ax Reform Analysis - NorthWestern Energy Impacts							Exhibit 1, Page 1 of 3
In Thousands of Dollars)							
Estimated 2018 Tax Reform Impacts - Total SD							
			Old Law			New Law	
Federal Tax Rate		-	35.0000%		-	21.0000%	
State Tax Rate			0.0000%			0.0000%	
Apportionment		-	1.0000		-	1.0000	
State Tax Rate-Apportioned			0.0000%			0.0000%	
Federal Tax Offset		_	0.0000%		_	0.0000%	
State Tax Rate Net of Federal Offset		_	0.0000%		_	0.0000%	
Federal & State Combined Tax Rate		-	35.0000%		-	21.0000%	
		=			=		Tax Reform
	Old Law	Old Law	Old Law	New Law	New Law	New Law	Revenue
Tax Provision Calculations	Fed	State	2018	Fed	State	2018	
							Impact
Net Income/(Loss) before Income Tax	26,871	26,871	26,871	26,871	26,871	26,871	
Flow-Through Tax Adjustment Items Component							
Tax Repair Deductions	(14,510)	-		(14,510)	-		
Removal Costs Net of Salvage	(4,651)	-		(4,651)	-		
Meter Costs Deductions	(8,659)	-		(8,659)	-		
Accelerated Tax Depreciation	(1,988)	-		(1,988)	-		
Misc	180	-		180	-		
State Tax	-			-			
Total Flow-Through Tax Items	(29,628)			(29,628)			
Book Taxable Income	(2,757)	26,871		(2,757)	26,871		
Tax Rate	35.00%	0.0000%		21.00%		<tay reform<="" td=""><td>reduction in federal income tax rate.</td></tay>	reduction in federal income tax rate.
Income Tax before Credits	(965)	-		(579)	0.0000%	- Tax NetOIIII	386
medile rux before creats	(505)			(373)			300
Flow-Through Tax Credit Items Component							
Production Tax Credits	(7,542)	-		(7,542)	-		
Investment Tax Credit Amortization	(28)	_		(28)	-		
Excess Deferred Tax ARAM Amortization	-	_		(1,060)			(1,060)
Miscellaneous	-	-		(2)000)	-		(1,000)
Total Flow-Through Tax Credit Items	(7,570)	_		(8,630)	_		
Total Flow Timough Tax Great Items	(1,510)			(0,030)			
Total Book Tax Expense	(8,535)	-	(8,535)	(9,209)	-	(9,209)	(674) 1.267724 (854)
							Tax Reform Revenue Reduction
Net Income/(Loss)		_	35,406		_	36,080	
				After Toy B	eform Rate Revenu	.a Adimt	
				New Law	New Law	New Law	
			- 0111	Fed	State	2018	
	Net Income/(Loss)		Tax-Old Law	26,871	26,871	26,871	
	Tax Reform Revenu			(854)	(854)		<tax reduction="" reform="" revenue.<="" td="" to=""></tax>
	Net Income/(Loss)			26,017	26,017	26,017	
	Perm/FT Tax (Dedu	ctions)/Addbac	ks	(29,628)	-		
	State Tax Book Taxable Income		-				
			(3,611)	26,017			
	Tax Rate Income Tax before Credits			21.00%	0.00%		
				(759)	-		
	Tax Credits, etc.			(8,630)	_		
	Tax Credits, etc. Total Book Tax Expense			(9,389)	-	(9,389)	
				,			
	Net Income/(Loss)	- New Law				35,406	
		Old Law				35,406	
	Net Income/(Loss)	- Old Law				33,400	
	Net Income/(Loss) · Variance	- Old Law			-		<proof all="" benefits="" customers.<="" given="" reform="" tax="" td="" to=""></proof>

(In Thousands of Dollars)							
Estimated 2018 Tax Reform Impacts - SD Elec							
Federal Tax Rate		-	Old Law 35.0000%		-	New Law 21.0000%	
State Tax Rate			0.0000%			0.0000%	
Apportionment			1.0000			1.0000	
State Tax Rate-Apportioned		_	0.0000%		-	0.0000%	
Federal Tax Offset			0.0000%			0.0000%	
State Tax Rate Net of Federal Offset		_	0.0000%		-	0.0000%	
Federal & State Combined Tax Rate		=	35.0000%		=	21.0000%	
rederal & State Combined Tax Nate		=	33.0000/6		=	21.0000/8	Tax Reform
	Old Law	Old Law	Old Law	New Law	New Law	New Law	Revenue
Tax Provision Calculations	Fed	State	2018	Fed	State	2018	Impact
Net Income/(Loss) before Income Tax	20,594	20,594	20,594	20,594	20,594	20,594	Impact
Net income/(coss) before income rax	20,594	20,594	20,594	20,394	20,594	20,594	
Flow-Through Tax Adjustment Items Component							
Tax Repair Deductions	(13,664)	-		(13,664)	-		
Removal Costs Net of Salvage	(3,362)	-		(3,362)	-		
Meter Costs Deductions	(6,260)	-		(6,260)	-		
Accelerated Tax Depreciation	(1,437)	-		(1,437)	-		
Misc	130	-		130	-		
State Tax	(0.4.500)						
Total Flow-Through Tax Items	(24,593)	- 20 504		(24,593)	- 20.504		
Book Taxable Income	(3,999)	20,594		(3,999)	20,594	. T	advette a te federal to
Tax Rate Income Tax before Credits	35.00% (1,400)	0.0000%		21.00%	0.0000%	<tax r<="" reform="" td=""><td>eduction in federal income tax rate. 560</td></tax>	eduction in federal income tax rate. 560
	.,,						
Flow-Through Tax Credit Items Component				/= = +0`			
Production Tax Credits	(7,542)	-		(7,542)	-		
Investment Tax Credit Amortization	(20)	-		(20)	-		(025)
Excess Deferred Tax ARAM Amortization Miscellaneous	-	-		(936)	<u>-</u> -		(936)
Total Flow-Through Tax Credit Items	(7,562)			(8,498)	-		
Total Flow-Inrough Tax Credit Items	(7,562)			(8,498)	-		
Total Book Tax Expense	(8,962)	-	(8,962)	(9,338)	-	(9,338)	(376) 1.267724 (
Not been selffered		_	20.550		_	20.022	Tax Reform Revenue Reduction
Net Income/(Loss)		_	29,556		_	29,932	
				After Tax Reform Rate Reven		ue Adjmt	
				New Law	New Law	New Law	
				Fed	State	2018	
	Net Income/(Loss)		Tax-Old Law	20,594	20,594	20,594	
	Tax Reform Revenu	-		(476)	(476)		Tax Reform Reduction to Revenue.
