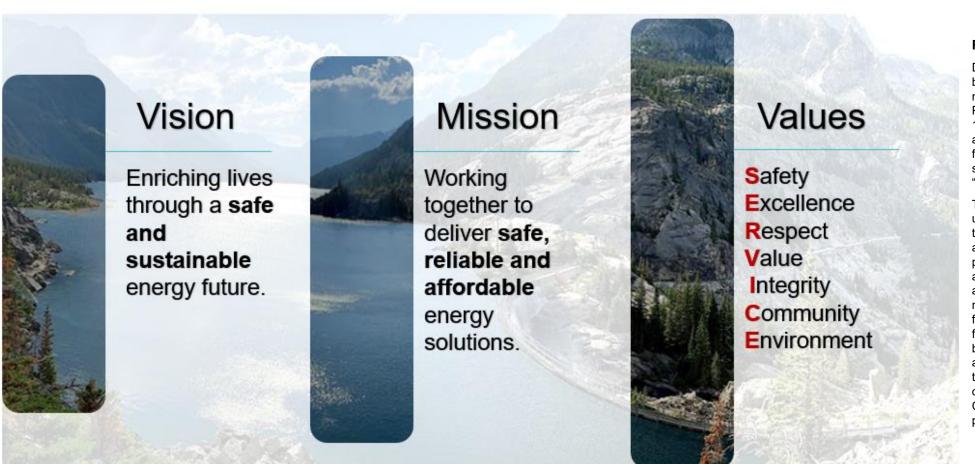


Second Quarter Earnings Webcast July 31, 2025



## NorthWestern Energy



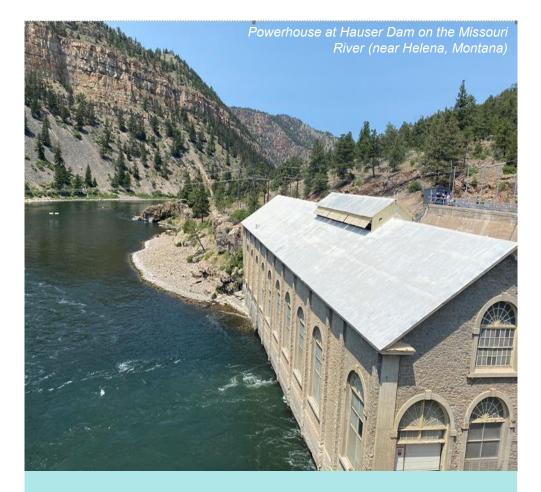
#### **Forward Looking Statements**

During the course of this presentation, there will be forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," or "will."

The information in this presentation is based upon our current expectations as of the date of this document unless otherwise noted. Our actual future business and financial performance may differ materially and adversely from our expectations expressed in any forward-looking statements. We undertake no obligation to revise or publicly update our forward-looking statements or this presentation for any reason. Although our expectations and beliefs are based on reasonable assumptions, actual results may differ materially. The factors that may affect our results are listed in certain of our press releases and disclosed in the Company's 10-K and 10-Q along with other public filings with the SEC.

## Recent Highlights

- **✓** Reported GAAP diluted EPS of \$0.35
  - Non-GAAP diluted EPS of \$0.40<sup>1</sup>
- ✓ Initiating 2025 earnings guidance range of \$3.53 \$3.65²
- ✓ Affirming long-term rate base and earnings per share growth rate targets of 4% - 6%³
- ✓ Completed acquisition of Energy West and Cut Bank Gas
  - •~33,000 customers and 43 valued employees
- ✓ Third Letter of Intent signed with 500+ megawatt data center developer<sup>4</sup>
- ✓ Dividend Declared: \$0.66 per share payable September 30, 2025 to shareholders of record as of September 15, 2025



In June 2025, NorthWestern's operations team at Hauser Dam was honored with the Occupational Safety and Health Administration's Voluntary Protection Program (VPP) Star Worksite designation, the highest safety recognition from OSHA.

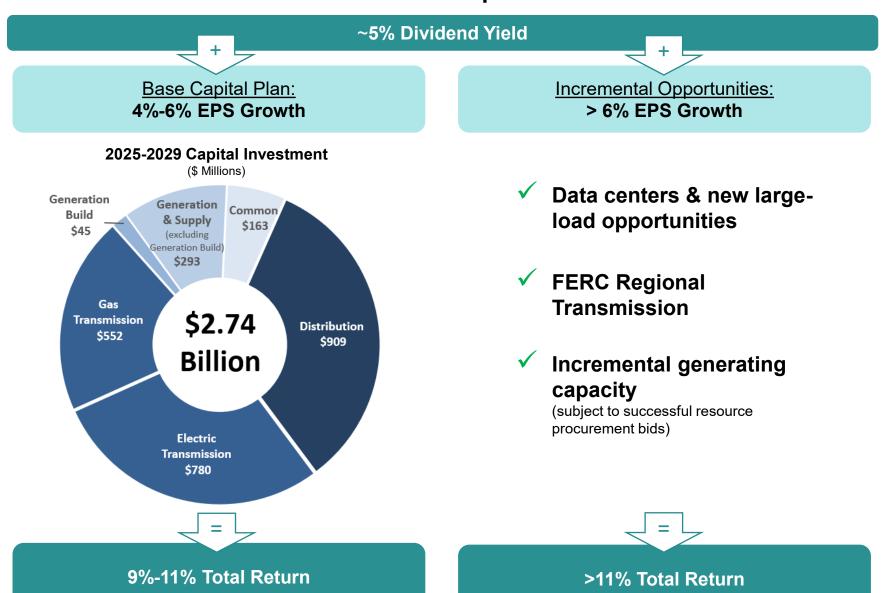
<sup>1.)</sup> See "Second Quarter 2025 Non-GAAP Earnings" below and "Non-GAAP Financial Measures" in appendix.

<sup>2.)</sup> See "2025 Earnings Bridge" below for additional details and major assumptions included in guidance.

<sup>3.)</sup> Based on 2024 Adjusted Diluted Non-GAAP EPS of \$3.40 and estimated rate base of \$5.38 billion.

<sup>4.)</sup> See "Large Load Customers" below for additional details.

## The NorthWestern Value Proposition



#### \$2.74 billion

of highly executable and low-risk capital investment forecasted over the next five years.

This investment is expected to drive annualized earnings and rate base growth of approximately 4% - 6%.

See slide titled "Strong Growth Outlook" for additional information.



# Second Quarter Financial Review

## Second Quarter Financial Results

(in millions, except per share amounts)	Thr	ee Months E	nded June	30,
	2025	2024	Variance	% Variance
Operating Revenues Fuel, purchased supply & direct transmission	\$342.7	\$319.9	\$22.8	7.1%
expense (exclusive of depreciation and depletion)	75.3	76.5	(1.2)	(1.6%)
Utility Margin <sup>1</sup>	267.4	243.4	24.0	9.9%
Operating Expenses				
Operating and maintenance	62.3	57.4	4.9	8.5%
Administrative and general	33.8	31.3	2.5	8.0%
Property and other taxes	48.2	36.3	11.9	32.8%
Depreciation and depletion	62.4	56.9	5.5	9.7%
Total Operating Expenses	206.7	181.9	24.8	13.6%
Operating Income	60.8	61.6	(0.8)	(1.3%)
Interest expense, net	(36.3)	(31.9)	4.4	13.8%
Other income, net	0.1	6.2	(6.1)	(98.4%)
Income Before Income Taxes	24.6	35.9	(11.3)	(31.5%)
Income tax expense	(3.4)	(4.2)	(8.0)	(19.0%)
Net Income	\$21.2	\$31.7	(\$10.5)	(33.1%)
Effective Tax Rate	13.7%	11.8%	1.9%	
Diluted Shares Outstanding	61.5	61.4	0.1	0.2%
Diluted Earnings Per Share	\$0.35	\$0.52	(\$0.17)	(32.7%)
Dividends Paid per Common Share	\$0.66	\$0.65	\$0.01	1.5%

Note: Subtotal variances may exist due to rounding.

<sup>1.)</sup> Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

## Second Quarter 2025 Financial Results

#### Second Quarter Net Income vs Prior Period

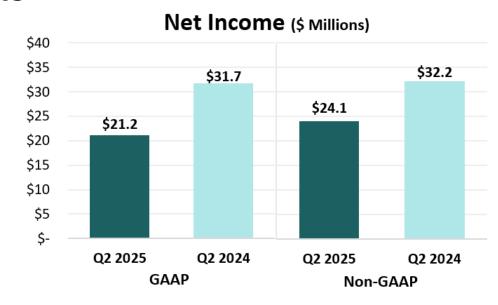
• GAAP: \$10.5 million or -33.1%

• Non-GAAP<sup>1</sup>: \$8.1 million or -25.2%

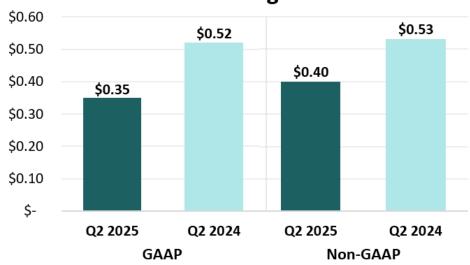
#### **Second Quarter EPS vs Prior Period**

• GAAP: \$0.17 or -32.7%

• Non-GAAP¹: ↓\$0.13 or -24.5%



#### **Diluted Earnings Per Share**



## Year-to-Date 2025 Financial Results

#### **Year-to-Date Net Income vs Prior Period**

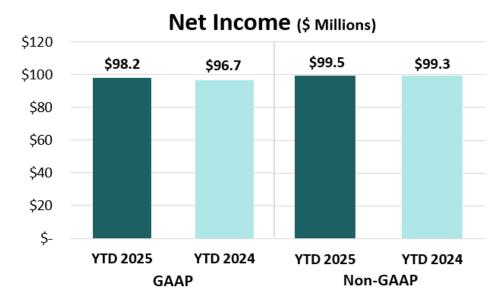
• GAAP: † \$1.5 million or 1.6%

• Non-GAAP<sup>1</sup>: \$0.2 million or 0.2%

#### **Year-to-Date EPS vs Prior Period**

• GAAP: † \$0.02 or 1.3%

• Non-GAAP<sup>1</sup>: No Change



#### **Diluted Earnings Per Share**



## Second Quarter Earnings Drivers

#### After-Tax EPS vs Prior Year



The decrease in diluted EPS during the quarter is primarily due to higher operating and other expenses partially offset by an improvement in Utility Margin.

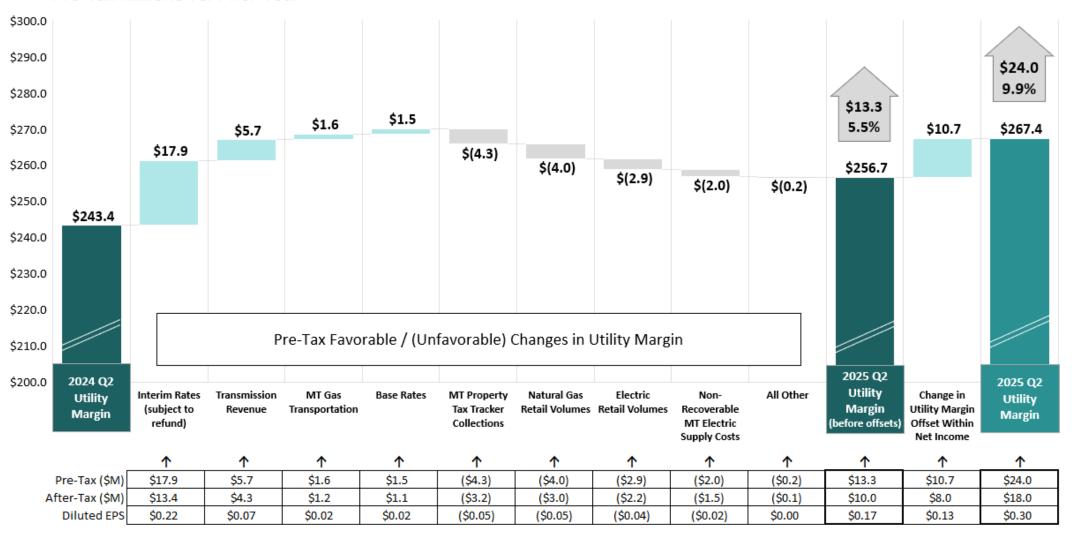
<sup>9</sup> 

<sup>1.)</sup> Utility Margin is a non-GAAP measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

<sup>2.)</sup> See "Second Quarter 2025 Non-GAAP Earnings" below and "Non-GAAP Financial Measures" in appendix.

