

THIS FILING IS

Item 1: ☒ An Initial (Original)
Submission

OR ☐ Resubmission No. ____

Form 1 Approved
OMB No.1902-0021
(Expires 11/30/2016)
Form 1-F Approved
OMB No.1902-0029
(Expires 11/30/2016)
Form 3-Q Approved
OMB No.1902-0205
(Expires 11/30/2016)



FERC FINANCIAL REPORT

FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)

NorthWestern Corporation

Year/Period of Report

End of 2016/Q1

**FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION

01 Exact Legal Name of Respondent NorthWestern Corporation		02 Year/Period of Report End of <u>2016/Q1</u>
03 Previous Name and Date of Change (if name changed during year) <div style="text-align: center;">/ /</div>		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 3010 West 69th Street, Sioux Falls, SD 57108		
05 Name of Contact Person Elaine A. Vesco		06 Title of Contact Person Assistant Controller
07 Address of Contact Person (Street, City, State, Zip Code) 11 East Park Street, Butte, MT 59701		
08 Telephone of Contact Person, Including Area Code (406) 497-2759	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 03/31/2016

QUARTERLY CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Crystal D. Lail	03 Signature Crystal D. Lail	04 Date Signed (Mo, Da, Yr) 05/06/2016
02 Title VP and Controller		
Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.		

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/31/2016	Year/Period of Report End of 2016/Q1
IMPORTANT CHANGES DURING THE QUARTER/YEAR			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <p>1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.</p> <p>2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.</p> <p>3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.</p> <p>4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.</p> <p>5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.</p> <p>6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.</p> <p>7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.</p> <p>8. State the estimated annual effect and nature of any important wage scale changes during the year.</p> <p>9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.</p> <p>10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.</p> <p>11. (Reserved.)</p> <p>12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.</p> <p>13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.</p> <p>14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.</p>			
<p>PAGE 108 INTENTIONALLY LEFT BLANK SEE PAGE 109 FOR REQUIRED INFORMATION.</p>			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None
2. None
3. None
4. None
5. None
6. None
7. None
8. None
9. See Note 12, "Commitments and Contingencies".
10. None
- 11.(Reserved)
12. NA
13. None
14. NA

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	5,548,125,701	5,527,020,959
3	Construction Work in Progress (107)	200-201	83,604,164	63,741,643
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		5,631,729,865	5,590,762,602
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	1,982,825,566	1,946,186,928
6	Net Utility Plant (Enter Total of line 4 less 5)		3,648,904,299	3,644,575,674
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		3,648,904,299	3,644,575,674
15	Utility Plant Adjustments (116)		357,585,527	357,585,527
16	Gas Stored Underground - Noncurrent (117)		32,127,298	32,117,397
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		6,749,606	6,749,606
19	(Less) Accum. Prov. for Depr. and Amort. (122)		1,576,379	1,492,272
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	22,109,588	22,182,358
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		47,393,177	42,541,769
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		250,000	855,040
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		74,925,992	70,836,501
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		1,762,655	4,054,807
36	Special Deposits (132-134)		4,310,194	3,508,309
37	Working Fund (135)		22,934	22,934
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		68,607,652	73,702,625
41	Other Accounts Receivable (143)		9,232,612	12,243,185
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		2,891,510	3,998,768
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		270,291	485,808
45	Fuel Stock (151)	227	7,676,870	8,240,873
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	32,057,665	30,372,677
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground - Current (164.1)		5,196,811	13,111,331
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		11,113,758	7,664,332
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		58,632	59,037
61	Accrued Utility Revenues (173)		61,002,418	74,456,572
62	Miscellaneous Current and Accrued Assets (174)		18,890	19,175
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		198,439,872	223,942,897
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		13,739,267	13,944,763
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	540,967,063	522,719,480
73	Prelim. Survey and Investigation Charges (Electric) (183)		1,185,617	1,185,617
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		15,910	3,239
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	132,247	141,751
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		19,411,664	19,978,298
82	Accumulated Deferred Income Taxes (190)	234	191,993,485	201,297,196
83	Unrecovered Purchased Gas Costs (191)		17,002,548	25,765,650
84	Total Deferred Debits (lines 69 through 83)		784,447,801	785,035,994
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		5,096,430,789	5,114,093,990

--	--	--	--	--

Name of Respondent NorthWestern Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 03/31/2016	Year/Period of Report end of 2016/Q1
--	---	--	---

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	519,549	517,894
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	1,379,132,330	1,376,291,019
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	337,180,398	323,095,088
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	2,860,673	2,814,270
13	(Less) Reaquired Capital Stock (217)	250-251	96,346,026	93,948,186
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-8,677,088	-8,596,115
16	Total Proprietary Capital (lines 2 through 15)		1,614,669,836	1,600,173,970
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	1,755,205,000	1,755,205,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	26,976,900	26,976,900
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		50,250	54,438
24	Total Long-Term Debt (lines 18 through 23)		1,782,131,650	1,782,127,462
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		25,849,125	26,325,495
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		9,903,967	8,642,245
29	Accumulated Provision for Pensions and Benefits (228.3)		18,686,768	19,558,642
30	Accumulated Miscellaneous Operating Provisions (228.4)		166,923,063	169,001,631
31	Accumulated Provision for Rate Refunds (229)		55,147,493	55,190,626
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		36,180,672	35,532,209
35	Total Other Noncurrent Liabilities (lines 26 through 34)		312,691,088	314,250,848
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		161,913,058	229,874,444
38	Accounts Payable (232)		63,187,079	81,679,866
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		5,002,560	5,107,452
41	Customer Deposits (235)		6,737,054	6,608,591
42	Taxes Accrued (236)	262-263	99,467,041	64,679,146
43	Interest Accrued (237)		29,685,198	21,400,048
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

Name of Respondent NorthWestern Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 03/31/2016	Year/Period of Report end of 2016/Q1
--	---	--	---

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		2,519,948	1,353,247
48	Miscellaneous Current and Accrued Liabilities (242)		46,278,079	52,760,609
49	Obligations Under Capital Leases-Current (243)		1,871,209	1,836,946
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		416,661,226	465,300,349
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		36,272,234	36,045,534
57	Accumulated Deferred Investment Tax Credits (255)	266-267	300,630	356,380
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	177,122,003	169,368,166
60	Other Regulatory Liabilities (254)	278	26,979,146	29,521,568
61	Unamortized Gain on Reacquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		416,889,062	392,116,429
64	Accum. Deferred Income Taxes-Other (283)		312,713,914	324,833,284
65	Total Deferred Credits (lines 56 through 64)		970,276,989	952,241,361
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		5,096,430,789	5,114,093,990

--	--	--	--	--

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016		Year/Period of Report End of 2016/Q1	
STATEMENT OF INCOME							
<p>Quarterly</p> <p>1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.</p> <p>2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.</p> <p>3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.</p> <p>4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.</p> <p>5. If additional columns are needed, place them in a footnote.</p> <p>Annual or Quarterly if applicable</p> <p>5. Do not report fourth quarter data in columns (e) and (f)</p> <p>6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.</p> <p>7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.</p>							
Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)	
1	UTILITY OPERATING INCOME						
2	Operating Revenues (400)	300-301	325,598,051	369,214,551	325,598,051	369,214,551	
3	Operating Expenses						
4	Operation Expenses (401)	320-323	172,650,552	203,922,940	172,650,552	203,922,940	
5	Maintenance Expenses (402)	320-323	13,095,714	14,662,635	13,095,714	14,662,635	
6	Depreciation Expense (403)	336-337	35,007,104	31,173,888	35,007,104	31,173,888	
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337					
8	Amort. & Depl. of Utility Plant (404-405)	336-337	3,060,231	3,128,006	3,060,231	3,128,006	
9	Amort. of Utility Plant Acq. Adj. (406)	336-337	1,756,569	1,453,371	1,756,569	1,453,371	
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)						
11	Amort. of Conversion Expenses (407)						
12	Regulatory Debits (407.3)		-617,222	1,481,612	-617,222	1,481,612	
13	(Less) Regulatory Credits (407.4)		2,323,952	5,431,192	2,323,952	5,431,192	
14	Taxes Other Than Income Taxes (408.1)	262-263	38,282,869	35,547,650	38,282,869	35,547,650	
15	Income Taxes - Federal (409.1)	262-263	-2,994,497	1,248,357	-2,994,497	1,248,357	
16	- Other (409.1)	262-263	-3,763	340,136	-3,763	340,136	
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	45,305,872	54,946,986	45,305,872	54,946,986	
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	39,990,029	47,687,016	39,990,029	47,687,016	
19	Investment Tax Credit Adj. - Net (411.4)	266	-55,750	-79,607	-55,750	-79,607	
20	(Less) Gains from Disp. of Utility Plant (411.6)						
21	Losses from Disp. of Utility Plant (411.7)						
22	(Less) Gains from Disposition of Allowances (411.8)						
23	Losses from Disposition of Allowances (411.9)						
24	Accretion Expense (411.10)						
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		263,173,698	294,707,766	263,173,698	294,707,766	
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		62,424,353	74,506,785	62,424,353	74,506,785	

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1			
STATEMENT OF INCOME FOR THE YEAR (Continued)						
<p>9. Use page 122 for important notes regarding the statement of income for any account thereof.</p> <p>10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.</p> <p>11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.</p> <p>12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.</p> <p>13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.</p> <p>14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.</p> <p>15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.</p>						
ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
232,024,442	256,830,677	93,334,033	111,984,127	239,576	399,747	2
						3
121,034,920	135,447,904	51,444,315	68,137,762	171,317	337,274	4
10,886,831	12,304,763	2,208,667	2,357,097	216	775	5
29,355,614	25,760,548	5,641,265	5,403,115	10,225	10,225	6
						7
1,195,925	1,130,722	1,864,306	1,997,284			8
1,969,322	1,662,969	-212,753	-209,598			9
						10
						11
-1,216,300	-439,841	599,078	1,921,453			12
3,086,956	4,828,753	-763,004	602,439			13
29,389,464	27,160,879	8,878,944	8,372,217	14,461	14,554	14
-2,303,867	349,558	-690,630	898,799			15
139,071	441,455	-142,834	-101,319			16
30,144,295	38,798,713	15,143,873	16,133,563	17,704	14,710	17
31,731,263	36,880,954	8,258,766	10,806,062			18
-49,061	-70,609	-6,689	-8,998			19
						20
						21
						22
						23
						24
185,727,995	200,837,354	77,231,780	93,492,874	213,923	377,538	25
46,296,447	55,993,323	16,102,253	18,491,253	25,653	22,209	26

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016		Year/Period of Report End of 2016/Q1	
STATEMENT OF INCOME FOR THE YEAR (continued)							
Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)	
			Current Year (c)	Previous Year (d)			
27	Net Utility Operating Income (Carried forward from page 114)		62,424,353	74,506,785	62,424,353	74,506,785	
28	Other Income and Deductions						
29	Other Income						
30	Nonutility Operating Income						
31	Revenues From Merchandising, Jobbing and Contract Work (415)		258,828	296,564	258,828	296,564	
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		36,039	35,184	36,039	35,184	
33	Revenues From Nonutility Operations (417)		2,623	3,520	2,623	3,520	
34	(Less) Expenses of Nonutility Operations (417.1)		254,284	308,277	254,284	308,277	
35	Nonoperating Rental Income (418)						
36	Equity in Earnings of Subsidiary Companies (418.1)	119	46,403	275,405	46,403	275,405	
37	Interest and Dividend Income (419)		30,909	2,533	30,909	2,533	
38	Allowance for Other Funds Used During Construction (419.1)		649,744	1,706,955	649,744	1,706,955	
39	Miscellaneous Nonoperating Income (421)		2,394,711	-1,068,403	2,394,711	-1,068,403	
40	Gain on Disposition of Property (421.1)						
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		3,092,895	873,113	3,092,895	873,113	
42	Other Income Deductions						
43	Loss on Disposition of Property (421.2)			-10		-10	
44	Miscellaneous Amortization (425)						
45	Donations (426.1)		228,363	299,716	228,363	299,716	
46	Life Insurance (426.2)						
47	Penalties (426.3)		17		17		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		12,888	20,735	12,888	20,735	
49	Other Deductions (426.5)		2,492,850	-722,308	2,492,850	-722,308	
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		2,734,118	-401,867	2,734,118	-401,867	
51	Taxes Applicable to Other Income and Deductions						
52	Taxes Other Than Income Taxes (408.2)	262-263	17,435	3,620	17,435	3,620	
53	Income Taxes-Federal (409.2)	262-263	73,571	-1,264,510	73,571	-1,264,510	
54	Income Taxes-Other (409.2)	262-263	531,697	752,708	531,697	752,708	
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	5,034,586	5,079,255	5,034,586	5,079,255	
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	5,458,483	3,329,549	5,458,483	3,329,549	
57	Investment Tax Credit Adj.-Net (411.5)						
58	(Less) Investment Tax Credits (420)						
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		198,806	1,241,524	198,806	1,241,524	
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		159,971	33,456	159,971	33,456	
61	Interest Charges						
62	Interest on Long-Term Debt (427)		20,815,436	20,297,481	20,815,436	20,297,481	
63	Amort. of Debt Disc. and Expense (428)		424,085	431,152	424,085	431,152	
64	Amortization of Loss on Required Debt (428.1)		491,982	367,224	491,982	367,224	
65	(Less) Amort. of Premium on Debt-Credit (429)						
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)						
67	Interest on Debt to Assoc. Companies (430)						
68	Other Interest Expense (431)		3,158,206	2,996,357	3,158,206	2,996,357	
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		359,402	976,815	359,402	976,815	
70	Net Interest Charges (Total of lines 62 thru 69)		24,530,307	23,115,399	24,530,307	23,115,399	
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		38,054,017	51,424,842	38,054,017	51,424,842	
72	Extraordinary Items						
73	Extraordinary income (434)						
74	(Less) Extraordinary Deductions (435)						
75	Net Extraordinary Items (Total of line 73 less line 74)						
76	Income Taxes-Federal and Other (409.3)	262-263					
77	Extraordinary Items After Taxes (line 75 less line 76)						
78	Net Income (Total of line 71 and 77)		38,054,017	51,424,842	38,054,017	51,424,842	

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		323,095,088	262,471,090
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		38,007,614	51,149,437
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31				
32				
33	Common Stock Dividend		-23,922,304	(22,376,025)
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-23,922,304	(22,376,025)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		337,180,398	291,244,502
	APPROPRIATED RETAINED EARNINGS (Account 215)			

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

[illegible]

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

STATEMENT OF CASH FLOWS

(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	38,054,017	51,424,842
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	35,007,104	31,173,888
5	Amortization	4,816,800	4,581,377
6	Other Noncash Charges to Income, Net	3,442,075	1,609,441
7			
8	Deferred Income Taxes (Net)	4,891,946	9,009,676
9	Investment Tax Credit Adjustment (Net)	-55,750	-79,607
10	Net (Increase) Decrease in Receivables	7,213,805	2,847,283
11	Net (Increase) Decrease in Inventory	6,793,535	6,967,197
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	26,298,783	-9,382,484
14	Net (Increase) Decrease in Other Regulatory Assets	-1,255,617	-516,160
15	Net Increase (Decrease) in Other Regulatory Liabilities	-2,542,422	-2,404,925
16	(Less) Allowance for Other Funds Used During Construction	649,744	1,706,955
17	(Less) Undistributed Earnings from Subsidiary Companies	46,403	275,405
18	Other Assets and Liabilities, Net	20,829,476	32,366,950
19			
20			
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	142,797,605	125,615,118
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-47,490,250	-57,454,999
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant	-4,479,861	-479,686
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-649,744	-1,706,955
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-51,320,367	-56,227,730
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)	51,155	80,395
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent NorthWestern Corporation		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
STATEMENT OF CASH FLOWS					
<p>(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>					
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)		
46	Loans Made or Purchased				
47	Collections on Loans				
48					
49	Net (Increase) Decrease in Receivables				
50	Net (Increase) Decrease in Inventory				
51	Net (Increase) Decrease in Allowances Held for Speculation				
52	Net Increase (Decrease) in Payables and Accrued Expenses				
53	Other Investing Activities		4,805,765		
54					
55					
56	Net Cash Provided by (Used in) Investing Activities				
57	Total of lines 34 thru 55)	-51,269,212	-51,341,570		
58					
59	Cash Flows from Financing Activities:				
60	Proceeds from Issuance of:				
61	Long-Term Debt (b)				
62	Preferred Stock				
63	Common Stock				
64	Other (provide details in footnote):				
65					
66	Net Increase in Short-Term Debt (c)				
67	Other (provide details in footnote):				
68					
69					
70	Cash Provided by Outside Sources (Total 61 thru 69)				
71					
72	Payments for Retirement of:				
73	Long-term Debt (b)				
74	Preferred Stock				
75	Common Stock				
76	Other Financing Activities, Net	-150,284	-1,099,927		
77					
78	Net Decrease in Short-Term Debt (c)	-67,961,386	-57,935,765		
79	Treasury Stock Activity	-1,786,571	-1,990,490		
80	Dividends on Preferred Stock				
81	Dividends on Common Stock	-23,922,304	-22,376,025		
82	Net Cash Provided by (Used in) Financing Activities				
83	(Total of lines 70 thru 81)	-93,820,545	-83,402,207		
84					
85	Net Increase (Decrease) in Cash and Cash Equivalents				
86	(Total of lines 22,57 and 83)	-2,292,152	-9,128,659		
87					
88	Cash and Cash Equivalents at Beginning of Period	4,077,741	12,831,895		
89					
90	Cash and Cash Equivalents at End of period	1,785,589	3,703,236		

