Annual Update | Narrative

Rate Year: April 1, 2026 – March 31, 2027

Pursuant to Section II of its Formula Rate Protocols, NorthWestern Energy Public Service Corporation ("NorthWestern") provides additional information regarding the following:

- Revisions to Formula Rate Template
- Pending Merger with Black HIlls

Formula Rate Template Filing (ER26-71-000 and ER26-71-001)

On October 8, 2025, NorthWestern filed revisions to its Formula Rate Template to comply with the directives in FERC Order No. 898.[1] Order No. 898 amended the Commission's Uniform System of Accounts ("USofA") for public utilities and licensees, as follows: "(1) create new accounts for wind, solar, and other renewable generating assets; (2) create a new functional class for energy storage accounts; (3) codify the accounting treatment of environmental credits; and (4) create new accounts within existing functions for computer hardware, software, and communication equipment."[2] In addition to making the Order 898 changes, NorthWestern made non-substantive corrections to the template.

On November 21, 2025, NorthWestern filed an Amendment to Submission of the Revised Formula Rate Template which corrected errors in the submission of the October 8, 2025 template. The November filing corrected those errors by (1) updating line number references on Attachment 12 and (2) adding Order No. 898 asset classes and depreciation rates on Attachment 10. For this Annual Update, NorthWestern is using the formula rate template that FERC accepted on December 16, 2025 in Docket No. ER26-71.

Announced pending merger with Black Hills

As announced in August 2025, NorthWestern Energy Group, Inc., the parent entity of NorthWestern Energy Public Service Corporation, and Black Hills Corporation (the "Merger Parties") entered into an Agreement and Plan of Merger. Within the Application for

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[1] *Accounting and Reporting Treatment of Certain Renewable Energy Assets*, Order No. 898, 183 FERC ¶ 61,205 (2023),("Order 898").
[2] Order No. 898 at P 1.

Authorization under Section 203 of the Federal Power Act submitted to the FERC requesting prior approval for the transaction, the Merger Parties provided a hold harmless commitment to protect FERC jurisdictional transmission and wholesale cost of service customers from adverse impacts of the transaction, including any adverse impact to these customers' rates due to transaction-related costs for five years after closing. Transaction costs reflected in our FERC Form 1 have been removed from the Formula Rate Template within Line 50, Page 1 of the "Inputs" tab consistent with this commitment. FERC has not yet acted on that application.

THIS FILING IS
Item 1: ☑ An Initial (Original) Submission OR ☐ Resubmission No.

FERC FINANCIAL REPORT
FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)	Year/Period of Report
NorthWestern Energy Public Service Corporation	End of: 2025/ Q4

FERC FORM NO. 1 (REV. 02-04)

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities, Licensees, and Others Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

one million megawatt hours of total annual sales,

100 megawatt hours of annual sales for resale,

500 megawatt hours of annual power exchanges delivered, or

500 megawatt hours of annual wheeling for others (deliveries plus losses).

What and Where to Submit

Submit FERC Form Nos. 1 and 3-Q electronically through the eCollection portal at https://eCollection.ferc.gov, and according to the specifications in the Form 1 and 3-Q taxonomies.

The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:
Secretary
Federal Energy Regulatory Commission 888 First Street, NE
Washington, DC 20426

For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

Schedules	Pages
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of [COMPANY NAME] for the year ended on which we have reported separately under date of [DATE], we have also reviewed schedules [NAME OF SCHEDULES] of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases." The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. Further instructions are found on the Commission's website at https://www.ferc.gov/ferc-online/ferc-online/frequently-asked-questions-faqs-efilingferc-online.

Federal, State, and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from https://www.ferc.gov/general-information-0/electric-industry-forms.

When to Submit

FERC Forms 1 and 3-Q must be filed by the following schedule:

FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and

FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,168 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 168 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal

Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.

Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.

Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.

Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below).

Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

For any resubmissions, please explain the reason for the resubmission in a footnote to the data field.

Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.

Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Schedule specific instructions are found in the applicable taxonomy and on the applicable blank rendered form.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and" firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

'Person' means an individual or a corporation;

'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power; ......

"project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

'To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304.

Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies*.10

"Sec. 309.

The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be field..."

GENERAL PENALTIES

The Commission may assess up to $1 million per day per violation of its rules and regulations. See FPA § 316(a) (2005), 16 U.S.C. § 825o (a).

