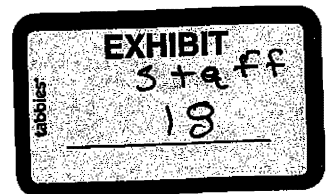


# Exhibit 18

No. 1



2-32) Please explain how the capacity value of \$1.38/MWh (revised from \$1.78/MWh) was calculated and provide supporting calculations in an excel spreadsheet. Include in the explanation the cost of a LMS simple cycle turbine, the source for the cost figure, whether or not the capacity cost was adjusted for the expected capacity factor of Juhl's wind turbines, and whether or not the capacity value was adjusted to account for the dispatchability of a combustion turbine vs. wind generation being a non-dispatchable capacity resource.

*See attached spreadsheet labeled "PMRG Calculations of Juhl Capacity Value.xlsx." The calculation is based on installed cost of a GE LMS 100 simple cycle generator, and assignment of a 5% effective load carrying capability for the Juhl projects.*

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## Estimated Capacity Value of Juhl Projects

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### LMS 100

Installed Cost (\$/kW)	\$1,250
NorthWestern Weighted Average Cost of Capital (%)	7.03%
NorthWestern Estimated Levelized Fixed Charge Rate (%)	10.03%
Carrying Cost (\$/kW/Year)	\$125.38
Juhl Effective Capacity at 5% ELCC	3
Juhl Expected Energy Production (MWh)	273,052
Juhl Levelized Capacity Value (\$/MWh)	\$1.38