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	------------------------------	---

NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent NorthWestern Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NOTES TO FINANCIAL STATEMENTS (Continued)			

NOTES TO FINANCIAL STATEMENTS

(Reference is made to Notes to Financial Statements included in NorthWestern Corporation's FERC Annual Report)
(Unaudited)

(1) Nature of Operations and Basis of Consolidation

NorthWestern Corporation, doing business as NorthWestern Energy, provides electricity and natural gas to approximately 701,000 customers in Montana, South Dakota and Nebraska.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that may affect the reported amounts of assets, liabilities, revenues and expenses during the reporting period. Actual results could differ from those estimates. The unaudited Financial Statements reflect all adjustments (which unless otherwise noted are normal and recurring in nature) that are, in the opinion of management, necessary to fairly present our financial position, results of operations and cash flows. The actual results for the interim periods are not necessarily indicative of the operating results to be expected for a full year or for other interim periods. Events occurring subsequent to March 31, 2016, have been evaluated as to their potential impact to the Financial Statements through the date of issuance.

The Financial Statements included herein have been prepared by NorthWestern, without audit, pursuant to the rules and regulations of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts. Certain information and footnote disclosures normally included in financial statements prepared in accordance with the accounting requirements of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases have been condensed or omitted pursuant to such rules and regulations; however, management believes that the condensed disclosures provided are adequate to make the information presented not misleading. Management recommends that these unaudited Financial Statements be read in conjunction with the audited financial statements and related footnotes included in our FERC Form 1 Annual Report for the year ended December 31, 2015.

Financial Statement Presentation

The financial statements are presented on the basis of the accounting requirements of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than GAAP. This report differs from GAAP due to FERC requiring the presentation of subsidiaries on the equity method of accounting, which differs from Accounting Standards Codification (ASC) 810 "Consolidation". ASC 810 requires that all majority-owned subsidiaries be consolidated (see Note 6). The other significant differences consist of the following:

- Earnings per share is not presented;
- Removal and decommissioning costs of generation, transmission and distribution assets are reflected in the Balance Sheets as a component of accumulated depreciation of \$373.3 million and \$368.5 million as of March 31, 2016 and December 31, 2015, respectively, in accordance with regulatory treatment as compared to regulatory liabilities for GAAP purposes;
- Goodwill is reflected in the Balance Sheets as a utility plant adjustment of \$357.6 million as of March 31, 2016 and December 31, 2015, respectively, in accordance with regulatory treatment, as compared to goodwill for GAAP purposes (see Note 5);

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

- The write-down of plant values associated with the 2002 acquisition of the Montana operations is reflected in the Balance Sheets as a component of accumulated depreciation of \$147.6 million for March 31, 2016 and December 31, 2015, respectively, in accordance with regulatory treatment as compared to plant for GAAP purposes;
- The current portion of gas stored underground is reflected in the Balance Sheets as current and accrued assets, as compared to inventory for GAAP purposes;
- Unamortized debt expense is classified in the Balance Sheets as deferred debits in accordance with regulatory treatment, as compared to long-term debt for GAAP purposes;
- Current and long-term debt is classified in the Balance Sheets as all long-term debt in accordance with regulatory treatment, while current and long-term debt are separately presented for GAAP reporting;
- Electric purchase and sale transactions within the Southwest Power Pool are reflected on a net basis in accordance with regulatory treatment, as compared to gross for GAAP purposes;
- Accumulated deferred tax assets and liabilities are classified in the Balance Sheets as gross non-current deferred debits and credits, respectively, while GAAP presentation reflects either a net deferred tax asset or liability separately classified as current or non-current;
- Uncertain tax positions related to temporary differences are classified in the Balance Sheets within the deferred tax accounts in accordance with regulatory treatment, as compared to other noncurrent liabilities for GAAP purposes;
- Regulatory assets and liabilities are reflected in the Balance Sheets as non-current items, while current and non-current amounts are separately presented for GAAP; and
- GAAP revenue differs from FERC revenue primarily due to the equity method of accounting as discussed above, netting of electric purchases and sales for resale for the GAAP presentation as compared to a gross presentation for FERC purposes, and the classification of regulatory amortizations in revenue for GAAP as compared to expense for FERC purposes. The following table reconciles GAAP revenues to FERC revenues by segment for the twelve months ended March 31, 2016.

	Total	Electric	Natural Gas	Other
	(in millions)			
GAAP Revenues	\$332.5	\$241.3	\$91.2	\$-
Revenue from equity investments	(0.9)	-	(0.9)	-
Grossing revenues / power purchases	(14.8)	(14.8)	-	-
Regulatory amortizations	9.3	5.8	3.5	-
Other	(0.5)	(0.3)	(0.4)	0.2
FERC Revenues	\$325.6	\$232.0	\$93.4	\$0.2

(2) New Accounting Standards

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Accounting Standards Issued

In May 2014, the Financial Accounting Standards Board (FASB) issued accounting guidance on the recognition of revenue from contracts with customers, which will supersede nearly all existing revenue recognition guidance under GAAP. Under the new standard, entities will recognize revenue to depict the transfer of goods and services to customers in amounts that reflect the payment to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows from an entity's contracts with customers. The FASB delayed the effective date of this guidance to the first quarter of 2018, with early adoption permitted as of the original effective date of the first quarter of 2017. We are currently evaluating the impact of adoption of this new guidance on our Financial Statements and disclosures.

In February 2016, the FASB issued revised guidance on accounting for leases. The new standard requires a lessee to recognize in the balance sheet a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term for all leases with terms longer than 12 months. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases. Recognition, measurement and presentation of expenses will depend on classification as a finance or operating lease. The new guidance will be effective for us in our first quarter of 2019 and early adoption is permitted. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. We are currently evaluating the impact of adoption of this guidance, and based on our initial analysis do not expect it to have a significant impact on our Financial Statements and disclosures.

In March 2016, the FASB issued guidance revising certain elements of the accounting for share-based payments. The new standard is intended to simplify several aspects of the accounting for share-based payment award transactions including: (a) income tax consequences; (b) classification of awards as either equity or liabilities; and (c) classification on the statement of cash flows. The new guidance will be effective for us in our first quarter of 2017, with early adoption permitted. We are currently evaluating the impact of adoption of this guidance on our Financial Statements and disclosures.

(3) Regulatory Matters

Montana Electric and Natural Gas Tracker Filings

Each year we submit an electric and natural gas tracker filing for recovery of supply costs for the 12-month period ended June 30 and for the projected supply costs for the next 12-month period. The Montana Public Service Commission (MPSC) reviews such filings and makes its cost recovery determination based on whether or not our supply procurement activities were prudent.

Electric Tracker - Our 2012/2013 and 2013/2014 tracker periods are part of consolidated dockets. The 2013/2014 electric tracker filing included market purchases made between July 2013 and January 2014 for replacement power during an outage at Colstrip Unit 4. Inclusion of these costs in the tracker filing is consistent with the treatment of replacement power during previous Colstrip Unit 4 outage costs. During a June 2014 MPSC work session, these incremental market purchases related to the Colstrip Unit 4 outage were identified by the MPSC for additional prudence review.

For the 2014/2015 electric supply tracker, we reached a Stipulation and Settlement Agreement in November 2015 between us and the Montana Consumer Counsel (MCC) (Electric Stipulation), which requires us to include a \$0.7 million reduction for production tax credits, suspend certain types of hedging of purchase power costs without first obtaining approval from the MPSC, and to make a compliance filing to remove lost revenues from electric rates effective December 1, 2015.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

The MPSC held a work session in March 2016 and, in a 3 - 2 decision, directed staff to draft a final order in the 2012/2013 and 2013/2014 consolidated tracker docket disallowing both replacement power costs from the outage at Colstrip Unit 4 and costs related to generation portfolio modeling. The MPSC also directed staff to draft an order in the 2014/2015 tracker addressing the Electric Stipulation and disallowing modeling costs. Based on this March 2016 oral decision, we recorded a disallowance totaling approximately \$10.3 million, which includes \$8.2 million of replacement power costs and \$2.1 million of modeling costs, and is reflected in operating expenses in the Statement of Income for the three months ended March 31, 2016. In April 2016, we received a final written order in the 2014/2015 tracker consistent with the oral decision, and expect the MPSC to issue a final order in the consolidated 2012/2013 and 2013/2014 tracker dockets in the second quarter of 2016. We will evaluate our legal options once we receive a final written order in the consolidated docket.

Natural Gas Tracker - In October 2015, we received a final order in the natural gas consolidated 2013/2014 and 2012/2013 tracker docket, which allows us to continue collecting the cost of service for natural gas production interests acquired in December 2013 and in August 2012 in northern Montana's Bear Paw Basin (Bear Paw) on an interim basis until approval is received for inclusion of these assets in rate base. The MPSC final order requires that we revise the bridge rates currently used to reflect expected 2015 fixed cost revenue requirements, and to make a filing by September 2016 to address the cost-recovery of our gas production fields. As of March 31, 2016, we have cumulative deferred revenue of approximately \$0.8 million consistent with the final order.

For the 2014/2015 natural gas supply tracker, we reached a Stipulation and Settlement Agreement between us and the MCC, which requires us to refund our customers approximately \$1.5 million as a result of revising the Bear Paw bridge rates to our expected 2015 fixed cost requirements through October 2015, which was recorded in accumulated provision for rate refunds in the Balance Sheets during 2015. The MPSC issued a final order approving the Stipulation and Settlement Agreement during the first quarter of 2016.

Electric and Natural Gas Lost Revenue Adjustment Mechanism - In 2005, the MPSC approved an energy efficiency program, by which we recovered on an after-the-fact basis a portion of our fixed costs that would otherwise have been collected in kilowatt hour sales lost due to the implementation of energy saving measures between rate filings in our supply trackers. In an order issued in October 2013 related to our 2011/2012 electric supply tracker, the MPSC required us to lower the calculated lost revenue recovery and imposed a new burden of proof on us for future recovery. We appealed the October 2013 order to Montana District Court, which led to a docket being initiated in June 2014 by the MPSC to review lost revenue policy issues. In October 2015, the MPSC issued an order to eliminate the lost revenue adjustment mechanism prospectively effective December 1, 2015.

Based on the October 2013 MPSC order, we have recognized \$7.1 million of lost revenues for each annual electric supply tracker period (July 1, 2012 through November 30, 2015) and deferred the remaining portion. We have cumulative deferred revenue of \$13.4 million which is recorded in accumulated provision for rate refunds in the Balance Sheets. Since the 2012/2013 and 2013/2014 annual electric tracker filings are still subject to final approval, the MPSC may ultimately require us to refund more than we have deferred or approve recovery of more DSM lost revenues than we have recognized since July 2012.

Hydro Compliance Filing

In December 2015, we submitted the required hydro compliance filing to remove the Kerr Project from cost of service, adjust for actual revenue credits and increase property taxes to actual amounts. In January 2016, the MPSC approved an interim adjustment to our hydro rates based on the compliance filing, and opened a separate contested docket requesting additional detail on the adjustment to rates due to the conveyance of the Kerr Project. The MCC has not filed testimony in this contested docket, however, the MPSC

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
NorthWestern Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	03/31/2016	2016/Q1
NOTES TO FINANCIAL STATEMENTS (Continued)			

identified additional issues and requested information. We expect the MPSC to issue a final order during the second half of 2016. Due to the timing of the rate adjustment, as of March 31, 2016, we have cumulative deferred revenue of approximately \$6.9 million that will be refunded to customers in 2016.

Dave Gates Generating Station at Mill Creek (DGGS)

In April 2014, FERC issued an order affirming a FERC Administrative Law Judge's (ALJ) initial decision in September 2012, regarding cost allocation at DGGS between retail and wholesale customers. This decision concluded that only a portion of these costs should be allocated to FERC jurisdictional customers. We have been recognizing revenue consistent with the ALJ's initial decision. We have cumulative deferred revenue of \$27.3 million, which is subject to refund and recorded in accumulated provision for rate refunds in the Balance Sheets.

In May 2014, we filed a request for rehearing, which remains pending. In our request for rehearing, we have argued that no refunds are due even if the cost allocation method is modified prospectively. There is no deadline by which FERC must act on our rehearing petition. Customer refunds, if any, will not be due until 30 days after a FERC order on rehearing. If unsuccessful on rehearing, we may appeal to a United States Circuit Court of Appeals. The time line for any such appeal would likely extend into 2017 or beyond.

The FERC order was assessed as a triggering event as to whether an impairment charge should be recorded with respect to DGGS. As of March 31, 2016, the DGGS net utility plant is approximately \$159 million. DGGS previously provided only regulation and balancing service, which is the basis for the cost allocation in our filings. The addition of owned hydro generation is driving a shift in utilization of DGGS. In support of our biennial electricity supply resource procurement plan that we filed with the MPSC in March 2016, we conducted a portfolio optimization analysis to evaluate options to use DGGS in combination with other generation resources. This analysis indicates DGGS provides cost-effective products necessary to operate our Montana electricity portfolio, including regulation, load following, peaking services and other ancillary products such as operating reserves, which should guide future cost recovery. The cost recovery of any alternative use of DGGS would be subject to regulatory approval and we cannot provide assurance of such approval. We do not believe an impairment loss is probable at this time; however, we will continue to evaluate recovery of this asset in the future as facts and circumstances change.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

(4) Income Taxes

The following table summarizes the significant differences in income tax expense (benefit) based on the differences between our effective tax rate and the federal statutory rate (in thousands):

	Three Months Ended March 31,			
	2016		2015	
Income Before Income Taxes	\$	40,536	\$	61,432
Income tax calculated at 35% federal statutory rate		14,187	35.0%	21,501
				35.0%
Permanent or flow through adjustments:				
State income, net of federal provisions	(1,100)	(2.7)	161	0.3
Flow-through repairs deductions	(6,674)	(16.5)	(9,613)	(15.7)
Production tax credits	(2,775)	(6.8)	(1,261)	(2.1)
Plant and depreciation of flow-through items	(938)	(2.3)	(381)	(0.6)
Other, net	(257)	(0.6)	(400)	(0.6)
	(11,744)	(28.9)	(11,494)	(18.7)
Income Tax Expense	\$	2,443	6.1%	\$ 10,007
				16.3%

We compute income tax expense for each quarter based on the estimated annual effective tax rate for the year, adjusted for certain discrete items. Our effective tax rate typically differs from the federal statutory tax rate of 35% primarily due to the regulatory impact of flowing through the federal and state tax benefit of repairs deductions, state tax benefit of accelerated tax depreciation deductions (including bonus depreciation when applicable) and production tax credits. The regulatory accounting treatment of these deductions requires immediate income recognition for temporary tax differences of this type, which is referred to as the flow-through method. When the flow-through method of accounting for temporary differences is reflected in regulated revenues, we record deferred income taxes and establish related regulatory assets and liabilities.

