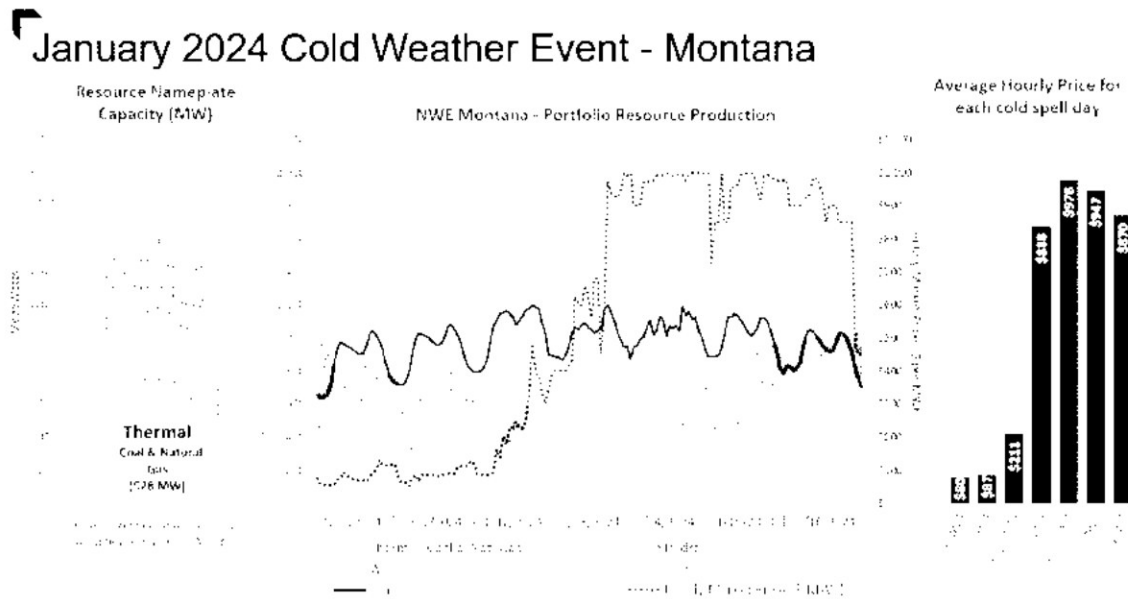




62. As of December 8, 2023 future prices for heavy load electricity for the months of July, August and September, 2024 are trading at \$130, \$180, and \$136 per MWh respectively. Further contracted prices have ranged from \$200 to \$900 per MWh during recent peak events. The actual cost for purchasing electricity in December 2022 was around \$250 per MWh; for the three highest load days (December 21-23), the actual purchase cost averaged about \$440/MWh. To provide a simplified illustration of the impact of such a potential difference in cost to serve customers, consider a hypothetical three-day event during which NorthWestern's share of Colstrip would produce about 15,000 MWh. If the difference between the market price and the variable cost of Colstrip is \$400/MWh, the cost of market purchases for the three day period would be about \$6 million more than the cost of generation ($\$400 \times 15,000 \text{ MWh} = \6 million). Such extra costs of a contracted capacity resource would be passed on to customers.

63. My statements in the preceding paragraphs assume that a capacity contract is even available. However, I stress again that this may not be the case given the recent and planned