



# Annual Meeting of Shareholders

April 26, 2024





# NWE's President & CEO – Brian Bird



## Brian Bird

- Current position since January 2023
  - President & Chief Operating Officer 2021-2022
  - Vice President & Chief Financial Officer 2003-2021
- Board member since January 2023
- 25-plus years energy and utility industry experience
- Serves on Board of Directors for the following organizations: Energy Insurance Mutual, Feeding South Dakota, Sioux Empire United Way (2021 Campaign Chair), North Central Electric Association (Past President), University of Idaho Utility Executive Course (former board member)
- Former CFO and Principal of Insight Energy, VP and Treasurer of NGR Energy, and held financial positions with the following companies: Land O' Lakes, Northwest Airlines, Minnesota Viking Ventures, and Deluxe Corporation
- Earned MBA in Finance from the University of Minnesota and double major undergraduate degree in Accounting and Finance from the University of Wisconsin – Eau Claire. Holds a Certified Public Accounting certificate

# Thank You and Farewell to Dana



*“In February, Dana Dykhous announced he would not be seeking re-election to our Board at the end of his annual term, effective today. Dana has served on our Board for the last 15 years; most recently as our independent Board Chair and as the chair of the Human Resources Committee for many years prior to that. His leadership has greatly contributed to the success of this Company, and in turn, for its shareholders, customers, and employees. His insight, knowledge, and guidance will be missed. We are grateful to have had his service over these past years. Dana, we cannot thank you enough.”*

*Brian Bird, CEO*

# Experienced & Engaged Board of Directors



**Dana Dykhouse**

- Chairman
- Independent
- Joined January 2009



**Brian Bird**

- President & Chief Executive Officer
- Non-independent
- Joined January 2023



**Anthony Clark**

- Nominating & Governance., HR
- Independent
- Joined December 2016



**Sherina Edwards**

- Nominating & Governance, HR
- Independent
- Joined April 2023



**Jan Horsfall**

- SETO (chair), Audit
- Independent
- Joined April 2015



**Britt Ide**

- Nominating & Governance, HR
- Independent
- Joined April 2017



**Kent Larson**

- SETO, Audit
- Independent
- Joined July 2022



**Linda Sullivan**

- Audit (Chair), SETO
- Independent
- Joined April 2017



**Mahvash Yazdi**

- HR (Chair), SETO
- Independent
- Joined December 2019



**Jeff Yingling**

- Nominating & Governance (Chair), Audit
- Independent
- Joined October 2019



# Strong Executive Team



**Brian Bird**

- President & Chief Executive Officer
- Current position since 2023



**Crystal Lail**

- Vice President and Chief Financial Officer
- Current position since 2021 (formerly VP and Chief Accounting Officer '20-'21)



**Michael Cashell**

- Vice President - Transmission
- Current Position since 2011



**Cynthia Fang**

- Vice President - Regulatory
- Current position since 2023



**Shannon Heim**

- Vice President & General Counsel
- Current position since 2023



**John Hines**

- Vice President – Supply/Montana Affairs
- Current Position since 2011



**Bleu LaFave**

- Vice President – Asset Management & Business Development
- Current position since June 2023 (formerly Director of Long-Term Resources)



**Jason Merkel**

- Vice President – Distribution
- Current Position since 2022



**Bobbi Schroepel**

- Vice President – Customer Care, Communications and Human Resources
- Current Position since 2002



**Jeanne Vold**

- Vice President – Technology
- Current Position since 2021 (former Business Technology Officer '12-'21)

## NWE's Auditors – Deloitte & Touche LLP



- Independent registered public accounting firm
- Deloitte provides the following services for more than 20 industries:
  - Risk & Financial Advisory
  - Audit & Assurance
  - Consulting
  - Tax
  - Merger & Acquisition
  - Artificial Intelligence and Analytics
  - Cloud
- Deloitte and its subsidiaries have 146,000 professionals

# NWE's Board Chair



## Dana Dykhouse

- Director since January 30, 2009
- Chief Executive Officer of First PREMIER Bank in Sioux Falls, South Dakota.
- Serves on the boards of directors for Junior Achievement of South Dakota, the South Dakota State University Athletic Champions Council, the Sanford Health Board of Trustees, Sanford Underground Research Facility, Build Dakota Scholarships (Board Chair), Freedom Scholarships (Board Chair), and Sioux Falls Sports Authority (Board Chair).
- Selected as the 2022 Agribusiness Citizen of the Year by the Agribusiness Division of the Greater Sioux Falls (SD) Chamber of Commerce.
- Resides in Sioux Falls, SD. He is a graduate of South Dakota State University.

## Meeting Agenda

- Call to Order
- Secretary's Report
- Declaration of Quorum
- Statement of Business
- Voting
- Company Presentation
- Shareholder Questions
- Report of Preliminary Voting Results
- Adjournment

# Corporate Secretary's Report

## **Report**

- Affidavit of distribution for the proxy materials
- Registered holders of common stock of the Company
- Establishment of a quorum





# Items of Business to be Considered

## **Proposal No. 1**

### **Election of Directors**

- Our Board is nominating nine people to serve as directors for one year.

## **Proposal No. 2**

### **Ratification of Deloitte & Touche LLP, as Independent Registered Public Accounting Firm for 2024**

- Our Audit, Finance and Risk Committee oversees the integrity of our accounting and financial reporting, and auditing processes. To assist with those responsibilities, the committee has appointed Deloitte & Touche LLP as our independent registered public accounting firm to audit our financial statements for 2024.

## **Proposal No. 3**

### **Advisory Vote to Approve Named Executive Officer Compensation**

- Our Board will consider the guidance received by the say-on-pay vote when determining executive pay for the remainder of 2024 and beyond.

## Electronic Voting



- **If you have not voted:** Please use the virtual meeting voting platform to cast your vote now.
- **If you previously voted, but want to change your vote:** Please use the virtual meeting voting platform to cast your new vote now.

# Forward Looking Statements

## Forward Looking Statements

During the course of this presentation, there will be forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements often address our expected future business and financial performance, and often contain words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” or “will.”

The information in this presentation is based upon our current expectations as of the date of this document unless otherwise noted. Our actual future business and financial performance may differ materially and adversely from our expectations expressed in any forward-looking statements. We undertake no obligation to revise or publicly update our forward-looking statements or this presentation for any reason. Although our expectations and beliefs are based on reasonable assumptions, actual results may differ materially. The factors that may affect our results are listed in certain of our press releases and disclosed in the Company’s 10-K and 10-Q along with other public filings with the SEC.



**Brian Bird**  
President & CEO

## Company Information

**NorthWestern Energy  
Group, Inc.**

dba: NorthWestern Energy

Ticker: NWE

Trading on Nasdaq

[www.northwesternenergy.com](http://www.northwesternenergy.com)

**Corporate Office**

3010 West 69<sup>th</sup> Street

Sioux Falls, SD 57108

(605) 978-2900

**Investor Relations Officer**

Travis Meyer

(605) 978-2967

[travis.meyer@northwestern.com](mailto:travis.meyer@northwestern.com)




# Guiding Principles




## Vision

Enriching lives through a **safe and sustainable** energy future.



## Mission

Working together to deliver **safe, reliable and affordable** energy solutions.