Uncertain Tax Positions

We recognize tax positions that meet the more-likely-than-not threshold as the largest amount of tax benefit that is greater than 50 percent likely of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. We have unrecognized tax benefits of approximately \$91.2 million as of March 31, 2016, including approximately \$67.1 million that, if recognized, would impact our effective tax rate. We do not anticipate that total unrecognized tax benefits will significantly change due to the settlement of audits or the expiration of statutes of limitation within the next twelve months.

Our policy is to recognize interest and penalties related to uncertain tax positions in income tax expense. During the three months ended March 31, 2016, we did not recognize expense for interest and penalties in the Statements of Income and did not have any amounts accrued at March 31, 2016 and December 31, 2015, respectively, for the payment of interest and penalties.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Our federal tax returns from 2000 forward remain subject to examination by the IRS.

(5) Utility Plant Adjustments

There were no changes in our utility plant adjustments during the three months ended March 31, 2016.

(6) Equity Investments

The following table presents our equity investments reflected in the investments in subsidiary companies on the Balance Sheets (in thousands):

	March 31, 2016	December 31, 2015
Havre Pipeline Company, LLC	\$ 15,072	\$ 15,054
Canadian Montana Pipeline Corporation	3,622	3,715
NorthWestern Services, LLC	1,901	1,899
Risk Partners Assurance, Ltd.	1,515	1,514
Total Investments in Subsidiary Companies	\$ 22,110	\$ 22,182

(7) Comprehensive (Loss) Income

The following tables display the components of Other Comprehensive (Loss) Income (in thousands):

	Three Months Ended					
	March 31, 2016			March 31, 2015		
	Before-Tax Amount	Tax Expense	Net-of-Tax Amount	Before-Tax Amount	Tax Benefit	Net-of-Tax Amount
Foreign currency translation adjustment	\$ (118)	\$ —	\$ (118)	\$ 268	\$ —	\$ 268
Reclassification of net losses (gains) on derivative instruments	62	(25)	37	(143)	54	(89)
Other comprehensive (loss) income	\$ (56)	\$ (25)	\$ (81)	\$ 125	\$ 54	\$ 179

Balances by classification included within accumulated other comprehensive loss (AOCL) on the Balance Sheets are as follows, net of tax (in thousands):

	March 31, 2016	December 31, 2015
Foreign currency translation	\$ 1,237	\$ 1,355
Derivative instruments designated as cash flow hedges	(8,977)	(9,014)
Pension and postretirement medical plans	(937)	(937)
Accumulated other comprehensive loss	\$ (8,677)	\$ (8,596)

The following tables display the changes in AOCL by component, net of tax (in thousands):

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Three Months Ended

March 31, 2016

	Affected Line Item in the Statements of Income	Interest Rate Derivative Instruments Designated as Cash Flow Hedges	Pension and Postretirement Medical Plans	Foreign Currency Translation	Total
Beginning balance		\$ (9,014)	\$ (937)	\$ 1,355	(8,596)
Other comprehensive loss before reclassifications		—	—	(118)	(118)
Amounts reclassified from AOCL	Interest on long-term debt	37	—	—	37
Net current-period other comprehensive income (loss)		37	—	(118)	(81)
Ending balance		\$ (8,977)	\$ (937)	\$ 1,237	(8,677)

March 31, 2015

Three Months Ended

	Affected Line Item in the Statements of Income	Interest Rate Derivative Instruments Designated as Cash Flow Hedges	Pension and Postretirement Medical Plans	Foreign Currency Translation	Total
Beginning balance		\$ (8,316)	\$ (1,247)	\$ 797	(8,766)
Other comprehensive income before reclassifications		—	—	268	268
Amounts reclassified from AOCL	Interest on long-term debt	(89)	—	—	(89)
Net current-period other comprehensive (loss) income		(89)	—	268	179
Ending balance		\$ (8,405)	\$ (1,247)	\$ 1,065	(8,587)

(8) Risk Management and Hedging Activities

Nature of Our Business and Associated Risks

We are exposed to certain risks related to the ongoing operations of our business, including the impact of market fluctuations in the price of electricity and natural gas commodities and changes in interest rates. We rely on market purchases to fulfill a portion of our electric and natural gas supply requirements within the Montana market. Several factors influence price levels and volatility. These factors include, but are not limited to, seasonal changes in demand, weather conditions, available generating assets within regions,

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

transportation availability and reliability within and between regions, fuel availability, market liquidity, and the nature and extent of current and potential federal and state regulations.

Objectives and Strategies for Using Derivatives

To manage our exposure to fluctuations in commodity prices we routinely enter into derivative contracts. These types of contracts are included in our electric and natural gas supply portfolios and are used to manage price volatility risk by taking advantage of fluctuations in market prices. While individual contracts may be above or below market value, the overall portfolio approach is intended to provide greater price stability for consumers. These commodity costs are included in our cost tracking mechanisms and are recoverable from customers subject to prudence reviews by the applicable state regulatory commissions. We do not maintain a trading portfolio, and our derivative transactions are only used for risk management purposes consistent with regulatory guidelines.

In addition, we may use interest rate swaps to manage our interest rate exposures associated with new debt issuances or to manage our exposure to fluctuations in interest rates on variable rate debt.

Accounting for Derivative Instruments

We evaluate new and existing transactions and agreements to determine whether they are derivatives. The permitted accounting treatments include: normal purchase normal sale; cash flow hedge; fair value hedge; and mark-to-market. Mark-to-market accounting is the default accounting treatment for all derivatives unless they qualify, and we specifically designate them, for one of the other accounting treatments. Derivatives designated for any of the elective accounting treatments must meet specific, restrictive criteria both at the time of designation and on an ongoing basis. The changes in the fair value of recognized derivatives are recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and the type of hedge transaction.

Normal Purchases and Normal Sales

We have applied the normal purchase and normal sale scope exception (NPNS) to our contracts involving the physical purchase and sale of gas and electricity at fixed prices in future periods. During our normal course of business, we enter into full-requirement energy contracts, power purchase agreements and physical capacity contracts, which qualify for NPNS. All of these contracts are accounted for using the accrual method of accounting; therefore, there were no unrealized amounts recorded in the Financial Statements at March 31, 2016 and December 31, 2015. Revenues and expenses from these contracts are reported on a gross basis in the appropriate revenue and expense categories as the commodities are received or delivered.

Credit Risk

Credit risk is the potential loss resulting from counterparty non-performance under an agreement. We manage credit risk with policies and procedures for, among other things, counterparty analysis and exposure measurement, monitoring and mitigation. We limit credit risk in our commodity and interest rate derivatives activities by assessing the creditworthiness of potential counterparties before entering into transactions with them and continuing to evaluate their creditworthiness on an ongoing basis.

We are exposed to credit risk through buying and selling electricity and natural gas to serve customers. We may request collateral or other security from our counterparties based on the assessment of creditworthiness and expected credit exposure. It is possible that volatility in commodity prices could cause us to have material credit risk exposures with one or more counterparties. We enter into

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

commodity master enabling agreements with our counterparties to mitigate credit exposure, as these agreements reduce the risk of default by allowing us or our counterparty the ability to make net payments. The agreements generally are: (1) Western Systems Power Pool agreements – standardized power purchase and sales contracts in the electric industry; (2) International Swaps and Derivatives Association agreements – standardized financial gas and electric contracts; (3) North American Energy Standards Board agreements – standardized physical gas contracts; and (4) Edison Electric Institute Master Purchase and Sale Agreements – standardized power sales contracts in the electric industry.

Many of our forward purchase contracts contain provisions that require us to maintain an investment grade credit rating from each of the major credit rating agencies. If our credit rating were to fall below investment grade, the counterparties could require immediate payment or demand immediate and ongoing full overnight collateralization on contracts in net liability positions.

Interest Rate Swaps Designated as Cash Flow Hedges

We have previously used interest rate swaps designated as cash flow hedges to manage our interest rate exposures associated with new debt issuances. We have no interest rate swaps outstanding. These swaps were designated as cash flow hedges with the effective portion of gains and losses, net of associated deferred income tax effects, recorded in AOCL. We reclassify these gains from AOCL into interest on long-term debt during the periods in which the hedged interest payments occur. The following table shows the effect of these interest rate swaps previously terminated on the Financial Statements (in thousands):

	Location of amount reclassified from AOCL to Income	Amount Reclassified from AOCL into Income during the Three Months Ended March 31, 2016
Interest rate contracts	Interest on long-term debt	\$ 62

A net pre-tax loss of approximately \$14.9 million is remaining in AOCL as of March 31, 2016, and we expect to reclassify approximately \$0.3 million of net pre-tax gains from AOCL into interest on long-term debt during the next twelve months. These amounts relate to terminated swaps.

(9) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). Measuring fair value requires the use of market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, corroborated by market data, or generally unobservable. Valuation techniques are required to maximize the use of observable inputs and minimize the use of unobservable inputs.

Applicable accounting guidance establishes a hierarchy that prioritizes the inputs used to measure fair value, and requires fair value measurements to be categorized based on the observability of those inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

inputs). The three levels of the fair value hierarchy are as follows:

- Level 1 – Unadjusted quoted prices available in active markets at the measurement date for identical assets or liabilities;
- Level 2 – Pricing inputs, other than quoted prices included within Level 1, which are either directly or indirectly observable as of the reporting date; and
- Level 3 – Significant inputs that are generally not observable from market activity.

We classify assets and liabilities within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement of each individual asset and liability taken as a whole. The table below sets forth by level within the fair value hierarchy the gross components of our assets and liabilities measured at fair value on a recurring basis. NPNS transactions are not included in the fair values by source table as they are not recorded at fair value. See Note 8 - Risk Management and Hedging Activities for further discussion.

We record transfers between levels of the fair value hierarchy, if necessary, at the end of the reporting period. There were no transfers between levels for the periods presented.

	Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Margin Cash Collateral Offset	Total Net Fair Value
(in thousands)					
March 31, 2016					
Other special deposits	\$ 4,310	\$ —	\$ —	\$ —	\$ 4,310
Rabbi trust investments	29,116	—	—	—	29,116
Total	\$ 33,426	\$ —	\$ —	\$ —	\$ 33,426
December 31, 2015					
Other special deposits	\$ 3,508	\$ —	\$ —	\$ —	\$ 3,508
Rabbi trust investments	24,245	—	—	—	24,245
Total	\$ 27,753	\$ —	\$ —	\$ —	\$ 27,753

Other special deposits represents amounts held in money market mutual funds. Rabbi trust investments represent assets held for non-qualified deferred compensation plans, which consist of our common stock and actively traded mutual funds with quoted prices in active markets.

Financial Instruments

The estimated fair value of financial instruments is summarized as follows (in thousands):

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

	March 31, 2016		December 31, 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Liabilities:				
Long-term debt	\$ 1,782,132	\$ 1,915,299	\$ 1,782,127	\$ 1,844,974

Notes payable consist of commercial paper and are not included in the table above as carrying value approximates fair value. The estimated fair value amounts have been determined using available market information and appropriate valuation methodologies; however, considerable judgment is required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that we would realize in a current market exchange.

We determined fair value for long-term debt based on interest rates that are currently available to us for issuance of debt with similar terms and remaining maturities, except for publicly traded debt, for which fair value is based on market prices for the same or similar issues or upon the quoted market prices of U.S. treasury issues having a similar term to maturity, adjusted for our bond issuance rating and the present value of future cash flows. These are significant other observable inputs, or level 2 inputs, in the fair value hierarchy.

(10) Related Party Transactions

Accounts receivable from and payables to associated companies primarily include intercompany billings for direct charges, overhead, and income tax obligations. The following table reflects our accounts receivable from and accounts payable to associated companies (in thousands):

	March 31, 2016	December 31, 2015
Accounts Receivable from Associated Companies:		
Havre Pipeline Company, LLC	\$ 252	\$ 468
Risk Partners Assurance, Ltd.	18	18
	<u>\$ 270</u>	<u>\$ 486</u>
Accounts Payable to Associated Companies:		
Canadian Montana Pipeline Corporation	\$ 3,464	\$ 3,581
NorthWestern Services, LLC	1,539	1,526
	<u>\$ 5,003</u>	<u>\$ 5,107</u>

(11) Employee Benefit Plans

Net periodic benefit cost (income) for our pension and other postretirement plans consists of the following (in thousands):

Name of Respondent NorthWestern Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NOTES TO FINANCIAL STATEMENTS (Continued)			

	Pension Benefits		Other Postretirement Benefits	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2016	2015	2016	2015
Components of Net Periodic Benefit Cost (Income)				
Service cost	\$ 2,939	\$ 3,463	\$ 130	\$ 129
Interest cost	6,566	6,542	202	183
Expected return on plan assets	(7,081)	(7,920)	(261)	(243)
Amortization of prior service cost	62	62	(471)	(500)
Recognized actuarial loss	2,466	2,618	87	81
Net Periodic Benefit Cost (Income)	\$ 4,952	\$ 4,765	\$ (313)	\$ (350)

(12) Commitments and Contingencies

ENVIRONMENTAL LIABILITIES AND REGULATION

Environmental Matters

The operation of electric generating, transmission and distribution facilities, and gas gathering, transportation and distribution facilities, along with the development (involving site selection, environmental assessments, and permitting) and construction of these assets, are subject to extensive federal, state, and local environmental and land use laws and regulations. Our activities involve compliance with diverse laws and regulations that address emissions and impacts to the environment, including air and water, protection of natural resources, avian and wildlife. We monitor federal, state, and local environmental initiatives to determine potential impacts on our financial results. As new laws or regulations are implemented, our policy is to assess their applicability and implement the necessary modifications to our facilities or their operation to maintain ongoing compliance.

Our environmental exposure includes a number of components, including remediation expenses related to the cleanup of current or former properties, and costs to comply with changing environmental regulations related to our operations. At present, the majority of our environmental reserve relates to the remediation of former manufactured gas plant sites owned by us and is estimated to range between \$27 million to \$32 million. As of March 31, 2016, we have a reserve of approximately \$31.2 million, which has not been discounted. Environmental costs are recorded when it is probable we are liable for the remediation and we can reasonably estimate the liability. We use a combination of site investigations and monitoring to formulate an estimate of environmental remediation costs for specific sites. Our monitoring procedures and development of actual remediation plans depend not only on site specific information but also on coordination with the different environmental regulatory agencies in our respective jurisdictions; therefore, while remediation exposure exists, it may be many years before costs are incurred.

Over time, as costs become determinable, we may seek authorization to recover such costs in rates or seek insurance reimbursement as applicable; therefore, although we cannot guarantee regulatory recovery, we do not expect these costs to have a material effect on our financial position or results of operations.

Manufactured Gas Plants - Approximately \$24.5 million of our environmental reserve accrual is related to manufactured gas

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
NorthWestern Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/31/2016	2016/Q1
NOTES TO FINANCIAL STATEMENTS (Continued)			

plants. A formerly operated manufactured gas plant located in Aberdeen, South Dakota, has been identified on the Federal Comprehensive Environmental Response, Compensation, and Liability Information System list as contaminated with coal tar residue. We are currently conducting feasibility studies and implementing remedial actions at the Aberdeen site pursuant to work plans approved by the South Dakota Department of Environment and Natural Resources (DENR). Our current reserve for remediation costs at this site is approximately \$11.4 million, and we estimate that approximately \$6.8 million of this amount will be incurred during the next five years.

We also own sites in North Platte, Kearney and Grand Island, Nebraska on which former manufactured gas facilities were located. We are currently working independently to fully characterize the nature and extent of potential impacts associated with these Nebraska sites. Our reserve estimate includes assumptions for site assessment and remedial action work. At present, we cannot determine with a reasonable degree of certainty the nature and timing of any risk-based remedial action at our Nebraska locations.

