

<u>Electricity Prices</u>	
<u>Actual Costs</u>	
2009 Average Cost for Residential Customers	\$53.05 MWH
2009 Average Cost of Power Purchased from PPL Montana	\$47.95 MWH
2009 Average Cost of Short Term Market Purchases	\$42.22 MWH
Mid-C Price Range - First Six Months of 2010	- \$1.16 to \$51.14 MWH
Average Mid-C Price - First Six Months of 2010 ²	\$33.22 MWH
Average Cost of Short Term Market Purchase 2nd Quarter (April-June) 2010	\$20.80 MWH
15 MW Hydro Unit 20-Year Levelized Supply Cost ¹	\$69.51 MWH
222 MW Share of Colstrip Unit 4 20-Year Levelized Supply Cost ²	\$61.24 MWH
<u>Electricity Supply Proposals (BIDS)</u>	
2009 Renewable RFI Price Range of 20 Proposals	\$54.00 to \$156.10 MWH with escalator
2009 Renewable RFI Average Price of 20 Proposals	\$80.14 MWH with escalator
2009 Biomass Proposals Price Range	\$95.00 to \$150.00 MWH with escalator
<u>Feasibility Studies/Price Forecasts</u>	
19 MW Prototypical Biomass Plant 20-Year Levelized Supply Cost ¹	\$101.50 MWH
Mid-C Price Forecast (Average Price) 20-Year Levelized Supply Cost ²	\$59.14 MWH
<u>Avoided Cost Calculation</u>	
PSC Order No. 6973d, May 2010	\$69.21 MWH
¹ Levelized using an 8.46 discount rate.	
² Average Mid-C Price obtained by developing a weighted average of heavy load (56.1% of year) and light load (43.9% of year) prices. Based on October 6, 2009 price update.	
August 17, 2010 ~ Prepared by:	
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