

Docket Number: NG18-006
Subject Matter: First Data Request
Request to: NorthWestern Energy
Request from: South Dakota Public Utilities Commission Staff
Date of Request: 3/29/18
Responses Due: 4/12/18

- 1-1. Explain why Staffing is projected to increase approximately 10% for budget year 2018, as listed on Attachment A, compared to 2017 actuals.
As noted in Footnote D of Attachment B, long-time employee Jerry Bertsch retired in May of 2017. Paul Mantz began working for NorthWestern Energy in July 2017. This lapse between Jerry's retirement and Paul's employment resulted in a decrease in Staffing costs for 2017 of \$4,797. A comparison of the 2017 staffing budget to the proposed 2018 staffing budget reveals an actual increase of \$2,362 or 3.0%, which corresponds with the company's budgeted salary increase for 2018.
- 1-2. Explain what NorthWestern is doing to control Staffing expenses to ensure as much of the economic development budget as possible is going towards specific economic development projects.
Three full time employees dedicate a portion of their time to economic development activities in South Dakota. Two Directors and one salaried professional combine their efforts to show NorthWestern's commitment to support economic development opportunities for the communities we serve and reinforce the impact of those activities to the state's overall economic well-being. Staffing costs included in the economic development budget have increased at a rate of less than 3 percent annually, which is in line with the company's salary increases for all employees. As you can see in the Exhibits, NorthWestern spends well over the capped economic development amount each year, even without including any NorthWestern internal labor in the total.
- 1-3. Explain why the Webster Area Development Corporation is listed twice on Attachment A. With the transfer of information from the 2017 budget to the proposed 2018 budget, the mislabeled line items clarified below in 3-2 were used in Attachment A. The line item for \$705 should read the Webster Area Chamber of Commerce. The \$1000 payment for the Webster Area Development Corporation is labeled correctly.
- 1-4. Explain why the Webster Area Development Corporation is listed twice on Attachment B. The \$1000 payment was properly labeled as the Webster Area Development Corporation. The payment of \$705 was mislabeled and should have read Webster Area Chamber of Commerce.