## Values

**S**afety  
**E**xcellence  
**R**espect  
**V**alue  
**I**ntegrity  
**C**ommunity  
**E**nvironment



# NWE – An Investment for the Long Term

## Pure Electric & Gas Utility

- 100% pure electric & natural gas utility with over 100 years of operating history
- Solid economic indicators in service territory
- Diverse electric supply portfolio ~55% hydro, wind & solar

## Solid Utility Foundation

- Residential electric & gas rates below national average
- Solid system reliability
- Low leaks per 100 miles of pipe
- Solid JD Power Overall Customer Satisfaction scores

## Earnings & Cash Flow

- Approved Montana electric & natural gas and South Dakota electric rate reviews aid earnings, cash flow, and balance sheet strength
- History of consistent annual dividend growth

## Attractive Future Growth Prospects

- Disciplined maintenance capital investment program focus on reliability, capacity, asset life and compliance
- Further opportunity for energy supply investment to meet significant capacity shortfalls

## Financial Goals & Metrics

- Target 4%-6% EPS growth plus dividend yield to provide competitive total return
- Target dividend long-term payout ratio of 60%-70%
- Target debt to capitalization ratio of 50%-55% with liquidity of \$100 million or greater

## Best Practices Corporate Governance



5<sup>th</sup> Best Governance Score



Recognized as one of  
America's Greatest Workplaces

# About Our Company



**775,300**  
Customers



**1,573**  
Employees



**337**  
Communities in Montana and South  
Dakota with electric service  
MT – 221 (127 electric only / 94 combo)  
SD – 116 (75 electric only / 41 combo)



**202**  
Communities in Montana, South Dakota  
and Nebraska with gas service  
MT – 118 (24 gas only / 94 combo)  
SD – 80 (39 gas only / 41 combo)  
NE – 4 gas communities

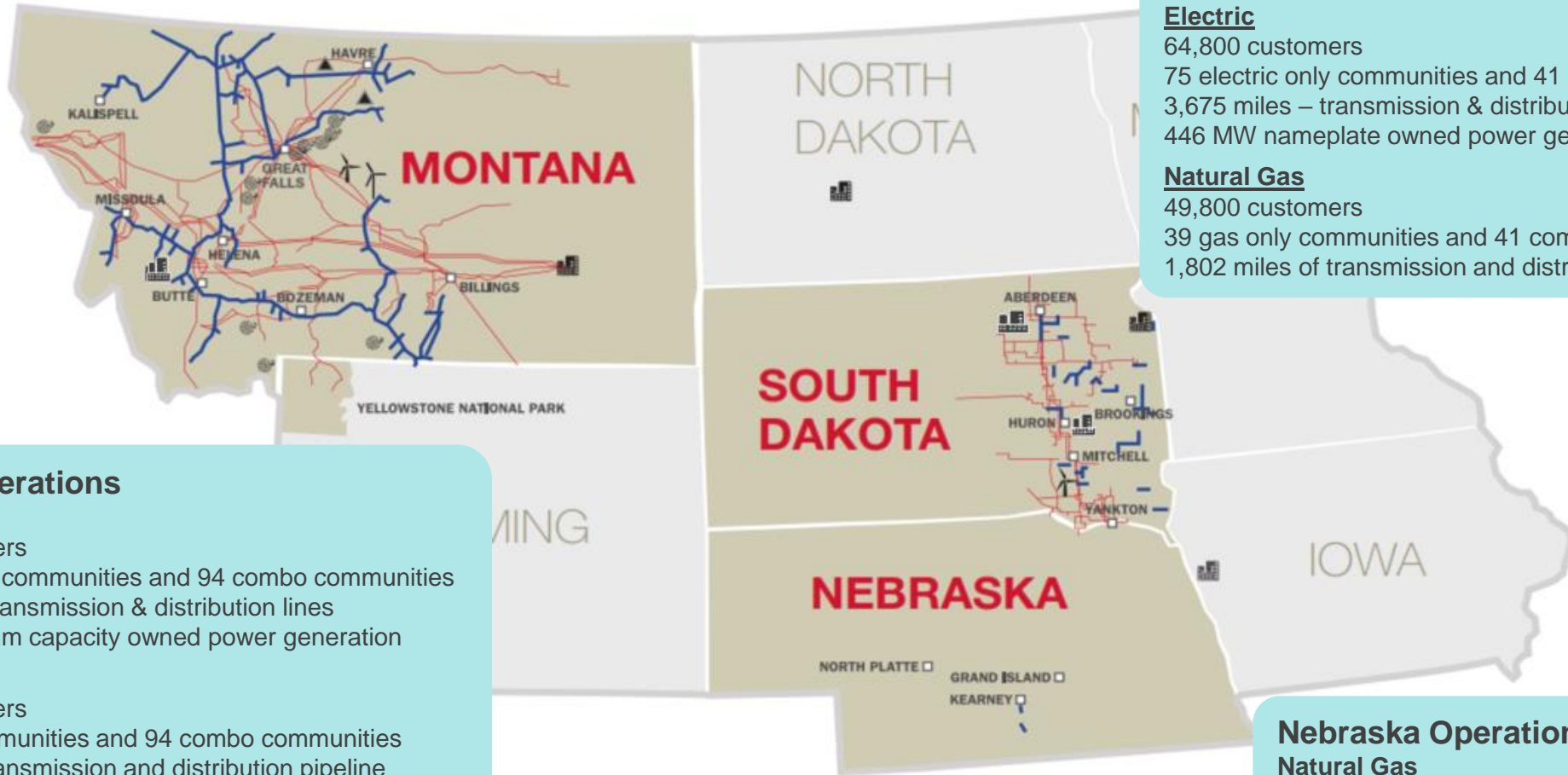
“Everything works – and will continue to work – as long as we have electricity. It’s what keeps the lights on, the oxygen flowing, the information going. Everything is the grid, the grid, the grid.”

- Peggy Noonan  
*Wall Street Journal Columnist*





# About NorthWestern



## Montana Operations

### Electric

405,500 customers  
127 electric only communities and 94 combo communities  
25,274 miles – transmission & distribution lines  
887 MW maximum capacity owned power generation

### Natural Gas

212,100 customers  
24 gas only communities and 94 combo communities  
7,390 miles of transmission and distribution pipeline  
17.85 Bcf of gas storage capacity  
Own 31.5 Bcf of proven natural gas reserves

## South Dakota Operations

### Electric

64,800 customers  
75 electric only communities and 41 combo communities  
3,675 miles – transmission & distribution lines  
446 MW nameplate owned power generation

### Natural Gas

49,800 customers  
39 gas only communities and 41 combo communities  
1,802 miles of transmission and distribution pipeline

