

NorthWestern Energy
Reconciliation of Income Per Books to Income Per Tax - 2021
Twelve Months Ending December 31, 2022

Line No.			
1	Net Income/(Loss) before Income Tax per Books	\$	21,620,787
2			
3	<u>Tax Adjustments - Permanent Differences</u>		
4	Lobbying Expenses	\$	20,918
5	Meals & Entertainment	\$	2,649
6	Non-Deductible Parking	\$	-
7	Penalties	\$	-
8	Officers Life Insurance	\$	5,553
9			
10	Total Permanent Differences	\$	<u>29,121</u>
11			
12	<u>Tax Adjustments - Temporary Differences</u>		
13	AFUDC net of Capitalized Interest	\$	(422,926)
14	Bad Debts	\$	(35,422)
15	Bonuses & Compensation	\$	838,988
16	Capitalized Overheads	\$	22,540,116
17	Contributions in Aid of Construction	\$	192,836
18	Deferred Interest	\$	2,801
19	Deferred Power Costs	\$	(11,701,348)
20	Deferred Revenue	\$	2,635,285
21	Environmental Liability	\$	424,997
22	FAS 106 & 112 Liability	\$	1,225,808
23	Future SISP	\$	871,398
24	Injuries & Damages	\$	(6,467)
25	Loss on Reacquired Debt	\$	8,753
26	Meters	\$	(128,800)
27	Miscellaneous	\$	1,144,718
28	Non-Qualified Retirement Comp & Benefits	\$	(5,192,068)
29	Pension Liability	\$	(764,497)
30	Property Taxes	\$	143,991
31	Regulatory Asset-MGPs	\$	(13,751)
32	Regulatory Asset-Pension	\$	181,213
33	Removal Costs net of Salvage	\$	(2,987,060)
34	Repairs	\$	(10,559,244)
35	Retirements	\$	(634,861)
36	Accelerated Tax Depreciation - Flow Thru	\$	24,872,233
37	Accelerated Tax Depreciation - Deferred	\$	(40,322,428)
38	Vacation Pay	\$	(6,157)
39			
40	Total Temporary Differences	\$	<u>(17,691,889)</u>
41			
42	Taxable Income / (NOL)	\$	<u>3,958,018</u>
43	Taxable Income / (NOL) Per Tax Return Workpapers	\$	<u>3,958,018</u>
44	Difference	\$	<u>0</u>

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Reconciliation of Income Per Books to Income Per Tax - 2020
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Line No.		
1	Net Income/(Loss) before Income Tax per Books	\$ 24,852,914
2		
3	<u>Tax Adjustments - Permanent Differences</u>	
4	Lobbying Expenses	\$ 40,357
5	Meals & Entertainment	\$ 70,105
6	Non-Deductible Parking	\$ 0
7	Penalties	\$ 16,724
8	Officers Life Insurance	\$ 4,292
9		
10	Total Permanent Differences	<u>\$ 131,478</u>
11		
12	<u>Tax Adjustments - Temporary Differences</u>	
13	AFUDC net of Capitalized Interest	\$ (353,752)
14	Bad Debts	\$ 86,727
15	Bonuses & Compensation	\$ (1,715,852)
16	Capitalized Overheads	\$ 24,667,809
17	Contributions in Aid of Construction	\$ 57,931
18	Deferred Interest	\$ 2,801
19	Deferred Power Costs	\$ 5,125,132
20	Deferred Revenue	\$ (731,571)
21	Environmental Liability	\$ (405,512)
22	FAS 106 & 112 Liability	\$ 60,665
23	Future SISP	\$ (1,374,386)
24	Injuries & Damages	\$ 2,372
25	Loss on Reacquired Debt	\$ 8,753
26	Meters	\$ (220,884)
27	Miscellaneous	\$ 605,248
28	Non-Qualified Retirement Comp & Benefits	\$ (1,333,006)
29	Pension Liability	\$ (1,574,325)
30	Property Taxes	\$ 655
31	Regulatory Asset-MGPs	\$ 95,279
32	Regulatory Asset-Pension	\$ 1,215,449
33	Removal Costs net of Salvage	\$ (74,616)
34	Repairs	\$ (14,816,299)
35	Retirements	\$ (802,534)
36	Accelerated Tax Depreciation - Flow Thru	\$ 24,048,604
37	Accelerated Tax Depreciation - Deferred	\$ (40,922,525)
38	Vacation Pay	\$ 114,868
39		
40	Total Temporary Differences	<u>\$ (8,232,969)</u>
41		
42	Taxable Income / (NOL)	<u>\$ 16,751,423</u>
43	Taxable Income / (NOL) Per Tax Return Workpapers	\$ 16,751,423
44	Difference	<u>\$ -</u>