In addition, we own or have responsibility for sites in Butte, Missoula and Helena, Montana on which former manufactured gas plants were located. The Butte and Helena sites, both listed as high priority sites on Montana's state superfund list, were placed into the Montana Department of Environmental Quality (MDEQ) voluntary remediation program for cleanup due to soil and groundwater impacts. Soil and coal tar were removed at the sites in accordance with MDEQ requirements. Groundwater monitoring is conducted semiannually at both sites. In February 2016, the MDEQ requested additional information regarding the Helena site, which we provided to the MDEQ in April 2016. At this time, we cannot estimate with a reasonable degree of certainty the nature and timing of additional remedial actions and/or investigations, if any, at the Butte and Helena sites.

An investigation conducted at the Missoula site did not require remediation activities, but required preparation of a groundwater monitoring plan. Monitoring wells have been installed and groundwater is monitored semiannually. At the request of Missoula Valley Water Quality District, a draft risk assessment was prepared for the Missoula site and presented to the Missoula County Water Quality Board (MCWQB). The MCWQB deferred all decision making to the MDEQ, but suggested additional site delineation. Additional delineation work began in December 2015 and has continued in 2016. The result of the additional delineation work may lead to amending the risk assessment and/or development of a remedial alternatives report followed by implementation of a remedy. At this time, we cannot estimate with a reasonable degree of certainty the nature and timing of risk-based remedial action at the Missoula site or if any additional actions beyond monitored natural attenuation will be required.

Global Climate Change - National and international actions have been initiated to address global climate change and the contribution of emissions of greenhouse gases (GHG) including, most significantly, carbon dioxide (CO₂). These actions include legislative proposals, Executive and Environmental Protection Agency (EPA) actions at the federal level, actions at the state level, and private party litigation relating to GHG emissions. Coal-fired plants have come under particular scrutiny due to their level of GHG emissions. We have joint ownership interests in four coal-fired electric generating plants, all of which are operated by other companies. We are responsible for our proportionate share of the capital and operating costs while being entitled to our proportionate share of the power generated.

While numerous bills have been introduced that address climate change from different perspectives, including through direct regulation of GHG emissions, the establishment of cap and trade programs and the establishment of Federal renewable portfolio standards, Congress has not passed any federal climate change legislation and we cannot predict the timing or form of any potential legislation. In the absence of such legislation, EPA is presently regulating new and existing sources of GHG emissions.

On August 3, 2015, the EPA released for publication in the Federal Register, the final standards of performance to limit GHG emissions from new, modified and reconstructed fossil fuel generating units and from newly constructed and reconstructed natural gas

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

combined cycle (NGCC) units. The standards reflect the degree of emission limitations achievable through the application of the best system of emission reduction that the EPA determined has been demonstrated for each type of unit.

In a separate action that also affects power plants, on August 3, 2015, the EPA released its final rule establishing GHG performance standards for existing power plants under Clean Air Act Section 111(d). EPA refers to this rule as the Clean Power Plan (CPP). The CPP specifically establishes CO₂ emission performance standards for existing electric utility steam generating units and NGCC units. States may develop implementation plans for affected units to meet the individual state targets established in the CPP or may adopt a federal plan. The EPA has given states the option to develop compliance plans for annual rate-based reductions (pounds per megawatt hour (MWH)) or mass-based tonnage limits for CO₂. The 2030 rate-based requirement for all existing affected generating units in South Dakota and Montana is 1,167 and 1,305 pounds per MWH, respectively. The rate-based approach requires a 38.4 percent reduction in South Dakota and a 47.4 percent reduction in Montana from 2012 levels by 2030. The mass-based approach for existing units in South Dakota requires a 30.9 percent decrease by 2030, while in Montana the mass-based approach requires a 41 percent decrease by 2030. States are required to submit initial plans for achieving GHG emission standards to EPA by September 2016, but may seek additional time to finalize State plans by September 2018. The initial performance period for compliance would commence in 2022, with full implementation by 2030. The EPA also indicated that states may establish emission trading programs to facilitate compliance with the CPP and provides three options: an emission rate trading program that would allow the trading of emission reduction credits equal to one MWH of emission free generation; a mass-based program that would allow trading of allowances with an allowance equal to one short ton of CO₂; and a state measures program that would allow intra-state trading to achieve the state-wide average emission rate.

On August 3, 2015, the EPA also proposed a federal plan that would be imposed if a state fails to submit a satisfactory plan under the CPP. The federal plan proposal includes a "model trading rule" that describes how the EPA would establish an emission trading program as part of the federal plan to allow affected units to comply with the emission rate requirements. EPA proposed both an emission rate trading plan and a mass-based trading plan and indicated that the final federal rule will elect one of the two options. Comments on the proposed federal plan and model trading rule were due January 21, 2016. The EPA has indicated that it intends to finalize both the federal plan and the model trading rules in the summer of 2016.

The CPP reduction of 47 percent in carbon dioxide emissions in Montana by 2030 is the greatest reduction target among the lower 48 states, according to a nationwide analysis. Our Montana generation portfolio emits less carbon on average than the EPA's 2030 target due to investments we made prior to 2013 in carbon-free generation resources. However, the CPP's target reduction is applied on a statewide basis, and investments made prior to 2012 are not counted in the CPP's 2030 target. The State of Montana is required by the CPP to submit a satisfactory state plan to EPA by no later than September 2018. The state plan will determine whether we will have to meet rate-based or mass-based requirements and, if the state adopts a mass-based plan, the number and vintages of allowances that will be allocated to Colstrip. Until the plan is submitted, or a federal plan is imposed, we cannot predict the impact of the CPP on us. We asked the University of Montana's Bureau of Business and Economic Research (BBER) to study the potential impacts of the CPP across Montana. The BBER study looked at the implications of closing the Colstrip generating facilities in southeast Montana as a scenario for complying with the federal rule. The study's conclusions describe the likely loss of jobs and population, the decline in the local and state tax base, the impact on businesses statewide, and the closure's impact on electric reliability and affordability. The electricity produced at Unit 4 represents approximately 25 percent of our customer needs. Closing Colstrip would lead to higher utility rates in order to replace the base-load generation that currently is provided by Colstrip. Closing Colstrip would also create significant issues with the transmission grid that serves Montana, and we would lose transmission revenues that are credited to and lower electric customer bills.

On October 23, 2015, the same date the CPP was published in the Federal Register, we along with other utilities, trade groups,

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
NorthWestern Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/31/2016	2016/Q1
NOTES TO FINANCIAL STATEMENTS (Continued)			

coal producers, labor and business organizations, filed Petitions for Review of the CPP with the United States Court of Appeals for the District of Columbia Circuit. Accompanying these Petitions for Review were Motions to Stay the implementation of the CPP. On January 21, 2016, the U.S. Court of Appeals for the District of Columbia denied the requests for stay but ordered expedited briefing on the merits, with oral argument scheduled for June 2, 2016. On January 26, 2016, 29 states and state agencies asked the U.S. Supreme Court to issue an immediate stay of the CPP. On January 27, 2016, 60 utilities and allied petitioners also requested the U.S. Supreme Court to immediately stay the CPP, and we were among the utilities seeking a stay. On February 9, 2016, the U.S. Supreme Court entered an order staying the CPP. The stay of the CPP will remain in place until the U.S. Supreme Court either denies a petition for certiorari following the U.S. Court of Appeals' decision on the substantive challenges to the CPP, if one is submitted, or until the U.S. Supreme Court enters judgment following grant of a petition for certiorari. The effect is to delay the CPP's implementation until challenges to the CPP have been fully litigated and the U.S. Supreme Court has ruled. We do not expect a final judicial decision on challenges to the CPP until mid-2017 at the earliest, and, more likely, early 2018.

On December 22, 2015 we also filed an administrative Petition for Reconsideration with the EPA, requesting that it reconsider the CPP, on the grounds that the CO₂ reductions in the CPP were substantially greater in Montana than in the proposed rule. We also requested EPA stay the CPP while it considered our Petition for Reconsideration. At this time no action has been taken on the Petition for Reconsideration or stay request.

On June 23, 2014, the U.S. Supreme Court struck down the EPA's Tailoring Rule, which limited the sources subject to GHG permitting requirements to the largest fossil-fueled power plants, indicating that EPA had exceeded its authority under the Clean Air Act by "rewriting unambiguous statutory terms." However, the decision affirmed EPA's ability to regulate GHG emissions from sources already subject to regulation under the prevention of significant deterioration program, which includes most electric generating units.

Requirements to reduce GHG emissions could cause us to incur material costs of compliance, increase our costs of procuring electricity, decrease transmission revenue and impact cost recovery. Although there continues to be proposed legislation and regulations that affect GHG emissions from power plants, technology to efficiently capture, remove and/or sequester such emissions may not be available within a timeframe consistent with the implementation of such requirements. In addition, physical impacts of climate change may present potential risks for severe weather, such as droughts, floods and tornadoes, in the locations where we operate or have interests.

We are evaluating the implications of these rules and technology available to achieve the CO₂ emission performance standards. We will continue working with federal and state regulatory authorities, other utilities, and stakeholders to seek relief from the final rules that, in our view, disproportionately impact customers in our region, and to seek relief from the final compliance requirements. We cannot predict the ultimate outcome of these matters nor what our obligations might be under the state compliance plans with any degree of certainty until they are finalized; however, complying with the carbon emission standards, and with other future environmental rules, may make it economically impractical to continue operating all or a portion of our jointly owned facilities or for individual owners to participate in their proportionate ownership of the coal-fired generating units. This could lead to significant impacts to customer rates for recovery of plant improvements and / or closure related costs and costs to procure replacement power. In addition, these changes could impact system reliability due to changes in generation sources.

Water Intakes and Discharges - Section 316(b) of the Federal Clean Water Act requires that the location, design, construction and capacity of any cooling water intake structure reflect the "best technology available (BTA)" for minimizing environmental impacts. In May 2014, the EPA issued a final rule applicable to facilities that withdraw at least 2 million gallons per day of cooling water from waters of the US and use at least 25 percent of the water exclusively for cooling purposes. The final rule, which became

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

effective in October 2014, gives options for meeting BTA, and provides a flexible compliance approach. Under the rule, permits required for existing facilities will be developed by the individual states and additional capital and/or increased operating costs may be required to comply with future water permit requirements. Challenges to the final cooling water intake rule filed by industry and environmental groups are under review in the Court of Appeals.

In November 2015, the EPA published final regulations on effluent limitations for power plant wastewater discharges, including mercury, arsenic, lead and selenium. The rule became effective in January 2016. Some of the new requirements for existing power plants would be phased in starting in 2018 with full implementation of the rule by 2023. The EPA rule estimates that 12 percent of the steam electric power plants in the U.S. will have to make new investments to meet the requirements of the new effluent limitation regulations; however, it is too early to determine whether the impacts of these rules will be material.

Clean Air Act Rules and Associated Emission Control Equipment Expenditures - The EPA has proposed or issued a number of rules under different provisions of the Clean Air Act that could require the installation of emission control equipment at the generation plants in which we have joint ownership.

In December 2011, the EPA issued a final rule relating to Mercury and Air Toxics Standards (MATS). Among other things, the MATS set stringent emission limits for acid gases, mercury, and other hazardous air pollutants from new and existing electric generating units. The rule was challenged by industry groups and states, and was upheld by the D.C. Circuit Court in April 2014. The decision was appealed to the Supreme Court and in June 2015, the Supreme Court issued an opinion that the EPA did not properly consider the costs to industry when making the requisite "appropriate and necessary" determination as part of its analysis in connection with the issuance of the MATS rule. The Supreme Court remanded the case back to the U.S. Court of Appeals for the District of Columbia Circuit, and on July 31 the litigation was formally sent back to the D.C. Circuit, which will decide whether the standards will be vacated or will remain in place while the EPA addresses the Supreme Court decision. The EPA indicated that it will seek a remand without vacatur of the MATS rule, and in support of that request, the EPA will submit to the court a declaration establishing a plan to "complete the required consideration of costs" to support the "appropriate and necessary finding" by spring 2016. Installation or upgrading of relevant environmental controls at our affected plants is complete. Colstrip Unit 4 is currently controlling emissions of mercury under regulations issued by the State of Montana, which are stricter than the Federal MATS. At this time, we cannot predict whether and when compliance with the MATS rule ultimately will be required.

In July 2011, the EPA finalized the Cross-State Air Pollution Rule (CSAPR) to reduce emissions from electric generating units that interfere with the ability of downwind states to achieve ambient air quality standards. Under CSAPR, significant reductions in emissions of nitrogen oxide (NOx) and sulfur dioxide (SO2) were to be required in certain states beginning in 2012. In April 2014 the Supreme Court reversed and remanded the 2012 decision of the U.S. Court of Appeals for the D.C. Circuit that had vacated the CSAPR. In December, 2015 EPA published a proposed update to the CSAPR rule. Litigation of the remaining CSAPR lawsuits is pending.

In October 2013, the Supreme Court denied certiorari in *Luminant Generation Co v. EPA*, which challenged the EPA's current approach to regulating air emissions during startup, shutdown and malfunction (SSM) events. As a result, fossil fuel power plants may need to address SSM in their permits to reduce the risk of enforcement or citizen actions.

The Clean Air Visibility Rule was issued by the EPA in June 2005, to address regional haze in national parks and wilderness areas across the United States. The Clean Air Visibility Rule requires the installation and operation of Best Available Retrofit Technology (BART) to achieve emissions reductions from designated sources (including certain electric generating units) that are deemed to cause or contribute to visibility impairment in such 'Class I' areas.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

In September 2012, a final Federal Implementation Plan for Montana was published in the Federal Register to address regional haze. As finalized, Colstrip Units 3 and 4 do not have to improve removal efficiency for pollutants that contribute to regional haze. By 2018, Montana, or EPA, must develop a revised Plan that demonstrates reasonable progress toward eliminating man made emissions of visibility impairing pollutants, which could impact Colstrip Unit 4. In November 2012, PPL Montana, the operator of Colstrip, as well as environmental groups (National Parks Conservation Association, Montana Environmental Information Center, and Sierra Club) jointly filed a petition for review of the Federal Implementation Plan in the U.S. Court of Appeals for the Ninth Circuit. Montana Environmental Information Center and Sierra Club challenged the EPA's decision not to require any emissions reductions from Colstrip Units 3 and 4. In June 2015, the U.S. Court of Appeals for the Ninth Circuit rejected the challengers' contention that the EPA should have required additional pollution-reduction technologies on Unit 4 beyond those in the regulations and the matter is back in EPA Region 8 for action.

Jointly Owned Plants - We have joint ownership in generation plants located in South Dakota, North Dakota, Iowa and Montana that are or may become subject to the various regulations discussed above that have been issued or proposed. Compliance with the final rule on Water Intakes and Discharges discussed above, which became effective in January 2016, is not expected to have a significant impact at any of our jointly owned facilities.

North Dakota. The North Dakota Regional Haze SIP requires the Coyote generating facility, in which we have 10% ownership, to reduce its NOx emissions by July 2018. Coyote is in the process of installing control equipment to limit its NOx emissions to 0.5 pounds per million Btu as calculated on a 30-day rolling average basis, including periods of start-up and shutdown, with the project expected to be operational by the third quarter of 2016. The cost of the control equipment is not significant.

Montana. Colstrip Unit 4, a coal fired generating facility in which we have a 30% interest, is subject to EPA's CCR Rule. A compliance plan has been developed and is in the initial stages of implementation. The current estimate of the total project cost is approximately \$90.0 million (our share is 30%) over the remaining life of the facility.

See 'Legal Proceedings - Colstrip Litigation' below for discussion of Sierra Club litigation.

Other - We continue to manage equipment containing polychlorinated biphenyl (PCB) oil in accordance with the EPA's Toxic Substance Control Act regulations. We will continue to use certain PCB-contaminated equipment for its remaining useful life and will, thereafter, dispose of the equipment according to pertinent regulations that govern the use and disposal of such equipment.

We routinely engage the services of a third-party environmental consulting firm to assist in performing a comprehensive evaluation of our environmental reserve. Based upon information available at this time, we believe that the current environmental reserve properly reflects our remediation exposure for the sites currently and previously owned by us. The portion of our environmental reserve applicable to site remediation may be subject to change as a result of the following uncertainties:

- We may not know all sites for which we are alleged or will be found to be responsible for remediation; and
- Absent performance of certain testing at sites where we have been identified as responsible for remediation, we cannot estimate with a reasonable degree of certainty the total costs of remediation.