## Nebraska Operations

### Natural Gas

43,100 customers  
4 communities  
826 miles of distribution pipeline

— Electric

— Natural Gas



Wind Farm



Hydro Facilities



Thermal Generating Plants



Natural Gas Reserves



Peaking Plants

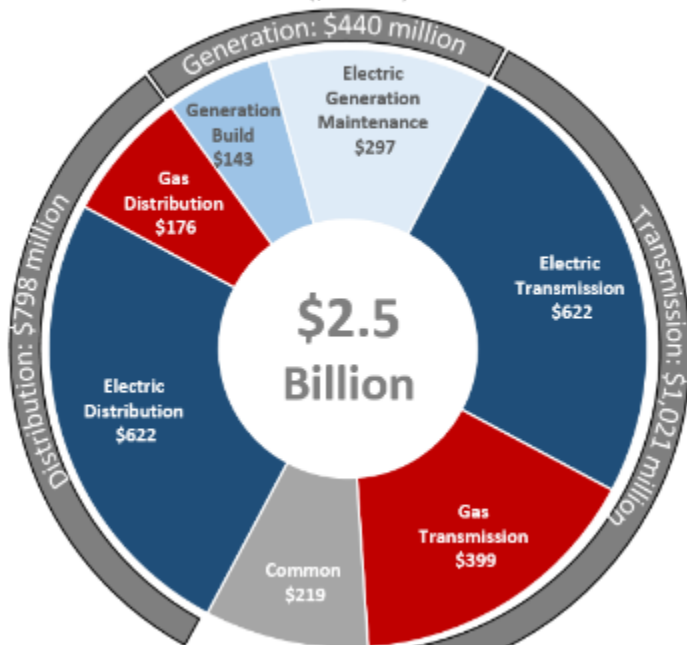
# The NorthWestern Value Proposition

~5% Dividend Yield

+

Base Capital Plan:  
**4%-6% EPS Growth**

2024-2028 Capital Investment  
(\$ Millions)



=

**9%-11% Total Growth**

Incremental Opportunities:  
**6% + EPS Growth**

- ✓ **FERC Transmission**
- ✓ **Incremental generating capacity**  
(subject to successful resource procurement bids)
- ✓ **Qualifying Facility and / or Power Purchase Agreement buyouts**
- ✓ **Electrification supporting economic development**

=

**11%+ Total Growth**

Nearly \$2.5 billion of highly executable and low-risk capital investment forecasted over the next five years.

This investment is expected to drive annualized earnings and rate base growth of approximately 4% - 6%.

*See slide titled "Affirming Guidance and Growth Rate Targets" for additional information.*

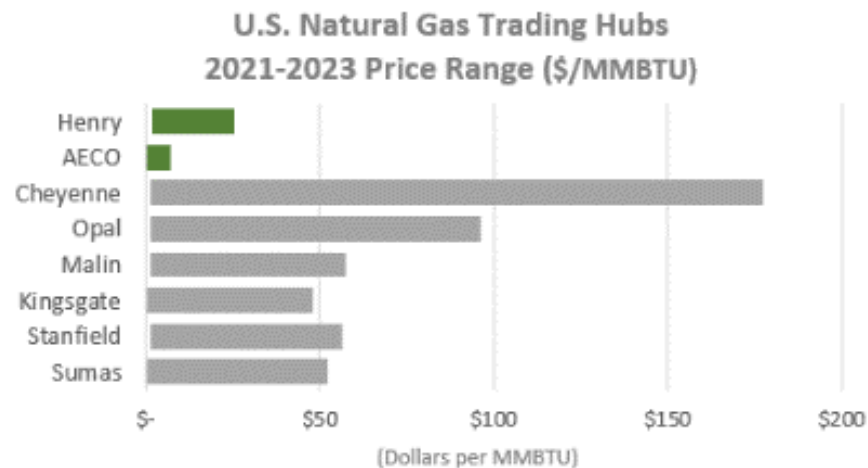
# NorthWestern's Combo Advantage

- ✓ **Combination electric & natural gas provider in Montana & South Dakota**
  - *Targeting best-in-class Customer Experience*
  - *Opportunity to invest in critical Capacity expansion (supply & transmission)*
  - *Continued Grid Evolution to improve resiliency and enhance wildfire mitigation efforts*
  - *Transforming our Digital Platform to enhance cyber-security & technology solutions*
- ✓ **Natural hedge between natural gas to electric conversions**
- ✓ **Primarily residential with commercial & industrial customers across many industries**



## Natural Gas

- Investment in production\*, transmission & distribution
- Extreme winters necessitate economical gas heating
- Energy Choice (*Ban the Ban*) laws in MT & SD
- Access to low & less volatile natural gas pricing
  - AECO & Henry Hub (Ventura)

