

Montana Public Service Commission



Brad Johnson - Chairman
Travis Kavulla - Vice Chairman
Kirk Bushman - Commissioner
Roger Koopman - Commissioner
Bob Lake - Commissioner

November 18, 2016

Mr. Joe Schwartzberger
Regulatory Affairs Department
NorthWestern Energy
11 East Park
Butte, MT 59701

RE: Data Request in Docket D2016.5.39

Dear Mr. Schwartzberger:

Enclosed please find Data Request PSC-048 of the Montana Public Service Commission to NorthWestern Energy in the above-referenced Docket. Please provide a response by December 2, 2016. If you have any questions, please contact me at (406) 444-6191.

Sincerely,

Neil Templeton
Regulatory Division
Montana Public Service Commission

Enclosure

Service Date: November 18, 2016

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

IN THE MATTER OF NorthWestern) REGULATORY DIVISION
Energy's Application for Interim and Final) DOCKET NO. D2016.5.39
Approval of Revised Tariff No. QF-1,)
Qualifying Facility Power Purchase)

**DATA REQUESTS PSC-048 OF THE MONTANA PUBLIC SERVICE COMMISSION
TO NORTHWESTERN ENERGY**

PSC-048

Regarding: Contract Term
Witness: LaFave

- a. Do you believe that risk associated with market forecast error should be accounted for equivalently in both standard rate QF contracts and the revenue requirement associated with utility-owned resources? If not, please explain why.
- b. At 5:17-18 you state: "It is my belief that the landscape for project financing is changing as the production tax credits are being phased out." Please explain why you believe the landscape is changing and how you believe it is changing.
- c. At 6:12-13 you state: "If the correct indexed price was selected, [a fixed/indexed hybrid arrangement] could be a methodology for reducing forecast error." Can you describe a method for selecting the correct indexed price?