

NorthWesternTM Energy

NorthWestern Corporation
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January 18, 2011

Mr. Dave Jacobson
South Dakota Public Utilities Commission
500 East Capital Avenue
Pierre, SD 57501

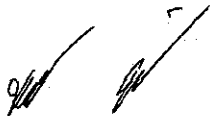
Re: Docket NG07-013
Environmental update pursuant to paragraph 17 of Settlement Stipulation

Dear Mr. Jacobson,

We are providing you with an electronic copy of "NPS 265319 Environmental" updated for costs through December 31, 2010. We did not receive any insurance proceeds during the year related to our South Dakota or Nebraska operations. We did receive \$773,300 of insurance proceeds during 2010 for previously incurred environmental remediation costs related to Montana sites.

Please feel free to contact me at (605) 978-2806 if you have any questions.

Very truly yours,



Kendall Kliever
Vice President & Controller

NorthWestern Corporation
Aberdeen Environmental cleanup costs
November 1, 2007 through December 31, 2010

	Amount
Total Aberdeen cleanup costs, November 2007-December 2009	3,875,245.09
Total Aberdeen cleanup costs, January-December 2010	1,027,154.58 detail below
Total Aberdeen cleanup costs, November 2007-December 2010	<u><u>4,902,399.67</u></u>

Details for Aberdeen 2010 activity:

Jan 10 activity	21.20
Jan 10 activity	1,168.00
Jan 10 activity	53.00
Jan 10 activity	21.20
Jan 10 activity	21.20
Feb 10 activity	21.20
Feb 10 activity	21.20
Feb 10 activity	31.80
Feb 10 activity	3.50
Feb 10 activity	51.22
Feb 10 activity	15.90
Feb 10 activity	21.20
March 10 activity	10.47
March 10 activity	21.20
March 10 activity	31.80
March 10 activity	4,027.50
March 10 activity	21.20
March 10 activity	78,629.58
March 10 activity	63.60
March 10 activity	35.01
March 10 activity	21.20
April 10 activity	600.00
April 10 activity	42.40
April 10 activity	21.20
April 10 activity	145,127.70
April 10 activity	21.20
May 10 activity	21.20
May 10 activity	106.00
May 10 activity	21.20
May 10 activity	87,814.44
May 10 activity	42.40
May 10 activity	1,134.78
June 10 activity	21.20
June 10 activity	50,051.27
June 10 activity	42.40
June 10 activity	7.95
June 10 activity	116.34
June 10 activity	222.46

June 10 activity	31.80
June 10 activity	42.40
June 10 activity	21.20
July 10 activity	260.38
July 10 activity	21.84
July 10 activity	21.84
August 10 activity	65.51
August 10 activity	71,924.23
August 10 activity	21.84
August 10 activity	10.00
August 10 activity	21.84
August 10 activity	43.67
Sept 2010 activity	21.84
Sept 2010 activity	144,168.57
Sept 2010 activity	21.84
Oct 2010 activity	21.84
Oct 2010 activity	21.84
Oct 2010 activity	1,098.80
Oct 2010 activity	21.84
Oct 2010 activity	21.84
Oct 2010 activity	135,269.12
Nov 2010 activity	43.68
Nov 2010 activity	15.90
Nov 2010 activity	228.66
Nov 2010 activity	144.44
Nov 2010 activity	467.94
Nov 2010 activity	21.84
Nov 2010 activity	21.84
Nov 2010 activity	11.85
Nov 2010 activity	21.84
Dec 10 activity	21.84
Dec 10 activity	58,000.00
Dec 10 activity	179,436.77
Dec 10 activity	65,767.58
Dec 10 activity	70.00
	<u>1,027,154.58</u>

Note:

There were no insurance reimbursements during the period.