## Second Quarter Utility Margin Bridge

#### Pre-Tax Millions vs. Prior Year



\$13.3 million or 5.5% increase in Utility Margin items that impact Net Income

## Second Quarter 2025 Non-GAAP Earnings

					7	Three Mo	nths Ende	d June 3	0,				
	GAAP	N	Ion-GAAP A	djustments	<b>&gt;</b>	Non GAAP	Non-G Varia		Non GAAP	Non-G	AAP Adjustr	ments	GAAP
(in millions)	Three Months Ended June 30, 2025	Unfavorable Weather (Addback)	Move Pension Expense to OG&A (disaggregated with ASU 2017-07)	Deferred Compensation	Community Renewable Energy Project Penalty (not tax deductible)	Three Months Ended June 30, 2025	<u>Varia</u> \$	%	Three Months Ended June 30, 2024	Deferred Compensation	Move Pension Expense to OG&A (disaggregated with ASU 2017-07)	Unfavorable Weather (Addback)	Three Months Ended June 30, 2024
Revenues	\$342.7	2.5	-	-	-	\$345.2	\$24.6	7.7%	\$320.6	-	-	0.7	\$319.9
Fuel, supply & dir. tx Utility Margin (2)	75.3 <b>267.4</b>	2.5	-	-	-	75.3 <b>269.9</b>	(1.2) <b>25.8</b>	-1.6% <b>10.6%</b>	76.5 <b>244.1</b>	-	-	0.7	76.5 <b>243.4</b>
, ,	201.4	2.3	-	-	-	203.3	23.0	10.0%	244.1	-	-	0.7	243.4
Op. Expenses OG&A expense	96.1	-	_	1.6	-	97.7	9.5	10.8%	88.2	0.2	(0.6)	-	88.6
Prop. & other taxes Depreciation	48.2 62.4	-	-	-	-	48.2 62.4	11.9 5.5	32.8% 9.7%	36.3 56.9	-	-	-	36.3 56.9
Total Op. Exp.	206.7	-		1.6	-	208.3	26.8	14.8%	181.5	0.2	(0.6)	-	181.9
	60.8	2.5		(1.6)		61.7	(1.0)	-1.6%	62.7	(0.2)	0.6	0.7	61.6
Op. Income		2.3	-	(1.0)	-					(0.2)	0.0	0.7	
Interest expense	(36.3)	-	-	-	-	(36.3)	(4.4)	-13.8%	(31.9)	-	- (0.0)	-	(31.9)
Other Inc., net	0.1	-	-	1.6	1.0	2.7	(3.1)	-53.4%	5.8	0.2	(0.6)	-	6.2
Pretax Income	24.6	2.5	-	-	1.0	28.1	(8.5)	-23.2%	36.6	-	-	0.7	35.9
Income tax	(3.4)	(0.6)	-	-	-	(4.0)	0.4	9.1%	(4.4)	-	-	(0.2)	(4.2)
Net Income	\$21.2	1.9	-	-	1.0	\$24.1	(\$8.1)	-25.2%	\$32.2	-	-	0.5	\$31.7
ETR	13.7%	24.0%	-	-	-	14.2%			12.1%	-	-	25.3%	11.8%
Diluted Shares	61.5					61.5	0.1	0.2%	61.4				61.4
Diluted EPS	\$0.35	0.03	-	-	0.02	\$0.40	(\$0.13)	-24.5%	\$0.53	-	-	0.01	\$0.52

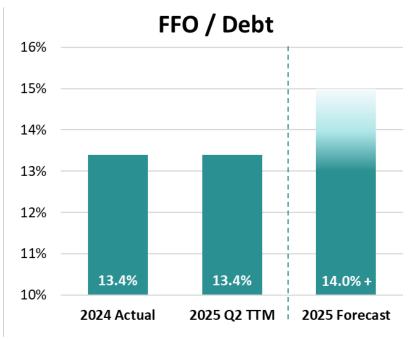
We estimate weather to be a \$2.5 million pre-tax detriment as compared to normal and a \$1.8 million detriment as compared to second quarter 2024.

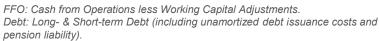
- (1) As a result of the adoption of Accounting Standard Update 2017-07 in March 2018, pension and other employee benefit expense is now disaggregated on the GAAP income statement with portions now recorded in both OG&A expense and Other (Expense) Income lines. To facilitate better understanding of trends in year-over-year comparisons, the non-GAAP adjustment above re-aggregates the expense in OG&A as it was historically presented prior to the ASU 2017-07 (with no impact to net income or earnings per share).
- (2) Utility Margin is a non-GAAP Measure. See the slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosures.

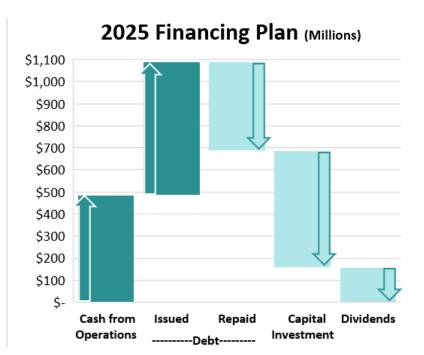
## Credit, Cash Flow, and Financing Plans

#### **Credit Ratings**

		Moody's	<u> S&amp;P</u>	<u>Fitch</u>
	Issuer	-	BBB	BBB
NWEG	Secured	-	-	-
(Hold-Co.)	Unsecured	-	-	BBB
	Outlook	-	Stable	Stable
	Issuer	Baa2	BBB	BBB
NW Corp.	Secured	A3	A-	A-
(MT Op-Co.)	Unsecured	Baa2	-	BBB+
	Outlook	Stable	Stable	Stable
	Issuer	Baa2	BBB	BBB
NWEPS	Secured	A3	A-	A-
(SDNE Op-Co.)	Unsecured	-	-	BBB+
	Outlook	Stable	Stable	Stable







Stable Outlook at Moody's, S&P, and Fitch.

No equity expected to fund the current \$2.74 billion 5-year capital plan.

Financing plans (targeting a FFO to Debt ratio > 14%) are expected to maintain our current credit ratings. We expect to pay minimal cash taxes into 2028 due to utilization of our NOL's and tax credits. Financing plans are subject to change.

## Montana Electric Rate Review

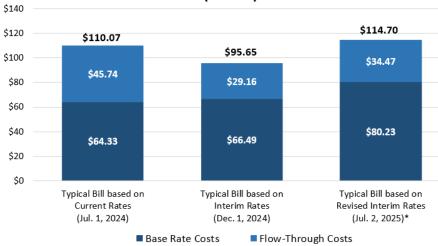
Category	Current Rates	F	Partial Settlement	- Pending Approval	
Test Year (Trailing Twelve Months)	December 2021		Decemb	per 2023	
Return on Equity 1	9.65%		9.6	55%	
Equity Ratio <sup>1</sup>	48.02%		47.8	84%	
Cost of Debt 1	4.01%		4.5	7%	
Rate of Return 1	6.72%		6.9	98%	
Authorized Rate Base (Millions)	\$2,842		\$3,	481	
			Pass-thro	ough Costs	
(Millions)		Base Rates	PCCAM	Prop. Tax Tracker	Total
NWE Rebuttal Request		\$153.8	(\$94.5)	(\$1.3)	\$58.0
NWE Partial Settlement Position		\$110.3	(\$94.5)	(\$1.2)	\$14.6
Mid Intervenor Partial Settlement Posit	ion <sup>2</sup>	\$109.4	(\$94.5)	(\$1.2)	\$13.7
Low-end Intervenor Partial Settlement	Position <sup>3</sup>	\$98.7	(\$132.9)	(\$1.8)	(\$36.0)

- 1) Excludes Colstrip Unit 4 Lifetime 10% ROE, 6.5% cost of debt, and 50% equity capital structure.
- 2) Reflects the Large Customer Group's settlement position regarding remaining contested issues.
- 3) Reflects the Montana Consumer Counsel's settlement position regarding remaining contested issues.

Remaining Joint Settlement Parties include Federal Executive Agencies and Walmart, Inc.

MPSC approval of the partial Joint Party Settlement, along with NorthWestern's proposals for YCGS and PCCAM, would allow for recovery of increased operating costs and an opportunity to earn a fair return on the investment that funds the critical energy infrastructure in Montana.

#### Typical Residential Monthly Electric Bill (750kW)



<sup>\*</sup>Reflects NWE's partial settlement position which is pending approval for final rates.

Current Rates
Proposed Partial Settlement
\$ Increase (Decrease)
% Increase (Decrease)

Base	Flow-Through	Typical Resi.
Rates	Costs	Monthly Bill
\$64.33	\$45.74	\$110.07
\$80.23	<u>\$34.47</u>	<u>\$114.70</u>
\$15.89	(\$11.27)	\$4.63
24.7%	-24.6%	4.2%

#### **Key Dates**

- 6/9/25 6/18/25: MPSC Public Hearings
- 7/2/25: Implementation of revised interim rates (\$110.3 million subject to refund)
- 7/21/25: NWE opening brief submitted
- 8/11/25: Intervenor response briefs due
- 8/26/25: NWE optional response due

## Montana Natural Gas Rate Review

Category	Current Rates	Settle	ment - Pending App	roval	
Test Year (Trailing Twelve Months)	December 2021		December 2023		
Return on Equity	9.55%		9.60%		
Equity Ratio	48.02%	47.84%			
Cost of Debt	4.01%		4.57%		
Rate of Return	6.67%		6.98%		
Authorized Rate Base (Millions)	\$583	\$753			
			Pass-through Costs		
(Millions)		Base Rates	Prop. Tax Tracker	Total	
NWE Rebuttal Request		\$27.9	\$0.1	\$28.0	
Joint Settlement Position		\$18.0	\$0.1	\$18.1	

Joint Settlement Parties include the Montana Consumer Counsel, Large Customer Group, Federal Executive Agencies, and Walmart, Inc.

MPSC approval of the Joint Party Settlement would allow for recovery of increased operating costs and an opportunity to earn a fair return on the investment that funds the critical energy infrastructure in Montana.

#### Typical Residential Monthly Natural Gas Bill (65 therms)



Current Rates
Proposed Partial Settlement
\$ Increase (Decrease)
% Increase (Decrease)

Base	Flow-Inrough	Typical Resi.
Rates	Costs	Monthly Bill
\$32.77	\$19.12	\$51.89
<u>\$37.26</u>	<u>\$19.37</u>	<u>\$56.63</u>
\$4.49	\$0.25	\$4.74
13.7%	1.3%	9.1%

#### **Key Dates**

- 6/9/25 6/18/25: MPSC Public Hearings
- 7/2/25: Interim rates remain in place as implemented Dec. 1, 2024 (\$17.4 million subject to refund)
- 7/21/25: NWE opening brief submitted
- 8/11/25: Intervenor response briefs due
- 8/26/25: NWE optional response due

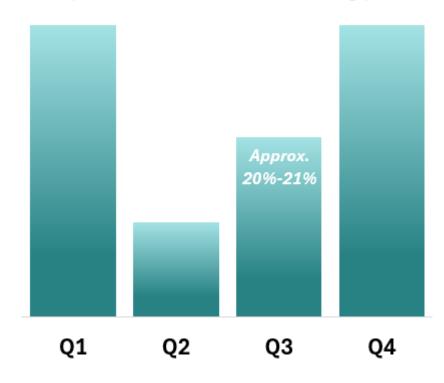
## Strong Growth Outlook

## Initiating 2025 Non-GAAP EPS Guidance<sup>1</sup> of \$3.53 - \$3.65 per diluted share

- ✓ Affirming long-term growth rates from 2024 base²
  - EPS growth of <u>4% to 6%</u>
  - Rate base growth of <u>4% to 6%</u>
  - Continued focus on closing the gap between earned & authorized returns
- ✓ **No equity expected** to fund the current 5-year | \$2.74 billion capital plan
  - Capital plan sized to be funded by cash from operations, aided by income tax net operating losses, and secured debt
  - Incremental capital opportunities may result in equity financing
- ✓ Expect to maintain FFO / Debt > 14% in 2025 and beyond
- ✓ Earnings growth is expected to exceed dividend growth until we return to our targeted 60% to 70% payout ratio

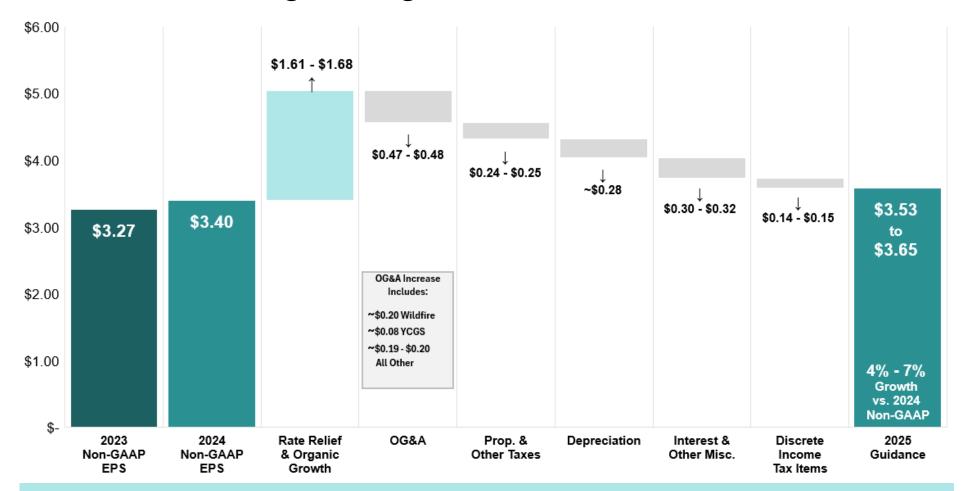
#### Anticipated 2025 EPS Distribution

(As a % of Full-Year Non-GAAP Earnings)



<sup>1.)</sup> See "2025 Earnings Bridge" below for additional details and major assumptions included in guidance.

