NorthWestern thus has legal obligations to reliably and affordably supply electricity to its customers in Montana and to do so cost-effectively while seeking to reduce adverse environmental impacts. In addition to those legal obligations, NorthWestern recognizes that as a practical matter its customers count on NorthWestern to provide the cost effective electricity used to power their homes and businesses and the critical infrastructure upon which they rely.

Under Montana law, NorthWestern, as a regulated public utility, is required to prepare and file a plan every 3 years for meeting the requirements of its customers in the most cost-effective manner consistent with its obligation to serve under the law. MCA § 69-3-1204(1)(a).

The plan must include:

a. an evaluation of the full range of cost-effective means for the public utility to meet the service requirements of its Montana customers, including conservation or similar improvements in the efficiency by which services are used and including demand-side management programs in accordance with 69-3-1209;
b. an annual electric demand and energy forecast developed pursuant to commission rules that includes energy and demand forecasts for each year within the planning period and historical data, as required by commission rule;
c. assessment of planning reserve margins and contingency plans for the acquisition of additional resources developed pursuant to commission rules;
d. an assessment of the need for additional resources and the utility's plan for acquiring resources;
e. the proposed process the utility intends to use to solicit bids for energy and capacity resources to be acquired through a competitive solicitation process in accordance with 69-3-1207; and
f. descriptions of at least two alternate scenarios that can be used to represent the costs and benefits from increasing amounts of renewable energy resources and demand-side management programs, based on rules developed by the commission.

Planning for reliable service requires NorthWestern to ensure that it has enough electricity generation resources to meet its customer demands every hour of the year, even with changing weather and demands. As a matter of physics, for the electric grid to operate reliably, the amount of energy generated ("generation") and the consumption of that energy ("load") must be equal or in balance. Generation and load must be in balance year-to-year, month-to-month, day-to-day, hour-by-hour, and minute-by minute for the electric grid to remain stable. Because of the long lead times needed to build or acquire new electrical generation or transmission assets or negotiate power purchase contracts,