Date	Aberdeen clean-up costs	Recovered from customers	Monthly (under) over recovery from customers	Interest on balance	Cumulative (under) over recovery
11/01/2007	859,873.73	102,106.89	(757,766.84)		(757,766.84)
12/01/2007	673,935.31	102,106.89	(571,828.42)	(5,026.52)	(1,334,621.78)
01/01/2008	2,749.56	263,787.17	261,037.61	(8,852.99)	(1,082,437.17)
02/01/2008	426,021.39	274,007.06	(152,014.33)	(7,180.17)	(1,241,631.67)
03/01/2008	64,198.69	228,955.64	164,756.95	(8,236.16)	(1,085,110.87)
04/01/2008	18,965.86	155,788.39	136,822.53	(7,197.90)	(955,486.24)
05/01/2008	137,553.53	97,631.08	(39,922.45)	(6,338.06)	(1,001,746.76)
06/01/2008	7,814.30	48,048.75	40,234.45	(6,644.92)	(968,157.23)
07/01/2008	108,732.86	34,407.48	(74,325.38)	(6,422.11)	(1,048,904.72)
08/01/2008	63,008.47	29,675.98	(33,332.49)	(6,957.73)	(1,089,194.95)
09/01/2008	15,758.99	30,540.24	14,781.25	(7,224.99)	(1,081,638.70)
10/01/2008	281,210.21	39,969.35	(241,240.86)	(7,174.87)	(1,330,054.42)
11/01/2008	130,270.34	107,744.77	(22,525.57)	(8,822.69)	(1,361,402.69)
12/01/2008	114,837.59	212,124.77	97,287.18	(9,030.64)	(1,273,146.15)
01/01/2009	8,122.12	285,343.48	277,221.36	(8,445.20)	(1,004,369.99)
02/01/2009	50,400.87	265,746.67	215,345.80	(6,662.32)	(795,686.51)
03/01/2009	51,386.21	212,729.85	161,343.64	(5,278.05)	(639,620.93)
04/01/2009	69,594.14	160,515.82	90,921.68	(4,242.82)	(552,942.07)
05/01/2009	86,292.05	85,044.93	(1,247.12)	(3,667.85)	(557,857.04)
06/01/2009	125,060.49	43,728.15	(81,332.34)	(3,700.45)	(642,889.83)
07/01/2009	63,790.87	37,785.17	(26,005.70)	(4,264.50)	(673,160.03)
08/01/2009	2,381.28	42,993.17	40,611.89	(4,465.29)	(637,013.44)
09/01/2009	247,949.40	43,659.86	(204,289.54)	(4,225.52)	(845,528.50)
10/01/2009	81,431.84	67,093.78	(14,338.06)	(5,608.67)	(865,475.24)
11/01/2009	84.80	131,222.99	131,138.19	(5,740.99)	(740,078.03)
12/01/2009	183,820.19	210,557.99	26,737.80	(4,909.18)	(718,249.42)
01/01/2010	1,284.60	325,277.95	323,993.35	(4,764.39)	(399,020.45)
02/01/2010	176.49	263,751.64	263,575.15	(2,646.84)	(138,092.13)
03/01/2010	82,851.09	223,467.30	140,616.21	(916.01)	1,608.07
04/01/2010	145,812.50	143,855.13	(1,957.37)	10.67	(338.63)
05/01/2010	89,140.02	79,369.89	(9,770.13)	(2.25)	(10,111.01)
06/01/2010	50,557.02	58,371.03	7,814.01	(67.07)	(2,364.07)
07/01/2010	304.06	44,511.88	44,207.82	(15.68)	41,828.07
08/01/2010	72,043.42	40,672.25	(31,371.17)	277.46	10,734.35
09/01/2010	144,255.92	42,605.00	(101,650.92)	71.20	(90,845.36)
10/01/2010	136,455.28	51,424.16	(85,031.12)	(602.61)	(176,479.09)
11/01/2010	977.99	96,641.30	95,663.31	(1,170.64)	(81,986.43)
12/01/2010	303,296.19	215,898.99	(87,397.20)	(543.84)	(169,927.47)
	<u>4,902,399.67</u>	<u>4,899,162.82</u>	<u>(3,236.85)</u>	<u>(166,690.61)</u>	

NorthWestern Corporation
SD/NE Environmental cleanup costs
November 1, 2007 through December 31, 2009

	<u>Amount</u>
Total Aberdeen cleanup costs, November 2007-December 2008	<u>2,904,930.83</u>
Total Aberdeen cleanup costs, January-December 2009	<u>970,314.26</u>
Total Mitchell cleanup costs, November 2007-December 2008	<u>428.60</u>
Total South Dakota cleanup cost, November 2007-December 2009	<u>3,875,673.69</u>

Total Nebraska cleanup costs, November 2007-December 2009	<u>55,213.26</u>
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Details for Aberdeen 2009 activity:

