

NORTHWESTERN ENERGY - MONTANA ELECTRIC UTILITY

STATEMENT E
WORKING CAPITAL

<u>Line</u>	<u>13 Month Avg Balance @ 12/31/08</u>	<u>Known Changes</u>	<u>Amount Claimed in Rate Base</u>
1 Gross Cash Requirements	-9,328,610	-5,971,064	-15,299,674
2 Materials and Supplies	7,828,648	0	7,828,648
3 TOTAL	<u>-1,499,962</u>	<u>-5,971,064</u>	<u>-7,471,026</u>

NORTHWESTERN ENERGY - MONTANA ELECTRIC UTILITY
CALCULATION OF CASH WORKING CAPITAL

TEST PERIOD 2008

<u>LINE No.</u>		<u>12 MONTH ENDED EXPENSES</u>	<u>NET LAG DAYS *1</u>	<u>CASH WORKING CAPITAL</u>
1	ELECTRIC DELIVERY O & M COSTS	130,904,195 ✓		
2	OTHER TAXES	57,955,541 ✓		
3	STATE INCOME TAXES	-1,180,934 ✓		
4	FEDERAL INCOME TAXES	-5,710,030 ✓		
5	SUB-TOTAL	<u>181,968,772</u>	-25.13	<u>-12,528,425</u>
6	RATE BASE w/o CWC	647,534,356 ✓		
7	WEIGHTED COST OF DEBT *2	2.91 %		
8	INTEREST EXPENSE IN RETURN	18,843,250	-53.68	-2,771,248
9	TOTAL CASH WORKING REQUIREMENT			<u>-15,299,674</u>
10	WORKING CASH - 2008 ACTUAL			-9,328,610
11	NET ADJUSTMENT (LINE 8 - LINE 9)			<u>-5,971,064</u>
1*	NET LAG DAYS FROM MAC 2008 LEAD/LAG UPDATE			
2*	WEIGHTED COST FROM PROPOSED CAPITAL STRUCTURE			

NORTHWESTERN ENERGY - MONTANA OPERATIONS - MATERIALS & SUPPLIES BALANCES

	TOTAL M&S	MONTANA ELECTRIC M&S	MONTANA GAS M&S
M & S	11,535,483.85	7,714,931.80	3,820,552.25
GAS FUEL	281,474.62	281,474.62	281,474.62
DECEMBER 2007	<u>11,816,958.47</u>	<u>7,714,931.80</u>	<u>4,102,026.87</u>
M & S	11,520,623.74	7,704,993.16	3,815,630.58
GAS FUEL	380,898.45	380,898.45	380,898.45
JANUARY 2008	<u>11,881,522.19</u>	<u>7,704,993.16</u>	<u>4,176,529.03</u>
M & S	11,577,417.89	7,742,977.08	3,834,440.81
GAS FUEL	357,444.74	357,444.74	357,444.74
FEBRUARY 2008	<u>11,934,862.63</u>	<u>7,742,977.08</u>	<u>4,191,885.55</u>
M & S	11,443,683.71	7,653,535.67	3,790,148.04
GAS FUEL	340,434.63	340,434.63	340,434.63
MARCH 2008	<u>11,784,118.34</u>	<u>7,653,535.67</u>	<u>4,130,582.67</u>
M & S	11,472,361.05	7,672,715.07	3,799,645.98
GAS FUEL	353,493.49	353,493.49	353,493.49
APRIL 2008	<u>11,825,854.54</u>	<u>7,672,715.07</u>	<u>4,153,139.47</u>
M & S	11,619,182.21	7,770,909.06	3,848,273.15
GAS FUEL	344,380.83	344,380.83	344,380.83
MAY 2008	<u>11,963,563.04</u>	<u>7,770,909.06</u>	<u>4,192,653.98</u>
M & S	11,704,491.52	7,827,963.93	3,876,527.59
GAS FUEL	351,955.61	351,955.61	351,955.61
JUNE 2008	<u>12,056,447.13</u>	<u>7,827,963.93</u>	<u>4,228,483.20</u>

NORTHWESTERN ENERGY - MONTANA OPERATIONS - MATERIALS & SUPPLIES BALANCES

	TOTAL M&S	MONTANA ELECTRIC M&S	MONTANA GAS M&S
M & S	11,730,312.75	7,845,233.17	3,885,079.58
GAS FUEL	375,079.31		375,079.31
JULY 2008	<u>12,105,392.06</u>	<u>7,845,233.17</u>	<u>4,260,158.89</u>
M & S	11,659,937.87	7,798,166.45	3,861,771.42
GAS FUEL	347,256.13		347,256.13
AUGUST 2008	<u>12,007,194.00</u>	<u>7,798,166.45</u>	<u>4,209,027.55</u>
M & S	11,894,360.11	7,954,948.04	3,939,412.07
GAS FUEL	366,579.94		366,579.94
SEPTEMBER 2008	<u>12,260,940.05</u>	<u>7,954,948.04</u>	<u>4,305,992.01</u>
M & S	12,305,416.93	8,229,862.84	4,075,554.09
GAS FUEL	373,642.10		373,642.10
OCTOBER 2008	<u>12,679,059.03</u>	<u>8,229,862.84</u>	<u>4,449,196.19</u>
M & S	11,397,401.70	7,622,582.26	3,774,819.44
GAS FUEL	402,233.31		402,233.31
NOVEMBER 2008	<u>11,799,635.01</u>	<u>7,622,582.26</u>	<u>4,177,052.75</u>
M & S	12,303,654.81	8,233,605.80	4,070,049.01
GAS FUEL	400,140.51		400,140.51
DECEMBER 2008	<u>12,703,795.32</u>	<u>8,233,605.80</u>	<u>4,470,189.52</u>
13 MONTH AVG.	12,063,026.29	7,828,648.01 ✓	4,234,378.28

SAP A/C 146000 & 146515 CU4 FUEL 146510
 DECEMBER 2008 M&S SPLIT ON OVERALL COMMON PLANT % - ELE 66.92% & GAS 33.08%