

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

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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-017 THROUGH MCC-029
OF THE MONTANA CONSUMER COUNSEL
TO NORTHWESTERN ENERGY**

MCC-017

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

In response to MCC-001, you discuss NWE's understanding of MDU's purchased power costs tracking mechanism.

- a. Please provide detailed item by item comparison calculations derived from NWE's proposed PCCAM mechanism compared to the result obtained using the information contained in the illustrative example in Joe Schwartzberger's testimony under the MDU mechanism
- b. If the type of data used for a specific calculation differs between NWE and MDU, please indicate the difference.

MCC-018

Regarding: Electronic Files
Witness: Kevin Markovich

- a. In reference to the file "NormalLoad_ProxyMonthsFile.xlsx" provided in response to PSC-001, please provide the linked workbook "Exhibit__(FVB-2)16-17.xlsx."

- b. Please provide the electronic excel spreadsheets in machine readable form with all links intact that were used to produce the updated exhibits provided in response to MCC-011.

MCC-019

Regarding: Normalization
Witness: Kevin Markovich/Joe Janhunen

In reference to the file provided in response to MCC-010, Exhibit__(JSJ-1)16-17.

- a. Please explain the relationship between sales shown on tabs TBL1 and TBL2; in other words, please provide the calculation to convert “TABLE 1 - Actual billing cycle data” (TBL1) into TABLE 2 - Calendar month sales from Energy Vision (TBL2).
- b. Please provide the linked workpaper shown on tab TBL4: “ElectTracker_12ME1706_rev160512.xlsx.”
- c. Please provide the linked workpaper shown on tab TBL6: “Loads_Supporting Workpaper- D2015.7.52.xlsx.”

MCC-020

Regarding: Volumes to set Fixed Cost Rates
Witness: Kevin Markovich

Please provide the volumes in MWh used to set fixed cost rates and the docket and order number for the following generating assets:

- a. CU4.
- b. DGGS.
- c. Spion Kop.
- d. Hydros.

MCC-021

Regarding: Power Supply Cost Deadband Region
Witness: Crystal Lail

PSC-002 asks if NorthWestern would support a deadband range within which over/under-recovered (“net recovered”) power supply costs are not amortized. In response you state “...NorthWestern does not support a deadband because a deadband eliminates an opportunity for the recovery of prudently incurred costs.”

- a. Please explain how such a deadband range eliminates the opportunity for the recovery of prudently incurred costs.
- b. Do you agree that a deadband range within which over/under-recovered power supply costs are not amortized would provide an opportunity for over recovery of power supply costs if collected power supply costs were to exceed the actual power supply costs incurred by NorthWestern?
- c. If your response to MCC-021b is negative, please explain.
- d. If your response to MCC-021b is positive, do you agree that such a deadband range would provide NorthWestern with an opportunity to recover and retain more than its prudently incurred power supply costs?

MCC-022

Regarding: Updated Exhibits
Witness: Kevin Markovich

- a. Please explain why the “Total Electric Supply Expenses” shown on line 30 of page 1 of Updated Exhibit_(FVB-1)15-16 do not match the “Total Delivered Supply” shown on line 123 of page 4.
- b. Please confirm that line 61 on page 3 of Updated Exhibit (KJM-1)16-17 adds correctly, that the actual MWh for February and March 2017 changed from the actual MWh shown in the original version of this Exhibit (if so, explaining why), and that the actual MWh for June 2017 were exactly as estimated in the original version of this Exhibit provided in Docket D2016.7.52. If any errors are discovered, please provide corrected electronic excel spreadsheets in machine readable form with all links intact.

MCC-023

Regarding: CU4 Output
Witness: Kevin Markovich

- a. Please explain why CU4 only produced 1,929 MWh in November 2016.
- b. Please explain why CU4 produced less than its typical output from February through June 2017.
- c. Please quantify the amount of CU4 output shown on line 26 of page 3 of Updated Exhibit_(KJM-1)16-17 that came from CU3 pursuant to the Reciprocal Sharing Agreement with Talen, and explain why the Reciprocal Sharing Agreement did not provide at least half of CU4's normal output each month during the 2016-2017 tracking period.
- d. Please explain why CU4 output did not correlate to CU4 fuel costs during the 2016-2017 tracking period.

MCC-024

Regarding: Total Delivered Supply
Witness: Kevin Markovich

Please explain why Total Delivered Supply dropped to 424,150 MWh in November 2016.

MCC-025

Regarding: Actual DSM Cost 2016-2017
Witness: Kevin Markovich

Please provide an itemized description of the Total Actual DSM cost of \$6,524,542 as shown on line 119 of page 4 of Updated Exhibit_(KJM-1)16-17 provided in response to MCC-011a.

MCC-026

Regarding: Basin Creek Volumes and Costs
Witness: Kevin Markovich

In your response to MCC-013 you state: “This tracking period includes three months in which NorthWestern engaged in a trial period for RBC.” Please name the three months you are referring to in Updated Exhibit__(FVB-1)15-16.

MCC-027

Regarding: Hydro Revenue Credits
Witness: Kevin Markovich

- a. Please explain how NorthWestern tracked revenue credits through the electricity supply cost tracker for the 2016-2017 tracking period.
- b. Please explain why Hydro revenue credits are “no longer tracked separately,” as stated in response to MCC-011c, and explain when and how the decision to stop tracking Hydro revenue credits separately was made.
- c. Please provide the actual number of MWh from line 29 of page 3 of Updated Exhibit_(KJM-1)16-17 that would appear as “Revenue Credits” (as shown on line 47 of page 3 of Exhibit_(FVB-1)15-16) if Hydro revenue credits were still tracked separately.
- d. Please identify the page(s) and line(s) in the updated exhibits for the 2016-2017 tracking period where the “Revenue Credits” shown on line 47 of page 3 of Exhibit_(FVB-1)15-16 and “Total Hydro Asset Revenue Credit” shown on line 28 of Exhibit_(FBV-12)15-16 now appear.
- e. Please provide the actual amount of “Hydro Asset Revenue Credit Sales” and “Total Hydro Asset Revenue Credit” (as shown on lines 18 and 28 of Exhibit_(FVB-12)15-16) by month for the 2016-2017 tracking period.

MCC-028

Regarding: Calculation of Average Market Price
Witness: Kevin Markovich

In response to MCC-008 you state that NorthWestern is proposing to calculate the average actual market price as “a combination of the on-peak and off-peak index prices.”

- a. Please explain how on-peak and off-peak hours are defined for purposes of this calculation.
- b. Please explain why NorthWestern is proposing to calculate the average on-peak index price separately from the average off-peak index price, rather than simply averaging all index prices over all hours for the tracking period.

MCC-029

Regarding: Market Transactions in Base PCC

Witness: Kevin Markovich

- a. Please discuss the merits of using forward prices to calculate the market portions of the Base PCC. Specifically, should the Base PCC reflect “the best estimate of what actual market prices will be during the tracking period” (as stated in response to MCC-012b), or rather reflect “a normal level of NorthWestern’s variable annual power supply costs” (as stated on page 4 of your testimony)?
- b. Please explain why there is no category proposed for ‘Off System Market Purchases.’ If no such transactions exist, please explain why.
- c. Please confirm that the offset in Category Two will ensure that customers pay the full price of higher market purchases that are driven by lower-than-expected generation from QF-1 and Tier II resources.