Jan 09 activity	900.00
Jan 09 activity	21.20
Jan 09 activity	5,651.02
Jan 09 activity	21.20
Jan 09 activity	1,507.50
Jan 09 activity	21.20
February 09 activity	42.40
February 09 activity	50,307.46
February 09 activity	8.61
February 09 activity	21.20
February 09 activity	21.20
March 09 activity	42.40
March 09 activity	51,163.61
March 09 activity	106.00
March 09 activity	53.00
March 09 activity	21.20
April 09 Activity	42.40
April 09 Activity	68,840.24
April 09 Activity	21.20
April 09 Activity	21.20
April 09 Activity	647.90
April 09 Activity	21.20
May 09 Activity	85,159.40
May 09 Activity	63.60
May 09 Activity	137.80
May 09 Activity	42.40
May 09 Activity	12.50
May 09 Activity	567.20
May 09 Activity	72.13
May 09 Activity	215.82
May 09 Activity	21.20
June 09 activity	45,968.04
June 09 activity	8,043.75
June 09 activity	21.20

NorthWestern Corporation
SD/NE Environmental cleanup costs
November 1, 2007 through December 31, 2009

	Amount
June 09 activity	42.40
June 09 activity	70,921.50
June 09 activity	63.60
July 09 activity	12.29
July 09 activity	63.60
July 09 activity	21.20
July 09 activity	63,630.18
July 09 activity	63.60
Aug 09 activity	63.60
Aug 09 activity	52.50
Aug 09 activity	1,264.90
Aug 09 activity	143.72
Aug 09 activity	809.40
Aug 09 activity	21.20
Aug 09 activity	25.96
Sept 09 activity	51,646.32
Sept 09 activity	42.40
Sept 09 activity	137.80
Sept 09 activity	1,389.95
Sept 09 activity	194,669.33
Sept 09 activity	63.60
Oct 09 activity	21.20
Oct 09 activity	42.40
Oct 09 activity	22.59
Oct 09 activity	81,324.45
Oct 09 activity	21.20
Nov 09 activity	42.40
Nov 09 activity	21.20
Nov 09 activity	21.20
Dec 09 activity	21.20
Dec 09 activity	21.20
Dec 09 activity	42.40
Dec 09 activity	78,997.07
Dec 09 activity	21.20
Dec 09 activity	104,653.52
Dec 09 activity	63.60
	<u>970,314.26</u>

Note:
 There were no insurance reimbursements during the period.

NorthWestern Corporation
SD/NE Environmental cleanup costs
November 1, 2007 through December 31, 2008

	Amount	State	Site
November 07 activity	11.44	SD	Aberdeen
November 07 activity	742,315.86	SD	Aberdeen
November 07 activity	1,500.00	SD	Aberdeen
November 07 activity	19.23	SD	Aberdeen
November 07 activity	7.95	SD	Aberdeen
November 07 activity	255.44	SD	Aberdeen
November 07 activity	614.11	SD	Aberdeen
November 07 activity	76.51	SD	Aberdeen
November 07 activity	437.40	SD	Aberdeen
November 07 activity	250.00	SD	Aberdeen
November 07 activity	160,485.85	SD	Aberdeen
November 07 activity	15.90	SD	Aberdeen
November 07 activity	7.50	SD	Aberdeen
November 07 activity	16.45	SD	Aberdeen
November 07 activity	113.41	SD	Aberdeen
November 07 activity	307.77	SD	Aberdeen
November 07 activity	(46,561.09)	SD	Aberdeen
December 07 activity	45,059.60	SD	Aberdeen
December 07 activity	1,540.59	SD	Aberdeen
December 07 activity	(648.35)	SD	Aberdeen
December 07 activity	(735.33)	SD	Aberdeen
December 07 activity	(33.27)	SD	Aberdeen
December 07 activity	(646.91)	SD	Aberdeen
December 07 activity	7.50	SD	Aberdeen
December 07 activity	1,500.00	SD	Aberdeen
December 07 activity	164,690.49	SD	Aberdeen
December 07 activity	322,191.28	SD	Aberdeen
December 07 activity	0.02	SD	Aberdeen
December 07 activity	140,525.73	SD	Aberdeen
December 07 activity	436.50	SD	Aberdeen
December 07 activity	9.00	SD	Aberdeen
December 07 activity	38.46	SD	Aberdeen
January 08 activity	39.17	SD	Aberdeen
January 08 activity	2,658.38	SD	Aberdeen
January 08 activity	20.19	SD	Aberdeen
January 08 activity	11.63	SD	Aberdeen
January 08 activity	20.19	SD	Aberdeen
February 08 activity	104,998.96	SD	Aberdeen
February 08 activity	749.50	SD	Aberdeen
February 08 activity	15.90	SD	Aberdeen
February 08 activity	50.00	SD	Aberdeen
February 08 activity	97.63	SD	Aberdeen
February 08 activity	558.54	SD	Aberdeen
February 08 activity	319,510.48	SD	Aberdeen
February 08 activity	40.38	SD	Aberdeen
March 08 activity	64,138.12	SD	Aberdeen
March 08 activity	20.19	SD	Aberdeen

