

NorthWestern Energy
Electric Utility - State of South Dakota
Pro Forma Year Ending December 31, 2012
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	Commercial & Industrial Service Rate 33								
2	<u>Summer Rate</u>								
3	Demand Charge	220,404	\$6.13	\$1,351,078	220,404	\$8.05	\$1,774,255	\$423,176	31.32%
4	Power Factor Charge			164,919			216,574	51,655	31.32%
5	First 100 kWh per kW	20,169,295	\$0.05358	1,080,671	20,169,295	\$0.07042	1,420,322	339,651	31.43%
6	Next 300 kWh per kW	29,911,495	\$0.03658	1,094,162	29,911,495	\$0.04808	1,438,145	343,982	31.44%
7	Next 100 kWh per kW	1,515,783	\$0.02158	32,711	1,515,783	\$0.02837	43,003	10,292	31.46%
8	Over 500 kWh per kW	620,290	\$0.01158	7,183	620,290	\$0.01537	9,534	2,351	32.73%
9	Primary Discount			-183			-241	-58	31.66%
10	MAX33 Revenue			-99,280			-130,446	-31,166	31.39%
11	Sub-total Summer Rate	52,216,863		\$3,631,261	52,216,863		\$4,771,145	\$1,139,883	31.39%
12	Booked to Billed Revenue Ratio			102.255%			102.255%		
13	Booked Base Rate Revenue			\$3,713,130			\$4,878,712	\$1,165,582	31.39%
14	<u>Off-Peak Rate</u>								
15	Demand Charge	416,978	\$6.13	\$2,556,073	416,978	\$8.05	\$3,356,670	\$800,597	31.32%
16	Power Factor Charge			285,179			374,500	89,322	31.32%
17	First 100 kWh per kW	39,063,898	\$0.05358	2,093,044	39,063,898	\$0.07042	2,750,880	657,836	31.43%
18	Next 300 kWh per kW	59,812,042	\$0.03658	2,187,924	59,812,042	\$0.04808	2,875,763	687,838	31.44%
19	Next 100 kWh per kW	3,029,668	\$0.02158	65,380	3,029,668	\$0.02837	85,952	20,571	31.46%
20	Over 500 kWh per kW	1,782,447	\$0.01158	20,641	1,782,447	\$0.01537	27,396	6,755	32.73%
21	Primary Discount			-218			-286	-68	31.33%
22	MAX33 Revenue			-269,218			-353,732	-84,514	31.39%
23	Sub-total Off-Peak Rate	103,688,055		\$6,938,806	103,688,055		\$9,117,143	\$2,178,338	31.39%
24	Booked to Billed Revenue Ratio			98.171%			98.171%		
25	Booked Base Rate Revenue			\$6,811,900			\$8,950,398	\$2,138,498	31.39%
26									
27	Annual Subtotal Rate 33	155,904,918		\$10,570,067	155,904,918		\$13,888,288	3,318,221	31.39%
28	Booked to Billed Revenue Ratio			99.574%			99.574%		
29	Total Adjusted Annual Commercial Rate 33 Revenue	155,904,918		\$10,525,030	155,904,918		\$13,829,110	3,304,080	31.39%

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		Billing Units	Rate	Revenue	Billing Units	Rate	Revenue	\$	%
1	Commercial & Industrial Service Rate 33YS								
2	<u>Summer Rate</u>								
3	Demand Charge	757	\$6.13	\$4,640	757	\$8.05	\$6,093	\$1,453	31.32%
4	Power Factor Charge			142			187	45	31.32%
5	First 100 kWh per kW	75,291	\$0.05358	4,034	75,291	\$0.07042	5,302	1,268	31.43%
6	Next 300 kWh per kW	103,839	\$0.03658	3,798	103,839	\$0.04808	4,993	1,194	31.44%
7	Next 100 kWh per kW	889	\$0.02158	19	889	\$0.02837	25	6	31.46%
8	Over 500 kWh per kW	0	\$0.01158	0	0	\$0.01537	0	0	0.00%
9	MAX33 Revenue	0	-\$0.05519	0	0	-\$0.07252	0	0	0.00%
10	YS Discount	1,580	-\$0.00744	1,580	1,580	-\$0.00744	1,580	0	0.00%
11	Sub-total Summer Rate Before YS Discount	180,019		\$12,634	180,019		\$16,600	3,966	31.39%
12	Booked to Billed Revenue Ratio			100.124%			100.124%		
13	Booked Base Rate Revenue			\$12,650			\$16,621	3,971	31.39%
14	<u>Off-Peak Rate</u>								
15	Demand Charge	1,211	\$6.13	\$7,425	1,211	\$8.05	\$9,750	\$2,326	31.32%
16	Power Factor Charge			265			348	83	31.32%
17	First 100 kWh per kW	126,960	\$0.05358	6,803	126,960	\$0.07042	8,941	2,138	31.43%
18	Next 300 kWh per kW	226,410	\$0.03658	8,282	226,410	\$0.04808	10,886	2,604	31.44%
19	Next 100 kWh per kW	1,506	\$0.02158	32	1,506	\$0.02837	43	10	31.46%
20	Over 500 kWh per kW	0	\$0.01158	0	0	\$0.01537	0	0	0.00%
21	MAX33 Revenue	0	-\$0.05900	0	0	-\$0.07752	0	0	0.00%
22	YS Discount	3,115	-\$0.00744	3,115	3,115	-\$0.00744	3,115	0	0.00%
23	Sub-total Off-Peak Rate Before YS Discount	354,876		\$22,807	354,876		\$29,967	\$7,160	31.40%
24	Booked to Billed Revenue Ratio			100.799%			100.799%		
25	Booked Base Rate Revenue			\$22,989			\$30,207	\$7,218	31.40%
26									
27	Annual Com & Ind Service Rate 33YS w/o YS Disc	534,895		\$35,441			\$46,568	\$11,127	31.39%
28	Booked to Billed Revenue Ratio			100.558%			100.558%		
29	Booked Base Rate Revenue before YS Discount			\$35,639			\$46,828		0.00%
30	YS Discount			4,695			4,695	0	0.00%
31	Net Com & Ind Service Rate 33YS	534,895		\$30,944			\$42,132	\$11,189	36.16%