits (134)	5,500,751	1,670,617	3,588,310	2,358,634
Total	<u>\$10,880,401</u>	<u>\$9,301,993</u>	<u>\$14,394,453</u>	<u>\$2,984,988</u>

**Schedule Page: 120 Line No.: 86 Column: c**

Refer to footnote at column (b) line 86 for details.

Also, the 2017 amount has been restated to reflect the adoption of FASB Accounting Standards Update No. 2016-18, Statement of Cash Flows, Restricted Cash, which we adopted January 1, 2018, with retrospective application. This standard requires that amounts generally described as restricted cash should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. For more detail on the components of cash, cash equivalents, and amounts generally described as restricted cash, refer to footnote at column (b) line 86.

**Schedule Page: 120 Line No.: 88 Column: b**

Refer to footnote at column (b) line 86 for details.

**Schedule Page: 120 Line No.: 88 Column: c**

Refer to footnote at column (b) line 86 for details.

Also, the 2017 amount has been restated to reflect the adoption of FASB Accounting Standards update No. 2016-18, Statement of Cash Flows,

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
NorthWestern Corporation			
FOOTNOTE DATA			

Restricted Cash, which we adopted January 1, 2018, with retrospective application. This standard requires that amounts generally described as restricted cash should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. For more detail on the components of cash, cash equivalents, and amounts generally described as restricted cash, refer to footnote at column (b) line 86.

**Schedule Page: 120 Line No.: 90 Column: b**

Refer to footnote at column (b) line 86 for details.

**Schedule Page: 120 Line No.: 90 Column: c**

Refer to footnote at column (b) line 86 for details.

Also, the 2017 amount has been restated to reflect the adoption of FASB Accounting Standards Update No. 2016-18, Statement of Cash Flows, Restricted Cash, which we adopted January 1, 2018, with retrospective application. This standard requires that amounts generally described as restricted cash should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. For more detail on the components of cash, cash equivalents, and amounts generally described as restricted cash, refer to footnote at column (b) line 86 for details.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
NorthWestern Corporation			
FOOTNOTE DATA			

**Schedule Page: 122(a)(b) Line No.: 2 Column: f**  
Reclassification of net losses on derivative instruments.

**Schedule Page: 122(a)(b) Line No.: 3 Column: e**  
Foreign currency translation adjustment.

**Schedule Page: 122(a)(b) Line No.: 7 Column: e**  
One-time reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the new tax reform legislation.

**Schedule Page: 122(a)(b) Line No.: 7 Column: f**  
Reclassification of net losses on derivative instruments.

**Schedule Page: 122(a)(b) Line No.: 8 Column: e**  
Foreign currency translation adjustment.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
NorthWestern Corporation			
FOOTNOTE DATA			

**Schedule Page: 200 Line No.: 1 Column: e**

This column represents regulated propane.

**Schedule Page: 200 Line No.: 1 Column: f**

This column represents the write-down of plant values associated with the 2002 acquisition of Montana Operations, and the reduction from fair value to a regulated basis associated with the transfer of Colstrip Unit 4 to the regulated utility in 2009.

**Schedule Page: 200 Line No.: 1 Column: g**

This column represents an electric default supply capacity and energy sales agreement classified as a capital lease.

**Schedule Page: 200 Line No.: 1 Column: e**

Footnote Linked. See note on 200, Row: 1, col/item:

**Schedule Page: 200 Line No.: 1 Column: f**

Footnote Linked. See note on 200, Row: 1, col/item:

**Schedule Page: 200 Line No.: 1 Column: g**

Footnote Linked. See note on 200, Row: 1, col/item:



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
NorthWestern Corporation			
FOOTNOTE DATA			

**Schedule Page: 300    Line No.: 21    Column: b**

Other Electric Revenue (456)		YTD June 2018
Ancillary Services:		
Scheduling, System Control and Dispatch	\$	1,444,398
Regulation and Frequency Response		790,090
Energy Imbalance		329,666
Other Transmission Revenue		(270,701)
Low Income Housing		1,589,011
Steam Sales		513,118
Sale of Materials		30,309
Miscellaneous		1,216
	\$	4,427,107

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
NorthWestern Corporation			
FOOTNOTE DATA			

**Schedule Page: 328.7 Line No.: 29 Column: m**

Firm and Non-Firm Point to Point Transmission Service

Network Integration Transmission Service - SPP OATT Att. H-4

Base Plan Funding - SPP OATT Att. H-4

Point to Point Transmission and Ancillary Service - SPP OATT Att. H-4

**Schedule Page: 328.7 Line No.: 30 Column: m**

Network Integration Transmission Service

Network Integration Transmission Service - SPP OATT Att. H-4

Base Plan Funding - SPP OATT Att. H-4

Point to Point Transmission and Ancillary Service - SPP OATT Att. H-4

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
NorthWestern Corporation			
FOOTNOTE DATA			

**Schedule Page: 332 Line No.: 3 Column: g**

Monthly system usage fee.

**Schedule Page: 332 Line No.: 4 Column: g**

Monthly system usage fee.

Name of Respondent NorthWestern Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/30/2018	Year/Period of Report 2018/Q2
FOOTNOTE DATA			

**Schedule Page: 399 Line No.: 12 Column: b**

**NORTHWESTERN ENERGY MONTANA  
FERC QUARTERLY REPORT  
MONTHLY PEAK LOADS AND ENERGY OUTPUT  
SECOND QUARTER 2018**

**MONTANA ONLY**

LINE NO	Monthly Peak Loads and Energy Output (a)	Apr-18 (b)	May-18 (c)	Jun-18 (d)	Total (e)
1	Total Monthly Energy (MWH)	629,278	524,220	520,715	1,674,213
2	Monthly Non-Requirement Sales for Resale (MWH)	66,454	100,060	81,109	247,623
3	Monthly Peak MW	2,012	1,870	2,028	
4	Day of Month Peak	4/6/18	5/30/18	6/25/18	
5	Hour of Monthly Peak	10:00	17:00	17:00	

**NORTHWESTERN ENERGY  
FERC QUARTERLY REPORT  
MONTHLY PEAK LOADS AND ENERGY OUTPUT  
SECOND QUARTER 2018**

**SOUTH DAKOTA ONLY**

LINE NO	Monthly Peak Loads and Energy Output (a)	Apr-18 (b)	May-18 (c)	Jun-18 (d)	Total (e)
1	Total Monthly Energy (MWH)	143,962	93,902	162,203	400,067
2	Monthly Non-Requirement Sales for Resale (MWH)	0	0	0	
3	Monthly Peak MW	259	282	308	
4	Day of Month Peak	4/6/18	5/31/18	6/5/18	
5	Hour of Monthly Peak	9:00	19:00	17:00	