FERC FORM NO. 1
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

IDENTIFICATION

01 Exact Legal Name of Respondent NorthWestern Energy Public Service Corporation		02 Year/ Period of Report End of: 2025/ Q4
03 Previous Name and Date of Change (If name changed during year) /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 3010 West 69th Street, Sioux Falls, SD 57108		
05 Name of Contact Person Evan VerWey		06 Title of Contact Person Manager of Financial Reporting
07 Address of Contact Person (Street, City, State, Zip Code) 3010 West 69th Street, Sioux Falls, SD 57108		
08 Telephone of Contact Person, Including Area Code 605-978-2906	09 This Report is An Original / A Resubmission (1) ☑ An Original (2) ☐ A Resubmission	10 Date of Report (Mo, Da, Yr) 12/31/2025

Annual Corporate Officer Certification

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Jeff Berzina	03 Signature Jeff Berzina	04 Date Signed (Mo, Da, Yr) 02/27/2026
02 Title Controller		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

	Amounts included in ISO/RTO Settlement Statements		
58	**Purchase and Sale of Ancillary Services**	398	Not Applicable
59	**Monthly Transmission System Peak Load**	400	Not Applicable
60	**Monthly ISO/RTO Transmission System Peak Load**	400a	
61	**Electric Energy Account**	401a	
62	**Monthly Peaks and Output**	401b	
63	**Steam Electric Generating Plant Statistics**	402	
63.1	**Renewable Generating Plant Statistics**	404	
64	**Hydroelectric Generating Plant Statistics**	406	Not Applicable
65	**Pumped Storage Generating Plant Statistics**	408	Not Applicable
66	**Generating Plant Statistics Pages**	410	
66.1	**Energy Storage Operations (Large Plants)**	414	Not Applicable
66.2	**Energy Storage Operations (Small Plants)**	419	Not Applicable
67	**Transmission Line Statistics Pages**	422	
68	**Transmission Lines Added During Year**	424	None
69	**Substations**	426	
70	**Transactions with Associated (Affiliated) Companies**	429	
71	**Footnote Data**	450	
	Stockholders' Reports (check appropriate box)		
	Stockholders' Reports Check appropriate box: ☐ Two copies will be submitted ☑ No annual report to stockholders is prepared		

FERC FORM No. 1 (ED. 12-96)

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Jeff Berzina

Controller

3010 West 69th Street, Sioux Falls, SD 57108

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

State of Incorporation: SD

Date of Incorporation: 2023-05-30

Incorporated Under Special Law: '

'

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

(a) Name of Receiver or Trustee Holding Property of the Respondent:

(b) Date Receiver took Possession of Respondent Property:

(c) Authority by which the Receivership or Trusteeship was created:

(d) Date when possession by receiver or trustee ceased:

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric and Natural Gas Utility in South Dakota; Natural Gas Utility in Nebraska.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) ☐ Yes

(2) ☑ No

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

Respondent is a wholly-owned, direct subsidiary of NorthWestern Energy Group, Inc. At December 31, 2025, NorthWestern Energy Group, Inc. owned 100% of the common stock of Respondent.

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
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Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is $50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)	Date Started in Period (d)	Date Ended in Period (e)
1	President and Chief Executive Officer	Brian Bird	921,263		
2	Vice President, Chief Financial Officer	Crystal Lail	511,813		
3	Vice President, General Counsel and Federal Government Affairs	Shannon Heim	378,741		
4	Vice President, Asset Management & Business Development	Bleau Lafave	289,627		
5	Vice President, Customer Care, Communications, and Human Resources	Bobbi Schroeppel	358,269		
6	Vice President, Distribution	Jason Merkel	298,432		
7	Vice President, Technology	Jeanne Vold	286,615		
8	Vice President, Supply and Montana Government Affairs	John Hines	353,151		
9	Vice President, Transmission	Michael Cashell	353,151		

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), name and abbreviated titles of the directors who are officers of the respondent.
2. Provide the principle place of business in column (b), designate members of the Executive Committee in column (c), and the Chairman of the Executive Committee in column (d).