	Net Income/(Loss)			20,118	20,118	20,118	
	Perm/FT Tax (Deductions)/Addbacks State Tax Book Taxable Income		▼ (24,593)	-			
			-				
			(4,475)	20,118			
	Tax Rate Income Tax before Credits			21.00%	0.00%		
				(940)	-		
	Tax Credits, etc.			(8,498)	-	15 :>	
	Total Book Tax Expe	ense		(9,438)	-	(9,438)	
		Namelani				29,556	
	Net Income/(Loss)	- New Law					
	Net Income/(Loss) Net Income/(Loss)				-	29,556	

Tax Reform Analysis - NorthWestern Energy Impacts							Exhibit 1, Page 3 of 3
(In Thousands of Dollars)							
Estimated 2018 Tax Reform Impacts - SD Gas							
			Old Law			New Law	
Federal Tax Rate			35.0000%			21.0000%	
State Tax Rate			0.0000%			0.0000%	
Apportionment			1.0000			1.0000	
State Tax Rate-Apportioned		-	0.0000%		-	0.0000%	
Federal Tax Offset			0.0000%			0.0000%	
State Tax Rate Net of Federal Offset		-	0.0000%		-	0.0000%	
Federal & State Combined Tax Rate		-	35.0000%		-	21.0000%	
							Tax Reform
	Old Law	Old Law	Old Law	New Law	New Law	New Law	Revenue
Tax Provision Calculations	Fed	State	2018	Fed	State	2018	Impact
Net Income/(Loss) before Income Tax	6,277	6,277	6,277	6,277	6,277	6,277	
	-,	7,=	0,2	0,2	-,	J,	
Flow-Through Tax Adjustment Items Component							
Tax Repair Deductions	(846)	-		(846)	-		
Removal Costs Net of Salvage	(1,289)	-		(1,289)	-		
Meter Costs Deductions	(2,399)	-		(2,399)	-		
Accelerated Tax Depreciation	(551)	-		(551)	-		
Misc	50	_		50	-		
State Tax	_			-			
Total Flow-Through Tax Items	(5,035)			(5,035)			
Book Taxable Income	1,242	6,277		1,242	6,277		
Tax Rate	35.00%	0.0000%		21.00%		<tay reform<="" td=""><td>reduction in federal income tax rate.</td></tay>	reduction in federal income tax rate.
Income Tax before Credits	435	0.0000%		261	0.0000%	C lax Reloilli	(174)
income tax before credits	433			201			(174)
Flow-Through Tax Credit Items Component							
Production Tax Credits		_		_	_		
Investment Tax Credit Amortization	(8)	_		(8)	_		
Excess Deferred Tax ARAM Amortization	(6)			(124)			(124)
Miscellaneous	-			(124)			(124)
	(8)	<u>-</u> _		(132)			
Total Flow-Through Tax Credit Items	(6)			(132)			
Total Book Tax Expense	427	-	427	129	=	129	(298) 1.267724 / (378)
							Tax Reform Revenue Reduction
Net Income/(Loss)			5,850			6,148	
		-			•		
				After Tax R	eform Rate Reven	ue Adjmt	
				New Law	New Law	New Law	
				Fed	State	2018	
	Net Income/(Loss)	hefore Incomo	Tax-Old Law	6,277	6,277	6,277	
	Tax Reform Reveni		Tux Old Law	(378)	(378)	_	<tax reduction="" reform="" revenue.<="" td="" to=""></tax>
			Tau Nami Laur				New York Action in Reduction to Revenue.
	Net Income/(Loss) before Income Tax-New Law Perm/FT Tax (Deductions)/Addbacks State Tax Book Taxable Income Tax Rate Income Tax before Credits Tax Credits, etc.			5,899	5,899	5,899	
				(5,035)	-		
				-			
				864	5,899		
				21.00%	0.00%		
				181	-		
				(132)	-		
	Tax Credits, etc.						
	Tax Credits, etc. Total Book Tax Exp	ense		49	-	49	
	Total Book Tax Exp			49	<u>-</u>		
	Total Book Tax Exp	- New Law		49	-	5,850	
	Total Book Tax Exp Net Income/(Loss) Net Income/(Loss)	- New Law		49	-	5,850 5,850	
	Total Book Tax Exp	- New Law		49	-	5,850 5,850	<proof all="" benefits="" customers<="" given="" reform="" tax="" td="" to=""></proof>