

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 South Dakota and Nebraska. 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.

South Dakota/Nebraska Investment

Total assets (company-wide)	\$ 3.0 billion
Total assets (NE)	\$ 78.9 million
Total assets (SD)	\$ 359.5 million
Total capitalization (company-wide)	\$ 1.9 billion
2010 capital investment (NE)	\$ 2.9 million
2010 capital investment (SD)	\$ 29.1 million
2010 nonpayroll expenditures (NE)	\$ 938,271
2010 nonpayroll expenditures (SD)	\$ 13.1 million

South Dakota/Nebraska Employees

Employee count	316*
Employee payroll	\$23.8 million
Employee locations	25
Union employee count	188
Union contractors (used on major projects)	2
Number of union contractor FTEs	3
Union contractor payroll	\$400,000
Retiree count	257
Annual pension payments to retirees	\$3.0 million

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

NOTE: Half of the executive team lives in South Dakota. Additionally the company's corporate office, customer call center, and other key facilities are located in South Dakota.

NorthWestern Energy Operations: South Dakota Electric Service

NorthWestern Energy provides retail electricity service to 60,800 customers in 110 communities.

The system's peak demand was approximately 311 MWs; the average daily load was approximately 171 MWs; and more than 1.49 million MWhs were supplied during the year ended December 31, 2010.

The company operates 3,300 miles of overhead and underground transmission and distribution power lines and 123 transmission and distribution substations.

In addition, NorthWestern provides wholesale transmission service to a number of South Dakota municipalities, state government agencies and agency buildings.

The company has interconnections and pooling agreements with the transmission facilities of Otter Tail Power Company; Montana-Dakota Utilities Co.; Xcel Energy Inc.; Western Area Power Administration (WAPA); East River Electric Cooperative, Inc.; and West Central Electric Cooperative.

Residential, commercial and industrial services generally are bundled packages of generation, transmission, distribution, meter reading, billing and other services.

Almost all of the electricity supplied to customers in South Dakota is generated by power plants that we own jointly with unaffiliated parties.

NorthWestern wholly owns peaking/standby generating units at seven locations throughout our South Dakota service territory.

The Titan I Wind Farm near Ree Heights, South Dakota, generates 5.5%, or about 25 megawatts of NorthWestern Energy's South Dakota load.

South Dakota/Nebraska Natural Gas Service

We serve 85,300 customers in 60 South Dakota communities and four Nebraska communities.

We operate 2,320 miles of underground distribution pipelines in South Dakota and Nebraska.

In South Dakota, we transport natural gas for six gas-marketing firms and three large end-user accounts, currently serving 87 customers throughout our distribution systems.

In Nebraska, we transport natural gas for three gas-marketing firms and one-end user account, servicing 12 customers throughout our distribution system.

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

Programs and Services:

- ◆ Providing retail electric and natural gas distribution, transmission and supply services to end-use residential or business customers
- ◆ Providing wholesale electric service to generators or suppliers for ultimate use by customers
- ◆ Striving to meet South Dakota's voluntary renewable energy standard of 10% by 2015
- ◆ Supporting state and federal agencies and nonprofits to provide energy assistance to low-income customers
- ◆ Offering extended customer services including online account access, service requests and bill payment accepted at 18 local, walk-in offices
- ◆ Working as dedicated and responsible partners in business retention, business expansion and business creation through economic development resources



NorthWestern
Energy
Delivering a Bright Future