LEGAL PROCEEDINGS

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Colstrip Litigation

On March 6, 2013, the Sierra Club and the MEIC (Plaintiffs) filed suit in the United States District Court for the District of Montana (Court) against the six individual owners of Colstrip, including us, as well as the operator or managing agent of the station (Defendants). On September 27, 2013, Plaintiffs filed an Amended Complaint for Injunctive and Declaratory Relief. The original complaint included 39 claims for relief based upon alleged violations of the Clean Air Act and the Montana State Implementation Plan. The Amended Complaint dropped claims associated with projects completed before 2001, the Title V claims and the opacity claims. The Amended Complaint alleged a total of 23 claims covering 64 projects.

In the Amended Complaint, Plaintiffs identified physical changes made at Colstrip between 2001 and 2012, that Plaintiffs allege (a) have increased emissions of SO₂, NO_x and particulate matter and (b) were “major modifications” subject to permitting requirements under the Clean Air Act. They also alleged violations of the requirements related to Part 70 Operating Permits.

On May 3, 2013, the Colstrip owners and operator filed a partial motion to dismiss, seeking dismissal of 36 of the 39 claims asserted in the original complaint. The motion was not ruled upon, and the Colstrip owners filed a second motion to dismiss the Amended Complaint on October 11, 2013, incorporating parts of the first motion and supplementing it with new authorities and with regard to new claims contained in the Amended Complaint.

On September 12, 2013, Plaintiffs filed a motion for partial summary judgment as to the applicable method for calculating emissions increases from modifications.

The parties filed a joint notice (Notice) on April 21, 2014, that advised the Court of Plaintiffs’ intent to file a Second Amended Complaint which dropped claims relating to 52 projects, and added one additional project. On May 6, 2014, the Court held oral argument on Defendants’ motion to dismiss and on Plaintiffs’ motion for summary judgment on the applicable legal standard. On May 22, 2014, the United States Magistrate Judge (Magistrate) issued findings and recommendations, which denied Plaintiffs’ motion for summary judgment and denied most of the Colstrip owners’ motion to dismiss, but dismissed seven of Plaintiffs’ “best available control technology” claims and dismissed two of Plaintiffs’ claims for injunctive relief. The Plaintiffs filed an objection to the Magistrate’s findings and recommendations with the Court, and on August 13, 2014, the Court adopted the Magistrate’s findings and conclusions.

On August 27, 2014, the Plaintiffs filed their Second Amended Complaint, which alleged a total of 13 claims covering eight projects and seeks injunctive and declaratory relief, civil penalties (including \$100,000 of civil penalties to be used for beneficial environmental projects), and recovery of their attorney fees. Defendants filed their Answer to the Second Amended Complaint on September 26, 2014. Since filing the Second Amended Complaint, Plaintiffs have indicated that they are no longer pursuing a number of claims and projects thereby reducing their total claims to eight relating to four projects. The parties filed motions for summary judgment and briefs in support with regard to issues affecting the remaining claims.

On December 1, 2015, the Court held oral argument on all pending motions for summary judgment, and on December 31, 2015, the Magistrate issued findings and recommendations which (a) denied Plaintiffs’ motion for partial summary judgment regarding routine maintenance, repair and replacement; (b) denied Plaintiffs’ motion for partial summary judgment that the redesign projects for the Unit 1 and 4 turbines and the Unit 1 economizer were not “like kind replacements”; (c) granted Defendants’ motion for partial summary judgment regarding Plaintiffs’ use of the “actual-to-potential” emissions test; (d) granted in part and denied in part Plaintiffs’ motion for partial summary judgment regarding the allowable period from which to select a baseline for the Unit 3 reheater project; (e) granted in part and denied in part Defendants’ motion for partial summary judgment on baseline selection; and (f) granted

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Defendants' motion for partial summary judgment on emissions calculations for alleged aggregated turbine and safety valve project. Plaintiffs filed objections to the Magistrate's findings and recommendations on January 19, 2016, and Defendants filed their response on February 5, 2016. The U.S. Federal District Court Judge has not ruled on the Magistrate's proposed findings and recommendations and the matter was scheduled to go to a bench trial on May 31, 2016. However, on April 26, 2016, the parties filed a joint motion to vacate the May 31, 2016 trial date and to stay all deadlines in the case until June 28, 2016 to allow the parties to settle the litigation. On April 27, 2016, the Court granted that motion, and vacated the May 31, 2016 bench trial and all outstanding deadlines, giving the parties until June 28, 2016 to settle, extend the stay or propose a new bench trial schedule.

Billings, Montana Refinery Outage Claim

In August 2014, we received a letter from the ExxonMobil refinery in Billings claiming that it had sustained damages of approximately \$48.5 million as a result of a January 2014 electrical outage. In December 2015, Exxon increased the estimated losses related to that incident to approximately \$61.7 million. On January 13, 2016, a second electrical outage shut down the ExxonMobil refinery. On January 22, 2016, ExxonMobil filed suit against NorthWestern in U.S. District Court in Billings, Montana, seeking unspecified compensatory and punitive damages arising from both outages. On April 25, 2016, Exxon filed a First Amended Complaint against NorthWestern Energy claiming unspecified compensatory and punitive damages arising from the same two outages. We dispute ExxonMobil's claims and intend to vigorously defend this lawsuit. We have reported the refinery's claims and lawsuit to our liability insurance carriers under our liability insurance coverage, which has a \$2.0 million per occurrence retention. This matter is in the initial stages and we cannot predict an outcome or estimate the amount or range of loss that would be associated with an adverse result.

State of Montana - Riverbed Rents

On April 1, 2016, the State of Montana filed a complaint on remand with the Montana First Judicial District Court (State District Court), naming us, along with Talen Montana, LLC (Talen), as defendants. The State claims it owns the riverbeds underlying 10 of our hydroelectric facilities (dams, along with reservoirs and tailraces) on the Missouri, Madison and Clark Fork Rivers, and seeks rents for Talen's and our use and occupancy of such lands. The facilities at issue in the litigation include the Hebgen, Madison, Hauser, Holter, Black Eagle, Rainbow, Cochrane, Ryan and Morony facilities on the Missouri-Madison Rivers and the Thompson Falls facility on the Clark Fork River. We acquired these facilities from Talen in November 2014.

Prior to our acquisition of the facilities, Talen litigated this issue against the State in Montana State District Court, the Montana Supreme Court and in the United States Supreme Court. In August 2007, the State District Court determined that the 10 hydroelectric facilities were located on rivers which were navigable and that the State held title to the riverbeds. Subsequently, in June 2008, the State District Court awarded the State compensation with respect to all 10 facilities of approximately \$34 million for the 2000-2006 period and approximately \$6 million for 2007 (we have owned the facilities since November 2014). The State District Court deferred the determination of compensation for 2008 and future years to the Montana State Land Board.

Talen appealed the issue of navigability to the Montana Supreme Court, which in March 2010 affirmed the State District Court decision. In June 2011, Talen petitioned the United States Supreme Court to review the Montana Supreme Court decision. The United States Supreme Court issued an opinion in February 2012, overturning the Montana Supreme Court and holding that the Montana courts erred first by not considering the navigability of the rivers on a segment-by-segment basis and second in relying on present day recreational use of the rivers. The United States Supreme Court also considered the navigability of what it referred to as the Great Falls Reach and concluded, at least from the head of the first waterfall to the foot of the last, that the Great Falls Reach was not navigable for title purposes, and thus the State did not own the riverbeds in that segment. The United States Supreme Court remanded the case to the

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Montana Supreme Court, which in turn remanded it to the State District Court, for further proceedings not inconsistent with the United States Supreme Court's opinion.

Following the 2012 remand, the case laid dormant for four years until the State filed the complaint on remand with the State District Court. The complaint on remand renews all of the State's claims that the rivers on which the 10 hydroelectric facilities are located are navigable (including the Great Falls Reach), and that because they were navigable the riverbeds became State lands upon Montana's statehood in 1889 and that the State is entitled to rent for their use. The State's complaint on remand does not claim any specific rental amount. Pursuant to the terms of our acquisition of the hydroelectric facilities, Talen and NorthWestern will share jointly the expense of this litigation, and Talen is responsible for any rents applicable to the periods of time prior to the acquisition (i.e., before November 18, 2014), while we are responsible for periods thereafter.

On April 20, 2016 we removed the case from State District Court to the United States District Court for the District of Montana (Federal District Court). The State has until May 20, 2016 to ask the Federal District Court to remand the case back to the State District Court.

We dispute the State's claims and intend to vigorously defend the lawsuit. This matter is in the initial stages, and we cannot predict an outcome. If a judgment is entered in favor of the State on its complaint on remand, finding that all 10 of the hydroelectric facilities are navigable (including the five hydroelectric facilities on the Great Falls Reach) and if it calculates damages as before remand, we estimate the annual rents could be approximately \$7.0 million commencing in November 2014, when we acquired the facilities. We anticipate that any obligation to pay the State rent for use and occupancy of the riverbeds would be recoverable in rates from customers, although there can be no assurances that the MPSC would approve any such recovery.

Other Legal Proceedings

We are also subject to various other legal proceedings, governmental audits and claims that arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these other actions will not materially affect our financial position, results of operations, or cash flows.

[illegible]

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)		
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	4,818,030,664	3,723,827,719		
4	Property Under Capital Leases	40,209,537			
5	Plant Purchased or Sold				
6	Completed Construction not Classified				
7	Experimental Plant Unclassified	660,806	660,806		
8	Total (3 thru 7)	4,858,901,007	3,724,488,525		
9	Leased to Others				
10	Held for Future Use	3,807,967	3,778,101		
11	Construction Work in Progress	83,604,164	69,546,741		
12	Acquisition Adjustments	685,416,727	855,736,319		
13	Total Utility Plant (8 thru 12)	5,631,729,865	4,653,549,686		
14	Accum Prov for Depr, Amort, & Depl	1,982,825,566	1,512,672,834		
15	Net Utility Plant (13 less 14)	3,648,904,299	3,140,876,852		
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	1,920,744,614	1,484,556,328		
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant	49,039,235	15,074,789		
22	Total In Service (18 thru 21)	1,969,783,849	1,499,631,117		
23	Leased to Others				
24	Depreciation				
25	Amortization and Depletion				
26	Total Leased to Others (24 & 25)				
27	Held for Future Use				
28	Depreciation				
29	Amortization				
30	Total Held for Future Use (28 & 29)				
31	Abandonment of Leases (Natural Gas)				
32	Amort of Plant Acquisition Adj	13,041,717	13,041,717		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	1,982,825,566	1,512,672,834		

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
911,505,810	1,521,084			181,176,051	3
			40,209,537		4
					5
					6
					7
911,505,810	1,521,084		40,209,537	181,176,051	8
					9
29,866					10
7,420,239				6,637,184	11
		-170,319,592			12
918,955,915	1,521,084	-170,319,592	40,209,537	187,813,235	13
374,112,297	821,107	22,077,159	19,602,122	53,540,047	14
544,843,618	699,977	-192,396,751	20,607,415	134,273,188	15
					16
					17
349,372,573	821,107	22,077,159	19,602,122	44,315,325	18
					19
					20
24,739,724				9,224,722	21
374,112,297	821,107	22,077,159	19,602,122	53,540,047	22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
374,112,297	821,107	22,077,159	19,602,122	53,540,047	33

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

ELECTRIC PLANT IN SERVICE AND ACCUMULATED PROVISION FOR DEPRECIATION BY FUNCTION

1. Report below the original cost of plant in service by function. In addition to Account 101, include Account 102, and Account 106. Report in column (b) the original cost of plant in service and in column(c) the accumulated provision for depreciation and amortization by function.

Line No.	Item (a)	Plant in Service Balance at End of Quarter (b)	Accumulated Depreciation and Amortization Balance at End of Quarter (c)
1	Intangible Plant	8,592,348	3,127,349
2	Steam Production Plant	356,470,066	212,563,624
3	Nuclear Production Plant		
4	Hydraulic Production - Conventional	524,535,303	109,874,903
5	Hydraulic Production - Pumped Storage		
6	Other Production	465,057,797	68,252,207
7	Transmission	834,708,766	372,111,927
8	Distribution	1,423,281,355	675,564,922
9	Regional Transmission and Market Operation		
10	General	111,842,890	58,136,185
11	TOTAL (Total of lines 1 through 10)	3,724,488,525	1,499,631,117

--	--	--	--

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
Transmission Service and Generation Interconnection Study Costs					
1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies. 2. List each study separately. 3. In column (a) provide the name of the study. 4. In column (b) report the cost incurred to perform the study at the end of period. 5. In column (c) report the account charged with the cost of the study. 6. In column (d) report the amounts received for reimbursement of the study costs at end of period. 7. In column (e) report the account credited with the reimbursement received for performing the study.					
Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
2	FAC Study	1,520	253		
3	SIS Studies	5,454	253	5,000	253
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	Generation Studies				
22	FAC Studies	19,297	253	195,000	253
23	FEA Studies	2,969	253	6,000	253
24	SIS Studies	41,797	253	165,000	253
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount (e)	
1	Montana:					
2						
3	FAS 109	282,369,747	14,649,697			297,019,444
4						
5	Basin Creek Capital Lease	7,052,406	60,513			7,112,919
6						
7	Distribution System Infrastructure Project	6,271,514		588 & 880	783,939	5,487,575
8	Docket D2011.1.7					
9	Amortization 2013 - 2017					
10						
11	BPA Residential Exchange Program	1,204,475	1,903,805	254	1,968,905	1,139,375
12	Docket D2013.6.42 and Docket D2014.1.14					
13	and Dockets D2015.1.5, D2015.8.62					
14	Annual Amortization					
15						
16	Property Tax Tracker	4,692,587	747,266	(2)407	1,859,931	3,579,922
17	Docket D2013.12.83 & D2014.12.96					
18	Annual Amortization					
19						
20	FAS 106	4,751,338	135,599	(2)926	453,893	4,433,044
21	Docket 93.6.24					
22						
23	FAS 112	5,967,024				5,967,024
24	Docket 93.6.24					
25						
26	Compensated Absences	10,336,242	535,862			10,872,104
27	Docket 97.11.219					
28						
29	Excess Refunds Interim General Rate Case	32,105				32,105
30						
31	Pension Plan	117,852,902	2,493,210	(2)926	60,861	120,285,251
32						
33	Montana Consumer Counsel Tax	1,257,659	26,606	Various	6,723	1,277,542
34	Docket D2015.9.68 & D2014.9.84					
35						
36	Montana Public Service Commission Tax	1,765,115	21,811	Various	48,780	1,738,146
37	Docket D2015.9.67 & D2014.9.85					
38						
39	CTC QF Undercollection		231,670	407	187,826	43,844
40	Docket D97.7.90					
41	Annual Amortization					
42						
43	Asset Retirement Obligation	6,604,400	585,865			7,190,265

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of <u>2016/Q1</u>
--	---	--	--

OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount (e)	
1						
2						
3						
4						
5	South Dakota:					
6						
7	FAS 109	37,602,965	2,389,883			39,992,848
8						
9	Pension Plan	17,204,262		(2)407	193,392	17,010,870
10						
11	Manufactured Gas Plants	14,236,967		2407	75,492	14,161,475
12	Docket NG 11-003					
13						
14	Rate Case Costs	305,821	43,554	407	63,075	286,300
15	Docket EL 14-106					
16						
17	Field Inventory	801,694		407	22,479	779,215
18	Docket EL 14-106					
19						
20	Miscellaneous Regulatory Asset	167,990				167,990
21	Docket EL 14-106					
22						
23	Asset Retirement Obligation	2,242,267	150,538			2,392,805
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	TOTAL :	522,719,480	23,975,879		5,725,296	540,970,063