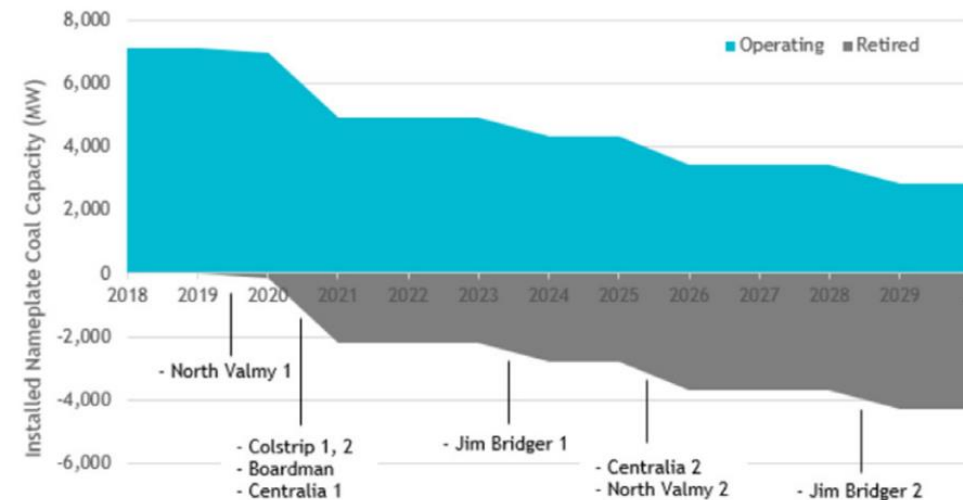


\*Proven reserves only, no exploration



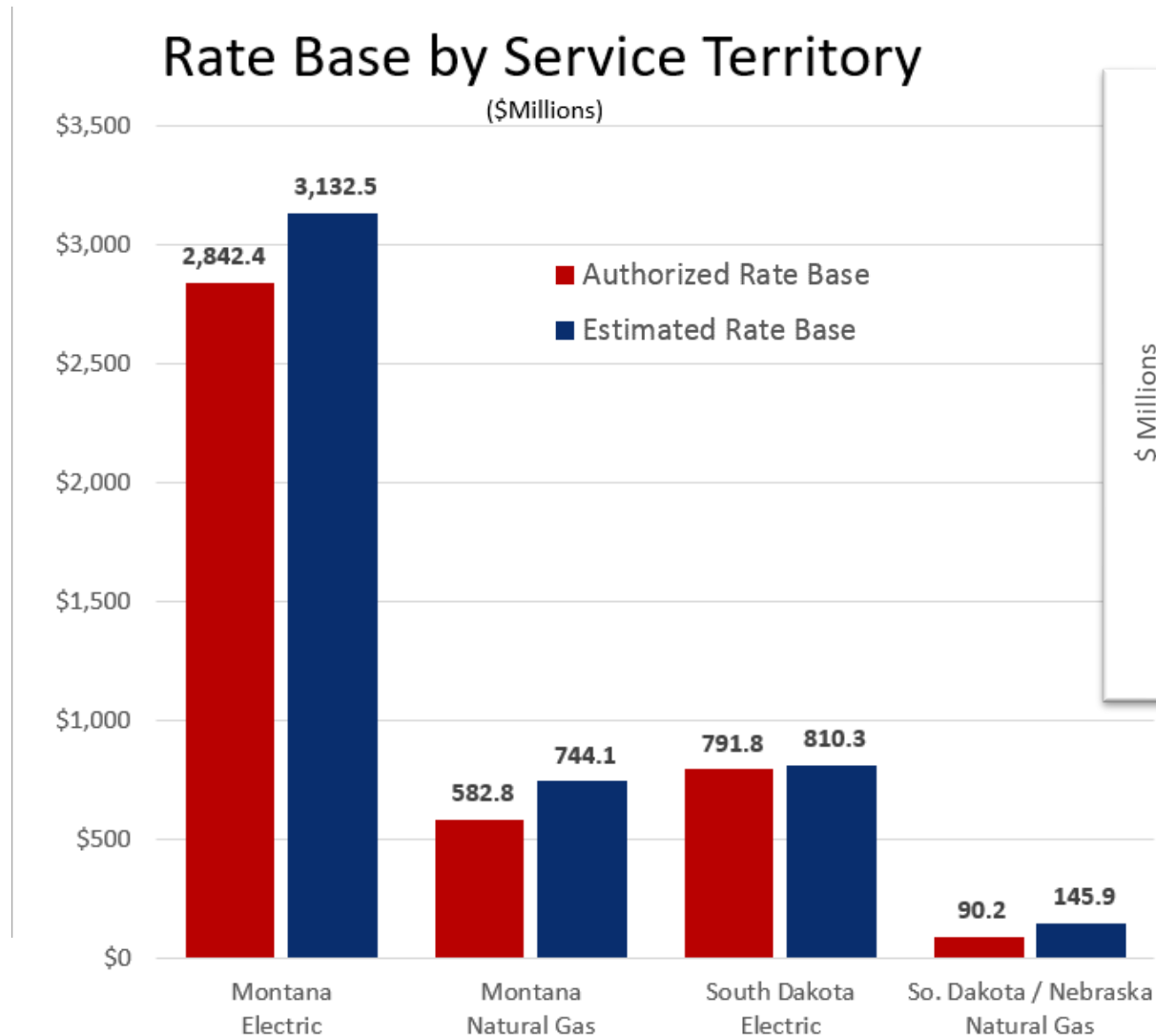
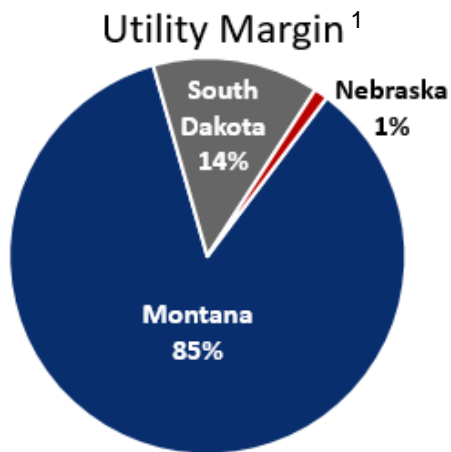
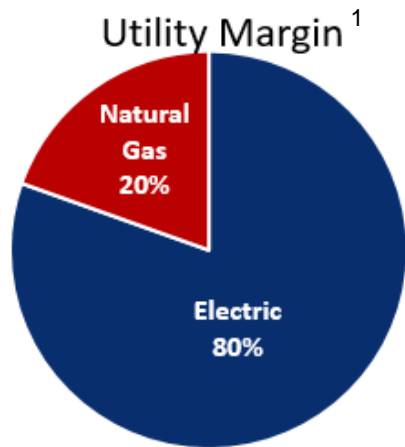
## Electric

- Investment in generation, transmission & distribution
- Highly diverse & carbon-free electric supply portfolio
- Broad footprint spanning multiple reliability & transmission regions / organizations
- Growing regional capacity deficit requiring investment





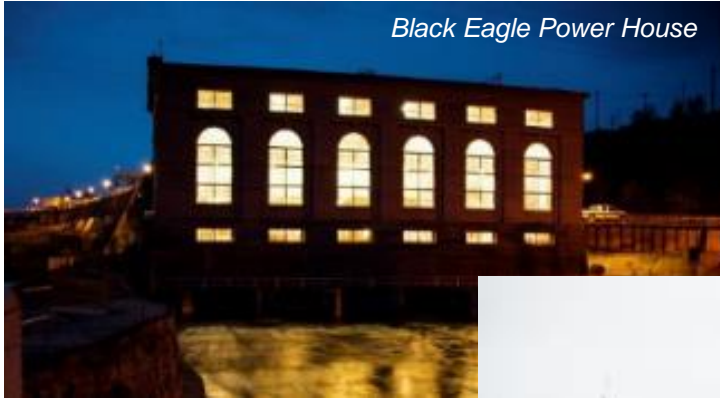
# A Diversified Electric and Gas Utility



\* Reflects settled filings in Montana and South Dakota.

NorthWestern's '80/20' rules:  
Approximately 80% Electric and  
80% Montana.  
Over \$4.8 billion of rate base  
investment to serve our  
customers

# Highly Carbon-Free Portfolio



**2023 Delivered megawatt hours**  
(percent carbon-free)  
**NorthWestern: 55%**  
**National Average: 41%**

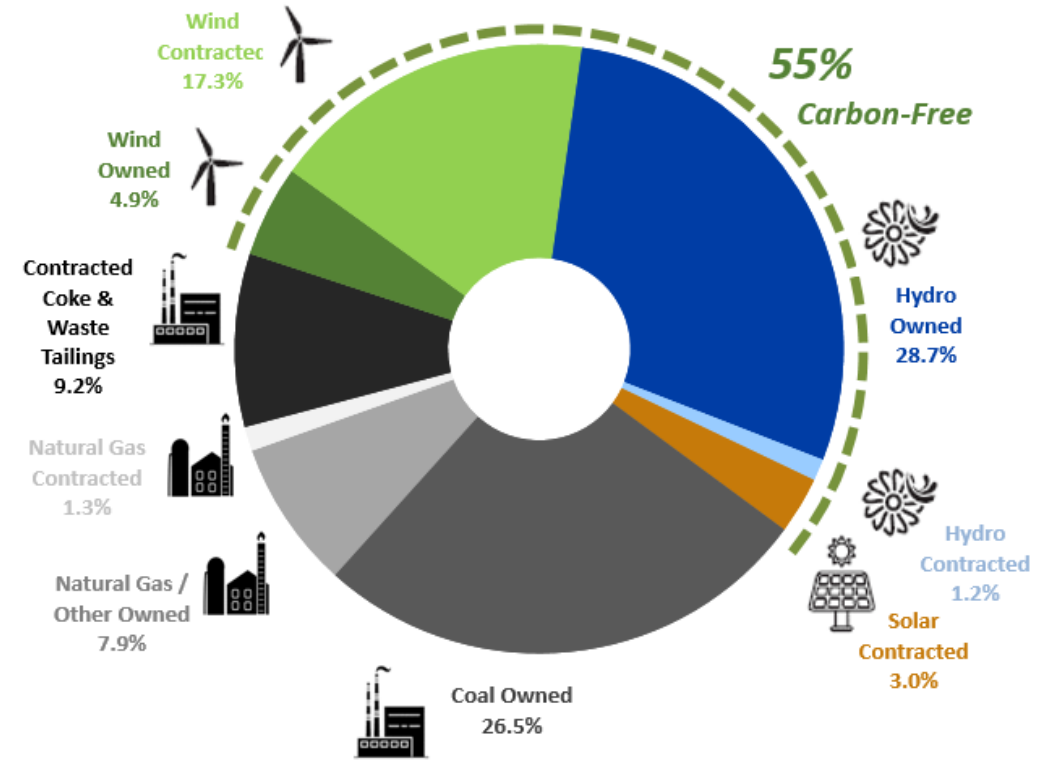
*Based on Owned and long-term contracted resources*

