

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

\* \* \* \* \*

IN THE MATTER of the Montana Public            )   REGULATORY DIVISION  
Service Commission's Review of Rates to        )  
Recover NorthWestern Energy's Electricity     )   DOCKET NO. D2017.5.39  
Supply Costs                                        )

**DATA REQUESTS MCC-001 THROUGH MCC-016  
OF THE MONTANA CONSUMER COUNSEL  
TO NORTHWESTERN ENERGY**

**MCC-001**

Regarding: Comparison to MDU's Mechanism  
Witness: Crystal Lail

On page 6 of your testimony you state, "MDU bases its mechanism on rates; the PCCAM is based on costs. The MDU mechanism provides for monthly adjustments based on an average of the prior four months actual data. NorthWestern's proposed PCCAM provides for annual adjustments based on 12 months of actual data."

- a. Please clarify what you mean by a mechanism based on rates as compared to a mechanism based on costs, and describe in detail any other differences between MDU's mechanism and NorthWestern's proposed PCCAM.
- b. Please identify any variables (e.g., loads, costs, volumes, market prices, etc.) that MDU forecasts in order to set rates through its mechanism.

**MCC-002**

Regarding: Load Supplied by Third Parties  
Witness: Crystal Lail

On page 8 of your testimony you state that approximately 40% of NorthWestern's retail load requirements are still supplied by contracted resources and market purchases.

- a. Please provide workpapers showing how this figure was calculated.
- b. Please list and describe the contracted resources and types of market purchases (by term, pricing structure, and whether on-system or off-system) that comprise this 40% figure.

**MCC-003**

Regarding: Volatility of Supply Tracker Costs  
Witness: Crystal Lail

- a. Please provide a revised version of the graph on page 8 of your testimony that includes fuel costs.
- b. Please provide excel spreadsheets in machine readable form showing the data and formulas used to create the graph that is presented at page 8 of your testimony.
- c. Please provide excel spreadsheets in machine readable form showing the data and formulas used to create the revised graph that is requested in part a. of MCC-003 above.

**MCC-004**

Regarding: NorthWestern's Bond Rating  
Witness: Crystal Lail

At page 12 of your testimony you state "In particular, if any rating agency reduced our unsecured rating to BBB-, our debt cost would likely increase by approximately 0.50% (average difference in credit spreads between A-rated and BBB-rated utility bonds for the last five years).

- a. Please identify and provide the data used to produce that "approximately 0.50%" figure.

- b. Please provide all workpapers, including excel spreadsheets in machine readable form, that were used in producing that “approximately 0.50%” figure.

**MCC-005**

Regarding: Revolving Credit Facility  
Witness: Crystal Lail

At page 13 of your testimony you state “The fees and borrowing costs under our revolving credit facility would also increase by 0.05% and 0.25%, respectively, for each level downgrade.”

- a. Please identify and provide the data used to produce those “0.05% and 0.25%” figures.
- b. Please provide all workpapers, including excel spreadsheets in machine readable form that were used in producing those “0.05% and 0.25%” figures.

**MCC-006**

Regarding: Exhibit\_\_(KJM-1)  
Witness: Kevin Markovich

Please provide all workpapers and excel spreadsheets in machine readable form with all links intact that were used to produce Exhibit\_\_(KJM-1).

**MCC-007**

Regarding: Integration Costs  
Witness: Kevin Markovich

Please explain how NorthWestern’s proposed PCCAM would treat wind and solar integration costs, and whether NorthWestern is proposing to treat integration costs attributable to QF resources differently than integration costs attributable to non-QF resources.

**MCC-008**

Regarding: Calculation of Average Market Price  
Witness: Kevin Markovich

Please explain how NorthWestern would calculate the “average actual market price during the period” referenced on page 11 of your testimony, identifying the source of the actual market price data used and the period of time over which it would be averaged.