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1	
OTHER REGULATORY LIABILITIES (Account 254)						
1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.						
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.						
3. For Regulatory Liabilities being amortized, show period of amortization.						
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Montana Operations:					
2						
3	Deferred Gas Storage Sales	9,989,559	2407	105,129		9,884,430
4	Docket D2001.1.1					
5	Amortization 2001 - 2039					
6						
7	Montana Public Service Commission &	675,249	Various	43,965	183,507	814,791
8	Montana Consumer Counsel Taxes					
9	Dockets D2014.9.84, D2014.9.85,					
10	D2015.9.67 and D2015.9.68					
11						
12	BPA Residential Exchange Program					
13	Dockets D2013.6.42, D2014.1.14,					
14	and D2015.8.62 and D2015.1.5					
15						
16	CTC QF Over/Under Collections	36,644	Various	36,644		
17	Docket 97.7.90					
18	Annual Amortization					
19						
20	Environmental Insurance Proceeds	3,727,330				3,727,330
21						
22	South Dakota Operations:					
23						
24	Current Ad Valorem True-Up	891,062	(2)407	293,214	23,891	621,739
25	Docket GE98-001					
26						
27	Aberdeen Manufactured Gas Plant	3,181,617			916,922	4,098,539
28	Docket NG 11-003					
29						
30	Manufactured Gas Plants	212,216	2407	151,803	2,038	62,451
31	Dockets NG 07-013 and NG 11-003					
32	Amortization 2011 - 2016					
33						
34	Unbilled Revenues	10,807,891	173	3,038,025		7,769,866
35						
36						
37						
38						
39						
40						
41	TOTAL	29,521,568		3,668,780	1,126,358	26,979,146

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of <u>2016/Q1</u>
--	---	--	--

ELECTRIC OPERATING REVENUES (Account 400)

1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	92,319,681	
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	99,093,945	
5	Large (or Ind.) (See Instr. 4)	14,854,018	
6	(444) Public Street and Highway Lighting	4,320,448	
7	(445) Other Sales to Public Authorities	168,540	
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales	286,632	
10	TOTAL Sales to Ultimate Consumers	211,043,264	
11	(447) Sales for Resale	6,861,870	
12	TOTAL Sales of Electricity	217,905,134	
13	(Less) (449.1) Provision for Rate Refunds	906,562	
14	TOTAL Revenues Net of Prov. for Refunds	216,998,572	
15	Other Operating Revenues		
16	(450) Forfeited Discounts	125,380	
17	(451) Miscellaneous Service Revenues	49,640	
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	896,570	
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	2,041,986	
22	(456.1) Revenues from Transmission of Electricity of Others	11,912,294	
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	15,025,870	
27	TOTAL Electric Operating Revenues	232,024,442	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of <u>2016/Q1</u>
ELECTRIC OPERATING REVENUES (Account 400)					
<p>6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)</p> <p>7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.</p> <p>8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.</p> <p>9. Include unmetered sales. Provide details of such Sales in a footnote.</p>					
MEGAWATT HOURS SOLD				AVG.NO. CUSTOMERS PER MONTH	
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	Line No.	
				1	
835,869				2	
				3	
935,013				4	
153,413				5	
17,586				6	
1,580				7	
				8	
2,689				9	
1,946,150				10	
769,973				11	
2,716,123				12	
				13	
2,716,123				14	

Line 12, column (b) includes \$

0

of unbilled revenues.

Line 12, column (d) includes

0

MWH relating to unbilled revenues

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES					
Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.					
Line No.	Account (a)	Year to Date Quarter (b)			
1	1. POWER PRODUCTION AND OTHER SUPPLY EXPENSES				
2	Steam Power Generation - Operation (500-509)	14,426,783			
3	Steam Power Generation - Maintenance (510-515)	2,225,574			
4	Total Power Production Expenses - Steam Power	16,652,357			
5	Nuclear Power Generation - Operation (517-525)				
6	Nuclear Power Generation - Maintenance (528-532)				
7	Total Power Production Expenses - Nuclear Power				
8	Hydraulic Power Generation - Operation (535-540.1)	3,741,414			
9	Hydraulic Power Generation - Maintenance (541-545.1)	905,288			
10	Total Power Production Expenses - Hydraulic Power	4,646,702			
11	Other Power Generation - Operation (546-550.1)	4,224,477			
12	Other Power Generation - Maintenance (551-554.1)	402,012			
13	Total Power Production Expenses - Other Power	4,626,489			
14	Other Power Supply Expenses				
15	Purchased Power (555)	54,209,077			
16	System Control and Load Dispatching (556)	38,518			
17	Other Expenses (557)	7,411,854			
18	Total Other Power Supply Expenses (line 15-17)	61,659,449			
19	Total Power Production Expenses (Total of lines 4, 7, 10, 13 and 18)	87,584,997			
20	2. TRANSMISSION EXPENSES				
21	Transmission Operation Expenses				
22	(560) Operation Supervision and Engineering	1,753,354			
23					
24	(561.1) Load Dispatch-Reliability	274,091			
25	(561.2) Load Dispatch-Monitor and Operate Transmission System	197,918			
26	(561.3) Load Dispatch-Transmission Service and Scheduling	312,329			
27	(561.4) Scheduling, System Control and Dispatch Services				
28	(561.5) Reliability, Planning and Standards Development	19,974			
29	(561.6) Transmission Service Studies				
30	(561.7) Generation Interconnection Studies				
31	(561.8) Reliability, Planning and Standards Development Services				
32	(562) Station Expenses	473,486			
33	(563) Overhead Line Expenses	315,055			
34	(564) Underground Line Expenses				
35	(565) Transmission of Electricity by Others	3,707,836			
36	(566) Miscellaneous Transmission Expenses	-1,403,075			
37	(567) Rents	153,317			
38	(567.1) Operation Supplies and Expenses (Non-Major)				

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES					
Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.					
Line No.	Account (a)	Year to Date Quarter (b)			
39	TOTAL Transmission Operation Expenses (Lines 22 - 38)	5,804,285			
40	Transmission Maintenance Expenses				
41	(568) Maintenance Supervision and Engineering	329,852			
42	(569) Maintenance of Structures	5,205			
43	(569.1) Maintenance of Computer Hardware	581,257			
44	(569.2) Maintenance of Computer Software	104,298			
45	(569.3) Maintenance of Communication Equipment	26,766			
46	(569.4) Maintenance of Miscellaneous Regional Transmission Plant				
47	(570) Maintenance of Station Equipment	291,393			
48	(571) Maintenance Overhead Lines	406,408			
49	(572) Maintenance of Underground Lines				
50	(573) Maintenance of Miscellaneous Transmission Plant				
51	(574) Maintenance of Transmission Plant				
52	TOTAL Transmission Maintenance Expenses (Lines 41 - 51)	1,745,179			
53	Total Transmission Expenses (Lines 39 and 52)	7,549,464			
54	3. REGIONAL MARKET EXPENSES				
55	Regional Market Operation Expenses				
56	(575.1) Operation Supervision	3,167			
57	(575.2) Day-Ahead and Real-Time Market Facilitation	81,351			
58	(575.3) Transmission Rights Market Facilitation	1,583			
59	(575.4) Capacity Market Facilitation				
60	(575.5) Ancillary Services Market Facilitation	22,338			
61	(575.6) Market Monitoring and Compliance	11,169			
62	(575.7) Market Facilitation, Monitoring and Compliance Services				
63	Regional Market Operation Expenses (Lines 55 - 62)	119,608			
64	Regional Market Maintenance Expenses				
65	(576.1) Maintenance of Structures and Improvements				
66	(576.2) Maintenance of Computer Hardware				
67	(576.3) Maintenance of Computer Software				
68	(576.4) Maintenance of Communication Equipment				
69	(576.5) Maintenance of Miscellaneous Market Operation Plant				
70	Regional Market Maintenance Expenses (Lines 65-69)				
71	TOTAL Regional Control and Market Operation Expenses (Lines 63,70)	119,608			
72	4. DISTRIBUTION EXPENSES				
73	Distribution Operation Expenses (580-589)	5,928,580			
74	Distribution Maintenance Expenses (590-598)	4,880,863			
75	Total Distribution Expenses (Lines 73 and 74)	10,809,443			

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
ELECTRIC CUSTOMER ACCOUNTS, SERVICE, SALES, ADMINISTRATIVE AND GENERAL EXPENSES					
Report the amount of expenses for customer accounts, service, sales, and administrative and general expenses year to date.					
Line No.	Account (a)	Year to Date Quarter (b)			
1	(901-905) Customer Accounts Expenses	1,895,183			
2	(907-910) Customer Service and Information Expenses	1,548,281			
3	(911-917) Sales Expenses	82,680			
4	8. ADMINISTRATIVE AND GENERAL EXPENSES				
5	Operations				
6	920 Administrative and General Salaries	7,941,826			
7	921 Office Supplies and Expenses	3,117,015			
8	(Less) 922 Administrative Expenses Transferred-Credit	899,233			
9	923 Outside Services Employed	1,449,590			
10	924 Property Insurance	648,197			
11	925 Injuries and Damages	2,588,504			
12	926 Employee Pensions and Benefits	1,345,430			
13	927 Franchise Requirements				
14	928 Regulatory Commission Expenses	539,106			
15	(Less) 929 Duplicate Charges-Credit				
16	930.1 General Advertising Expenses	36,883			
17	930.2 Miscellaneous General Expenses	4,343,638			
18	931 Rents	493,224			
19	TOTAL Operation (Total of lines 6 thru 18)	21,604,180			
20	Maintenance				
21	935 Maintenance of General Plant	727,915			
22	TOTAL Administrative and General Expenses (Total of lines 19 and 21)	22,332,095			

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as "wheeling")					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	MONTANA NETWORK TRANSMISSION				
2					
3	Ash Grove Cement West		Ash Grove Cement West	FNO	
4	Aspen Air		Aspen Air	FNO	
5	Barretts Minerals Inc.		Barretts Minerals	FNO	
6	Beartooth Elec Cooperative		Beartooth Electric Cooperative	FNO	
7	Benefis Hospitals		Benefits Hospitals	FNO	
8	Big Horn REA		Big Horn REA	FNO	
9	BPA Coops		Various Coops in Montana	FNO	
10	Central Montana Coop 1		Central Montana Electric	FNO	
11	Central Montana Coop 2		Central Montana Electric	FNO	
12	CHS		Cenex Refinery	FNO	
13	City of Great Falls		City of Great Falls	FNO	
14	Colstrip Projects - Nichols Pump		Colstrip Project - Nichols Pump	FNO	
15	Conoco Phillips		Conoco Pipe Line Company	FNO	
16	EXXON REFINING		EXXON	FNO	
17	General Mills		General Mills	FNO	
18	Great Falls School District		Great Falls Schools	FNO	
19	Old Castle (Holcim, Inc.)		Holcim, Inc.	FNO	
20	Imery Talc (Luzenac America)		Luzenac America	FNO	
21	Suiza (Meadow Gold Dairy)		Meadow Gold	FNO	
22	Calumet Montana Refining		Montana Refining	FNO	
23	Montana Resources		Montana Resources, Inc.	FNO	
24	REC/ASIMI		REC/ASIMI	FNO	
25	Roseburg Forest Products		Roseburg Forest Products	FNO	
26	Southern Montana El Coop		Southern Montana Electric Coop	FNO	
27	Stillwater Mining Co		Stillwater Mining Company	FNO	
28	Town of Phillipsburg		Town of Phillipsburg	FNO	
29	WAPA		NWMT	FNO	
30					
31	MONTANA POINT-TO-POINT				
32					
33	Western Area Power Admin	WAPA	NWMT	NF	
34	Western Area Power Admin	WAPA	WAPA	NF	
	TOTAL				

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')						
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>						
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
						1
						2
Vol #5	Colstrip	Ash Grove Cement Wet	6	4,001	4,001	3
Vol #5	Colstrip	Aspen Air	11	12,495	12,495	4
Vol #5	Colstrip	Barretts Minerals	4	9,332	9,332	5
Vol #5	Great Falls	Beartooth Elec Coop	18	21,008	21,008	6
Vol #5	Colstrip	Benefis Hospitals	4	7,841	7,841	7
Vol #5	BPAT.NWMT & Great Fs	Big Horn REA	15	18,415	18,415	8
Vol #5	BPAT.NWMT	Various in Montana	212	219,134	219,134	9
Vol #5	Crossover	Central Montana Elec	112	114,697	114,697	10
Vol #5	Crossover	Central Montana Elec	13	19,908	19,908	11
Vol #5	Colstrip	Cenex Refinery	40	83,417	83,417	12
Vol #5	Colstrip	Various Load Pointss	6	5,467	5,467	13
Vol #5	AVAT.NWMT	Colstrip Project - p	10	10,883	10,883	14
Vol #5	Kerr	Conoco Pipe Line Coy	50	105,315	105,315	15
Vol #5	Colstrip	EXXON	35	62,724	62,724	16
Vol #5	Colstrip	General Mills	4	5,026	5,026	17
Vol #5	Colstrip	Great Falls Schools	1	2,516	2,516	18
Vol #5	Colstrip	Holcim, Inc.	6	9,930	9,930	19
Vol #5	Colstrip	Luzenac America	5	6,661	6,661	20
Vol #5	Colstrip	Meadow Gold	2	1,583	1,583	21
Vol #5	Colstrip	Montana Refining	4	13,833	13,833	22
Vol #5	Colstrip	Montana Resources, .	46	95,519	95,519	23
Vol #5	Colstrip	REC/ASIMI	135	201,841	201,841	24
Vol #5	Colstrip	Roseburg Forest Pros	8	12,968	12,968	25
Vol #5	Great Falls	Southern Montana Elp	69	86,776	86,776	26
Vol #5	Colstrip	Stillwater Mining Co	31	61,104	61,104	27
Vol #5	NWE System	Town of Philipsburg		206	206	28
Vol #5	Great Falls (WAPA)	Various in Montana	4			29
						30
						31
						32
Vol #5	Canyon Ferry	NWMT.System		3,010	3,010	33
Vol #5	Canyon Ferry	Crossover		63,510	63,510	34
			1,431	2,667,485	2,667,485	

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
				1
				2
39,992			39,992	3
59,427			59,427	4
39,006			39,006	5
106,688			106,688	6
44,140			44,140	7
105,442			105,442	8
1,073,250			1,073,250	9
573,127			573,127	10
94,333			94,333	11
359,261			359,261	12
29,403			29,403	13
58,722			58,722	14
526,288			526,288	15
273,022			273,022	16
24,115			24,115	17
12,016			12,016	18
43,335			43,335	19
36,086			36,086	20
8,136			8,136	21
51,427			51,427	22
410,214			410,214	23
867,946			867,946	24
58,274			58,274	25
417,432			417,432	26
282,028			282,028	27
896			896	28
4,745			4,745	29
				30
				31
				32
	13,033		13,033	33
	274,998		274,998	34
11,021,868	890,426	0	11,912,294	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as "wheeling")					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Western Area Power Admin	WAPA	WAPA	NF	
2	Western Area Power Admin	WAPA	NWMT	NF	
3	Western Area Power Admin	WAPA	NWMT	SFP	
4	Western Area Power Admin	WAPA	WAPA	NF	
5	Western Area Power Admin	WAPA	WAPA	NF	
6	Western Area Power Admin	WAPA	NWMT	NF	
7					
8	PacifiCorp - Transmission	NWMT	NWMT	SFP	
9	PacifiCorp - Transmission	NWMT	NWMT	NF	
10	PacifiCorp - Transmission	Colstrip Partners	Pacificorp	NF	
11	PacifiCorp - Transmission	Colstrip Partners	Pacificorp	SFP	
12	PacifiCorp - Transmission	Colstrip Partners	Pacificorp	NF	
13	PacifiCorp - Transmission	Pacificorp	NWMT	NF	
14	PacifiCorp - Transmission	Pacificorp	Pacificorp	NF	
15					
16	Avista Corporation	AVISTA	NWMT	NF	
17	Avista Corporation	NWMT	NWMT	SFP	
18	Avista Corporation	NWMT	NWMT	NF	
19	Avista Corporation	NWMT	AVISTA	SFP	
20	Avista Corporation	NWMT	AVISTA	NF	
21					
22	Bonneville Power Administration	BPAT	NWMT	NF	
23	Bonneville Power Administration	BPAT	NWMT	SFP	
24	Bonneville Power Administration	BPA	Pacificorp	NF	
25					
26	Basin EL Coop	WAPA	WAPA	LFP	
27					
28	Coral Energy	Colstrip Partners	BPAT	NF	
29					
30	Energy Keepers	NWMT	BPAT	NF	
31	Energy Keepers	NWMT	BPAT	LFP	
32	Energy Keepers	NWMT	AVAT	NF	
33	Energy Keepers	NWMT	AVAT	SFP	
34	Energy Keepers	NWMT	NWMT	NF	
	TOTAL				