*Source: U.S. Energy Information Administration – form EIA.gov*

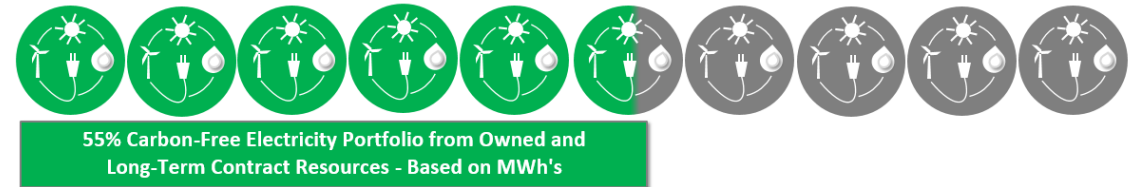
*Table 7.2b Electric Net Generation: U.S. Electric Power Sector 2023*

**Note:** NorthWestern does not own all the renewable energy certificates (RECs) generated by contracted wind, and periodically sells its own RECs with proceeds benefiting retail customers. Accordingly, we cannot represent that 100% of carbon-free energy in the portfolio was delivered to our customers.

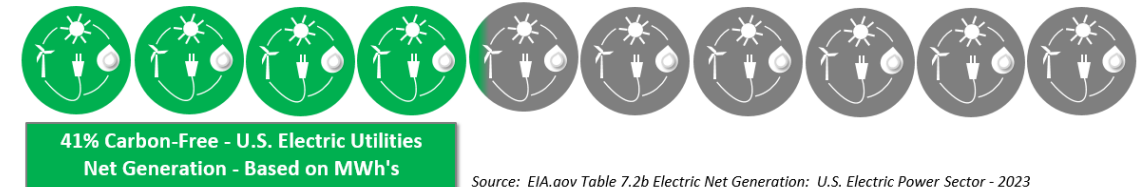
## 2023 Electric Generation Portfolio - Total NWE



## NorthWestern Energy - 2023 Electric Portfolio



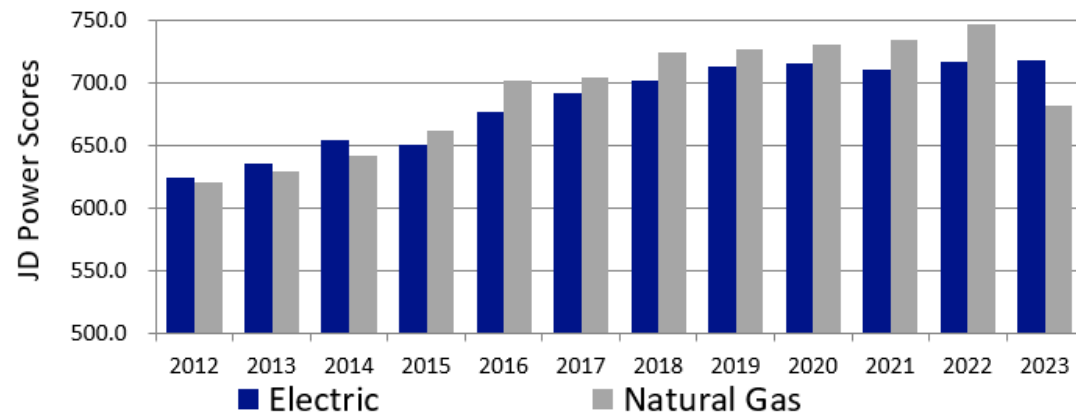
## U.S. Electric Utilities - 2023 Net Electric Generation



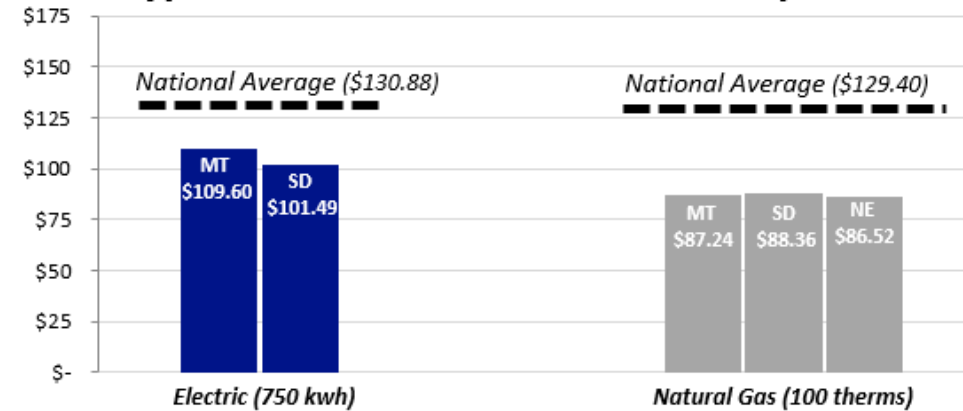
*Source: EIA.gov Table 7.2b Electric Net Generation: U.S. Electric Power Sector - 2023*