## 2025 Earnings Bridge



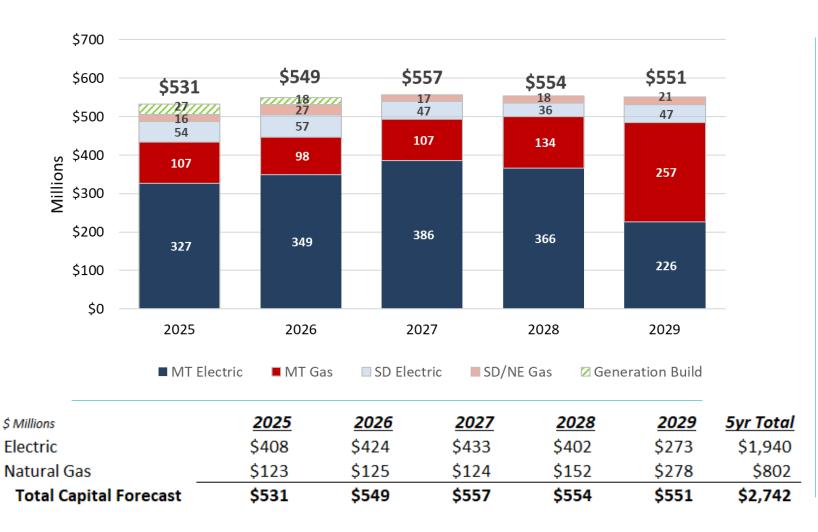
## This guidance range is based upon, but not limited to, the following major assumptions:

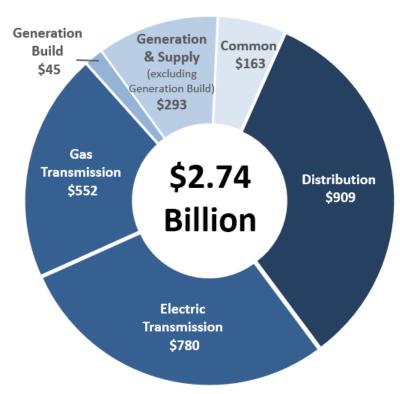
- Final approval of all material aspects of <u>NorthWestern's</u> <u>settlement position</u> in the currently pending Montana general rate review;
- Normal weather in our service territories;
- An effective income tax rate of approximately 12%-15%; and
- Diluted average shares outstanding of approximately 61.5 million.

<sup>2025</sup> guidance represents 4% to 7% EPS growth from 2024 Non-GAAP Base Year<sup>1</sup>

<sup>1.)</sup> Based on 2024 Adjusted Diluted Non-GAAP EPS of \$3.40. See "Non-GAAP Financial Measures" in appendix.

## Regulated Utility Five-Year Capital Forecast (millions)







# Other Updates

## Montana Wildfire Bill

#### **No Strict Liability:**

• Confirms strict liability *cannot* be applied to utility operations related to wildfire

#### **Legal Protections for Providers:**

- Negligence standard based on Montana specific circumstances
- Rebuttable presumption utility acted reasonably if it substantially followed a MPSC approved wildfire mitigation plan (burden of proof rests on plaintiffs)
- 3-year statute of limitations from date of damage

#### Damages:

- Economic: Property damage (market value or restoration) and fire control costs
- Noneconomic: Only if bodily injury or death occurs
- Punitive: Only with clear & convincing evidence of gross negligence or intent

NorthWestern's Wildfire Mitigation Plan is expected to be filed during the third quarter of 2025 and updated every three years thereafter.

HB 490 was passed by the Montana Legislature with broad bipartisan support in both the House (90-0) and Senate (40-8) and has been signed into law. The new law clarifies and limits wildfire-related risks, protecting our customers, communities and investors.



## Transmission Bill

Allows Certificate of Public Convenience & Necessity (CPCN) for electric transmission to be issued by the Montana Public Service Commission (MPSC)

Greater confidence of fair and equitable return
 Bill allows greater confidence for investors providing
 the critical capital necessary for the continued
 modernization of the energy grid

#### Approvals

MPSC shall determine within 300 days of application if transmission projects (greater than 69 kV) are in public interest and may grant or deny a CPCN

## • Cost clarity post CPCN

Within 90 days of application, the MPSC shall issue an order responding to a utilities request for advanced approval of prudent cost recovery



## Large Load Customers

#### Montana

- Expected to be served by overall utility portfolio, which is projected to be long capacity beginning in 2026
- Current generating portfolio over 60% carbon free
- If data center demand interest develops beyond existing capacity, we will work with the Montana Public Service Commission to structure appropriate tariffs

#### ✓ South Dakota

- Significant indications of interest
- Any new large load customers would require incremental capacity with infrastructure rider to provide generation cost recovery.
- South Dakota PUC has an established process for large load customers with a deviated rate tariff

#### ✓ Confidentially Announced: December 17, 2024

- Company: Sabey Data Centers
- Load: 50 MW expected to grow to 250 MW
- Start Date: Mid-2027
- Agreement Status: Letter of Intent

#### ✓ Announced: December 19, 2024

- Company: Atlas Power
- Load: 75 MW expected to grow to 150 MW
- Start Date: January 2026
- Agreement Status: Letter of Intent (Existing transmission customer)

#### ✓ Announced: July 30, 2025

- Company: Quantica Infrastructure
- Load: 175MW growing to 500MW by 2030
- Start Date: 2028
- Agreement Status: Letter of Intent



## Data Center Process (Montana & South Dakota)



















## Data Center Request

- Load & Location
- Supply Potential
- Customer/Developer Required Timing

**Queue Count: 9** 

## High-Level Assessment

- Viability Assessment
- SPP Screening
- High Level \$ Estimate
- Development Costs

**Queue Count: 4** 

#### **Letter of Intent (LOI)**

- Supply Development Estimates
- SIS/FS Studies
- SD SPP DPNS
- Contract Negotiations

**Queue Count: 3** 

## **Energy Service Agreement (ESA)**

- Regulatory Approvals (as needed)
- Contract Signing
- Business Development Handoff

**Queue Count: 0** 

#### Construction

- PM Assignment
- Construction Kick-Off
- Supply Development
  - Generation Build Process

**Queue Count: 0** 

SPP: Southwest Power Pool SIS: System Impact Study

FS: Facilities Study SD: South Dakota

DPNS: Delivery Point Network Study PM: Project Management

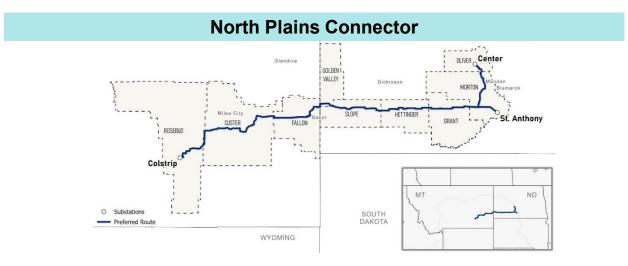
## Regional Transmission Opportunities

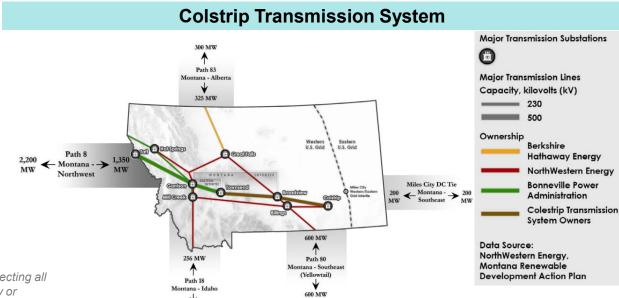
#### **North Plains Connector (NPC) Consortium Project**

- \$3.6 billion, 415-mile, high-voltage direct-current transmission line connecting to Montana's Colstrip substation, bridging the eastern and western U.S. energy grids
- Project awarded \$700M Grid Resilience & Innovation Partnership grant by U.S. Department of Energy<sup>1</sup>
  - \$70.0 million of the award is earmarked for upgrades to the
     Colstrip Transmission System (of which we are ~30% owner)

In December 2024, NorthWestern announced a memorandum of understanding to own 10% of the North Plains Connector. The project, targeting a 2032 in-service date, strengthens grid reliability and efficiency.

A separate partnership will explore expanding Montana's southwest transmission corridor to bolster reliability, allow for critical import capability, and enhance Western market access.



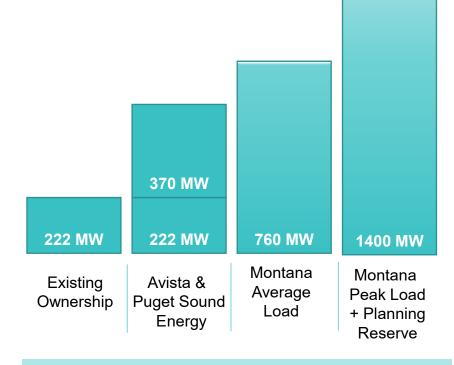


383 MW

<sup>1.)</sup> President Trump issued an Executive Order on January 20, 2025, "Unleashing American Energy," directing all federal executive agency heads to review all agency actions implicating energy reliability and affordability or potentially burdening the development of domestic energy resources. This Executive Order has delayed the disbursement of the funds granted by the U.S. Department of Energy for the NPC Consortium project.

## Incremental Colstrip Capacity

- ✓ <u>No cost acquisition</u> of incremental Colstrip ownership allows us to reliably and affordably serve existing customers
  - Provides energy independence & improves system reliability / integrity
  - Moves portfolio from short capacity position to long capacity
  - Maintains affordability while insulating customers from volatile capacity and energy market pricing
- ✓ Increased ownership (from 15% to 55%) is expected to protect existing interest and provide Montana control to keep the plant open beyond Washington and Oregon mandated closure deadlines
- ✓ Significant capacity surplus provides opportunity for new largeload customers, spreading fixed costs over more kilowatthours, lowering and stabilizing the cost per unit for all our customers



NorthWestern's planned no cost acquisition of 592 MW of additional Colstrip capacity supports the integration of large-load customers, delivering substantial benefits to our customers, communities, and investors.

## Conclusion

Pure Electric & Gas Utility

Solid Utility Foundation

Best
Practices
Corporate
Governance

Attractive Future Growth Prospects

Strong
Earnings &
Cash Flows

#### NorthWestern Energy Group, Inc.

dba: NorthWestern Energy

Ticker: NWE (Nasdaq)

www.northwesternenergy.com

#### **Corporate Support Office**

3010 West 69<sup>th</sup> Street Sioux Falls, SD 57108

(605) 978-2900

#### **Investor Relations Officer**

Travis Meyer 605-978-2967 travis.meyer@northwestern.com



# Appendix:

#### **Appendix**

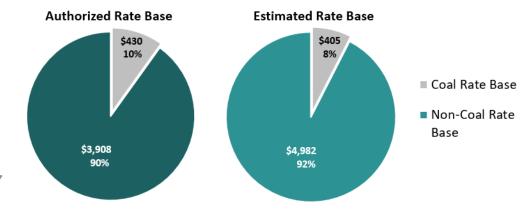
### Rate Base & Authorized Return Summary

Estimate as of 12/31/2024

		Διι	thorized		ear-End timated	Authorized Overall	Authorized	Authorized
Jurisdiction and Service	Implementation Date	Ra	ite Base	Ra	te Base	Rate of Return	Return on Equity	Equity Level
Montana electric delivery and production <sup>(1)</sup>	November 2023	\$	2,565.5	\$	3,330.9	6.72%	9.65%	48.02%
Montana - Colstrip Unit 4	November 2023	\$	276.9	\$	257.8	8.25%	10.00%	50.00%
Montana natural gas delivery and production <sup>(2)</sup>	November 2023	\$	582.8	\$	814.8	6.67%	9.55%	48.02%
Total Montana		\$	3,425.2	\$	4,403.5			
South Dakota electric <sup>(3)</sup>	January 2024	\$	791.8	\$	813.1	6.81%	n/a	n/a
South Dakota natural gas <sup>(3)(4)</sup>	December 2024	\$	96.2	\$	117.6	6.91%	n/a	n/a
Total South Dakota		\$	888.0	\$	930.7			
Nebraska natural gas <sup>(3)(4)</sup>	December 2007	\$	24.3	\$	52.5	8.49%	10.40%	n/a
Total NorthWestern Energy		\$	4,337.5	\$	5,386.7			

- (1) The revenue requirement associated with the FERC regulated portion of Montana electric transmission and ancillary services are included as revenue credits to our MPSC jurisdictional customers. Therefore, we do not separately reflect FERC authorized rate base or authorized returns.
- (2) The Montana gas revenue requirement includes a step down which approximates annual depletion of our natural gas production assets included in rate base.
- (3) For those items marked as "n/a," the respective settlement and/or order was not specific as to these terms.
- (4) In June 2024, we filed a South Dakota natural gas rate review filing (2023 test year) with the SDPUC and a Nebraska natural gas rate review filing (2023 test year) with the NEPSC.

