

NorthWestern Energy
 Electric Utility - State of South Dakota
 Pro Forma Year Ending December 31, 2022
 Derivation of Increased Rates and Proof of Revenue

Line	Description	----- Present Rates -----			----- Proposed Rates -----			Revenue Change	
		Billing Units	Rate	Revenue	Billing Units	Rate	Revenue	\$	%
1	<u>Large Commercial and Industrial Rate 34</u>								
2	<u>Summer Rate</u>								
3	Demand Charge - First 100 kW	203,100	\$11.05	\$2,244,259	203,100	\$14.13	\$2,869,808	\$625,549	27.87%
4	Demand Charge - Next 400 kW	198,557	\$9.79	1,943,877	198,557	\$12.52	2,485,938	542,062	27.89%
5	Demand Charge - Next 500 kW	186,424	\$8.53	1,590,199	186,424	\$10.91	2,033,888	443,690	27.90%
6	Total Demand Charge	588,082		\$5,778,334	588,082		\$7,389,634	\$1,611,300	27.89%
7	Power Factor Charge Revenue			168,515			215,486	46,971	27.87%
8	MIN34 Revenue			42,971			54,940	11,969	27.85%
9	Energy Charge - First 100 X Demand	58,097,495	\$0.04911	2,853,168	58,097,495	\$0.06279	3,647,942	794,774	27.86%
10	Energy Charge - Next 300 X Demand	141,880,980	\$0.02348	3,331,365	141,880,980	\$0.03001	4,257,848	926,483	27.81%
11	Energy Charge - Next 100 X Demand	25,070,870	\$0.01595	399,880	25,070,870	\$0.02038	510,944	111,064	27.77%
12	Energy Charge - Remaining kWh	16,470,919	\$0.00841	138,520	16,470,919	\$0.01075	177,062	38,542	27.82%
13	Total Energy Charge	241,520,264		\$6,722,934	241,520,264		\$8,593,797	\$1,870,862	27.83%
14	Sub-total Summer Base Rate			12,712,754			16,253,857	3,541,103	27.85%
15	Booked to Billed Revenue Ratio			100.168%			100.00%		
16	Booked Base Rate Revenue			\$12,734,108			\$16,253,857	\$3,519,749	27.64%
17	<u>Off-Peak Rate</u>								
18	Demand Charge - First 100 kW	407,300	\$11.05	\$4,500,667	407,300	\$14.13	\$5,755,151	\$1,254,484	27.87%
19	Demand Charge - Next 400 kW	359,505	\$9.79	3,519,556	359,505	\$12.52	4,501,005	981,449	27.89%
20	Demand Charge - Next 500 kW	338,923	\$8.53	2,891,014	338,923	\$10.91	3,697,651	806,637	27.90%
21	Total Demand Charge	1,105,728		\$10,911,237	1,105,728		\$13,953,807	\$3,042,571	27.88%
22	Power Factor Charge Revenue			225,053			287,783	62,730	27.87%
23	MIN34 Revenue			53,364			68,228	14,864	27.85%
24	Energy Charge - First 100 X Demand	109,677,669	\$0.04911	\$5,386,270	109,677,669	\$0.06279	6,886,661	1,500,391	27.86%
25	Energy Charge - Next 300 X Demand	262,729,570	\$0.02348	6,168,890	262,729,570	\$0.03001	7,884,514	1,715,624	27.81%
26	Energy Charge - Next 100 X Demand	44,196,947	\$0.01595	704,941	44,196,947	\$0.02038	900,734	195,792	27.77%
27	Energy Charge - Remaining kWh	28,922,434	\$0.00841	243,238	28,922,434	\$0.01075	310,916	67,678	27.82%
28	Total Energy Charge	445,526,619		\$12,503,340	445,526,619		\$15,982,825	\$3,479,486	27.83%
29									
30	Sub-total Off-Peak Base Rate			\$23,692,993			\$30,292,643	\$6,599,650	27.85%
31	Booked to Billed Revenue Ratio			100.006%			100.00%		
32	Booked Base Rate Revenue			\$23,694,531			\$30,292,643	\$6,598,112	27.85%
33									
34	Annual Subtotal Rate 34			\$36,405,747			\$46,546,500	\$10,140,753	27.85%