# Strong Utility Foundation

**NWE's Overall Customer Satisfaction Scores**  
via JD Power Electric & Gas Residential Studies

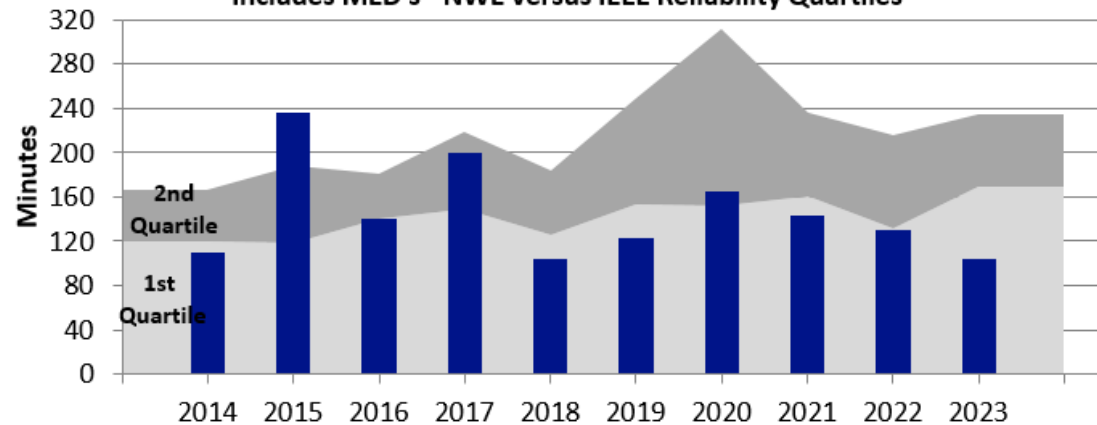


**"Typical Bill" Residential Rate Comparison**



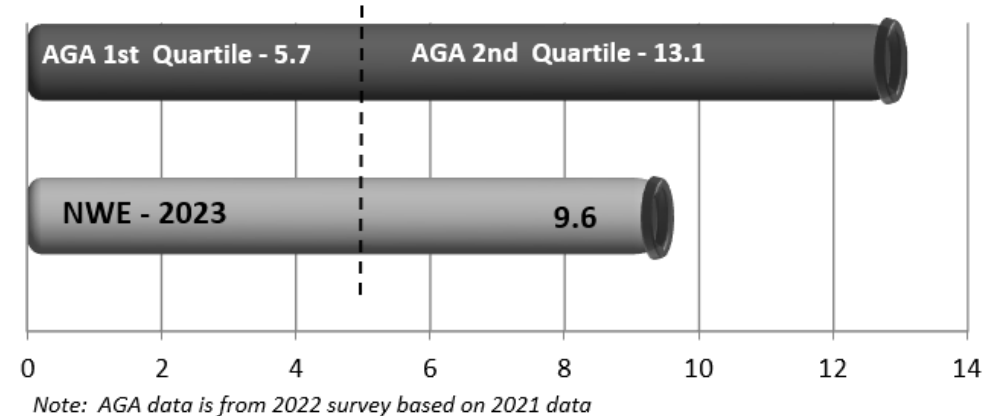
1) NWE rates as of 7/1/2023 (Electric) and December 2023 (Natural Gas)  
Electric source: Edison Electric Institute Typical Bills and Average Rates Report, Summer (July) 2023  
Natural Gas source: US EIA - Monthly residential supply and delivery rates as of December 2023

**System Average Interruption Duration Index (SAIDI)**  
Includes MED's - NWE versus IEEE Reliability Quartiles



**Leaks per 100 Miles of Pipe**

Excluding Excavation Damages - 2023



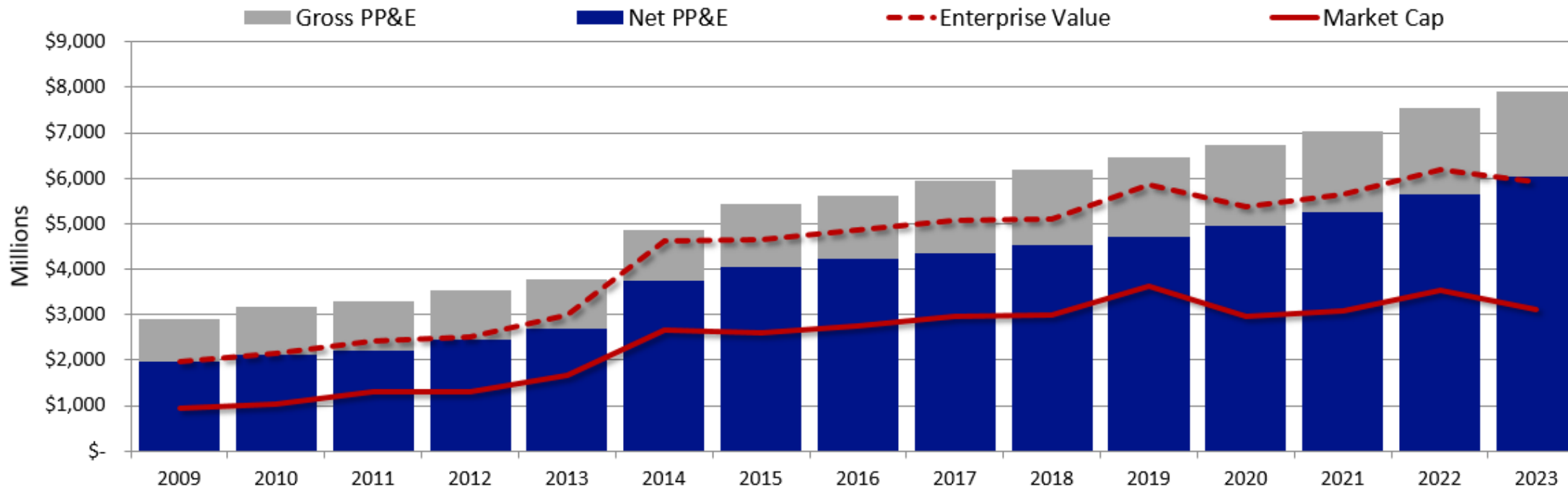
- Solid and generally improving JD Power Overall Customer Satisfaction Scores
- Solid electric system reliability

- Residential rates below national average<sup>1</sup>
- Better than average natural gas leaks per mile



# Hard Assets Providing Real Value

## Property Plant and Equipment vs Market Value



### Compound Annual Growth Rates (CAGR) 2009 – 2023

Net PPE (Gross Property Plant and Equipment less Accumulated Depreciation): 8.35%

Market Cap (Equity shares outstanding times stock price): 8.97%

Enterprise Value (Market Cap plus debt outstanding): 8.20%

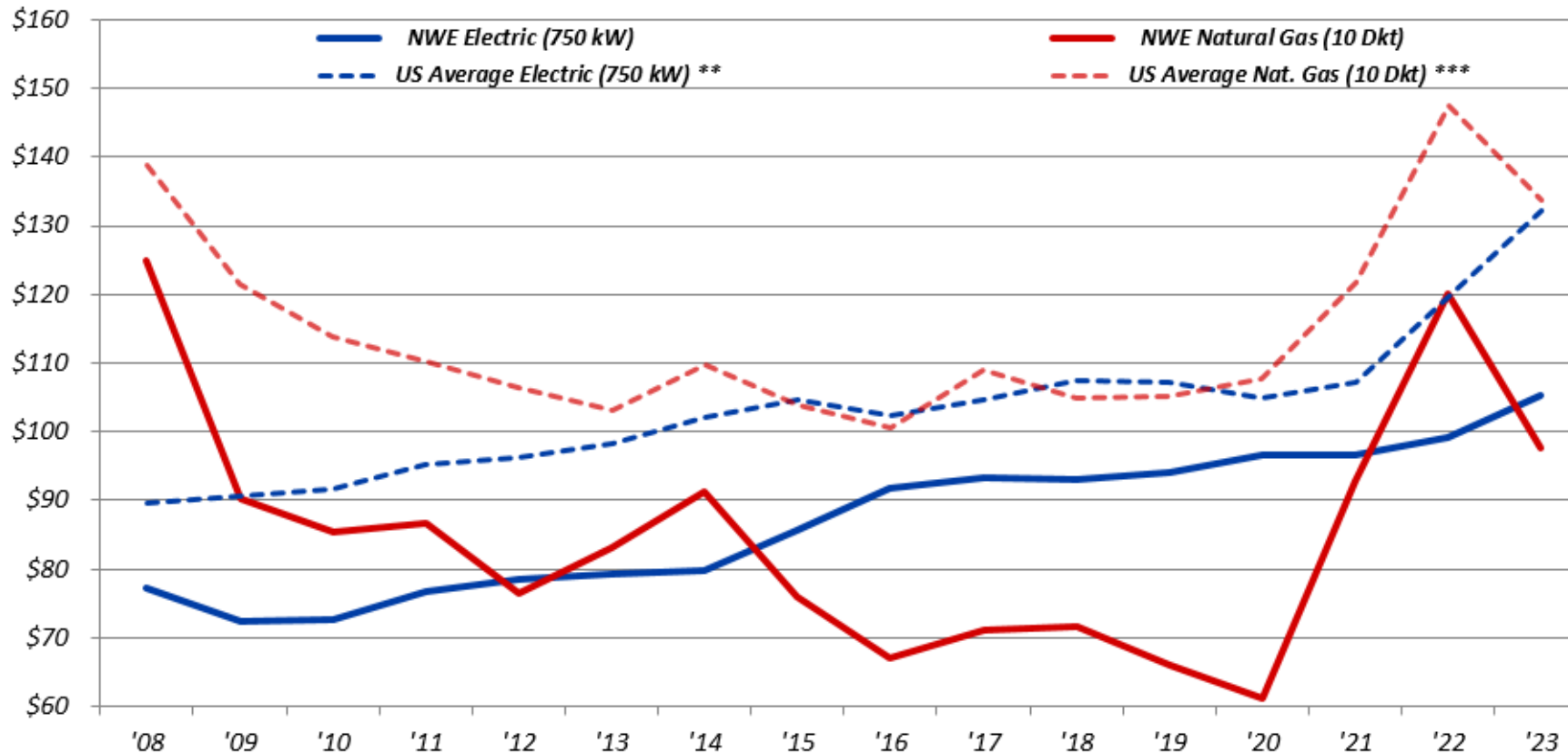
We believe continued investment in our system to provide safe, reliable, affordable and environmentally responsible energy service for our customers will provide ongoing value for our investors.