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)	Member of the Executive Committee (c)	Chairman of the Executive Committee (d)
1	Brian Bird (President and Chief Executive Officer)	Sioux Falls, South Dakota	false	false
2	Crystal Lail (Vice President, Chief Financial Officer)	Sioux Falls, South Dakota	false	false
3	Shannon Heim (Vice President, General Counsel and Federal Government Affairs)	Helena, Montana	false	false
4	Bleau Lafave (Vice President, Asset Management & Business Development)	Sioux Falls, South Dakota	false	false
5	Bobbi Schroeppel (Vice President, Customer Care, Communications, and Human Resources)	Sioux Falls, South Dakota	false	false
6	Jason Merkel (Vice President, Distribution)	Helena, Montana	false	false
7	Jeanne Vold (Vice President, Technology)	Sioux Falls, South Dakota	false	false
8	John Hines (Vice President, Supply and Montana Government Affairs)	Helena, Montana	false	false
9	Michael Cashell (Vice President, Transmission)	Butte, Montana	false	false

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

INFORMATION ON FORMULA RATES

Does the respondent have formula rates?	☐ Yes ☐ No

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

Line No.	FERC Rate Schedule or Tariff Number (a)	FERC Proceeding (b)
1	Addendum 27 to Attachment H of Southwest Power Pool Open Access Transmission Tariff	ER26-71-000
2	Addendum 27 to Attachment H of Southwest Power Pool Open Access Transmission Tariff	ER26-71-001

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

INFORMATION ON FORMULA RATES - FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?	☐ Yes ☑ No (Checked by default - Not explicitly defined)

If yes, provide a listing of such filings as contained on the Commission's eLibrary website.

Line No.	Accession No. (a)	Document Date / Filed Date (b)	Docket No. (c)	Description (d)	Formula Rate FERC Rate Schedule Number or Tariff Number (e)
1	20251210-5284	12/10/2025	ER26-719-000	Annual Informational Attachment H Filing of NorthWestern Energy Public Service Corporation (South Dakota) (Rate Year 2025)	Addendum 27 to Attachment H of Southwest Power Pool Open Access Transmission Tariff

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

INFORMATION ON FORMULA RATES - Formula Rate Variances

1. If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.
2. The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.
3. The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.
4. Where the Commission has provided guidance on formula rate inputs, the specific proceeding should be noted in the footnote.

Line No.	Page No(s). (a)	Schedule (b)	Column (c)	Line No. (d)
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Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Pages 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

1.) None

2.) None.

3.) None

4.) None

5) None
6) See Note 10 Unsecured Credit Faciltiies." Approval by the SDPUC docket GE23-002, approval by the NPUC Application NG-121.
7) None.
8) None.
9) See Note 18 "Commitments and Contingencies."
10) None.
12) None.
13) None.
14) N/A.

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**UTILITY PLANT**			
2	Utility Plant (101-106, 114)	200	1,585,099,056	1,535,632,024
3	Construction Work in Progress (107)	200	64,895,167	30,637,674
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		1,649,994,223	1,566,269,698
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200	601,060,628	565,615,458
6	Net Utility Plant (Enter Total of line 4 less 5)		1,048,933,595	1,000,654,240
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202		
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)			
9	Nuclear Fuel Assemblies in Reactor (120.3)			
10	Spent Nuclear Fuel (120.4)			
11	Nuclear Fuel Under Capital Leases (120.6)			
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202		
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)			
14	Net Utility Plant (Enter Total of lines 6 and 13)		1,048,933,595	1,000,654,240
15	Utility Plant Adjustments (116)		93,779,293	93,779,293
16	Gas Stored Underground - Noncurrent (117)			
17	**OTHER PROPERTY AND INVESTMENTS**			
18	Nonutility Property (121)			
19	(Less) Accum. Prov. for Depr. and Amort. (122)			
20	Investments in Associated Companies (123)			
21	Investment in Subsidiary Companies (123.1)	224		
23	Noncurrent Portion of Allowances and Environmental Credits	228		
24	Other Investments (124)		521,000	521,000
25	Sinking Funds (125)			
26	Depreciation Fund (126)			
27	Amortization Fund - Federal (127)			
28	Other Special Funds (128)			