NorthWestern Corporation
SD/NE Environmental cleanup costs
November 1, 2007 through December 31, 2008

	Amount	State	Site
Sept 08 activity	40.38	SD	Aberdeen
Oct 08 activity	20.19	SD	Aberdeen
Oct 08 activity	281,149.73	SD	Aberdeen
Oct 08 activity	10.09	SD	Aberdeen
Oct 08 activity	10.01	SD	Aberdeen
Oct 08 activity	20.19	SD	Aberdeen
Nov 08 activity	565.50	SD	Aberdeen
Nov 08 activity	128,654.02	SD	Aberdeen
Nov 08 activity	20.19	SD	Aberdeen
Nov 08 activity	0.40	SD	Aberdeen
Nov 08 activity	11.40	SD	Aberdeen
Nov 08 activity	7.95	SD	Aberdeen
Nov 08 activity	33.10	SD	Aberdeen
Nov 08 activity	49.23	SD	Aberdeen
Nov 08 activity	346.17	SD	Aberdeen
Nov 08 activity	582.38	SD	Aberdeen
Dec 08 activity	41,187.05	SD	Aberdeen
Dec 08 activity	20.19	SD	Aberdeen
Dec 08 activity	60.56	SD	Aberdeen
Dec 08 activity	73,082.47	SD	Aberdeen
Dec 08 activity	426.75	SD	Aberdeen
Dec 08 activity	20.19	SD	Aberdeen
Dec 08 activity	20.19	SD	Aberdeen
Dec 08 activity	20.19	SD	Aberdeen

Total Aberdeen cleanup costs, November 2007-December 2008 2,904,930.83

Oct 08 activity	416.33	SD	Mitchell
Nov 08 activity	5.23	SD	Mitchell
Nov 08 activity	7.04	SD	Mitchell

Total Mitchell cleanup costs, November 2007-December 2008 428.60

Total South Dakota cleanup cost, November 2007-December 2008 2,905,359.43

November 07 activity	1,880.00	NE	Grand Island
November 07 activity	6,789.68	NE	Grand Island
December 07 activity	1,174.68	NE	Grand Island
February 08 activity	8,275.22	NE	Grand Island
March 08 activity	642.63	NE	Grand Island
April 08 activity	80.60	NE	Grand Island
April 08 activity	150.00	NE	Grand Island
May 08 activity	(541.37)	NE	grand island
June 08 activity	9.68	NE	grand island
June 08 activity	272.00	NE	grand island

NorthWestern Corporation
SD/NE Environmental cleanup costs
November 1, 2007 through December 31, 2008

	Amount	State	Site
Sept 08 activity	4,357.76	NE	Grand Island
Sept 08 activity	2,890.68	NE	Grand Island
Nov 08 activity	120.98	NE	Grand Island
Nov 08 activity	32.92	NE	Grand Island
Nov 08 activity	211.77	NE	Grand Island
Nov 08 activity	39.22	NE	Grand Island
Nov 08 activity	10.56	NE	Grand Island
November 07 activity	1,880.00	NE	Kearney
November 07 activity	6,623.97	NE	Kearney
December 07 activity	936.00	NE	Kearney
February 08 activity	10,694.17	NE	Kearney
March 08 activity	642.62	NE	Kearney
April 08 activity	80.60	NE	Kearney
April 08 activity	150.00	NE	Kearney
May 08 activity	(699.62)	NE	kearney
June 08 activity	10.88	NE	kearney
June 08 activity	272.00	NE	kearney
Aug 08 activity	4,146.73	NE	Kearney
Sept 08 activity	2,762.30	NE	Kearney
Nov 08 activity	127.76	NE	Kearney
Nov 08 activity	62.47	NE	Kearney
Nov 08 activity	211.76	NE	Kearney
Nov 08 activity	39.22	NE	Kearney
Dec 08 activity	871.39	NE	Kearney
Dec 08 activity	4.00	NE	Kearney
Total Nebraska cleanup costs, November 2007-December 2008	<u>55,213.26</u>		

Note: Correcting or reversing entries are reflected as reductions above. There were no insurance reimbursements during the period.