# Maintaining Affordability for Our Customers

## Typical Residential Electric and Natural Gas Bill

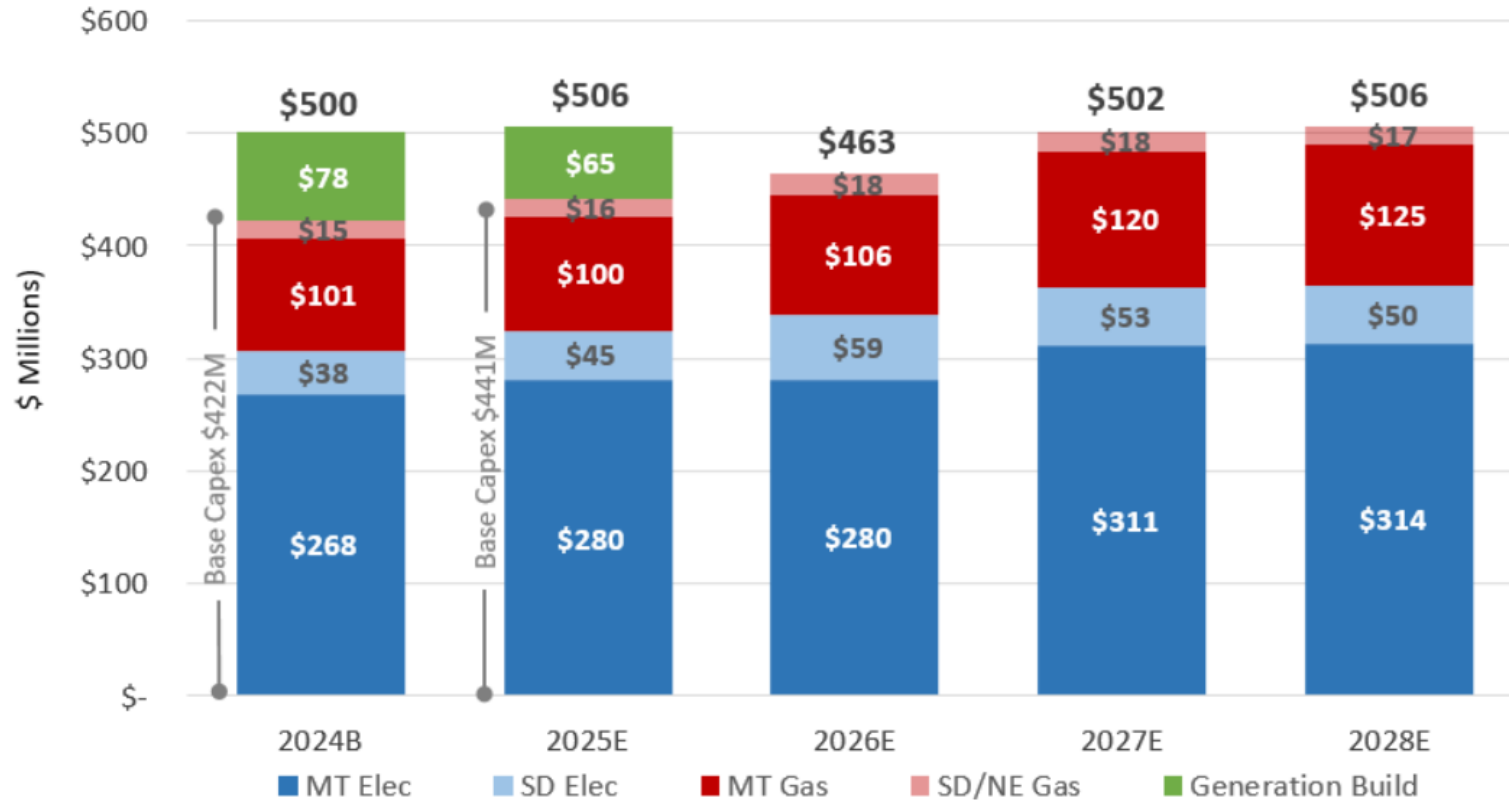
(average Montana, South Dakota and Nebraska monthly residential customer bill)



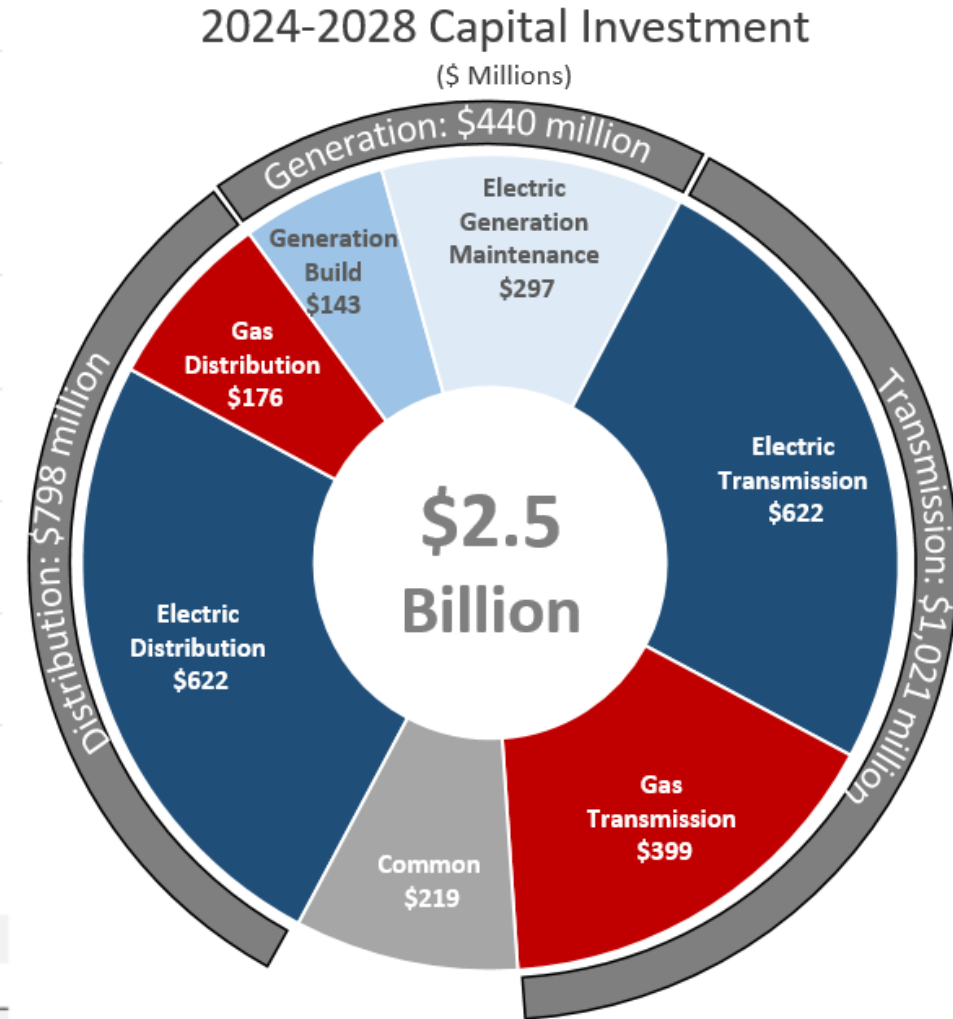
\* Electric - EEI Typical Bills and Average Summer and Winter Rates Report (2008-2023)  
\*\* Natural Gas - EIA U.S. Price of Natural Gas Delivered to Residential Customers (2008- Nov. 2023)