#### Coal Generation Rate Base as a percentage of Total Rate Base



Revenue from coal generation is not easily identifiable due to the use of bundled rates in South Dakota and other rate design and accounting considerations. However, NorthWestern is a fully regulated utility company for which rate base is the primary driver of earnings. The data to the left illustrates that NorthWestern only derives approximately 8-10% of earnings from its jointly owned coal generation rate base.



# Second Quarter Appendix

## Second Quarter Financial Results

(in millions, except per share amounts)	Thi	ree Months E	nded June	30,
	2025	2024	Variance	% Variance
Operating Revenues Fuel, purchased supply & direct transmission	\$342.7	\$319.9	\$22.8	7.1%
expense (exclusive of depreciation and depletion)	75.3	76.5	(1.2)	(1.6%)
Utility Margin <sup>1</sup>	267.4	243.4	24.0	9.9%
Operating Expenses				
Operating and maintenance	62.3	57.4	4.9	8.5%
Administrative and general	33.8	31.3	2.5	8.0%
Property and other taxes	48.2	36.3	11.9	32.8%
Depreciation and depletion	62.4	56.9	5.5	9.7%
Total Operating Expenses	206.7	181.9	24.8	13.6%
Operating Income	60.8	61.6	(0.8)	(1.3%)
Interest expense, net	(36.3)	(31.9)	4.4	13.8%
Other income, net	0.1	6.2	(6.1)	(98.4%)
Income Before Income Taxes	24.6	35.9	(11.3)	(31.5%)
Income tax expense	(3.4)	(4.2)	(8.0)	(19.0%)
Net Income	\$21.2	\$31.7	(\$10.5)	(33.1%)
Effective Tax Rate	13.7%	11.8%	1.9%	
Diluted Shares Outstanding	61.5	61.4	0.1	0.2%
Diluted Earnings Per Share	\$0.35	\$0.52	(\$0.17)	(32.7%)
Dividends Paid per Common Share	\$0.66	\$0.65	\$0.01	1.5%

<sup>1.)</sup> Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

Note: Subtotal variances may exist due to rounding.

# Appendix Utility Margin (Q2)

(\$ in millions)	Three Months Ended June 30,
------------------	-----------------------------

	2025	2024	Vari	ance
Electric	\$ 219.8	\$ 199.2	\$ 20.6	10.3%
Natural Gas	47.6	44.2	3.4	7.7%
Total Utility Margin <sup>1</sup>	\$ 267.4	\$ 243.4	\$ 24.0	9.9%

#### Increase in utility margin due to the following factors:

	ici cast	e in utility margin due to the following factors:
\$	17.9	Interim rates (subject to refund)
	5.7	Transmission revenue due to market conditions and rates
	1.6	Montana natural gas transportation
	1.5	Base rates
	(4.3)	Montana property tax tracker collections
	(4.0)	Natural gas retail volumes
	(2.9)	Electric retail volumes
	(2.0)	Non-recoverable Montana electric supply costs
	(0.2)	Other
<u>¢</u>		Observe to Hitlife Manufa lancestica Net la come
Φ	13.3	Change in Utility Margin <u>Impacting</u> Net Income
<b></b> \$	<b>13.3</b> 10.4	· · · · · · · · · · · · · · · · · · ·
·		Property & other taxes recovered in revenue, offset in property & other taxes  Production tax credits, offset in income tax expense
·	10.4 1.2	Property & other taxes recovered in revenue, offset in property & other taxes
\$	10.4	Property & other taxes recovered in revenue, offset in property & other taxes Production tax credits, offset in income tax expense
\$	10.4 1.2 (0.9)	Property & other taxes recovered in revenue, offset in property & other taxes Production tax credits, offset in income tax expense Operating expenses recovered in revenue, offset in operating & maintenance expense

#### Appendix

## Operating Expenses (Q2)

10		• • • • • • • • • • • • • • • • • • • •	•	٦
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1 -				,

#### Three Months Ended June 30,

			·			
	2025 2024		Varia	nce		
Operating & maintenance	\$ 62.3	\$ 57.4	\$ 4.9	8.5%		
Administrative & general	33.8	31.3	2.5	8.0%		
Property & other taxes	48.2	36.3	11.9	32.8%		
Depreciation & depletion	62.4	56.9	5.5	9.7%		
Operating Expenses	\$ 206.7	\$ 181.9	\$ 24.8	13.6%		

#### Increase in operating expenses due to the following factors:

\$ 5.5	Depreciation expense due to plant additions and higher depreciation rates
27	Floatric generation maintenance

3.7 Electric generation maintenance

3.0 Insurance expense, primarily due to increased wildfire risk premiums

1.5 Property and other taxes not recoverable within trackers

1.4 Wildfire mitigation expense, partly offset by higher base revenues

1.3 Labor and benefits<sup>(1)</sup>

0.9 Technology implementation and maintenance expenses

(0.1) Uncollectible accounts

(0.2) Other

\$ 17.0 Change in Operating Expense Items Impacting Net Income

\$ 10.4 Property and other taxes recovered in trackers, offset in revenue

(1.2) Deferred compensation, offset in other income

(0.9) Operating and maintenance expenses recovered in trackers, offset in revenue

(0.5) Pension and other postretirement benefits, offset in other income<sup>(1)</sup>

\$ 7.8 Change in Operating Expense Items Offset Within Net Income

24.8 Increase in Operating Expenses

(1) In order to present the total change in labor and benefits, we have included the change in the non-service cost component of our pension and other postretirement benefits, which is recorded within other income on our Condensed Consolidated Statements of Income. This change is offset within this table as it does not affect our operating expenses.

#### Appendix

## Operating to Net Income (Q2)

(\$ in millions)

#### Three Months Ended June 30,

	2025	2024	Variance			
Operating Income	\$ 60.8	\$ 61.6	\$ (0.8)	(1.3%)		
Interest expense, net	(36.3)	(31.9)	4.4	13.8%		
Other income, net	0.1	6.2	(6.1)	(98.4%)		
Income Before Taxes	24.6	35.9	(11.3)	(31.5%)		
Income tax expense	(3.4)	(4.2)	(0.8)	(19.0%)		
Net Income	\$ 21.2	\$ 31.7	\$ (10.5)	(33.1%)		

**\$4.4 million increase in interest expense, net** was primarily due to higher borrowings and interest rates and lower capitalization of Allowance for Funds Used During Construction (AFUDC).

**\$6.1 million decrease in other income, net** was primarily due to lower capitalization of AFUDC, a decrease in the value of deferred shares held in trust for deferred compensation, higher non-service component pension expense, and a \$1.0 million expense accrual related to an estimated penalty for the previously disclosed Community Renewable Energy Project informed by a recent MPSC ruling.

**\$0.8 million decrease in income tax expense** was primarily due to a decrease in pre-tax income.

# Appendix Tax Reconciliation (Q2)

(\$ in millions)	Three Months Ended June 30,									
	20	25	202	Variance						
Income Before Income Taxes	\$24.6		\$35.9		(11.3)					
Income tax calculated at federal statutory rate	5.2	21.0%	7.5	21.0%	(2.3)					
Permanent or flow-through adjustments:	_									
State income taxes, net of federal provisions	0.1	0.4%	-	0.1%	0.1					
Flow-through repairs deductions	(2.8)	(11.4%)	(3.0)	(8.5%)	0.2					
Production tax credits	(0.6)	(2.4%)	(2.0)	(5.6%)	1.4					
Share-based compensation	(0.3)	(1.2%)	-	-	(0.3)					
Amortization of excess deferred income tax	(0.1)	(0.4%)	(0.2)	(0.5%)	0.1					
Plant and depreciation flow-through items	1.5	6.1%	1.1	3.0%	0.4					
Other, net	0.4	1.6%	0.8	2.3%	(0.4)					
Sub-total	(1.8)	(7.3%)	(3.3)	(9.2%)	1.5					
Income Tax Expense	\$ 3.4	13.7%	\$ 4.2	11.8%	\$ (0.8)					

## Segment Results (Q2)

(in thousands)
----------------

Consolidated net income

Three Months Ended June 30, 2025	E	lectric	Gas	Total
Operating revenues	\$	279,468	\$ 63,245	\$ 342,713
Fuel, purchased supply, & direct transmission*		59,603	15,668	75,271
Utility margin <sup>1</sup>		219,865	47,577	267,442
Operating, general, & administrative		73,615	22,773	96,388
Property & other taxes		37,318	10,850	48,168
Depreciation & depletion		52,387	9,992	62,379
Operating income		56,545	3,962	60,507
Interest expense, net		(27,562)	(7,297)	(34,859)
Other income, net		121	456	577
Income tax (expense) benefit		(4,230)	201	(4,029)
Segment net income	\$	24,874	\$ (2,678)	\$ 22,196
Reconciliation to consolidated net income				
Other, net <sup>2</sup>				(968)
Consolidated net income				\$ 21,228

Three Months Ended June 30, 2024	Electric	Gas	Total
Operating revenues	\$ 260,134	\$ 59,795	\$ 319,929
Fuel, purchased supply, & direct transmission*	60,887	15,593	76,480
Utility margin <sup>1</sup>	199,247	44,202	243,449
Operating, general, & administrative	66,761	21,721	88,482
Property & other taxes	28,006	8,251	36,257
Depreciation & depletion	47,546	9,387	56,933
Operating income	56,934	4,843	61,777
Interest expense, net	(23,298)	(7,147)	(30,445)
Other income, net	4,031	927	4,958
Income tax (expense) benefit	(3,891)	304	(3,587)
Segment net income	\$ 33,776	\$ (1,073)	\$ 32,703
Reconciliation to consolidated net income			
Other, net <sup>2</sup>			(1,049)

- (1) Utility Margin is a non-GAAP
  Measure. See appendix slide titled
  "Reconciling Gross Margin to
  Utility Margin" for additional
  disclosure.
- (2) Consists of unallocated corporate costs and some limited unregulated activity within the energy industry.

31,654

<sup>\*</sup>Direct transmission expense excludes depreciation and depletion.

