

about...

NORTH WESTERN ENERGY



Providing a Valuable Service

“By national comparisons, NorthWestern is a relatively small utility. It is a regionally-focused, fully regulated, pure utility.”

- Bob Rowe, President and CEO

NorthWestern Energy is a small-cap company serving approximately 665,000 customers in Montana, Nebraska and South Dakota. Compared nationally, NorthWestern is a relatively small, entirely regulated utility.

NorthWestern is dedicated to providing safe, reliable electric and/or natural gas service to 349 communities in Montana, Nebraska and South Dakota.

Our business consists of federal- and state-regulated electric and natural gas distribution and transmission and electric generation operations.

This document summarizes our service in Montana. If you want to know more about NorthWestern Energy, visit www.northwesternenergy.com. You can find the latest company news, download reports, learn ways to make your home or business more energy efficient, sign up for services and much more.

Montana Investment

Total assets (company-wide):	\$3.0 billion
Total assets (Mont.):	\$2.1 billion
Total capitalization (company-wide):	\$1.9 billion
Total property taxes paid (Mont.):	\$80.6 million*
2010 capital investment (Mont.):	\$196 million
2010 nonpayroll expenditures (Mont.):	\$115 million

*paid 11/10 & 05/11

Montana Employees

Employee count:	1,091*
Employee payroll:	\$89.4 million
Employee locations:	53
Union employee count:	413**
Union contractors (used on major projects):	35
Number of union contractor FTEs:	398
Union contractor payroll:	\$42 million
Retiree count:	1,383
Annual pension payments to retirees:	\$16.4 million

*Total employee count for the Company is 1,363.

**Covered by six collective bargaining agreements involving five unions.

△ **NOTE:** The CEO and half of the executive team live in Montana; the company's operations center, network control center, customer call center, and other key facilities are located in Butte, Montana.

Montana Electric Service

We provide service to 337,600 customers in 187 communities.

We operate 17,200 miles of distribution power lines; 7,000 miles of transmission power lines, ranging from 50 to 500 kV, 272 circuit segments; approximately 125,000 transmission poles; and 336 transmission and distribution substations.

We serve 15 rural electric cooperatives.

We have interconnections with five major nonaffiliated transmission systems located in the Western Electricity Coordinating Council (WECC) area, as well as one interconnection to a nonaffiliated system that connects with the Mid-Continent Area Power Pool (MAPP) region.

Our joint ownership interest in Colstrip Unit 4 supplied approximately 13% of our average baseload requirements in 2010. We expect it to supply approximately 25% beginning in 2011 due to the expiration of a power sales agreement in December 2010.

Renewable portfolio standards enacted in Montana require that a certain portion of our electric supply portfolio be derived from renewable sources including wind, biomass, solar and small hydroelectric. The requirements are currently 10% per year and increase to 15% by 2015. During 2010, approximately 7% of our electric supply requirements were from renewable resources and we used approximately 160,000 MWHs carried forward from previous years to meet the 10% requirement.

Montana is the fourth largest state, but it is first in the nation for wind speed (class 3 and above), available on a wide expanse of federal, state and private lands.

In Montana, NorthWestern has proposed three major transmission projects to facilitate development of new, renewable generation.

We completed construction of our Dave Gates Generating Station at Mill Creek and achieved commercial operation on January 1, 2011.

△ To learn about our operations in South Dakota and Nebraska, visit www.northwesternenergy.com and download our latest 10-K report.

Montana Natural Gas Service

We provide service to 181,300 customers in 105 communities.

We serve smaller distribution companies that provide service to approximately 31,000 customers.

We operate 4,900 miles of underground distribution pipelines, 2,000 miles of intrastate transmission pipelines, and 130 city gate stations.

We have interconnections with five major, nonaffiliated transmission systems.

We own and operate three working natural gas storage fields in Montana with aggregate working gas capacity of approximately 17.75 Bcf and maximum aggregate daily deliverability of approximately 195,000 dekatherms.

We transported natural gas volumes of approximately 36 Bcf, and our peak capacity was approximately 335,000 dekatherms per day during the year ended December 31, 2010.

During 2010, we purchased a majority interest in the Battle Creek Field located in north central Montana. It is our first natural gas production asset, which we will operate as a regulated, rate-based resource.

Programs and Services:

- ◆ Retail (service to end-use customers such as homes and businesses) electric and natural gas distribution, transmission and supply services; over half is rural with an average of only nine customers per mile.
- ◆ Wholesale (service to generators or suppliers for ultimate use by customers) electric and natural gas transmission services.
- ◆ Energy efficiency programs, rebates and incentives for energy efficiency, commercial energy appraisals and renewable activities through participation in the Universal System Benefits and E+ programs.
- ◆ Support to state and federal agencies and nonprofits to provide energy assistance to low-income customers.
- ◆ Extended customer services including online account access, pilot lighting program and appliance inspection program.
- ◆ Dedicated and responsible partners in business retention, business expansion and business creation through economic development resources.