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule or Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
Vol #5	Canyon Ferry	Great Falls		9,132	9,132	1
Vol #5	Great Falls	NWMT.System		731	731	2
Vol #5	Great Falls	NWMT.System	2	4,362	4,362	3
Vol #5	Crossover	Great Falls		508	508	4
Vol #5	Great Falls	Crossover		17,959	17,959	5
Vol #5	Crossover	NWMT.System		7	7	6
						7
Vol #5	Colstrip	NWMT System		48	48	8
Vol #5	Colstrip	NWMT.System		163	163	9
Vol #5	Colstrip	YTP		6,095	6,095	10
Vol #5	Colstrip	YTP		816	816	11
Vol #5	MLCK	JEFF		50	50	12
Vol #5	YTP	NWMT System		143	143	13
Vol #5	BRDY	YTP		150	150	14
						15
Vol #5	AVAT.NWMT	NWMT.System		164	164	16
Vol #5	Colstrip	NWMT.System		96	96	17
Vol #5	Colstrip	NWMT.System		1,116	1,116	18
Vol #5	NWMT.System	AVAT.NWMT	10	21,544	21,544	19
Vol #5	NWMT.System	AVAT.NWMT		6,088	6,088	20
						21
Vol #5	BPAT.NWMT	NWMT.System		982	982	22
Vol #5	BPAT.NWMT	NWMT.System		96	96	23
Vol #5	BPAT.NWMT	YTP		307	307	24
						25
Vol #5	Crossover	Greatfalls	31	67,673	67,673	26
						27
Vol #5	Kerr	BPAT.NWMT		90	90	28
						29
Vol #5	Kerr	BPAT.NWMT		7,404	7,404	30
Vol #5	Kerr	BPAT.NWMT	37	80,771	80,771	31
Vol #5	Kerr T	AVAT.NWMT		672	672	32
Vol #5	Kerr	AVAT.NWMT		168	168	33
Vol #5	Kerr	NWMT.System		1,775	1,775	34
			1,431	2,667,485	2,667,485	

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as "wheeling")			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	39,542		39,542	1
	3,165		3,165	2
18,960			18,960	3
	2,200		2,200	4
	77,762		77,762	5
	30		30	6
				7
208			208	8
	706		706	9
	26,391		26,391	10
3,533			3,533	11
	217		217	12
	619		619	13
	650		650	14
				15
	710		710	16
416			416	17
	4,832		4,832	18
93,406			93,406	19
	26,361		26,361	20
				21
	4,252		4,252	22
416			416	23
	1,329		1,329	24
				25
293,880			293,880	26
				27
	390		390	28
				29
	32,059		32,059	30
258,537			258,537	31
	2,910		2,910	32
727			727	33
	7,686		7,686	34
11,021,868	890,426	0	11,912,294	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c).</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Energy Keepers	NWMT	NWMT	NF	
2	Energy Keepers	NWMT	Pacificorp	NF	
3					
4	Portland General Electric	NWMT	NWMT	NF	
5	Portland General Electric	Colstrip Partners	BPA	NF	
6	Portland General Electric	BPAT	NWMT	NF	
7					
8					
9	Morgan Stanley	Pacificorp	NWMT	NF	
10	Morgan Stanley	Pacificorp	MATL	NF	
11	Morgan Stanley	Pacificorp	MATL	NF	
12	Morgan Stanley	BPA	Pacificorp	NF	
13	Morgan Stanley	BPA	Pacificorp	NF	
14	Morgan Stanley	BPA	Pacificorp	NF	
15	Morgan Stanley	BPA	WAPA	NF	
16	Morgan Stanley	BPA	NWMT	NF	
17	Morgan Stanley	BPA	NWMT	LFP	
18	Morgan Stanley	BPA	MATL	NF	
19	Morgan Stanley	BPA	Glacier Wind	NF	
20	Morgan Stanley	MATL	AVISTA	NF	
21	Morgan Stanley	MATL	AVISTA	SFP	
22	Morgan Stanley	MATL	AVISTA	SFP	
23	Morgan Stanley	CNTP	BPA	NF	
24	Morgan Stanley	NWMT	BPA	NF	
25	Morgan Stanley	MATL	BPA	NF	
26	Morgan Stanley	MATL	BPA	SFP	
27	Morgan Stanley	MATL	Pacificorp	NF	
28	Morgan Stanley	MATL	Pacificorp	NF	
29	Morgan Stanley	MATL	Pacificorp	SFP	
30	Morgan Stanley	Colstrip Partners	Pacificorp	NF	
31	Morgan Stanley	Colstrip Partners	Pacificorp	SFP	
32	Morgan Stanley	CNTP	MATL	NF	
33	Morgan Stanley	CNTP	MATL	SFP	
34	Morgan Stanley	CNTP	NWMT	NF	
	TOTAL				

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')						
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>						
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
Vol #5	Colstrip	NWMT.System		6	6	1
Vol #5	Kerr	BRDY		962	962	2
						3
Vol #5	Colstrip	NWMT System		92	92	4
Vol #5	Colstrip	BPAT.NWMT		84	84	5
Vol #5	BPAT.NWMT	NWMT.System		259	259	6
						7
						8
Vol #5	BRDY	NWMT.SYSTEM		1	1	9
Vol #5	BRDY	MATL.NWMT		20	20	10
Vol #5	YTP	MATL.NWMT		48	48	11
Vol #5	BPAT.NWMT	YTP		43	43	12
Vol #5	BPAT.NWMT	BRDY		48	48	13
Vol #5	BPAT.NWMT	JEFF		5	5	14
Vol #5	BPAT.NWMT	Crossover		50	50	15
Vol #5	BPAT.NWMT	NWMT.SYSTEM		4,987	4,987	16
Vol #5	BPAT.NWMT	MATL.NWMT	100	218,300	218,300	17
Vol #5	BPAT.NWMT	MATL.NWMT		3,571	3,571	18
Vol #5	BPAT.NWMT	GLWIND1		25	25	19
Vol #5	MATL.NWMT	AVAT.NWMT		4,551	4,551	20
Vol #5	MATL.NWMT	AVAT.NWMT	7	14,831	14,831	21
Vol #5	MATL.NWMT	AVAT.NWMT	12	25,525	25,525	22
Vol #5	Hardin	BPAT.NWMT		1,035	1,035	23
Vol #5	Kerr	BPAT.NWMT		5	5	24
Vol #5	MATL.NWMT	BPAT.NWMT		18,573	18,573	25
Vol #5	MATL.NWMT	BPAT.NWMT	1	1,896	1,896	26
Vol #5	MATL.NWMT	BRDY		2,052	2,052	27
Vol #5	MATL.NWMT	JEFF		1,202	1,202	28
Vol #5	MATL.NWMT	JEFF	1	2,256	2,256	29
Vol #5	MATL.NWMT	YTP		330	330	30
Vol #5	MATL.NWMT	YTP	1	2,400	2,400	31
Vol #5	Hardin	MATL.NWMT		203	203	32
Vol #5	Hardin	MATL.NWMT	2	3,715	3,715	33
Vol #5	Hardin	NWE.System		83	83	34
			1,431	2,667,485	2,667,485	

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of <u>2016/Q1</u>
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	26		26	1
	4,165		4,165	2
				3
	398		398	4
	364		364	5
	1,121		1,121	6
				7
				8
	4		4	9
	87		87	10
	208		208	11
	186		186	12
	208		208	13
	22		22	14
	217		217	15
	21,594		21,594	16
948,000			948,000	17
	15,462		15,462	18
	108		108	19
	19,706		19,706	20
64,418			64,418	21
110,600			110,600	22
	4,482		4,482	23
	22		22	24
	80,421		80,421	25
8,208			8,208	26
	8,885		8,885	27
	5,205		5,205	28
9,767			9,767	29
	1,429		1,429	30
10,390			10,390	31
	879		879	32
15,800			15,800	33
	359		359	34
11,021,868	890,426	0	11,912,294	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Morgan Stanley	NWMT	NWMT	NF	
2	Morgan Stanley	MATL	NWMT	NF	
3	Morgan Stanley	NWMT	MATL	NF	
4	Morgan Stanley	NWMT	MATL	NF	
5	Morgan Stanley	CNTP	Glacier Wind	NF	
6	Morgan Stanley	NWMT	Glacier Wind	NF	
7	Morgan Stanley	MATL	Glacier Wind	NF	
8	Morgan Stanley	MATL	WAPA	NF	
9	Morgan Stanley	Glacier Wind	AVISTA	SFP	
10	Morgan Stanley	Glacier Wind	AVISTA	NF	
11	Morgan Stanley	Glacier Wind	AVISTA	NF	
12	Morgan Stanley	Glacier Wind	AVISTA	SFP	
13	Morgan Stanley	Glacier Wind	BPA	NF	
14	Morgan Stanley	Glacier Wind	BPA	SFP	
15	Morgan Stanley	Glacier Wind	BPA	NF	
16	Morgan Stanley	Glacier Wind	BPA	SFP	
17	Morgan Stanley	Glacier Wind	NWMT	NF	
18	Morgan Stanley	Glacier Wind	NWMT	NF	
19	Morgan Stanley	Glacier Wind	MATL	NF	
20	Morgan Stanley	Glacier Wind	MATL	NF	
21	Morgan Stanley	Glacier Wind	Pacificorp	NF	
22	Morgan Stanley	Glacier Wind	Pacificorp	NF	
23	Morgan Stanley	Glacier Wind	Pacificorp	NF	
24	Morgan Stanley	Glacier Wind	Pacificorp	SFP	
25	Morgan Stanley	Glacier Wind	Pacificorp	NF	
26	Morgan Stanley	Glacier Wind	Pacificorp	SFP	
27	Morgan Stanley	Glacier Wind	WAPA	NF	
28	Morgan Stanley	AVISTA	MATL	NF	
29	Morgan Stanley	AVISTA	MATL	SFP	
30	Morgan Stanley	WAPA	AVISTA	NF	
31	Morgan Stanley	WAPA	BPA	NF	
32	Morgan Stanley	WAPA	BPA	NF	
33	Morgan Stanley	WAPA	NWMT	NF	
34	Morgan Stanley	WAPA	MATL	NF	
	TOTAL				

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
NorthWestern Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	03/31/2016	End of 2016/Q1

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
Vol #5	Kerr	NWE.System		88	88	1
Vol #5	MATL.NWMT	NWE.System		421	421	2
Vol #5	Colstrip	MATL.NWMT		254	254	3
Vol #5	TKerr	MATL.NWMT		65	65	4
Vol #5	Hardin	GLWIND1		14	14	5
Vol #5	Kerr	GLWIND1		12	12	6
Vol #5	MATL.NWMT	GLWIND1		313	313	7
Vol #5	MATL.NWMT	Crossover		20	20	8
Vol #5	GLWIND1	AVAT.NWMT	2	4,392	4,392	9
Vol #5	GLWIND1	AVAT.NWMT		1,801	1,801	10
Vol #5	GLWIND2	AVAT.NWMT		1,152	1,152	11
Vol #5	GLWIND2	AVAT.NWMT	1	1,440	1,440	12
Vol #5	GLWIND1	BPAT.NWMT		9,969	9,969	13
Vol #5	GLWIND1	BPAT.NWMT	4	7,968	7,968	14
Vol #5	GLWIND2	BPAT.NWMT		4,330	4,330	15
Vol #5	GLWIND2	BPAT.NWMT		120	120	16
Vol #5	GLWIND1	NWMT System		660	660	17
Vol #5	GLWIND2	NWMT.System		187	187	18
Vol #5	GLWIND1	MATL.NWMT		900	900	19
Vol #5	GLWIND2	MATL.NWMT		137	137	20
Vol #5	GLWIND1	BRDY		436	436	21
Vol #5	GLWIND1	JEFF		730	730	22
Vol #5	GLWIND2	JEFF		566	566	23
Vol #5	GLWIND2	JEFF	2	3,312	3,312	24
Vol #5	GLWIND1	YTP		166	166	25
Vol #5	GLWIND2	YTP	1	1,200	1,200	26
Vol #5	GLWIND1	Crossover		20	20	27
Vol #5	AVAT.NWMT	MATL.NWMT		33	33	28
Vol #5	AVAT.NWMT	MATL.NWMT	17	37,077	37,077	29
Vol #5	Great Falls	AVAT.NWMT		1,044	1,044	30
Vol #5	Great Falls	BPAT.NWMT		8,262	8,262	31
Vol #5	Crossover	BPAT.NWMT		171	171	32
Vol #5	Great Falls	NWMT.system		658	658	33
Vol #5	Great Falls	MATL.NWMT		479	479	34
			1,431	2,667,485	2,667,485	

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of <u>2016/Q1</u>
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	381		381	1
	1,823		1,823	2
	1,100		1,100	3
	281		281	4
	61		61	5
	52		52	6
	1,355		1,355	7
	87		87	8
19,014			19,014	9
	7,798		7,798	10
	4,988		4,988	11
6,234			6,234	12
	43,166		43,166	13
34,495			34,495	14
	18,749		18,749	15
520			520	16
	2,858		2,858	17
	810		810	18
	3,897		3,897	19
	593		593	20
	1,888		1,888	21
	3,161		3,161	22
	2,451		2,451	23
14,338			14,338	24
	719		719	25
5,195			5,195	26
	87		87	27
	143		143	28
161,160			161,160	29
	4,521		4,521	30
	35,774		35,774	31
	740		740	32
	2,849		2,849	33
	2,074		2,074	34
11,021,868	890,426	0	11,912,294	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as "wheeling")					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Morgan Stanley	WAPA	Pacificorp	NF	
2	Morgan Stanley	WAPA	Pacificorp	NF	
3	Morgan Stanley	WAPA	Pacificorp	NF	
4	Morgan Stanley	WAPA	WAPA	NF	
5					
6	Naturener USA	AVISTA	Glacier Wind	SFP	
7	Naturener USA	NWMT	Pacificorp	NF	
8	Naturener USA	Glacier Wind	NWMT	NF	
9	Naturener USA	Glacier Wind	Glacier Wind	SFP	
10					
11	North Point	WAPA	BPA	NF	
12	North Point	WAPA	NWMT	NF	
13					
14	Talen Energy/PP&L Montana, LLC	NWMT	BPA	LFP	
15	Talen Energy/PP&L Montana, LLC	NWMT	Pacificorp	LFP	
16	Talen Energy/PP&L Montana, LLC	NWMT	Pacificorp	LFP	
17					
18	Talen Energy/PP&L Energy Plus	WAPA	Pacificorp	LFP	
19	Talen Energy/PP&L Energy Plus	PPLM	NWMT	NF	
20	Talen Energy/PP&L Energy Plus	PPLM	BPA	NF	
21	Talen Energy/PP&L Energy Plus	NWMT	BPA	LFP	
22	Talen Energy/PP&L Energy Plus	NWMT	Pacificorp	LFP	
23	Talen Energy/PP&L Energy Plus	NWMT	Pacificorp	LFP	
24	Talen Energy/PP&L Energy Plus	PPLM	WAPA	NF	
25	Talen Energy/PP&L Energy Plus	PPLM	Pacificorp	NF	
26	Talen Energy/PP&L Energy Plus	PPLM	Pacificorp	NF	
27	Talen Energy/PP&L Energy Plus	PPLM	Pacificorp	NF	
28	Talen Energy/PP&L Energy Plus	PPLM	Pacificorp	LFP	
29	Talen Energy/PP&L Energy Plus	PPLM	WAPA	NF	
30					
31	Powerex	BPA	NWMT	NF	
32	Powerex	MATL	BPA	NF	
33	Powerex	MATL	Pacificorp	LFP	
34	Powerex	BPA	Pacificorp	NF	
	TOTAL				