35	Booked to Billed Revenue Ratio			100.063%			100.000%		
36	Total Adjusted Annual Large Com & Ind. Rate 34 Revenue	687,046,883	1,693,810	\$36,428,639	687,046,883	1,693,810	\$46,546,500	\$10,117,861	27.77%

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Line	Description	----- Present Rates -----			----- Proposed Rates -----			Revenue Change	
		Billing Units	Rate	Revenue	Billing Units	Rate	Revenue	\$	%
1	<u>Large Commercial and Industrial Rate 34L1%</u>								
2	<u>Summer Rate</u>								
3	Demand Charge - First 100 kW	1,200	\$11.05	\$13,260	1,200	\$14.13	\$16,956	\$3,696	27.87%
4	Demand Charge - Next 400 kW	4,800	\$9.79	46,992	4,800	\$12.52	60,096	13,104	27.89%
5	Demand Charge - Next 500 kW	2,851	\$8.53	24,315	2,851	\$10.91	31,099	6,784	27.90%
6	Total Demand Charge	8,851		\$84,567	8,851		\$108,151	\$23,584	27.89%
7	Power Factor Charge Revenue			2,336			2,987	651	27.89%
8	Option L Discount			-2,314			-2,959		
9	Energy Charge - First 100 X Demand	885,050	\$0.04911	\$43,465	885,050	\$0.06279	55,572	12,107	27.86%
10	Energy Charge - Next 300 X Demand	2,653,500	\$0.02348	62,304	2,653,500	\$0.03001	79,632	17,327	27.81%
11	Energy Charge - Next 100 X Demand	686,700	\$0.01595	10,953	686,700	\$0.02038	13,995	3,042	27.77%
12	Energy Charge - Remaining kWh	72,500	\$0.00841	610	72,500	\$0.01075	779	170	27.82%
13	Total Energy Charge	4,297,750		\$117,332	4,297,750		\$149,978	\$32,647	27.82%
14	Sub-total Summer Rate			\$201,920			\$258,157	\$56,237	27.85%
15	Booked to Billed Revenue Ratio			100.181%			100.00%		
16	Booked Base Rate Revenue			\$202,285			\$258,157	\$55,872	27.62%
17	<u>Off-Peak Rate</u>								
18	Demand Charge - First 100 kW	1,600	\$11.05	\$17,680	1,600	\$14.13	\$22,608	\$4,928	27.87%
19	Demand Charge - Next 400 kW	5,790	\$9.79	56,687	5,790	\$12.52	72,494	15,807	27.89%
20	Demand Charge - Next 500 kW	3,526	\$8.53	30,076	3,526	\$10.91	38,468	8,392	27.90%
21	Total Demand Charge	10,916		\$104,443	10,916		\$133,570	\$29,127	27.89%
22	Power Factor Charge Revenue			223			285	62	28.07%
23	Option L Discount			-2,780			-3,554	-774	27.84%
24	Energy Charge - First 100 X Demand	1,091,620	\$0.04911	\$53,609	1,091,620	\$0.06279	68,543	14,933	27.86%
25	Energy Charge - Next 300 X Demand	3,106,676	\$0.02348	72,945	3,106,676	\$0.03001	93,231	20,287	27.81%
26	Energy Charge - Next 100 X Demand	614,325	\$0.01595	9,798	614,325	\$0.02038	12,520	2,721	27.77%
27	Energy Charge - Remaining kWh	487,625	\$0.00841	4,101	487,625	\$0.01075	5,242	1,141	27.82%
28	Total Energy Charge	5,300,246		\$140,454	5,300,246		\$179,536	\$39,082	27.83%
29	Sub-total Off-Peak Rate			\$242,339			\$309,837	67,498	27.85%
30	Booked to Billed Revenue Ratio			99.927%			100.00%		
31	Booked Base Rate Revenue			\$242,163			\$309,837	67,674	27.95%
32	Annual Subtotal Rate 34L8%			\$444,259			\$567,994	123,735	27.85%
33	Booked to Billed Revenue Ratio			100.043%			100.000%		
34	Total Adjusted Annual Large Com. & Ind. Rate 34L1% Revenue	9,597,996	19,767	\$444,448	9,597,996	19,767	\$567,994	\$123,546	27.80%
