## Exhibit 19 No. 5

- 1-5) Please refer to Page LPH-3, line 20 through Page LPH-4, line 5 of the direct testimony of Mr. Hansen.
  - a) Please explain how historical statistical relationships accurately reflect future statistical relationships with the fuel and power market changes identified by Mr. Schiffman on Page 23 of his direct testimony.
  - b) Please refer to Page 23 of the direct testimony of Mr. Schiffman. Please explain how NorthWestern's forecast for fuel and power markets reflects the factors identified in each bullet point.

Response No. 1-5)

a) The historical relationship between weather and load, weather and renewable generation output, and weather, load, renewable generation output and commodity prices are accurately reflected in fuel and power market changes described by Mr. Schiffman as many of these changes have already been observed in the historical market prices. The advent of shale gas, renewable penetration, and reduced coal thermal generation have already been observed in the market and NorthWestern is accounting for this in both the historical prices and the forward market prices.

b) The market prices that NorthWestern uses from the Intercontinental Exchange reflect market participants' most current fundamental information with respect to natural gas production, environmental policies, current renewable generation, and electrical demand. Market participants, as a group, evaluate and act on fundamental information. The Energy Information Administration ("EIA") is a fundamental forecast that takes into account expected changes regarding shale gas, additional renewable generation, coal plant retirement, and additional demand on natural gas. NorthWestern is accounting for these changes by escalating the current prices with the change in prices from the EIA.