

substantially passed directly through to consumers. NorthWestern's lower income and smaller business customers tend to be most sensitive to the impacts of increased electric costs.

45. In addition to pricing, there is also the question of availability. Simply put, it is not prudent to assume that there will always be sufficient out-of-state power that can be both purchased and transmitted to Montana. In his Declaration, Michael Cashell discusses the limitations of the transmission system and how those impact NorthWestern's ability to bring electricity into Montana to serve NorthWestern's customers.

46. In brief, Mr. Cashell explains that there is insufficient existing transmission capacity to replace Colstrip's capacity through increased importation of electricity. It is also not plausible to permit and construct significant additional transmission capacity, much less enough to replace lost capacity at Colstrip, prior to the mid-2030's. This was a major driver of the Avista Agreement providing NorthWestern with more reliable, highly-accredited electricity during the bridge period between now and when other sources of electricity to replace Colstrip will be reasonably available.

47. For my part, I will discuss that availability of electricity to purchase, setting aside the increasing uncertainty of whether it can be transmitted to Montana.

48. In recent years, several large power plants in Montana and adjacent states have closed. J.E. Corette, with a 163-MW nameplate capacity, was closed in 2015. Colstrip Units 1 and 2, each with nameplate capacities of 307 MWs, ceased operation in early 2020. That same year, the Boardman plant in Oregon, 601 MWs, and Unit 1 of the Centralia plant in Washington, 730 MWs, both closed. Idaho Power ended its participation in Unit 1 of the Valmy facility, 254 MWs, in 2019 and the operations there completely halted in 2021.