

- h. Closure of Colstrip under either the 2027 or 2032 closure scenarios will materially impair Montana electrical grid reliability and our ability to reliably serve our customers.
- i. EPA has not articulated an identifiable path to extend Colstrip's life beyond January 1, 2032. EPA has misinterpreted the various legal and administrative authorities it claims could provide relief from the MATS and/or GHG Rules, absent a stay of both Rules.

These points are discussed in further detail in the remainder of this Declaration.

Colstrip lifespan and closure scenario in the absence of the MATS2 Rule

10. Colstrip Units 3 & 4 have been in operation since 1984 and 1986, respectively. Although the Units have been well maintained and are capable of years of continued operations, they are in the latter stages of their operational life, which factors into the economic justification for major capital investments. NorthWestern in its current Montana resource planning has forecasted Units 3 & 4 would cease operation in 2042.

11. This forecast was significantly influenced by several factors. First, replacement capacity has long planning, permitting, and construction times. Second, there are promising developing alternatives to baseload fossil fuel energy sources, but these require additional time to mature. Third, and critically in relation to the MATS2 Rule, EPA found as recently as 2020 that further controls on Hazardous Air Pollutants were not warranted to protect human health, and there had been no developments that would warrant further controls. Consequently, NorthWestern could reasonably focus on improving and integrating its renewables portfolio and investing in similar infrastructure needs without the immediate need to replace Colstrip's capacity or budget for major additional pollution controls.