#### Appendix

## Electric Segment (Q2)

#### Three Months Ended June 30,

Montana   \$81,824   \$86,028   \$4,204   \$4.99 %   571   582   333,302   327,6		Revenues			Char	nge	Megawat (MW		Average Customer Counts		
Montana   \$81,824		2025		2024		\$	%	2025	2024	2025	2024
South Dakota         16,235         15,392         843         5.5 %         113         117         51,663         51,382           Residential         98,059         101,420         (3,361)         (3.3) %         684         699         384,965         378,9           Montana         93,910         99,655         (5,745)         (5.8) %         754         756         77,173         75,6           South Dakota         27,737         26,356         1,381         5.2 %         246         259         13,182         13,0           Commercial         121,647         126,011         (4,364)         (3.5) %         1,000         1,015         90,355         88,6           Industrial         9,888         11,282         (1,394)         (12.4) %         684         739         80           Other ¹         9,421         8,550         871         10.2 %         42         36         28,761         28,5           Total Retail Electric         239,015         247,263         (8,248)         (3.3) %         2,410         2,489         504,161         496,3           Regulatory amortization         10,325         (10,904)         21,229         194.7 %         9         10,004						(in thousan	ids)				
Residential         98,059         101,420         (3,361)         (3.3) %         684         699         384,965         378,9           Montana         93,910         99,655         (5,745)         (5.8) %         754         756         77,173         75,6           South Dakota         27,737         26,356         1,381         5.2 %         246         259         13,182         13,0           Commercial         121,647         126,011         (4,364)         (3.5) %         1,000         1,015         90,355         88,6           Industrial         9,888         11,282         (1,394)         (12.4) %         684         739         80           Other ¹         9,421         8,550         871         10.2 %         42         36         28,761         28,5           Total Retail Electric         239,015         247,263         (8,248)         (3.3) %         2,410         2,489         504,161         496,3           Regulatory amortization         10,325         (10,904)         21,229         194.7 %         (1) Included within this line is our light.           Total Revenues         279,468         260,134         19,334         7.4 %         (1) Included within this line is our light. <td>Montana</td> <td>\$ 81,824</td> <td>\$</td> <td>86,028</td> <td>\$</td> <td>(4,204)</td> <td>(4.9) %</td> <td>571</td> <td>582</td> <td>333,302</td> <td>327,655</td>	Montana	\$ 81,824	\$	86,028	\$	(4,204)	(4.9) %	571	582	333,302	327,655
Montana         93,910         99,655         (5,745)         (5.8) %         754         756         77,173         75,6           South Dakota         27,737         26,356         1,381         5.2 %         246         259         13,182         13,0           Commercial         121,647         126,011         (4,364)         (3.5) %         1,000         1,015         90,355         88,6           Industrial         9,888         11,282         (1,394)         (12.4) %         684         739         80           Other ¹         9,421         8,550         871         10.2 %         42         36         28,761         28,5           Total Retail Electric         239,015         247,263         (8,248)         (3.3) %         2,410         2,489         504,161         496,3           Regulatory amortization         10,325         (10,904)         21,229         194.7 %         (1) Included within this line is our light.           Total Revenues         28,147         22,436         5,711         25.5 %         (1) Included within this line is our light.           Total fuel, purchased supply & direct transmission expense*         59,603         60,887         (1,284)         (2.1) %         (2.1) %         (2.1) %	South Dakota	16,235		15,392		843	5.5 %	113	117	51,663	51,340
South Dakota         27,737         26,356         1,381         5.2 %         246         259         13,182         13,0           Commercial         121,647         126,011         (4,364)         (3.5) %         1,000         1,015         90,355         88,6           Industrial         9,888         11,282         (1,394)         (12.4) %         684         739         80           Other <sup>1</sup> 9,421         8,550         871         10.2 %         42         36         28,761         28,5           Total Retail Electric         239,015         247,263         (8,248)         (3.3) %         2,410         2,489         504,161         496,3           Regulatory amortization         10,325         (10,904)         21,229         194.7 %         (1) Included within this line is our light.           Transmission         28,147         22,436         5,711         25.5 %         (1) Included within this line is our light.           Total Revenues         279,468         260,134         19,334         7.4 %         (1) Included within this line is our light.           Total fuel, purchased supply & direct transmission expense*         59,603         60,887         (1,284)         (2.1) %         (2.1) %         counts to now reflect each lighting s	Residential	98,059		101,420		(3,361)	(3.3) %	684	699	384,965	378,995
Commercial   121,647   126,011   (4,364)   (3.5) %   1,000   1,015   90,355   88,60	Montana	93,910		99,655		(5,745)	(5.8) %	754	756	77,173	75,602
Industrial   9,888   11,282   (1,394)   (12.4) %   684   739   80	South Dakota	27,737		26,356		1,381	5.2 %	246	259	13,182	13,083
Other <sup>1</sup> 9,421         8,550         871         10.2 %         42         36         28,761         28,5           Total Retail Electric         239,015         247,263         (8,248)         (3.3) %         2,410         2,489         504,161         496,3           Regulatory amortization         10,325         (10,904)         21,229         194.7 %	Commercial	121,647		126,011		(4,364)	(3.5) %	1,000	1,015	90,355	88,685
Total Retail Electric         239,015         247,263         (8,248)         (3.3) %         2,410         2,489         504,161         496,3           Regulatory amortization         10,325         (10,904)         21,229         194.7 %           Transmission         28,147         22,436         5,711         25.5 %           Wholesale and other         1,981         1,339         642         47.9 %         (1) Included within this line is our light.           Total Revenues         279,468         260,134         19,334         7.4 %         (2.1)	Industrial	9,888		11,282		(1,394)	(12.4) %	684	739	80	80
Regulatory amortization 10,325 (10,904) 21,229 194.7 %  Transmission 28,147 22,436 5,711 25.5 %  Wholesale and other 1,981 1,339 642 47.9 %  Total Revenues 279,468 260,134 19,334 7.4 %  Total fuel, purchased supply & (1) Included within this line is our light customer class, for which we have his counted each lighting district as one counted each lighting district as one counted each lighting district as one counted each lighting service transmission expense*  59,603 60,887 (1,284) (2.1) %  Lighting Marking 2	Other <sup>1</sup>	9,421		8,550		871	10.2 %	42	36	28,761	28,555
Transmission 28,147 22,436 5,711 25.5 %  Wholesale and other 1,981 1,339 642 47.9 %  Total Revenues 279,468 260,134 19,334 7.4 %  Total fuel, purchased supply & Girect transmission expense* 59,603 60,887 (1,284) (2.1) %  Little Marking 2 24,005 100,005 1	Total Retail Electric	239,015		247,263		(8,248)	(3.3) %	2,410	2,489	504,161	496,315
Wholesale and other  1,981 1,339 642 47.9  (1) Included within this line is our light.  Customer class, for which we have his  counted each lighting district as one of  We have retroactively modified our cut  direct transmission expense* 59,603 60,887 (1,284) (2.1) %  (2) Included within this line is our lighting  customer class, for which we have his  counted each lighting district as one of  We have retroactively modified our cut  counts to now reflect each lighting ser  customer as that better aligns with the	Regulatory amortization	10,325		(10,904)	2	21,229	194.7 %				
Total Revenues  279,468  260,134  19,334  7.4  %  Customer class, for which we have his counted each lighting district as one of the direct transmission expense*  59,603  60,887  (1,284)  (2.1)  Customer class, for which we have his counted each lighting district as one of the direct transmission expense*  59,603  60,887  (1,284)  (2.1)  Customer as that better aligns with the customer class, for which we have his counted each lighting district as one of the customer class are customer class.	Transmission	28,147		22,436		5,711	25.5 %				
Total Revenues  279,468  260,134  19,334  7.4  Customer class, for which we have his counted each lighting district as one of the counted each lighting services.  240,065	Wholesale and other	1,981		1,339		642	47.9 %		(1) Include	ed within this line	is our liahtina
Total fuel, purchased supply &  direct transmission expense*  59,603  60,887  (1,284)  (2.1)  customer as that better aligns with the	Total Revenues	279,468		260,134	•	19,334	7.4 %		customer class, for which we have historically		
customer as that better aligns with the	Total fuel, purchased supply &										
	direct transmission expense*	59,603		60,887		(1,284)	(2.1) %		counts to r	now reflect each l	ighting service as a
	Utility Margin <sup>2</sup>	219,865		199,247	- 2	20,618	10.3 %		customer as that better aligns with the MW usage of this customer class.		

<sup>\*</sup> Direct transmission expense is exclusive of depreciation and depletion.

<sup>(2)</sup> Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

#### Appendix

## Natural Gas Segment (Q2)

#### Three Months Ended June 30,

	Revenues				Change			Dekathern	ns (Dkt)	Average Customer Counts		
	2025		2024		\$	%		2025	2024	2025	2024	
					(in thousa	ands)						
Montana	\$ 17,968	\$	18,921	\$	(953)	(5.0)	%	1,949	2,224	187,134	185,449	
South Dakota	5,566		5,894		(328)	(5.6)	%	524	568	42,821	42,440	
Nebraska	4,523		3,798		725	19.1	%	391	438	37,907	37,889	
Residential	28,057		28,613		(556)	(1.9)	%	2,864	3,230	267,862	265,778	
Montana	10,499		10,743		(244)	(2.3)	%	1,181	1,301	26,613	26,160	
South Dakota	3,920		3,754		166	4.4	%	593	600	7,549	7,354	
Nebraska	2,346		1,969		377	19.1	%	308	333	5,098	5,044	
Commercial	16,765		16,466		299	1.8	%	2,082	2,234	39,260	38,558	
Industrial	144		169		(25)	(14.8)	%	17	23	239	237	
Other	270		292		(22)	(7.5)	%	38	44	207	196	
Total Retail Electric	\$ 45,236	\$	45,540	\$	(304)	(0.7)	%	5,001	5,531	307,568	304,769	
Regulatory amortization	5,189		3,735		1,454	38.9	%					
Transportation, wholesale, and other	12,820		10,520		2,300	21.9	%					
Total Revenues	\$ 63,245	\$	59,795	\$	3,450	5.8	%					
Total fuel, purchased supply & direct transmission expense*	\$ 15,668	\$	15,593	\$	75	0.5	%					
Utility Margin <sup>1</sup>	\$ 47,577	\$	44,202	\$	3,375	7.6	_		(4) [ [4][4 ]. [4]	argin is a non-GA	AD Magazira S	

<sup>\*</sup> Direct transmission expense is exclusive of depreciation and depletion

<sup>(1)</sup> Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.



# 2025 Year-to-Date Appendix

### Year-to-Date 2025 Non-GAAP Earnings

		Six Months Ended June 30,													
	GAAP	No	on-GAAP Ac	djustmen	its	Non GAAP				<b></b>	Non-GA	AAP Adjus	stments		GAAP
(in millions)	Six Months Ended June 30, 2025	Unfavorable Weather (Addback)	Move Pension Expense to OG&A (disaggregated with ASU 2017-07)	Deferred Compensation	Community Renewable Energy Project Penalty (not tax deductible)	Six Months Ended June 30, 2025	<u>Varia</u> \$	ince %	Six Months Ended June 30, 2024	Community Renewable Energy Project Penalty (not tax deductible)	Impairment of Alternative Energy Storage Investment	Deferred Compensation	Move Pension Expense to OG&A (disaggregated with ASU 2017-07)	Unfavorable Weather (Addback)	Six Months Ended June 30, 2024
Revenues	\$809.3	0.3	-	-	-	\$809.6	\$12.4	1.6%	\$797.2	-	-	-	-	1.9	\$795.3
Fuel, supply & dir. tx	213.5	- 0.2	-	-	-	213.5	(37.7)	-15.0%	251.2	-	-	-	-	- 10	251.2
Utility Margin (2)	595.9	0.3	-	-	-	596.2	50.2	9.2%	546.0	-	-	-	-	1.9	544.1
Op. Expenses	404.4		(0.0)			400.0	40.0	7.00/	400.0		(0.0)	0.4	<b>10.0</b> 1		400.0
OG&A expense Prop. & other taxes	194.1 91.4	-	(0.6)	0.3	-	193.8 91.4	13.2 8.0	7.3% 9.6%	180.6 83.4	-	(2.2)	0.1	(0.6)	-	183.3 83.4
Depreciation	124.8	_		-	-	124.8	11.1	9.8%	113.7	_	-	-		-	113.7
Total Op. Exp.	410.3	-	(0.6)	0.3	-	410.0	32.4	8.6%	377.6	-	(2.2)	0.1	(0.6)	-	380.3
Op. Income	185.5	0.3	0.6	(0.3)	-	186.1	17.8	10.6%	168.3	-	2.2	(0.1)	0.6	1.9	163.7
Interest expense	(72.8)	_				(72.8)	(9.9)	-15.7%	(62.9)			. ,		_	(62.9)
Other Inc., net	4.0	_	(0.6)	0.3	1.0	4.7	(5.5)	-53.9%	10.2	(2.3)	2.5	0.1	(0.6)	_	10.5
Pretax Income	116.8	0.3	-		1.0	118.1	2.5	2.2%	115.6	(2.3)	4.7	-	-	1.9	111.3
Income tax	(18.6)	-	-	-	-	(18.6)	(2.4)	-14.8%	(16.2)		(1.2)	-	-	(0.5)	(14.6)
Net Income	\$98.2	0.3	_	_	1.0	\$99.5	\$0.2	0.2%	\$99.3	(2.3)	3.5	_	-	1.4	\$96.7
ETR	15.9%	0.0%	-	_	0.0%	15.7%			14.1%		25.5%	-	-	25.3%	13.1%
Diluted Shares	61.5					61.5	0.2	0.3%	61.3						61.3
Diluted EPS	\$1.60	-	-	-	0.02	\$1.62	\$0.00	0.0%	\$1.62	(0.04)	0.06	-	-	0.02	\$1.58

We estimate weather to be a \$0.3 million pre-tax detriment as compared to normal and a \$1.6 million benefit as compared to the six months ending second quarter 2024.

- (1) As a result of the adoption of Accounting Standard Update 2017-07 in March 2018, pension and other employee benefit expense is now disaggregated on the GAAP income statement with portions now recorded in both OG&A expense and Other (Expense) Income lines. To facilitate better understanding of trends in year-over-year comparisons, the non-GAAP adjustment above re-aggregates the expense in OG&A as it was historically presented prior to the ASU 2017-07 (with no impact to net income or earnings per share).
- (2) Utility Margin is a non-GAAP Measure. See the slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosures.

# Year-to-Date Financial Results

(in millions, except per share amounts)	Six Months Ended June 30,							
	2025	2024	Variance	% Variance				
Operating Revenues Fuel, purchased supply & direct transmission	\$809.3	\$795.3	\$14.0	1.8%				
expense (exclusive of depreciation and depletion)	213.5	251.2	(37.7)	(15.0%)				
Utility Margin <sup>1</sup>	595.9	544.1	51.8	9.5%				
Operating Expenses								
Operating and maintenance	119.0	111.5	7.5	6.7%				
Administrative and general	75.1	71.7	3.4	4.7%				
Property and other taxes	91.4	83.4	8.0	9.6%				
Depreciation and depletion	124.8	113.7	11.1	9.8%				
Total Operating Expenses	410.3	380.3	30.0	7.9%				
Operating Income	185.5	163.7	21.8	13.3%				
Interest Expense, net	(72.8)	(62.9)	9.9	15.7%				
Other Income, net	4.0	10.5	(6.5)	(61.9%)				
Income Before Income Taxes	116.8	111.3	5.5	4.9%				
Income Tax Expense	(18.6)	(14.6)	4.0	27.4%				
Net Income	\$98.2	\$96.7	\$1.5	1.6%				
Effective Tax Rate	15.9%	13.1%	2.8%					
Diluted Average Shares Outstanding	61.5	61.3	0.2	0.3%				
Diluted Earnings Per Share	\$1.60	\$1.58	\$0.02	1.3%				
Dividends Paid per Common Share	\$1.32	\$1.30	\$ 0.02	1.5%				

<sup>1.)</sup> Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

Note: Subtotal variances may exist due to rounding.