NorthWestern's typical electric and natural gas bills are below national average even considering the significant burden of Montana property tax increases and recent severe price pressures, especially for market prices of energy, that have impacted customer rates.

# Regulated Utility Five-Year Capital Forecast



\$ Millions	2024	2025	2026	2027	2028
Electric	\$ 384	\$ 390	\$ 339	\$ 364	\$ 364
Natural Gas	\$ 116	\$ 117	\$ 124	\$ 138	\$ 142
Total NWE Capex	\$ 500	\$ 506	\$ 463	\$ 502	\$ 506



**\$2.5 billion of highly-executable and low-risk capital investment**



# Best Practices Governance

**5<sup>th</sup>** Best Score Among **50** Publicly Traded North American Utility and Power Companies by **Moody's Investment Services** for **Best Governance Practices**.

## Recent Governance Recognition



### America's Most Responsible Companies

Recognized by **Newsweek** as one of the most responsible companies in 2023. One of only eleven EEI member utilities selected.



### America's Greatest Workplaces

Recognized by **Newsweek** as one of America's greatest workplaces in 2023.



### 20 / 20 – Women on Boards

Recognized for gender diversity on its board of directors by 2022 Women on Boards. Currently four of the company's ten directors are female.

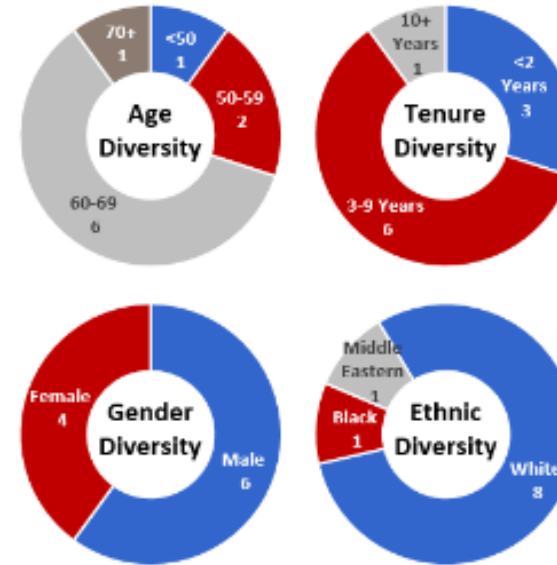


### Edison Electric Institute Emergency Response Award recipient

Recognized for our restoration response for both the May 2022 derecho in South Dakota and the historic flooding in Montana & Yellowstone National Park in June 2022.

## Diverse Leadership

### Board of Directors



### Executive Team



## 2023 CEO Pay Ratio to Average Employee Salary

NWE

**23:1**

U.S. Utilities  
Average in '22  
**66:1**

12 Member Peer  
Group Average in '22  
**40:1**

## Performance-Based CEO Pay to Peers<sup>1</sup>

**75%**

1) Peer data based on 2022 pay

# Montana Wildfire Mitigation Plan



Reduction of  
Ignition Potential

System and  
Environmental  
Monitoring

Enhanced  
Vegetation  
Maintenance

Enriched Public  
Communication  
and Outreach

## ✓ Former plan filed in 2022 with the Montana general rate review

- Approved settlement provides enhancement to former wildfire mitigation efforts by allowing incremental operating expense of up to approximately \$95 million over a five-year period for future recovery.

## ✓ Key elements of the plan, driven by risk analysis include:

- Situational Awareness
- Operational Practice
- System Preparedness
- Vegetation Management
- Public Communication



Version 2.0 Coming Soon

Our operational practice includes situationally performing power shutdowns and adjusting system operating protocols during periods of heightened wildfire risk. Power shutdown considerations include environmental conditions, system performance and mitigating any potential impacts of an outage to customers and emergency services.

NorthWestern's Public Safety Power Shutoff (PSPS) plan is expected to be formalized and available for implementation for the 2024 Montana wild fire season (second quarter).

# 2023 - Year in Review

## ✓ Operational performance

- One of our best safety years on record!
- Maintained safe and reliable service while reaching new all-time system peaks for both electric (Montana & South Dakota) and natural gas (Montana & Nebraska) systems in 2023.
- Best electric reliability performance for System Average Interruption Duration Index (SAIDI) excluding major events days (MED's) at 88.8 minutes, 17% better than our previous record in 2016 and placing us in the first quartile among other utilities.
- Recognized by Newsweek as America's Greatest Workplaces as well as America's Most Responsible Companies in 2023.

## ✓ Regulatory execution

- Unanimous approval of multi-party rate review settlements in Montana (electric & natural gas) and South Dakota (electric).

## ✓ Safely completed a record level of capital investment

- Over \$560 million of capital work completed in 2023.

## ✓ Managing Risk

- Completed holding company reorganization on Jan. 1, 2024.
- Announced zero-dollar acquisition of 222 megawatts of Colstrip capacity required to meet customer capacity requirements through 2029.

## ✓ Commitment to sustainability

- Affirmed our Net Zero by 2050 target.

## ✓ Celebrated **100 Powerful Years!**



Recognized by Newsweek as one of “**America’s Most Responsible Companies**”



The background of the slide is a scenic photograph of a mountain landscape. In the upper half, there is a calm, dark blue lake surrounded by rocky, forested hills. In the lower half, a powerful waterfall cascades over dark, jagged rocks. The overall tone is natural and serene.

# Conclusion

Pure  
Electric &  
Gas Utility

Solid Utility  
Foundation

Best  
Practices  
Corporate  
Governance

Attractive  
Future  
Growth  
Prospects

Strong  
Earnings &  
Cash Flows



## Question and Answer

- Please submit questions through the virtual annual meeting website.

We will edit profanity  
or other  
inappropriate  
language.

Questions must:

- be pertinent to meeting matters.
- comply with the meeting rules of conduct.

- We will answer as many questions as time permits.

## Preliminary Results

1. Election of Directors
2. Ratification of Deloitte & Touche LLP, as Independent Registered Public Accounting Firm for 2024
3. Advisory Vote to Approve Named Executive Officer Compensation







# Delivering a bright future

NorthWestern<sup>®</sup>  
Energy  
*Delivering a Bright Future*