35	Annual Subtotal Rate 34L1% with Discount Eliminated			\$449,353					
36	Annual Large Com. & Ind. Rate 34L1% Rev w/ Discount Eliminated			\$449,542					

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Line	Description	----- Present Rates -----			----- Proposed Rates -----			Revenue Change	
		Billing Units	Rate	Revenue	Billing Units	Rate	Revenue	\$	%
1	<u>Large Commercial and Industrial Rate 34L2%</u>								
2	<u>Summer Rate</u>								
3	Demand Charge - First 100 kW	800	\$11.05	\$8,840	800	\$14.13	\$11,304	\$2,464	27.87%
4	Demand Charge - Next 400 kW	3,020	\$9.79	29,561	3,020	\$12.52	37,804	8,243	27.89%
5	Demand Charge - Next 500 kW	24,998	\$8.53	213,231	24,998	\$10.91	272,726	59,495	27.90%
6	Total Demand Charge	28,817		\$251,632	28,817		\$321,834	\$70,202	27.90%
7	Power Factor Charge Revenue			18,665			23,868	5,203	27.87%
8	Option L Discount		\$0.00000	-14,495	0	\$0.00000	-18,532		
9	Energy Charge - First 100 X Demand	2,881,729	\$0.04911	\$141,522	2,881,729	\$0.06279	180,944	39,422	27.86%
10	Energy Charge - Next 300 X Demand	8,284,458	\$0.02348	194,519	8,284,458	\$0.03001	248,617	54,098	27.81%
11	Energy Charge - Next 100 X Demand	1,335,191	\$0.01595	21,296	1,335,191	\$0.02038	27,211	5,915	27.77%
12	Energy Charge - Remaining kWh	1,026,144	\$0.00841	8,630	1,026,144	\$0.01075	11,031	2,401	27.82%
13	Total Energy Charge	13,527,522		\$365,967	13,527,522		\$467,803	\$101,836	27.83%
14	Sub-total Summer Rate			\$621,770			794,973	173,203	27.86%
15	Booked to Billed Revenue Ratio			<u>100.191%</u>			<u>100.00%</u>		
16	Booked Base Rate Revenue			\$622,957			\$794,973	\$172,015	27.61%
17	<u>Off-Peak Rate</u>								
18	Demand Charge - First 100 kW	1,900	\$11.05	\$20,995	1,900	\$14.13	\$26,847	\$5,852	27.87%
19	Demand Charge - Next 400 kW	7,144	\$9.79	69,940	7,144	\$12.52	89,443	19,503	27.89%
20	Demand Charge - Next 500 kW	51,120	\$8.53	436,055	51,120	\$10.91	557,721	121,666	27.90%
21	Total Demand Charge	60,164		\$526,990	60,164		\$674,011	\$147,021	27.90%
22	Power Factor Charge Revenue			45,842			58,620	12,778	27.87%
23	Option L Discount		\$0.00000	-30,518	0	\$0.00000	-39,034		
24	Energy Charge - First 100 X Demand	6,016,414	\$0.04911	\$295,466	6,016,414	\$0.06279	377,771	82,305	27.86%
25	Energy Charge - Next 300 X Demand	17,424,204	\$0.02348	409,120	17,424,204	\$0.03001	522,900	113,780	27.81%
26	Energy Charge - Next 100 X Demand	3,263,646	\$0.01595	52,055	3,263,646	\$0.02038	66,513	14,458	27.77%
27	Energy Charge - Remaining kWh	1,688,928	\$0.00841	14,204	1,688,928	\$0.01075	18,156	3,952	27.82%
28	Total Energy Charge	28,393,192		\$770,845	28,393,192		\$985,340	\$214,495	27.83%
29	Sub-total Off-Peak Rate			\$1,313,160			\$1,678,937	365,777	27.85%
30	Booked to Billed Revenue Ratio			99.998%			<u>100.00%</u>		
31	Booked Base Rate Revenue			1,313,136			\$1,678,937	365,801	27.86%
32	Annual Subtotal Rate 34RE			\$1,934,929			\$2,473,909	\$538,980	27.86%
33	Booked to Billed Revenue Ratio			100.060%			100.000%		