# Appendix Utility Margin (YTD)

(\$ in millions)	Six Months Ended June 30,
	OIX MOINTIE Ellada Callo Co,

	2025	2024	Variance		
Electric	\$ 462.6	\$ 427.1	\$ 35.5	8.3%	
Natural Gas	133.3	117.0	16.3	13.9%	
Total Utility Margin <sup>1</sup>	\$ 595.9	\$ 544.1	\$ 51.8	9.5%	

#### Increase in utility margin due to the following factors:

	ici case	in dulity margin due to the following factors.
\$	30.1	Interim rates (subject to refund)
	9.9	Transmission revenue due to market conditions and rates
	5.8	Base rates
	4.1	Electric retail volumes
	2.9	Montana natural gas transportation
	0.3	Natural gas retail volumes
	(6.8)	Montana property tax tracker collections
	(1.7)	Non-recoverable Montana electric supply costs
_	(0.6)	Other
\$	44.0	Change in Utility Margin <u>Impacting</u> Net Income
\$	6.6	Property & other taxes recovered in revenue, offset in property & other taxes
	2.0	Production tax credits, offset in income tax expense
	(8.0)	Operating expenses recovered in revenue, offset in operating & maintenance expense
\$	7.8	Change in Utility Margin Offset Within Net Income
\$	51.8	Increase in Utility Margin

### Operating Expenses (YTD)

(\$ in millions)

#### Six Months Ended June 30,

			·				
	2025	2024	Variance				
Operating & maintenance	\$ 119.0	\$ 111.5	\$ 7.5	6.7%			
Administrative & general	75.1	71.7	3.4	4.7%			
Property & other taxes	91.4	83.4	8.0	9.6%			
Depreciation & depletion	124.8	113.7	11.1	9.8%			
Operating Expenses	\$ 410.3	\$ 380.3	\$ 30.0	7.9%			

#### Increase in operating expenses due to the following factors:

\$ 11.1	Depreciation expense due to plant additions and higher depreciation rates

- 7.2 Electric generation maintenance
- 6.3 Insurance expense, primarily due to increased wildfire risk premiums
- 2.4 Labor and benefits<sup>(1)</sup>
- 1.4 Wildfire mitigation expense, partly offset by higher base revenues
- 1.4 Property and other taxes not recoverable within trackers
- 1.4 Technology implementation and maintenance expenses
- 0.3 Uncollectible accounts
- (2.4) Litigation outcome (Pacific Northwest Solar)
- (2.2) Non-cash impairment of alternative energy storage investment
- (2.7) Other
- \$ 24.2 Change in Operating Expense Items Impacting Net Income
- \$ 6.6 (0.8)

Property and other taxes recovered in trackers, offset in revenue Operating and maintenance expenses recovered in trackers, offset in revenue Change in Operating Expense Items Offset Within Net Income

\$ 5.8 \$ 30.0

Increase in Operating Expenses

(1) In order to present the total change in labor and benefits, we have included the change in the non-service cost component of our pension and other postretirement benefits, which is recorded within other income on our Condensed Consolidated Statements of Income. This change is offset within this table as it does not affect our operating expenses.

## Operating to Net Income (YTD)

(\$ in millions)

#### Six Months Ended June 30,

	2025	2024	Variance		
Operating Income	\$ 185.5	\$ 163.7	\$ 21.8	13.3%	
Interest expense, net	(72.8)	(62.9)	9.9	15.7%	
Other income, net	4.0	10.5	(6.5)	(61.9%)	
Income Before Taxes	116.8	111.3	25.3	22.7%	
Income tax expense	(18.6)	(14.6)	4.0	27.4%	
Net Income	\$ 98.2	\$ 96.7	\$ 1.5	1.6%	

**\$9.9 million increase in interest expense, net** was primarily due to higher borrowings and interest rates and lower capitalization of Allowance for Funds Used During Construction (AFUDC).

**\$6.5 million decrease in other income, net** was primarily due to lower capitalization of AFUDC, a prior year reversal of \$2.3 million from a previously disclosed CREP penalty due to a favorable legal ruling, and a \$1.0 million expense accrual related to an estimated penalty for the CREP informed by a recent MPSC ruling, partly offset by an increase of \$2.5 million driven by a prior year non-cash impairment of an alternative energy storage equity investment.

**\$4.0 million increase in income tax expense** was primarily due to an increase in pre-tax income.

# Appendix Tax Reconciliation (YTD)

(\$ in millions)	Six Months Ended June 30,						
	202	202	Variance				
Income Before Income Taxes	\$116.8		\$111.3		\$5.5		
Income tax calculated at federal statutory rate	24.5	21.0%	23.4	21.0%	1.1		
Permanent or flow-through adjustments:							
State income taxes, net of federal provisions	0.9	0.8%	0.7	0.6%	0.2		
Flow-through repairs deductions	(10.8)	(9.2%)	(9.2)	(8.3%)	(1.6)		
Production tax credits	(2.7)	(2.3%)	(5.0)	(4.5%)	2.3		
Amortization of excess deferred income taxes	(0.8)	(0.7%)	(0.6)	(0.5%)	(0.2)		
Share-based compensation	(0.3)	(0.3%)	0.3	0.3%	(0.6)		
Plant and depreciation flow-through items	6.8	5.8%	4.1	3.7%	2.7		
Other, net	1.0	0.8%	0.9	0.8%	0.1		
Sub-total	(5.9)	(5.1%)	(8.8)	(7.9%)	2.9		
Income Tax Expense	\$ 18.6	15.9%	\$ 14.6	13.1%	\$ 4.0		

### Segment Results (YTD)

(in thousands)

Operating revenues

Six Months Ended June 30, 2025

Fuel, purchased supply, & direct transmission*	152,355	61,113	213,468
Utility margin <sup>1</sup>	462,596	133,279	595,875
Operating, general, & administrative	146,094	47,943	194,037
Property & other taxes	70,604	20,645	91,249
Depreciation & depletion	104,875	19,904	124,779
Operating income	141,023	44,787	185,810
Interest expense, net	(55,318)	(14,331)	(69,649)
Other income, net	2,611	1,547	4,158
Income tax expense	(14,102)	(4,226)	(18,328)
Segment net income	\$ 74,214	\$ 27,777	\$ 101,991
Reconciliation to consolidated net income			
Other, net <sup>2</sup>			(3,823)
Consolidated net income			\$ 98,168
Six Months Ended June 30, 2024	 Electric	 Gas	 Total
Operating revenues	\$ 603,320	\$ 191,951	\$ 795,271
Fuel, purchased supply, & direct transmission*	 176,228	 74,973	 251,201
Utility margin 1	 427,092	 116,978	 544,070
Operating, general, & administrative	134,979	45,650	180,629
Property & other taxes	64,306	19,120	83,426
Depresiation 9 depletion	94,850	18,826	113,676
Depreciation & depletion	 94,000	 10,020	
Operating income	132,957	33,382	166,339
· · · · · · · · · · · · · · · · · · ·			166,339
Operating income	132,957	33,382	166,339
Operating income Interest expense, net	132,957 (47,955)	33,382 (13,396)	166,339 (61,351)
Operating income Interest expense, net Other income, net	\$ 132,957 (47,955) 9,492	\$ 33,382 (13,396) 1,981	\$ 166,339 (61,351) 11,473
Operating income Interest expense, net Other income, net Income tax expense	\$ 132,957 (47,955) 9,492 (11,174)	\$ 33,382 (13,396) 1,981 (2,869)	\$ 166,339 (61,351) 11,473 (14,043)
Operating income Interest expense, net Other income, net Income tax expense Segment net income	\$ 132,957 (47,955) 9,492 (11,174)	\$ 33,382 (13,396) 1,981 (2,869)	\$ 166,339 (61,351) 11,473 (14,043)

Electric

614,951

Gas

194,392

Total

809,343

- (1) Utility Margin is a non-GAAP
  Measure. See appendix slide titled
  "Reconciling Gross Margin to
  Utility Margin" for additional
  disclosure.
- (2) Consists of unallocated corporate costs and some limited unregulated activity within the energy industry.

<sup>\*</sup>Direct transmission expense excludes depreciation and depletion.

### Electric Segment (YTD)

#### Six Months Ended June 30,

	Reve	Revenues		Change		Megawatt Hours (MWH)		Customer ints
	2025	2024	\$	%	2025	2024	2025	2024
			(in thousan	ids)				
Montana	\$ 196,801	\$ 203,391	\$ (6,590)	(3.2) %	1,473	1,429	332,820	326,986
South Dakota	38,527	34,702	3,825	11.0 %	308	290	51,727	51,396
Residential	235,328	238,093	(2,765)	(1.2) %	1,781	1,719	384,547	378,382
Montana	190,862	201,158	(10,296)	(5.1) %	1,600	1,580	77,296	75,639
South Dakota	57,051	54,128	2,923	5.4 %	530	546	13,156	13,047
Commercial	247,913	255,286	(7,373)	(2.9) %	2,130	2,126	90,452	88,686
Industrial	19,988	22,951	(2,963)	(12.9) %	1,388	1,464	80	80
Other <sup>1</sup>	14,114	13,366	748	5.6 %	54	49	27,895	27,793
Total Retail Electric	517,343	529,696	(12,353)	(2.3) %	5,353	5,358	502,974	494,941
Regulatory amortization	38,015	25,442	12,573	49.4 %				
Transmission	54,703	44,824	9,879	22.0 %				
Wholesale and other	4,890	3,358	1,532	45.6 %		(4) les als els		ia a un limbitia a
Total Revenues	614,951	603,320	11,631	1.9 %		1 /	ed within this line class, for which v	าร our แgกนกg ve have historicall
Total fuel, purchased supply &								ct as one custome
direct transmission expense*	152,355	176,228	(23,873)	(13.5) %				ified our customer lighting service as
Utility Margin <sup>2</sup>	\$ 462,596	\$ 427,092	\$ 35,504	8.3 %			as that better alig his customer clas	ns with the MWH

<sup>\*</sup> Direct transmission expense is exclusive of depreciation and depletion.

<sup>(2)</sup> Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

## Natural Gas Segment (YTD)

#### Six Months Ended June 30,

	Revenues		Cha	nge	Dekatherr	ms (Dkt)	Counts		
	2025	2024	\$	%	2025	2024	2025	2024	
			(in thous	ands)					
Montana	\$ 69,386	\$ 67,511	\$ 1,875	2.8 %	8,466	8,482	187,066	185,332	
South Dakota	21,136	19,499	1,637	8.4 %	2,311	2,005	42,941	42,521	
Nebraska	17,732	14,315	3,417	23.9 %	1,773	1,669	38,023	37,970	
Residential	108,254	101,325	6,929	6.8 %	12,550	12,156	268,030	265,823	
Montana	37,257	35,826	1,431	4.0 %	4,813	4,698	26,588	26,121	
South Dakota	15,095	13,021	2,074	15.9 %	2,203	1,914	7,545	7,362	
Nebraska	9,787	8,188	1,599	19.5 %	1,254	1,192	5,122	5,063	
Commercial	62,139	57,035	5,104	8.9 %	8,270	7,804	39,255	38,546	
Industrial	628	588	40	6.8 %	86	83	238	237	
Other	861	868	(7)	(0.8) %	132	133	207	196	
Total Retail Electric	\$ 171,882	\$ 159,816	\$ 12,066	7.5 %	21,038	20,176	307,730	304,802	
Regulatory amortization	(4,247)	10,661	(14,908)	(139.8) %					
Transportation, wholesale, and other	26,757	21,474	5,283	24.6 %					
Total Revenues	\$ 194,392	\$ 191,951	\$ 2,441	1.3 %					
Total fuel, purchased supply & direct transmission expense*	\$ 61,113	\$ 74,973	\$ (13,860)	(18.5) %					
Utility Margin <sup>1</sup>	\$ 133,279	\$ 116,978	\$ 16,301	13.9 %					

<sup>\*</sup> Direct transmission expense is exclusive of depreciation and depletion.

Average Customer

<sup>(1)</sup> Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

# Appendix Year-to-Date Cash Flow

		Six Months E	nded Jur	ne 30,
(in millions)	to reconcile net income to cash provided  forking capital rent assets & liabilities ed by Operating Activities Investing Activities ed by Financing Activities ed by Operating Activities es in working capital Operations  s itures included in trade accounts payable	2025		2024
Operating Activities				
Net Income	\$	98.2	\$	96.7
Adjustments to reconcile net income to cash provided				
by operations		144.1		128.1
Changes in working capital		(22.1)		1.0
Other noncurrent assets & liabilities		(8.6)		(1.9)
Cash Provided by Operating Activities		211.6		223.9
Cash Used in Investing Activities		(226.8)		(248.3)
Cash Provided by Financing Activities		12.7		30.2
Cash Provided by Operating Activities	\$	211.6	\$	223.9
Less: Changes in working capital		(22.1)		1.0
Funds from Operations	\$	233.7	\$	222.9
PP&E additions		221.0		247.4
Capital expenditures included in trade accounts payable		9.6		(15.2)
AFUDC Credit		4.1		9.4
Total Capital Investment	\$	234.7	\$	241.6

Cash from Operating Activities decreased by \$12.3 million primarily due to lower collections of accounts receivable balances due to timing of colder weather and an increase in our net cash outflows for energy supply costs, as shown in the table below.

Funds from Operations increased by \$10.8 million over prior period.