29	Special Funds (Non Major Only) (129)			
30	Long-Term Portion of Derivative Assets (175)			
31	Long-Term Portion of Derivative Assets - Hedges (176)			
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		521,000	521,000
33	**CURRENT AND ACCRUED ASSETS**			
34	Cash and Working Funds (Non-major Only) (130)			
35	Cash (131)		2,515,496	1,559,709
36	Special Deposits (132-134)		9,570,111	9,691,457
37	Working Fund (135)		5,700	5,250
38	Temporary Cash Investments (136)			
39	Notes Receivable (141)			
40	Customer Accounts Receivable (142)		18,481,575	16,219,387
41	Other Accounts Receivable (143)		618,365	730,883
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		402,857	322,761
43	Notes Receivable from Associated Companies (145)			
44	Accounts Receivable from Assoc. Companies (146)		698,512	350,557
45	Fuel Stock (151)	227	6,454,796	7,701,524
46	Fuel Stock Expenses Undistributed (152)	227		
47	Residuals (Elec) and Extracted Products (153)	227		
48	Plant Materials and Operating Supplies (154)	227	24,789,537	23,261,515
49	Merchandise (155)	227		
50	Other Materials and Supplies (156)	227		
51	Nuclear Materials Held for Sale (157)	202/227		
52	Allowances and Environmental Credits (158.1, 158.2, 158.3, and 158.4)	228		
53	(Less) Noncurrent Portion of Allowances and Environmental Credits	228		
54	Stores Expense Undistributed (163)	227		
55	Gas Stored Underground - Current (164.1)		2,687,160	2,471,128
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)			
57	Prepayments (165)		9,436,198	11,629,819
58	Advances for Gas (166-167)			
59	Interest and Dividends Receivable (171)			
60	Rents Receivable (172)		295	6,162

61	Accrued Utility Revenues (173)		23,137,204	21,060,198
62	Miscellaneous Current and Accrued Assets (174)		1,553	1,553
63	Derivative Instrument Assets (175)			
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)			
65	Derivative Instrument Assets - Hedges (176)			
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)			
67	Total Current and Accrued Assets (Lines 34 through 66)		97,993,645	94,366,381
68	**DEFERRED DEBITS**			
69	Unamortized Debt Expenses (181)		1,779,029	1,514,884
70	Extraordinary Property Losses (182.1)	230a		
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b		
72	Other Regulatory Assets (182.3)	232	101,597,915	99,031,157
73	Prelim. Survey and Investigation Charges (Electric) (183)		1,903,945	458,462
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)			
75	Other Preliminary Survey and Investigation Charges (183.2)			
76	Clearing Accounts (184)		24,948	
77	Temporary Facilities (185)			
78	Miscellaneous Deferred Debits (186)	233	9,024,275	9,766,918
79	Def. Losses from Disposition of Utility Plt. (187)			
80	Research, Devel. and Demonstration Expend. (188)	352		
81	Unamortized Loss on Reaquired Debt (189)		216,035	793,326
82	Accumulated Deferred Income Taxes (190)	234	88,048,028	100,962,578
83	Unrecovered Purchased Gas Costs (191)		4,591,011	8,908,673
84	Total Deferred Debits (lines 69 through 83)		207,185,186	221,435,998
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		1,448,412,719	1,410,756,912

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**PROPRIETARY CAPITAL**			
2	Common Stock Issued (201)	250	1	1
3	Preferred Stock Issued (204)	250		
4	Capital Stock Subscribed (202, 205)			
5	Stock Liability for Conversion (203, 206)			
6	Premium on Capital Stock (207)			
7	Other Paid-In Capital (208-211)	253	582,103,871	580,991,640
8	Installments Received on Capital Stock (212)	252		
9	(Less) Discount on Capital Stock (213)	254		
10	(Less) Capital Stock Expense (214)	254b		
11	Retained Earnings (215, 215.1, 216)	118	1,713,720	10,186,442
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118		
13	(Less) Reacquired Capital Stock (217)	250		
14	Noncorporate Proprietorship (Non-major only) (218)			
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	1,001,963	829,241
16	Total Proprietary Capital (lines 2 through 15)		584,819,555	592,007,324
17	**LONG-TERM DEBT**			
18	Bonds (221)	256	556,000,000	520,000,000
19	(Less) Reacquired Bonds (222)	256		
20	Advances from Associated Companies (223)	256		
21	Other Long-Term Debt (224)	256	41,000,000	34,000,000
22	Unamortized Premium on Long-Term Debt (225)			
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)			
24	Total Long-Term Debt (lines 18 through 23)		597,000,000	554,000,000
25	**OTHER NONCURRENT LIABILITIES**			
26	Obligations Under Capital Leases - Noncurrent (227)		135,568	77,964
27	Accumulated Provision for Property Insurance (228.1)			
28			732,569	377,500