**MCC-009**

Regarding: Administrative Costs  
Witness: Kevin Markovich

- a. Please quantify the amount of monthly administrative costs attributable to utility-owned resources that have been tracked since NorthWestern acquired the hydroelectric facilities.
- b. Please quantify the monthly costs of scheduling, tagging, forecasting, administering and balancing utility-owned resources since NorthWestern acquired the hydroelectric facilities.
- c. Please describe “each individual contract” referenced on page 19 of your testimony, including its date, term, signatories, and purpose.

**MCC-010**

Regarding: Normalization  
Witness: Kevin Markovich

Please provide workpapers showing the normalization of loads, volumes, costs and credits in NorthWestern’s PCCAM proposal.

**MCC-011**

Regarding: Comparing Previous Tracking Periods  
Witness: Kevin Markovich

On page 13 of your testimony you state that the loads in this filing are based on normalized forecasted loads for the 2016-2017 tracking period, and that loads previously used for the 2016-2017 tracker period in Docket No. D2015.7.52 are compatible with these base volumes and costs. Certain costs are also based on actual costs from prior tracking periods.

- a. Please provide revised Exhibits (KJM-1)16-17, (KJM-4)16-17, (KJM-6)16-17, (KJM-8)16-17, (KJM-10)16-17, and (DLW-1) from Docket D2016.7.52 showing 12 months of actual data.
- b. Please provide revised Exhibits (FVB-1)15-16, (FVB-4)15-16, (FVB-6)15-16, (FVB-8)15-16, (FVB-10)15-16, (FVB-12)15-16, and (DLW-1) from Docket D2015.7.52 showing 12 months of actual data.
- c. Please provide a version of Exhibit (FVB-12)15-16 from Docket D2015.7.52 showing 12 months of actual data for the 2016-2017 tracking period.
- d. If any loads, volumes or costs used to calculate proposed rates in this Docket are different from the loads, volumes and costs shown in Exhibits (FVB-2)16-17, (FVB-5)16-17, (FVB-7)16-17, (FVB-9),16-17, (FVB-11)16-17, and (FVB-13)16-17 in Docket D2015.7.52, please provide revised versions of those exhibits showing any differences.

## **MCC-012**

Regarding: Market Transactions and Transmission Costs

Witness: Kevin Markovich

- a. Please provide the monthly on-peak and off-peak volumes, by month, used to calculate the cost of market purchases.
- b. Please explain how NorthWestern derived the “forward prices for those periods” referenced on page 15 of your testimony, and why actual market prices were not used.
- c. To the extent the point-to-point transmission fee of \$4.33 per MWh differs from NorthWestern’s actual transmission costs, please explain the difference and provide actual transmission costs.
- d. Please explain why the costs of On-System Market Purchases were calculated using “forward prices for those periods,” but credits from Off-System Market Sales and On-System Market Sales were calculated “based on Mid-C forward electric prices on May 22, 2017.”

**MCC-013**

Regarding: Basin Creek Volumes and Costs  
Witness: Kevin Markovich

Please provide volumes and costs for Basin Creek based on the most recent tracking period prior to operations under RBC.

**MCC-014**

Regarding: Individual Supply Sources  
Witness: Kevin Markovich

For each supply resource, please provide the historical output data that was used to calculate rates in this Docket.

**MCC-015**

Regarding: Individual Supply Sources  
Witness: Kevin Markovich

Please provide the following normalized amounts that are included in Exhibit\_\_(KJM-1), page 1 of 5, for NorthWestern's Hydro Assets, for the total tracker period 2016-2017:

- a. Base power cost volumes in MWh.
- b. Base power credit volumes in MWh.
- c. Base power cost dollars.
- d. Base power cost credits.

**MCC-016**

Regarding: Administrative Costs  
Witness: Kevin Markovich

- a. Please provide all supporting documentation and workpapers used to produce \$381,600 of Administrative costs at line 16, Exhibit\_\_(KJM-1), page 5.
- b. Please explain why that figure is much greater than the \$134,304 figure for Administrative costs for tracker period 2016-2017 that was presented at line 42 of Exhibit\_\_(FVB-2), in Docket No. D2015.7.52.