	Net Under-Collected Supply Costs (in millions)							
	<b>Beginning</b> (Jan. 1)	<b>Ending</b> (June 30)	(Outflow) / Inflow					
2024	\$7.8	\$14.9	(\$7.1)					
2025	\$5.9	\$28.6	(\$22.7)					
	2025 Increase in N	let Cash Outflows	(\$15.6)					

#### No Planned Equity Issuances in 2025

Financing plans (targeting a FFO to Debt ratio > 14%) are expected to maintain our current credit ratings and are subject to change.

#### Debt financing in 2025

- Issued \$400 million, 5.07% coupon, 5-year Montana FMBs in Q1
- Issued \$100 million, 5.49% coupon, 10-year South Dakota FMBs in Q2
- Amended our existing NorthWestern Energy Group \$100 million term loan to extend the maturity date from April 11, 2025 to April 10, 2026 in Q2.

# Appendix Balance Sheet

(\$ in millions)	As	of June 30, 2025	As of December 31, 2024		
Cash and cash equivalents	\$	2.9	\$	4.3	
Restricted cash		23.6		24.7	
Accounts receivable, net		154.9		187.8	
Inventories		125.4		122.9	
Other current assets		96.2		78.5	
Goodwill		357.6		357.6	
PP&E and other non-current assets		7,375.3		7,221.8	
Total Assets	\$	8,136.0	\$	7,997.5	
Payables		93.7		111.8	
Current Maturities - debt and leases		163.7		403.5	
Other current liabilities		280.0		286.9	
Long-term debt & capital leases		3,029.6		2,697.2	
Other non-current liabilities		1,689.2		1,640.4	
Shareholders' equity		2,879.7		2,857.7	
Total Liabilities and Equity	\$	8,136.0	\$	7,997.5	
Capitalization:					
Short-Term Debt & Short-Term Finance Leases		163.7		403.5	
Long-Term Debt & Long-Term Finance Leases		3,029.6		2,697.2	
Less: Basin Creek Finance Lease		(3.7)		(5.5)	
Shareholders' Equity		2,879.7		2,857.7	
Total Capitalization	\$	6,069.3	\$	5,953.0	
Ratio of Debt to Total Capitalization		52.6%	52.0%		

**Debt to Total Capitalization up** from last quarter and inside our targeted 50% - 55% range.

### Reconciling Gross Margin to Utility Margin

#### Reconciliation of Gross Margin to Utility Margin for the Three Months Ended June 30,

	Electric		Natur	al Gas	Total		
	2025	2024	2025	2024	2025	2024	
(in millions)							
Reconciliation of gross margin to utility margin							
Operating Revenues	\$ 279.4	\$ 260.1	\$ 63.3	\$ 59.8	\$ 342.7	\$ 319.9	
Less: Fuel, purchased supply and direct transmission expense (exclusive of depreciation and depletion shown separately below)	59.6	60.9	15.7	15.6	75.3	76.5	
Less: Operating and maintenance	48.6	43.5	13.7	13.9	62.3	57.4	
Less: Property and other taxes	37.3	28.0	10.9	8.2	48.2	36.2	
Less: Depreciation and depletion	52.4	47.6	10.0	9.4	62.4	57.0	
Gross Margin	81.5	80.1	13.0	12.7	94.5	92.8	
Plus: Operating and maintenance	48.6	43.5	13.7	13.9	62.3	57.4	
Plus: Property and other taxes	37.3	28.0	10.9	8.2	48.2	36.2	
Plus: Depreciation and depletion	52.4	47.6	10.0	9.4	62.4	57.0	
Utility Margin <sup>(1)</sup>	\$ 219.8	\$ 199.2	\$ 47.6	\$ 44.2	\$ 267.4	\$ 243.4	

#### Reconciliation of Gross Margin to Utility Margin for the Six Months Ended June 30,

	Electric		Natura	Natural Gas		tal
	2025	2024	2025	2024	2025	2024
(in millions)						
Reconciliation of gross margin to utility margin						
Operating Revenues	\$ 615.0	\$ 603.3	\$ 194.4	\$ 192.0	\$ 809.4	\$ 795.3
Less: Fuel, purchased supply and direct transmission expense (exclusive of depreciation and depletion shown separately below)	152.4	176.2	61.1	75.0	213.5	251.2
Less: Operating and maintenance	91.2	83.8	27.8	27.8	119.0	111.6
Less: Property and other taxes	70.6	64.3	20.6	19.1	91.2	83.4
Less: Depreciation and depletion	104.9	94.9	19.9	18.8	124.8	113.7
Gross Margin	195.9	184.1	65.0	51.3	260.9	235.4
Plus: Operating and maintenance	91.2	83.8	27.8	27.8	119.0	111.6
Plus: Property and other taxes	70.6	64.3	20.6	19.1	91.2	83.4
Plus: Depreciation and depletion	104.9	94.9	19.9	18.8	124.8	113.7
Utility Margin (1)	\$ 462.6	\$ 427.1	\$ 133.3	\$ 117.0	\$ 595.9	\$ 544.1

Management believes that Utility Margin provides a useful measure for investors and other financial statement users to analyze our financial performance in that it excludes the effect on total revenues caused by volatility in energy costs and associated regulatory mechanisms. This information is intended to enhance an investor's overall understanding of results. Under our various state regulatory mechanisms, as detailed below, our supply costs are generally collected from customers. In addition, Utility Margin is used by us to determine whether we are collecting the appropriate amount of energy costs from customers to allow recovery of operating costs, as well as to analyze how changes in loads (due to weather, economic or other conditions), rates and other factors impact our results of operations. Our Utility Margin measure may not be comparable to that of other companies' presentations or more useful than the GAAP information provided elsewhere in this report.

# PCCAM Impact by Quarter

Pretax millions – shareholder (detriment) benefit

	•	,			
	Q1	Q2	Q3	Q4	Full Year
'17/'18 Tracker First full	year recorded in Q		\$3.3		\$3.3
'18/'19 Tracker	,		(\$5.1)	\$0.3	(4.8)
2018 (Expense) Ben	nefit \$0.0	\$0.0	(\$1.8)	\$0.3	(\$1.5)
				- i	- ""
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	Full Year
'18/'19 Tracker	(\$1.6)	\$4.6	4		\$3.0
'19/'20 Tracker			\$0.1	(\$0.7)	(0.6)
2019 (Expense) Ben	nefit (\$1.6)	\$4.6	\$0.1	(\$0.7)	\$2.4
	Q1	<u>Q2</u>	<u>Q3</u>	Q4 i	Full Year
CU4 Disallowance ('18/'19		_	_	(\$9.4)	(\$9.4)
'19/'20 Tracker	(\$0.1)	\$0.2			\$0.1
•		\$0.2			
Recovery of modeling costs	\$0.7	_	(CO.5)	(CO 2)	\$0.7
'20/'21 Tracker			(\$0.6)	(\$0.3)	(\$0.9)
2020 (Expense) Ben	nefit \$0.6	\$0.2	(\$0.6)	(\$0.3)	(\$0.1)
	Q1	Q2	<u>Q3</u>	Q4 !	Full Year
'20/'21 Tracker	(\$0.8)	(\$0.5)	90	<u> </u>	(\$1.3)
'21/'22 Tracker	(\$0.0)	(00.5)	(\$2.7)	(\$1.4)	(\$4.1)
2021 (Expense) Ben	nefit (\$0.8)	(\$0.5)	(\$2.7)	(\$1.4)	(\$5.4)
2021 (Expense) ben	(30.0)	(30.3)	(\$2.7)	(\$1.4)	(\$3.4)
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	Full Year
'21/'22 Tracker	<u>Q1</u> (\$0.8)	<u>Q2</u> (\$0.8)	<u>Q3</u>	<u>Q4</u>	Full Year (\$1.6)
'21/'22 Tracker '22/'23 Tracker			<u>Q3</u> (\$3.9)	<u>Q4</u> (\$1.7)	
•	(\$0.8)				(\$1.6)
'22/'23 Tracker	(\$0.8)	(\$0.8)	(\$3.9) <b>(\$3.9)</b>	(\$1.7) <b>(\$1.7)</b>	(\$1.6) (\$5.6) (\$7.2)
'22/'23 Tracker 2022 (Expense) Ben	(\$0.8)  efit (\$0.8)	(\$0.8) (\$0.8)	(\$3.9)	(\$1.7)	(\$1.6) (\$5.6) (\$7.2) Full Year
'22/'23 Tracker 2022 (Expense) Ben '22/'23 Tracker	(\$0.8) nefit (\$0.8) Q1 \$0.5	(\$0.8)	(\$3.9) <b>(\$3.9)</b>	(\$1.7) (\$1.7) <u>Q4</u>	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6
'22/'23 Tracker 2022 (Expense) Ben '22/'23 Tracker Retro-active application of PCCAM b	(\$0.8) nefit (\$0.8) Q1 \$0.5	(\$0.8) (\$0.8)	(\$3.9) ( <b>\$3.9</b> )	(\$1.7) (\$1.7) Q4 \$3.2	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker  Retro-active application of PCCAM b '23/'24 Tracker	(\$0.8) nefit (\$0.8) Q1 \$0.5	(\$0.8) (\$0.8)	(\$3.9) (\$3.9) Q3	(\$1.7) (\$1.7) Q4 \$3.2 \$1.1	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2
'22/'23 Tracker 2022 (Expense) Ben '22/'23 Tracker Retro-active application of PCCAM b	(\$0.8) nefit (\$0.8) Q1 \$0.5	(\$0.8) (\$0.8)	(\$3.9) ( <b>\$3.9</b> )	(\$1.7) (\$1.7) Q4 \$3.2	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker  Retro-active application of PCCAM b '23/'24 Tracker	(\$0.8)  nefit (\$0.8)  Q1  \$0.5  pase  nefit \$0.5	(\$0.8) (\$0.8) Q2 \$2.1	(\$3.9) (\$3.9) 23 \$0.1 \$0.1	(\$1.7) (\$1.7); Q4 \$3.2 \$1.1 \$4.3	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker  Retro-active application of PCCAM b '23/'24 Tracker	(\$0.8)  nefit (\$0.8)  Q1  \$0.5  pase  nefit \$0.5	(\$0.8) (\$0.8) <u>Q2</u> \$2.1	(\$3.9) (\$3.9) Q3	(\$1.7) (\$1.7) Q4 \$3.2 \$1.1	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2 \$7.0
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker  Retro-active application of PCCAM b  '23/'24 Tracker 2023 (Expense) Ben  '23/'24 Tracker	(\$0.8)  nefit (\$0.8)  Q1  \$0.5  pase  nefit \$0.5	(\$0.8) (\$0.8) Q2 \$2.1 \$2.1	(\$3.9) (\$3.9) 23 \$0.1 \$0.1	(\$1.7) (\$1.7); Q4 \$3.2 \$1.1 \$4.3	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2 \$7.0 Full Year (\$1.8)
'22/'23 Tracker 2022 (Expense) Ben '22/'23 Tracker Retro-active application of PCCAM b '23/'24 Tracker 2023 (Expense) Ben	(\$0.8)  nefit (\$0.8)  Q1  \$0.5  pase  nefit \$0.5  Q1  (\$3.0)	(\$0.8) (\$0.8) Q2 \$2.1 \$2.1	(\$3.9) (\$3.9) Q3 \$0.1 \$0.1	(\$1.7); (\$1.7); Q4 \$3.2 \$1.1 \$4.3	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2 \$7.0
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker  Retro-active application of PCCAM b '23/'24 Tracker 2023 (Expense) Ben  '23/'24 Tracker '24/'25 Tracker	(\$0.8)  nefit (\$0.8)  Q1  \$0.5  nefit \$0.5  Q1  (\$3.0)  nefit (\$3.0)	\$2.1 Q2 \$2.1 \$2.1 \$1.2	(\$3.9) (\$3.9) <b>Q3</b> \$0.1 \$0.1 <b>Q3</b> \$0.7 \$0.7	(\$1.7) (\$1.7); Q4 \$3.2 \$1.1 \$4.3 Q4 \$0.2	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2 \$7.0 Full Year (\$1.8) \$0.9 (\$0.9)
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker Retro-active application of PCCAM b '23/'24 Tracker 2023 (Expense) Ben  '23/'24 Tracker '24/'25 Tracker 2024 (Expense) Ben	(\$0.8)  nefit (\$0.8)  Q1  \$0.5  nefit \$0.5  Q1  (\$3.0)  nefit (\$3.0)	\$2.1 \$2.1 \$2.1 \$2.1 \$2.2 \$1.2	(\$3.9) (\$3.9) Q3 \$0.1 \$0.1 Q3 \$0.7	(\$1.7) (\$1.7); Q4 \$3.2 \$1.1 \$4.3 Q4 \$0.2	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2 \$7.0 Full Year (\$1.8) \$0.9 (\$0.9)
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker Retro-active application of PCCAM b '23/'24 Tracker 2023 (Expense) Ben  '23/'24 Tracker '24/'25 Tracker 2024 (Expense) Ben '24/'25 Tracker	(\$0.8)  nefit (\$0.8)  Q1  \$0.5  nefit \$0.5  Q1  (\$3.0)  nefit (\$3.0)	\$2.1 Q2 \$2.1 \$2.1 \$1.2	(\$3.9) (\$3.9) <b>Q3</b> \$0.1 \$0.1 <b>Q3</b> \$0.7 \$0.7	(\$1.7) (\$1.7); Q4 \$3.2 \$1.1 \$4.3 Q4 \$0.2	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2 \$7.0 Full Year (\$1.8) \$0.9 (\$0.9) Year-to-Date (\$3.5)
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker Retro-active application of PCCAM b '23/'24 Tracker 2023 (Expense) Ben  '23/'24 Tracker '24/'25 Tracker 2024 (Expense) Ben  '24/'25 Tracker	(\$0.8)  nefit (\$0.8)  Q1	\$2.1 \$2.1 \$2.1 \$2.1 \$2.2 \$1.2 \$1.2 \$1.2	(\$3.9) (\$3.9) Q3 \$0.1 \$0.1 Q3 \$0.7 \$0.7	(\$1.7) (\$1.7); Q4 \$3.2 \$1.1 \$4.3 Q4 \$0.2 \$0.2	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2 \$7.0 Full Year (\$1.8) \$0.9 (\$0.9) Year-to-Date (\$3.5) \$0.0
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker Retro-active application of PCCAM b '23/'24 Tracker 2023 (Expense) Ben  '23/'24 Tracker '24/'25 Tracker 2024 (Expense) Ben '24/'25 Tracker	(\$0.8)  nefit (\$0.8)  Q1	\$2.1 \$2.1 \$2.1 \$2.1 \$2.2 \$1.2	(\$3.9) (\$3.9) <b>Q3</b> \$0.1 \$0.1 <b>Q3</b> \$0.7 \$0.7	(\$1.7) (\$1.7); Q4 \$3.2 \$1.1 \$4.3 Q4 \$0.2	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2 \$7.0 Full Year (\$1.8) \$0.9 (\$0.9) Year-to-Date (\$3.5)
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker Retro-active application of PCCAM b '23/'24 Tracker 2023 (Expense) Ben  '23/'24 Tracker '24/'25 Tracker 2024 (Expense) Ben  '24/'25 Tracker '25/'26 Tracker '25/'26 (Expense) Ben	(\$0.8)  nefit (\$0.8)  Q1	\$2.1 \$2.1 \$2.1 \$2.1 \$2.1 Q2 \$1.2 \$1.2 Q2 (\$0.8)	(\$3.9) (\$3.9) Q3 \$0.1 \$0.1 Q3 \$0.7 \$0.7	(\$1.7) (\$1.7); Q4 \$3.2 \$1.1 \$4.3 Q4 \$0.2 \$0.2	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2 \$7.0 Full Year (\$1.8) \$0.9 (\$0.9) Year-to-Date (\$3.5) \$0.0 (\$3.5)
'22/'23 Tracker 2022 (Expense) Ben  '22/'23 Tracker Retro-active application of PCCAM b '23/'24 Tracker 2023 (Expense) Ben  '23/'24 Tracker '24/'25 Tracker 2024 (Expense) Ben  '24/'25 Tracker	(\$0.8)  nefit (\$0.8)  Q1	\$2.1 \$2.1 \$2.1 \$2.1 \$2.2 \$1.2 \$1.2 \$1.2	(\$3.9) (\$3.9) Q3 \$0.1 \$0.1 Q3 \$0.7 \$0.7	(\$1.7) (\$1.7); Q4 \$3.2 \$1.1 \$4.3 Q4 \$0.2 \$0.2	(\$1.6) (\$5.6) (\$7.2) Full Year \$2.6 \$3.2 \$1.2 \$7.0 Full Year (\$1.8) \$0.9 (\$0.9) Year-to-Date (\$3.5) \$0.0