34	Total Adjusted Annual Large Com. & Ind. Rate 34L2% Revenue	41,920,714	88,981	\$1,936,093	41,920,714	88,981	\$2,473,909	\$537,816	27.78%
35	Annual Subtotal Rate 34L2% with Discount Eliminated			\$1,979,942					
36	Annual Large Com. & Ind. Rate 34L2% Rev w/ Discount Eliminated			\$1,981,105					

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Line	Description	----- Present Rates -----			----- Proposed Rates -----			Revenue Change	
		Billing Units	Rate	Revenue	Billing Units	Rate	Revenue	\$	%
1	<u>Large Commercial and Industrial Rate 34L3%</u>								
2	<u>Summer Rate</u>								
3	Demand Charge - First 100 kW	1,200	\$11.05	\$13,260	1,200	\$14.13	\$16,956	\$3,696	27.87%
4	Demand Charge - Next 400 kW	4,322	\$9.79	42,315	4,322	\$12.52	54,115	11,800	27.89%
5	Demand Charge - Next 500 kW	30,798	\$8.53	262,710	30,798	\$10.91	336,010	73,300	27.90%
6	Total Demand Charge	36,321		\$318,284	36,321		\$407,080	\$88,796	27.90%
7	Power Factor Charge Revenue			49,570			63,386	13,816	27.87%
8	Option L Discount		\$0.00000	-29,391	0	\$0.00000	-37,577		
9	Energy Charge - First 100 X Demand	3,632,056	\$0.04911	\$178,370	3,632,056	\$0.06279	228,057	49,687	27.86%
10	Energy Charge - Next 300 X Demand	10,656,818	\$0.02348	250,222	10,656,818	\$0.03001	319,811	69,589	27.81%
11	Energy Charge - Next 100 X Demand	3,262,531	\$0.01595	52,037	3,262,531	\$0.02038	66,490	14,453	27.77%
12	Energy Charge - Remaining kWh	2,342,660	\$0.00841	19,702	2,342,660	\$0.01075	25,184	5,482	27.82%
13	Total Energy Charge	19,894,065		\$500,331	19,894,065		\$639,542	\$139,210	27.82%
14	Sub-total Summer Rate			\$838,795			1,072,431	233,636	27.85%
15	Booked to Billed Revenue Ratio			<u>100.178%</u>			<u>100.00%</u>		
16	Booked Base Rate Revenue			\$840,292			\$1,072,431	\$232,139	27.63%
17	<u>Off-Peak Rate</u>								
18	Demand Charge - First 100 kW	2,000	\$11.05	\$22,100	2,000	\$14.13	\$28,260	\$6,160	27.87%
19	Demand Charge - Next 400 kW	7,191	\$9.79	70,402	7,191	\$12.52	90,034	19,632	27.89%
20	Demand Charge - Next 500 kW	43,206	\$8.53	368,550	43,206	\$10.91	471,381	102,831	27.90%
21	Total Demand Charge	52,398		\$461,052	52,398		\$589,675	\$128,623	27.90%
22	Power Factor Charge Revenue			56,262			71,944	15,682	27.87%
23	Option L Discount		\$0.00000	-42,037	0	\$0.00000	-53,767		
24	Energy Charge - First 100 X Demand	5,239,755	\$0.04911	\$257,324	5,239,755	\$0.06279	329,004	71,680	27.86%
25	Energy Charge - Next 300 X Demand	15,242,415	\$0.02348	357,892	15,242,415	\$0.03001	457,425	99,533	27.81%
26	Energy Charge - Next 100 X Demand	4,589,730	\$0.01595	73,206	4,589,730	\$0.02038	93,539	20,333	27.77%
27	Energy Charge - Remaining kWh	4,175,925	\$0.00841	35,120	4,175,925	\$0.01075	44,891	9,772	27.82%
28	Total Energy Charge	29,247,825		\$723,542	29,247,825		\$924,859	\$201,317	27.82%
29	Sub-total Off-Peak Rate			\$1,198,819			\$1,532,711	333,892	27.85%
30	Booked to Billed Revenue Ratio			100.138%			<u>100.00%</u>		
31	Booked Base Rate Revenue			1,200,468			\$1,532,711	332,243	27.68%