	Accumulated Provision for Injuries and Damages (228.2)			
29	Accumulated Provision for Pensions and Benefits (228.3)		1,374,068	1,587,400
30	Accumulated Miscellaneous Operating Provisions (228.4)		13,589,151	13,649,142
31	Accumulated Provision for Rate Refunds (229)			
32	Long-Term Portion of Derivative Instrument Liabilities			
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges			
34	Asset Retirement Obligations (230)		8,217,503	6,840,507
35	Total Other Noncurrent Liabilities (lines 26 through 34)		24,048,859	22,532,513
36	**CURRENT AND ACCRUED LIABILITIES**			
37	Notes Payable (231)			
38	Accounts Payable (232)		34,553,654	28,859,817
39	Notes Payable to Associated Companies (233)			
40	Accounts Payable to Associated Companies (234)			1,782,019
41	Customer Deposits (235)		863,344	924,374
42	Taxes Accrued (236)	262	10,333,470	7,808,262
43	Interest Accrued (237)		4,482,409	4,101,896
44	Dividends Declared (238)			
45	Matured Long-Term Debt (239)			
46	Matured Interest (240)			
47	Tax Collections Payable (241)		1,765,414	1,624,694
48	Miscellaneous Current and Accrued Liabilities (242)		14,208,960	22,361,848
49	Obligations Under Capital Leases-Current (243)		108,352	113,479
50	Derivative Instrument Liabilities (244)			
51	(Less) Long-Term Portion of Derivative Instrument Liabilities			
52	Derivative Instrument Liabilities - Hedges (245)			
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges			
54	Total Current and Accrued Liabilities (lines 37 through 53)		66,315,603	67,576,389
55	**DEFERRED CREDITS**			
56	Customer Advances for Construction (252)			
57	Accumulated Deferred Investment Tax Credits (255)	266		

58	Deferred Gains from Disposition of Utility Plant (256)			
59	Other Deferred Credits (253)	269	10,197,133	9,971,846
60	Other Regulatory Liabilities (254)	278	33,202,440	33,872,400
61	Unamortized Gain on Reacquired Debt (257)			
62	Accum. Deferred Income Taxes-Accel. Amort. (281)	272		
63	Accum. Deferred Income Taxes-Other Property (282)		115,713,564	114,032,986
64	Accum. Deferred Income Taxes-Other (283)		17,115,565	16,763,454
65	Total Deferred Credits (lines 56 through 64)		176,228,702	174,640,686
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		1,448,412,719	1,410,756,912

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in c amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in c amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

Do not report fourth quarter data in columns (e) and (f)
Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a simila department. Spread the amount(s) over Lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
Use page 122 for important notes regarding the statement of income for any account thereof.
Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may n customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year affected the gross the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain suc amounts paid with respect to power or gas purchases.
Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and e
If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net inc allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a foo

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended - Quarterly Only - No 4th Quarter (e)	Prior 3 Months Ended - Quarterly Only - No 4th Quarter (f)	Electric Utility Current Year to Date (in dollars) (g)	Electric Utility Previous Year to Date (in dollars) (h)	Gas Utiity Current Year to Date (in dollars) (i)	Gas Pre Ye Dat dol
1	UTILITY OPERATING INCOME									
2	Operating Revenues (400)	300	309,626,250	278,227,387			210,715,300	193,637,593	98,910,950	84,5
3	Operating Expenses									
4	Operation Expenses (401)	320	171,996,990	160,647,438			95,286,419	90,784,558	76,710,571	69,8
5	Maintenance Expenses (402)	320	17,195,231	11,117,575			13,346,979	9,424,506	3,848,252	1,6
6	Depreciation Expense (403)	336	48,853,542	47,317,787			41,470,688	40,210,341	7,382,854	7,1
7	Depreciation Expense for Asset Retirement Costs (403.1)	336					0	0		