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
NorthWestern Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	03/31/2016	End of 2016/Q1

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
Vol #5	Great Falls	YTP		135	135	1
Vol #5	Great Falls	JEFF		1,236	1,236	2
Vol #5	Great Falls	BRDY		548	548	3
Vol #5	Great Falls	Crossover		25	25	4
						5
Vol #5	AVAT.NWMT	GLWIND1	5	10,905	10,905	6
Vol #5	Horseshoe	JEFF		8	8	7
Vol #5	GLWIND1	NWMT.system		69	69	8
Vol #5	GLWIND1	GLWIND2	5	10,905	10,905	9
						10
Vol #5	Crossover	BPAT.NWMT		137	137	11
Vol #5	Crossover	NWMT.system		5	5	12
						13
Vol #5	Colstrip	BPAT	100	218,300	218,300	14
Vol #5	Crooked Falls	BRDY	7	15,281	15,281	15
Vol #5	Colstrip	JEFF	73	159,359	159,359	16
						17
Vol #5	Crossover	BRDY	15	32,745	32,745	18
Vol #5	Colstrip	NWMT.System		42	42	19
Vol #5	Colstrip	BPAT.NWMT		896	896	20
Vol #5	GTFALLS.NWMT	BPAT.NWMT	25	54,575	54,575	21
Vol #5	Black Eagle	BRDY	4	8,732	8,732	22
Vol #5	Crooked Falls	JEFF	7	15,274	15,274	23
Vol #5	Colstrip	Crossover		53	53	24
Vol #5	Colstrip	YTP		420	420	25
Vol #5	Colstrip	BRDY		344	344	26
Vol #5	Colstrip	JEFF		40	40	27
Vol #5	Colstrip	JEFF	6	15,282	15,282	28
Vol #5	Colstrip	Crossover		24	24	29
						30
Vol #5	BPAT.NWMT	NWMT.System		425	425	31
Vol #5	MATL.NWM	BPAT.NWMT		150	150	32
Vol #5	MATL.NWM	BRDY	59	128,277	128,277	33
Vol #5	BPAT.NWMT	BRDY		82	82	34
			1,431	2,667,485	2,667,485	

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	585		585	1
	5,352		5,352	2
	2,373		2,373	3
	108		108	4
				5
47,400			47,400	6
	35		35	7
	299		299	8
47,400			47,400	9
				10
	593		593	11
	22		22	12
				13
948,000			948,000	14
66,360			66,360	15
692,040			692,040	16
				17
142,200			142,200	18
	182		182	19
	3,880		3,880	20
237,000			237,000	21
37,920			37,920	22
66,360			66,360	23
	229		229	24
	1,819		1,819	25
	1,490		1,490	26
	173		173	27
66,358			66,358	28
	102		102	29
				30
	1,840		1,840	31
	650		650	32
559,320			559,320	33
	355		355	34
11,021,868	890,426	0	11,912,294	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Powerex	BPA	Pacificorp	LFP	
2					
3	TransAlta Energy Marketing	WAPA	BPA	NF	
4	TransAlta Energy Marketing	WAPA	NWMT	NF	
5					
6	Canadian Wood Products	NWMT	NWMT	NF	
7	Canadian Wood Products	NWMT	WAPA	NF	
8	Canadian Wood Products	NWMT	Pacificorp	NF	
9	Canadian Wood Products	Pacificorp	BPAT	NF	
10	Canadian Wood Products	WAPA	NWMT	NF	
11	Canadian Wood Products	WAPA	MATL	NF	
12	Canadian Wood Products	BPAT	Pacificorp	NF	
13	Canadian Wood Products	BPAT	NWMT	NF	
14	Canadian Wood Products	BPAT	NWMT	NF	
15					
16	Southern MT EL Coop	NWMT	WAPA	SFP	
17	Southern MT EL Coop	NWMT	WAPA	SFP	
18	Southern MT EL Coop	NWMT	WAPA	SFP	
19	Southern MT EL Coop	NWMT	NWMT	SFP	
20					
21	The Energy Authority	Colstrip Partners	BPA	NF	
22	The Energy Authority	BPA	Pacificorp	NF	
23					
24	United Materials of Great Falls	UMGF	Pacificorp	NF	
25	United Materials of Great Falls	UMGF	Pacificorp	NF	
26	United Materials of Great Falls	UMGF	NWMT	NF	
27	United Materials of Great Falls	Glacier Wind	NWMT	NF	
28					
29	SOUTH DAKOTA				
30					
31	Bryant, City of	WAPA	Bryant	LFP	
32	Langford, City of	WAPA	Langford	LFP	
33					
34					
	TOTAL				

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016		Year/Period of Report End of 2016/Q1	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as "wheeling")							
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>							
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.	
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)		
Vol #5	BPAT.NWMT	BRDY	41	89,993	89,993	1	
						2	
Vol #5	Crossover	BPAT.NWMT		25	25	3	
Vol #5	Crossover	NWMT.System		1	1	4	
						5	
Vol #5	MATL.NWMT	NWMT.System		61	61	6	
Vol #5	MATL.NWMT	Crossover		537	537	7	
Vol #5	MATL.NWMT	YTP		112	112	8	
Vol #5	YTP	BPAT.NWMT		1	1	9	
Vol #5	Crossover	NWMT.System		2	2	10	
Vol #5	Crossover	MATL.NWMT		50	50	11	
Vol #5	BPAT.NWMT	YTP		70	70	12	
Vol #5	BPAT.NWMT	MATL.NWMT		25	25	13	
Vol #5	BPAT.NWMT	NWMT.System		7	7	14	
						15	
Vol #5	Colstrip	Crossover		96	96	16	
Vol #5	Colstrip	Crossover		2,013	2,013	17	
Vol #5	Colstrip	Crossover	2	5,201	5,201	18	
Vol #5	Colstrip	NWMT.System		167	167	19	
						20	
Vol #5	Kerr	BPAT.System		23	23	21	
Vol #5	BPAT.NWMT	BRDY		3	3	22	
						23	
Vol #5	Horseshoe	JEFF		7,774	7,774	24	
Vol #5	Horseshoe	BRDY		672	672	25	
Vol #5	Horseshoe	NWMT.SYSTEM		455	455	26	
Vol #5	GLWND1	NWMT.SYSTEM		5	5	27	
						28	
						29	
						30	
Vol. 2	Huron 115 kV Bus	Bryant 25 kV		1,179	1,179	31	
Vol. 2	Huron 115 kV Bus	Langford 12.5 kV		954	954	32	
						33	
						34	
			1,431	2,667,485	2,667,485		

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
388,680			388,680	1
				2
	108		108	3
	4		4	4
				5
	264		264	6
	2,325		2,325	7
	485		485	8
	4		4	9
	9		9	10
	217		217	11
	303		303	12
	108		108	13
	30		30	14
				15
416			416	16
8,750			8,750	17
22,120			22,120	18
727			727	19
				20
	100		100	21
	13		13	22
				23
	33,661		33,661	24
	2,910		2,910	25
	1,970		1,970	26
	22		22	27
				28
				29
				30
7,664			7,664	31
6,180			6,180	32
				33
				34
11,021,868	890,426	0	11,912,294	

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016		Year/Period of Report End of 2016/Q1		
TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")								
<p>1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.</p> <p>2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.</p> <p>3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.</p> <p>4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.</p> <p>5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last line.</p> <p>7. Footnote entries and provide explanations following all required data.</p>								
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	MONTANA							
2								
3	Vigilante Elec Coop	OLF	9,019	9,019	14,686			14,686
4	Bonneville Power Admin	OLF					159,914	159,914
5	Bonneville Power Admin	OLF					743,620	743,620
6	Sun River Elec Coop	OLF	2,674	2,674	14,710			14,710
7	WAPA	OLF	42,868	42,868	437,301			437,301
8								
9	Supply:							
10	Seattle City Light	NF	89	89		186		186
11								
12	SOUTH DAKOTA							
13								
14	East River	FNS			452			452
15	Otter Tail Power	FNS			23,746			23,746
16	Southwest Power Pool	FNS			2,313,220			2,313,220
	TOTAL		54,650	54,650	2,804,115	186	903,534	3,707,835

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)	21,147,207			
3	Net Sales (Account 447)	20,096,596			
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL	41,243,803			

Name of Respondent NorthWestern Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1	
MONTHLY PEAKS AND OUTPUT						
<p>(1) (1) Report the monthly peak load and energy output. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non- integrated system. In quarter 1 report January, February, and March only. In quarter 2 report April, May, and June only. In quarter 3 report July, August, and September only.</p> <p>(2) Report on column (b) by month the system's output in Megawatt hours for each month.</p> <p>(3) Report on column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.</p> <p>(4) Report on column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.</p> <p>(5) Report on columns (e) and (f) the specified information for each monthly peak load reported on column (d).</p> <p>(6) Report Monthly Peak Hours in military time; 0100 for 1:00 AM, 1200 for 12 AM, and 1830 for 6:30 PM, etc.</p>						
NAME OF SYSTEM: See Footnote						
Line No.	Month (a)	Total Monthly Energy (MWH) (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
1	January				0	0
2	February				0	0
3	March				0	0
4	Total					
5	April				0	0
6	May				0	0
7	June				0	0
8	Total					
9	July				0	0
10	August				0	0
11	September				0	0
12	Total					

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.

(2) Report on Column (b) by month the transmission system's peak load.

(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).

(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM: Montana Operations

Line No.	Month	Monthly Peak MW - Total	Day of Monthly Peak	Hour of Monthly Peak	Firm Network Service for Self	Firm Network Service for Others	Long-Term Firm Point-to-point Reservations	Other Long-Term Firm Service	Short-Term Firm Point-to-point Reservation	Other Service
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	January	1,662	7	1800	1,004	618	494		1,654	
2	February	1,580	3	800	946	586	494		1,007	
3	March	1,479	18	900	843	577	494		100	
4	Total for Quarter 1				2,793	1,781	1,482		2,761	
5	April									
6	May									
7	June									
8	Total for Quarter 2									
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year				2,793	1,781	1,482		2,761	

Name of Respondent NorthWestern Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report End of 2016/Q1
--	---	--	---

MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
- (2) Report on Column (b) by month the transmission system's peak load.
- (3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
- (4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).
- (5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

NAME OF SYSTEM: South Dakota Operations

Line No.	Month	Monthly Peak MW - Total	Day of Monthly Peak	Hour of Monthly Peak	Imports into ISO/RTO	Exports from ISO/RTO	Through and Out Service	Network Service Usage	Point-to-Point Service Usage	Total Usage
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	January	283	18	900				298	15	
2	February	251	9	800				264	13	
3	March	243	18	900				256	13	
4	Total for Quarter 1							818	41	
5	April									
6	May									
7	June									
8	Total for Quarter 2									
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year							818	41	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 6 Column: b

	3/31/2016	3/31/2015
Other Noncash Charges to Income, Net:		
Amortization of debt issue costs, discount, and deferred hedge gain	978,749	287,476
Gain on disposition of assets	(49,170)	(79,348)
Other noncash losses	270,266	155,454
Stock based compensation costs	2,242,231	1,245,859
	<u>3,442,075</u>	<u>1,609,441</u>
Other Assets and Liabilities, Net:		
Net change - other current assets	(3,448,736)	1,057,776
Net change - accrued utility revenues	13,454,154	12,927,336
Net change - deferred debits	9,326,569	18,441,973
Net change - deferred credits	3,426,186	389,689
Net change - other special deposits and special funds	(196,845)	108,287
Net change - noncurrent liabilities	(1,731,852)	(558,111)
	<u>20,829,476</u>	<u>32,366,950</u>
Other Investing Activities:		
Net change - special deposits	-	4,805,765
Other Financing Activities:		
Capital lease obligations, net	-	(7,117)
Debt financing costs	(150,284)	(1,092,810)
	<u>(150,284)</u>	<u>(1,099,927)</u>

Schedule Page: 120 Line No.: 6 Column: c

Refer to footnote at column (b) line 6 for details.

Schedule Page: 120 Line No.: 18 Column: b

Refer to footnote at column (b) line 6 for details.

Schedule Page: 120 Line No.: 18 Column: c

Refer to footnote at column (b) line 6 for details.

Schedule Page: 120 Line No.: 53 Column: b

Refer to footnote at column (b) line 6 for details.

Schedule Page: 120 Line No.: 53 Column: c

Refer to footnote at column (b) line 6 for details.

Schedule Page: 120 Line No.: 76 Column: b

Refer to footnote at column (b) line 6 for details.

Schedule Page: 120 Line No.: 76 Column: c

Refer to footnote at column (b) line 6 for details.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
FOOTNOTE DATA			

Schedule Page: 122(a)(b) Line No.: 1 Column: c

Pension and postretirement medical liability adjustment.

Schedule Page: 122(a)(b) Line No.: 1 Column: e

Foreign currency translation adjustment.

Schedule Page: 122(a)(b) Line No.: 2 Column: f

Reclassification of net gains on derivative instruments.

Schedule Page: 122(a)(b) Line No.: 7 Column: f

Reclassification of net losses on derivative instruments.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
NorthWestern Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/31/2016	2016/Q1
FOOTNOTE DATA			

Schedule Page: 200 Line No.: 1 Column: e

This column represents regulated propane.

Schedule Page: 200 Line No.: 1 Column: f

This column represents the write-down of plant values associated with the 2002 acquisition of Montana operations, and the reduction from fair value to a regulated basis associated with the transfer of Colstrip Unit 4 to the regulated utility in 2009.

Schedule Page: 200 Line No.: 1 Column: g

This column represents an electric default supply capacity and energy sales agreement classified as a capital lease.

Schedule Page: 200 Line No.: 1 Column: e

Footnote Linked. See note on 200, Row: 1, col/item:

Schedule Page: 200 Line No.: 1 Column: f

Footnote Linked. See note on 200, Row: 1, col/item:

Schedule Page: 200 Line No.: 1 Column: g

Footnote Linked. See note on 200, Row: 1, col/item:

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
NorthWestern Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	03/31/2016	2016/Q1
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 21 Column: b

	Q1 2016
Other Electric Revenue (456)	
Ancillary Services:	
Scheduling, System Control and Dispatch	\$ 639,960
Regulation and Frequency Response	388,058
Energy Imbalance	(56,201)
Other Transmission Revenue	(182,117)
Low Income Housing	836,416
Steam Sales	264,466
Sale of Materials	17,058
DSM Lost Revenues	56,102
Miscellaneous	78,244
	<u>\$ 2,041,986</u>

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
FOOTNOTE DATA			

Schedule Page: 332 Line No.: 4 Column: g

Monthly system usage fee.

Schedule Page: 332 Line No.: 5 Column: g

Monthly system usage fee.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2016	Year/Period of Report 2016/Q1
NorthWestern Corporation			
FOOTNOTE DATA			

Schedule Page: 399 Line No.: 1 Column: b

MONTANA OPERATIONS

LINE NO	Monthly Peak Loads and Energy Output (a)	Jan-16 (b)	Feb-16	Mar-16
2	Total Monthly Energy (MWH)	750,663	679,381	602,489
3	Monthly Non-Requirement Sales for Resale (MWH)	124,376	122,093	117,958
4	Monthly Peak MW	2,156	2,074	1,973
5	Day of Month Peak	1/7/16	2/3/16	3/18/16
6	Hour of Monthly Peak	18:00	8:00	9:00

SOUTH DAKOTA OPERATIONS

LINE NO	Monthly Peak Loads and Energy Output (a)	Jan-16 (b)	Feb-16	Mar-16
2	Total Monthly Energy (MWH)	259,354	254,433	242,020
3	Monthly Non-Requirement Sales for Resale (MWH)	161,578	112,986	130,982
4	Monthly Peak MW	283	251	243
5	Day of Month Peak	1/18/16	2/9/16	3/1/16
6	Hour of Monthly Peak	9:00	8:00	9:00