32	Annual Subtotal Rate 34RE			\$2,037,614			\$2,605,142	\$567,528	27.85%
33	Booked to Billed Revenue Ratio			100.154%			100.000%		
34	Total Adjusted Annual Large Com. & Ind. Rate 34L3% Revenue	49,141,890	88,718	\$2,040,760	49,141,890	88,718	\$2,605,142	\$564,382	27.66%
35	Annual Subtotal Rate 34L3% with Discount Eliminated			\$2,109,041					
36	Annual Large Com. & Ind. Rate 34L3% Rev w/ Discount Eliminated			\$2,112,187					

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		Billing Units	Rate	Revenue	Billing Units	Rate	Revenue	\$	%
1	<u>Large Commercial and Industrial Rate 34YS</u>								
2	<u>Summer Rate</u>								
3	Demand Charge - First 100 kW	800	\$11.05	\$8,840	800	\$14.13	\$11,304	\$2,464	27.87%
4	Demand Charge - Next 400 kW	201	\$9.79	1,970	201	\$12.52	2,519	549	27.89%
5	Demand Charge - Next 500 kW	0	\$8.53	0	0	\$10.91	0	0	0.00%
6	Total Demand Charge	1,001		\$10,810	1,001		\$13,823	3,013	27.88%
7	Power Factor Charge Revenue			0			0	0	0.00%
8	YS Discount		\$0.00000	-\$6,382	0	\$0.00000	-6,382		
9	Energy Charge - First 100 X Demand	100,120	\$0.04911	\$4,917	100,120	\$0.06279	6,287	1,370	27.86%
10	Energy Charge - Next 300 X Demand	274,478	\$0.02348	6,445	274,478	\$0.03001	8,237	1,792	27.81%
11	Energy Charge - Next 100 X Demand	7,157	\$0.01595	114	7,157	\$0.02038	146	32	27.77%
12	Energy Charge - Remaining kWh	0	\$0.00841	0	0	\$0.01075	0	0	0.00%
13	Total Energy Charge	381,755		\$11,476	381,755		\$14,669	\$3,194	27.83%
14	Sub-total Summer Revenue Before YS Discount			22,286			28,493	6,207	27.85%
15	Booked to Billed Revenue Ratio			100.174%			100.00%		
16	Booked Base Rate Revenue			\$22,324			\$28,493	\$6,168	27.63%
17	<u>Off-Peak Rate</u>								
18	Demand Charge - First 100 kW	1,600	\$11.05	\$17,680	1,600	\$14.13	\$22,608	\$4,928	27.87%
19	Demand Charge - Next 400 kW	263	\$9.79	2,579	263	\$12.52	3,299	719	27.89%
20	Demand Charge - Next 500 kW	0	\$8.53	0	0	\$10.91	0	0	0.00%
21	Total Demand Charge	1,863		\$20,259	1,863		\$25,907	\$5,647	27.87%
22	Power Factor Charge Revenue			1			1	\$0	81.82%
23	YS Discount		\$0.00000	-11,389	0	\$0.00000	-11,389		
24	Energy Charge - First 100 X Demand	186,348	\$0.04911	\$9,152	186,348	\$0.06279	11,701	\$2,549	27.86%
25	Energy Charge - Next 300 X Demand	473,474	\$0.02348	11,117	473,474	\$0.03001	14,209	3,092	27.81%
26	Energy Charge - Next 100 X Demand	21,449	\$0.01595	342	21,449	\$0.02038	437	95	27.77%
27	Energy Charge - Remaining kWh	0	\$0.00841	0	0	\$0.01075	0	0	0.00%
28	Total Energy Charge	681,271		\$20,611	681,271		\$26,347	\$5,736	27.83%
29									
30	Sub-total Off-Peak Revenue Before YS Discount			\$40,871			\$52,255	\$11,384	27.85%
31	Booked to Billed Revenue Ratio			100.056%			100.00%		
32	Booked Base Rate Revenue plus YS Discount			\$40,894			\$52,255	\$11,361	27.78%
33									
34	Annual Subtotal Rate 34YS			\$63,156			\$80,747	\$17,591	27.85%
35	Booked to Billed Revenue Ratio			100.098%			100.00%		
36	Total Adjusted Annual Large Com. & Ind. Rate 34YS Revenue	1,063,026	2,865	\$63,218	1,063,026		\$80,747	\$17,529	27.73%