NorthWestern Energy
Reconciliation of Income Per Books to Income Per Tax - 2019
Twelve Months Ending December 31, 2022

Line No.		
1	Net Income/(Loss) before Income Tax per Books	\$ 24,942,032
2		
3	<u>Tax Adjustments - Permanent Differences</u>	
4	Lobbying Expenses	\$ 39,196
5	Meals & Entertainment	\$ 117,228
6	Non-Deductible Parking	\$ 45,922
7	Penalties	\$ 1,214
8	Officers Life Insurance	\$ (8,551)
9		
10	Total Permanent Differences	<u>\$ 195,009</u>
11		
12	<u>Tax Adjustments - Temporary Differences</u>	
13	AFUDC net of Capitalized Interest	\$ (503,362)
14	Bad Debts	\$ (24,323)
15	Bonuses & Compensation	\$ (273,626)
16	Capitalized Overheads	\$ 23,221,080
17	Contributions in Aid of Construction	\$ 327,534
18	Deferred Interest	\$ 2,801
19	Deferred Power Costs	\$ (4,887,407)
20	Deferred Revenue	\$ 739,229
21	Environmental Liability	\$ (540,147)
22	FAS 106 & 112 Liability	\$ 157,730
23	Future SISP	\$ 37,172
24	Injuries & Damages	\$ (192,822)
25	Loss on Reacquired Debt	\$ 8,753
26	Meters	\$ (5,832,724)
27	Miscellaneous	\$ 72,916
28	Non-Qualified Retirement Comp & Benefits	\$ 4,143,921
29	Pension Liability	\$ (979,922)
30	Property Taxes	\$ 116,853
31	Regulatory Asset-MGPs	\$ 56,890
32	Regulatory Asset-Pension	\$ 1,240,428
33	Removal Costs net of Salvage	\$ (3,902,754)
34	Repairs	\$ (9,001,942)
35	Retirements	\$ (2,251,282)
36	Accelerated Tax Depreciation - Flow Thru	\$ 22,315,827
37	Accelerated Tax Depreciation - Deferred	\$ (42,657,087)
38	Vacation Pay	\$ (5,313)
39		
40	Total Temporary Differences	<u>\$ (18,611,574)</u>
41		
42	Taxable Income / (NOL)	<u>\$ 6,525,466</u>
43	Taxable Income / (NOL) Per Tax Return Workpapers	<u>\$ 6,525,466</u>
44	Difference	<u>\$ 0</u>

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Reconciliation of Income Per Books to Income Per Tax - 2018
Twelve Months Ending December 31, 2022

Line No.		
1	Net Income/(Loss) before Income Tax per Books	\$ 22,375,155
2		
3	<u>Tax Adjustments - Permanent Differences</u>	
4	Lobbying Expenses	\$ 38,132
5	Meals & Entertainment	\$ 103,609
6	Non-Deductible Parking	\$ 34,838
7	Penalties	\$ -
8	Officers Life Insurance	\$ 7,539
9		
10	Total Permanent Differences	<u>\$ 184,117</u>
11		
12	<u>Tax Adjustments - Temporary Differences</u>	
13	AFUDC net of Capitalized Interest	\$ (414,889)
14	Bad Debts	\$ 7,492
15	Bonuses & Compensation	\$ 1,262,126
16	Capitalized Overheads	\$ 22,143,386
17	Contributions in Aid of Construction	\$ 862,997
18	Deferred Interest	\$ 2,801
19	Deferred Power Costs	\$ 2,152,589
20	Deferred Revenue	\$ 1,324,637
21	Environmental Liability	\$ (568,585)
22	FAS 106 & 112 Liability	\$ (186,640)
23	Future SISP	\$ 89,820
24	Injuries & Damages	\$ 219,625
25	Loss on Reacquired Debt	\$ 8,753
26	Meters	\$ (933,131)
27	Miscellaneous	\$ 13,806
28	Non-Qualified Retirement Comp & Benefits	\$ (3,465,926)
29	Pension Liability	\$ 627,078
30	Property Taxes	\$ (105,077)
31	Regulatory Asset-MGPs	\$ 53,050
32	Regulatory Asset-Pension	\$ (309,024)
33	Removal Costs net of Salvage	\$ (4,198,083)
34	Repairs	\$ (9,110,376)
35	Retirements	\$ (12,007)
36	Accelerated Tax Depreciation - Flow Thru	\$ 21,095,256
37	Accelerated Tax Depreciation - Deferred	\$ (47,207,059)
38	Vacation Pay	\$ 26,845
39		
40	Total Temporary Differences	<u>\$ (16,620,538)</u>
41		
42	Taxable Income / (NOL)	<u>\$ 5,938,733</u>
43	Taxable Income / (NOL) Per Tax Return Workpapers	<u>\$ 5,938,733</u>
44	Difference	<u>\$ -</u>