### Qualified Facility Earnings Adjustment

(Millions)	Annual actual contract price escalation	Annual adjustment for actual output and pricing	Adjustment associated with the one-time clarification in contract term	Total
Nov-12	(Arbitration) \$47.9 Non-GAAP Adj.	\$0.0	\$0.0	\$47.9
Jun-13	\$0.0	1.0	0.0	\$1.0
Jun-14	\$0.0	0.0	0.0	\$0.0
Jun-15	(\$6.1) Non-GAAP Adj.	1.8	0.0	(\$4.3)
Jun-16	\$0.0	1.8	0.0	\$1.8
Jun-17	\$0.0	2.1	0.0	\$2.1
Jun-18	\$17.5 Non-GAAP Adj.	9.7	0.0	\$27.2
Jun-19	\$3.3	3.1	0.0	\$6.4
Jun-20	\$2.2	0.9	0.0	\$3.1
Jun-21	(\$2.1)	2.6	8.7 Non-GAAP Adj.	\$9.2
Sep-21	\$0.0	0.0	(1.3) Non-GAAP Adj.	(\$1.3)
Dec-21	\$0.0	0.0	(O.4) Non-GAAP Adj.	(\$0.4)
Jun-22	\$3.3	1.8	0.0	\$5.1
Jun-23	\$4.2	0.8	0.0	\$5.0
Jun-24	\$0.0	0.8	0.0	\$0.8
Jun-25	\$0.0	0.8	0.0	\$0.8
Year-over-Y	ear Better (Worse)			
2013	(\$47.9)	1.0	0.0	(\$46.9
2014	\$0.0	(1.0)	0.0	(\$1.0)
2015	(\$6.1)	1.8	0.0	(\$4.3)
2016	\$6.1	0.0	0.0	\$6.1
2017	\$0.0	0.3	0.0	\$0.3
2018	\$17.5	7.6	0.0	\$25.1
2019	(\$14.2)	(6.6)	0.0	(\$20.8
2020	(\$1.1)	(2.2)	0.0	(\$3.3)
2021	(\$4.3)	\$1.7	\$7.0	\$4.4
2022	\$5.4	(\$0.8)	(\$7.0)	(\$2.4)
2023	\$0.9	(\$1.0)	\$0.0	(\$0.1)
2024	(\$4.2)	\$0.0	\$0.0	(\$4.2)
2025	\$0.0	\$0.0	\$0.0	\$0.0

Our electric QF liability consists of unrecoverable costs associated with contracts covered under PURPA that are part of a 2002 stipulation with the MPSC and other parties. Risks / losses associated with these contracts are born by shareholders, not customers. Therefore, any mitigation of prior losses and / or benefits of liability reduction also accrue to shareholders.

# Non-GAAP Financial Measures

Pre-Tax Adjustments (\$ Millions)	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Reported GAAP Pre-Tax Income	\$ 181.2	\$ 156.5	\$ 176.1	\$ 178.3	\$ 182.2	\$ 144.2	\$ 190.2	\$ 182.4	\$ 201.6	\$ 214.7
Non-GAAP Adjustments to Pre-Tax Income:										
Weather	13.2	15.2	(3.4)	(1.3)	(7.3)	9.8	1.1	(8.9)	4.3	10.
Lost revenue recovery related to prior periods	-	(14.2)	-	-	-	-	-	-	-	-
Remove benefit of insurance settlement	(20.8)	-	-	-	-	-	-	-	-	-
QF liability adjustment	6.1	-	-	(17.5)	-	-	(6.9)	-	-	-
Electric tracker disallowance of prior period costs	-	12.2	-	-	-	9.9	-	-	-	-
Income tax adjustment	-	-	-	9.4	-	-	-	-	-	-
Community Renewable Energy Project Penalty	-	-	-	-	-	-	-	2.5	-	(2.
Impairment of Alternative Energy Storage Investment	-	-	-	-	-	-	-	-	-	4.
Adjusted Non-GAAP Pre-Tax Income	\$ 179.7	\$ 169.7	\$ 172.7	\$ 168.9	\$ 174.9	\$ 163.9	\$ 184.4	\$ 176.0	\$ 205.9	\$ 227.
Tax Adjustments to Non-GAAP Items (\$ Millions)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GAAP Net Income	\$ 151.2	\$ 164.2	\$ 162.7	\$ 197.0	\$ 202.1	\$ 155.2		\$ 183.0		\$ 224.
Non-GAAP Adjustments Taxed at 38.5% (12'-17') and 25.3% (18'-current):										
Weather	8.1	9.3	(2.1)	(1.0)	(5.5)	7.3	0.8	(6.6)	3.2	7.
Lost revenue recovery related to prior periods	-	(8.7)	-	- '	-	-	-	-	-	-
Remove benefit of insurance settlement	(12.8)	-	-	-	-	-	-	-	-	_
QF liability adjustment	3.8	-	-	(13.1)	-	-	(5.2)	-	-	-
Electric tracker disallowance of prior period costs	-	7.5	-	` -	-	7.4	- 1	-	-	_
Income tax adjustment	-	(12.5)	-	(12.8)	(22.8)	-	-	-	-	-
Community Renewable Energy Project Penalty	-		-	- 1		-	-	2.5	-	(2.
Previously claimed AMT credit	-	-	-	-	-	-	-	-	3.2	-
Release of Unrecognized Tax Benefit	-	-	-	-	-	-	-	-	(3.2)	(16.
Impairment of Alternative Energy Storage Investment	-	-	-	-	-	-	-	-	-	3.
Natural Gas Safe Harbor Method Change	-	-	-	-	-	-	-	-	-	(7.
Non-GAAP Net Income	\$ 150.3	\$ 159.8	\$ 160.6	\$ 170.1	\$ 173.8	\$ 169.9	\$ 182.4	\$ 178.9	\$ 197.3	\$ 208.
Non-GAAP Diluted Earnings per Share	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Diluted Average Shares (Millions)	47.6	48.5	48.7	50.2	50.8	50.7	51.9	56.3	60.4	61.
Reported GAAP Diluted Earnings per Share	\$ 3.17	\$ 3.39	\$ 3.34	\$ 3.92	\$ 3.98	\$ 3.06	\$ 3.60	\$ 3.25	\$ 3.22	\$ 3.6
Non-GAAP Adjustments:			•						,	
Weather	0.17	0.19	(0.04)	(0.02)	(0.11)	0.14	0.01	(0.11)	0.05	0.1
Lost revenue recovery related to prior periods	-	(0.18)	-	- '	- '	-	-	-	-	-
Remove benefit of insurance settlementments & recoveries	(0.27)		-	-	-	-	-	-	-	_
QF liability adjustment	0.08	-	-	(0.26)	-	-	(0.10)	-	-	-
Electric tracker disallowance of prior period costs	-	0.16	-	-	-	0.15	-	-	-	-
Income tax adjustment	-	(0.26)	-	(0.25)	(0.45)	-	-	-	-	-
Community Renewable Energy Project Penalty	-	-	-	-	-	-	-	0.04	-	(0.0
Previously claimed AMT credit	-	-	-	-	-	-	-	-	0.05	-
Release of Unrecognized Tax Benefit	-	-	-	-	-	-	-	-	(0.05)	(0.2
Impairment of Alternative Energy Storage Investment	-	-	-	-	-	-	-	-	-	0.0
Natural Gas Safe Harbor Method Change	-	-	-	-	-	-	-	-	-	(0.1
Non-GAAP Diluted Earnings per Share	\$ 3.15	\$ 3.30	\$ 3.30	\$ 3,39	\$ 3.42	\$ 3.35	\$ 3.51	\$ 3.18	\$ 3.27	\$ 3.4

# Non-GAAP Financial Measures

This presentation includes financial information prepared in accordance with GAAP, as well as other financial measures, such as Utility Margin, Adjusted Non-GAAP pretax income, Adjusted Non-GAAP net income and Adjusted Non-GAAP Diluted EPS that are considered "non-GAAP financial measures." Generally, a non-GAAP financial measure is a numerical measure of a company's financial performance, financial position or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP.

We define Utility Margin as Operating Revenues less fuel, purchased supply and direct transmission expense (exclusive of depreciation and depletion) as presented in our Consolidated Statements of Income. This measure differs from the GAAP definition of Gross Margin due to the exclusion of Operating and maintenance, Property and other taxes, and Depreciation and depletion expenses, which are presented separately in our Consolidated Statements of Income. A reconciliation of Utility Margin to Gross Margin, the most directly comparable GAAP measure, is included in this presentation.

Management believes that Utility Margin provides a useful measure for investors and other financial statement users to analyze our financial performance in that it excludes the effect on total revenues caused by volatility in energy costs and associated regulatory mechanisms. This information is intended to enhance an investor's overall understanding of results. Under our various state regulatory mechanisms, as detailed below, our supply costs are generally collected from customers. In addition, Utility Margin is used by us to determine whether we are collecting the appropriate amount of energy costs from customers to allow recovery of operating costs, as well as to analyze how changes in loads (due to weather, economic or other conditions), rates and other factors impact our results of operations. Our Utility Margin measure may not be comparable to that of other companies' presentations or more useful than the GAAP information provided elsewhere in this report.

Management also believes the presentation of Adjusted Non-GAAP pre-tax income, Adjusted Non-GAAP net income and Adjusted Non-GAAP Diluted EPS is more representative of normal earnings than GAAP pre-tax income, net income and EPS due to the exclusion (or inclusion) of certain impacts that are not reflective of ongoing earnings. The presentation of these non-GAAP measures is intended to supplement investors' understanding of our financial performance and not to replace other GAAP measures as an indicator of actual operating performance. Our measures may not be comparable to other companies' similarly titled measures.



# Delivering a bright future