8	Amort. & Depl. of Utility Plant (404-405)	336	1,494,797	1,375,720			1,299,499	1,197,898	195,298	1
9	Amort. of Utility Plant Acq. Adj. (406)	336	927,997	927,997			927,997	927,997		
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)									
11	Amort. of Conversion Expenses (407.2)									
12	Regulatory Debits (407.3)		1,700,138	4,684,954			698,348	1,240,686	1,001,790	3,4
13	(Less) Regulatory Credits (407.4)		925,533	3,394,999			464,245	1,784,300	461,288	1,6
14	Taxes Other Than Income Taxes (408.1)	262	8,733,224	8,386,671			6,328,130	6,093,066	2,405,094	2,2
15	Income Taxes - Federal (409.1)	262	(10,857,854)	(6,412,400)			(11,257,885)	(5,094,327)	400,031	(1,31
16	Income Taxes - Other (409.1)	262	825						825	
17	Provision for Deferred Income Taxes (410.1)	234, 272	[a]27,894,390	59,340,195			22,425,244	44,110,215	5,469,146	15,2
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272	13,568,672	60,087,028			8,280,449	41,963,447	5,288,223	18,1
19	Investment Tax Credit Adj. - Net (411.4)	266								
20	(Less) Gains from Disp. of Utility Plant (411.6)									
21	Losses from Disp. of Utility Plant (411.7)									
22	(Less) Gains from Disposition of Allowances (411.8)									
23	Losses from Disposition of Allowances (411.9)									

24	Accretion Expense (411.10)									
24.1	(Less) Gains from Disposition of Environmental Credits (411.11)									
24.2	Losses from Disposition of Environmental Credits (411.12)									
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24.2)		253,445,075	223,903,910			161,780,725	145,147,193	91,664,350	78,7
27	Net Util Oper Inc (Enter Tot line 2 less 25)		56,181,175	54,323,477			48,934,575	48,490,400	7,246,600	5,8
28	Other Income and Deductions									
29	Other Income									
30	Nonutilty Operating Income									
31	Revenues From Merchandising, Jobbing and Contract Work (415)									
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)									
33	Revenues From Nonutility Operations (417)		240	1,339						
34	(Less) Expenses of Nonutility Operations (417.1)		(1,430)	1,428						
35	Nonoperating Rental Income (418)									
36	Equity in Earnings of Subsidiary Companies (418.1)	119								
37			959,768	888,538						

	Interest and Dividend Income (419)									
38	Allowance for Other Funds Used During Construction (419.1)		1,146,237	1,089,991						
39	Miscellaneous Nonoperating Income (421)		371,622	130,994						
40	Gain on Disposition of Property (421.1)									
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		2,479,297	2,109,434						
42	Other Income Deductions									
43	Loss on Disposition of Property (421.2)									
44	Miscellaneous Amortization (425)									
45	Donations (426.1)		518,106	563,678						
46	Life Insurance (426.2)									
47	Penalties (426.3)		71,471	444						
48	Exp. for Certain Civic, Political & Related Activities (426.4)		252,432	169,708						
49	Other Deductions (426.5)		355,547	122,677						
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		1,197,556	856,507						
51	Taxes Applic. to Other Income and Deductions									
52	Taxes Other Than Income Taxes (408.2)	262								
53	Income Taxes-Federal (409.2)	262	490,037	416,808						

54	Income Taxes-Other (409.2)	262								
55	Provision for Deferred Inc. Taxes (410.2)	234, 272								
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272								
57	Investment Tax Credit Adj.-Net (411.5)									
58	(Less) Investment Tax Credits (420)									
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		490,037	416,808						
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		791,704	836,119						
61	Interest Charges									
62	Interest on Long-Term Debt (427)		24,948,300	23,515,593						
63	Amort. of Debt Disc. and Expense (428)		347,505	314,368						
64	Amortization of Loss on Reaquired Debt (428.1)		577,291	694,902						
65	(Less) Amort. of Premium on Debt-Credit (429)									
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)									
67	Interest on Debt to Assoc. Companies (430)									
68	Other Interest Expense (431)		80,025	236,402						
69			507,520	534,213						

	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)									
70	Net Interest Charges (Total of lines 62 thru 69)		25,445,601	24,227,052						
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		31,527,278	30,932,544						
72	Extraordinary Items									
73	Extraordinary Income (434)									
74	(Less) Extraordinary Deductions (435)									
75	Net Extraordinary Items (Total of line 73 less line 74)									
76	Income Taxes-Federal and Other (409.3)	262								
77	Extraordinary Items After Taxes (line 75 less line 76)									
78	Net Income (Total of line 71 and 77)		31,527,278	30,932,544						

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

FOOTNOTE DATA

(a) Concept: ProvisionsForDeferredIncomeTaxesUtilityOperatingIncome

Included in the Provision for Deferred Income Taxes, in the Statements of Income, is amortization of the excess and deficient ADIT's as follows:

Line No.	Description (a)	(b)	(c)	(d)	(e)	(f)	(g
	FERC Method of Amortization	RSG	SL		ARAM/RSG	RSG	SL
	Amortization period	Book Lives	5 Years		Book Lives	Book Lives	5 Ye
	Protected/Unprotected	Protected	Unprotected		Protected	Unprotected	Unprot
	FERC Amorization Account	410.1	410.1		411.1	411.1	411
	TCJA Excess ADIT Account Reduced	190	190	Subtotal	282	282	28
	Reg Asset Acccount Impacted	182.3	182.3	182.3	254	254	25
1	**South Dakota:**						
2	Electric	138,138	-	138,138	(590,098)	-	-
3	Gas	(5,513)	338,365	332,852	(81,017)	(46,238)	(15,8
4	Total	132,625	338,365	470,990	(671,115)	(46,238)	(15,8

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly report.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
4. State the purpose and amount for each reservation or appropriation of retained earnings.
5. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown for Account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, attach them at page 122.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		10,186,442	0
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4	Adjustments to Retained Earnings Credit			
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10	Adjustments to Retained Earnings Debit			
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		31,527,278	30,932,544
17	Appropriations of Retained Earnings (Acct. 436)			
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		(40,000,000)	(20,746,102)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		1,713,720	10,186,442
39	APPROPRIATED RETAINED EARNINGS (Account 215)			

45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		1,713,720	10,186,442
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account Report only on an Annual Basis, no Quarterly)			
49	Balance-Beginning of Year (Debit or Credit)			
50	Equity in Earnings for Year (Credit) (Account 418.1)			
51	(Less) Dividends Received (Debit)			
52	TOTAL other Changes in unappropriated undistributed subsidiary earnings for the year			
53	Balance-End of Year (Total lines 49 thru 52)			

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

STATEMENT OF CASH FLOWS

1. Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
2. Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
4. Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instructions No.1 for explanation of codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities		
2	Net Income (Line 78(c) on page 117)	31,527,278	30,932,544
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	48,853,542	47,317,787
5	Amortization of (Specify) (footnote details)		
5.1	Amortization of	2,422,794	2,303,717
5.2	Other Non-cash charges to net income-net	[(a)]1,955,424	1,696,594
8	Deferred Income Taxes (Net)	14,325,718	(746,833)
9	Investment Tax Credit Adjustment (Net)		
10	Net (Increase) Decrease in Receivables	(2,417,529)	8,813,403
11	Net (Increase) Decrease in Inventory	(497,326)	(1,717,343)
12	Net (Increase) Decrease in Allowances and Environmental Credits Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	(9,023,065)	3,940,641
14	Net (Increase) Decrease in Other Regulatory Assets	(3,239,855)	(140,520)
15	Net Increase (Decrease) in Other Regulatory Liabilities	(669,960)	(1,688,273)
16	(Less) Allowance for Other Funds Used During Construction	1,146,237	1,089,991
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):		
18.1	Other	[(b)]5,471,918	(8,310,234)
22	Net Cash Provided by (Used in) Operating Activities (Total of Lines 2 thru 21)	87,562,702	81,311,492
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		

26	Gross Additions to Utility Plant (less nuclear fuel)	(87,271,206)	(66,429,970)
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant	(3,072,794)	(3,463,777)
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	(1,146,237)	(1,089,991)
31	Other (provide details in footnote):		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	(89,197,763)	(68,803,756)
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Disposition of Investments in (and Advances to) Associated and Subsidiary Companies		
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		
46	Loans Made or Purchased		
47	Collections on Loans		
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances and Environmental Credits Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
53.1	Other Investing Activities		(500,000)
57	Net Cash Provided by (Used in) Investing Activities (Total of lines 34 thru 55)	(89,197,763)	(69,303,756)
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	100,000,000	40,000,000
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
70		100,000,000	40,000,000

	Cash Provided by Outside Sources (Total 61 thru 69)		
72	Payments for Retirement of:		
73	Long-term Debt (b)	(64,000,000)	
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
76.1	Debt Financing Costs	(530,048)	(258,384)
76.2	Line of Credit (Repayments) Borrowings, Net	7,000,000	(20,000,000)
76.3	Distribution of Cash from NorthWestern Corporation	0	253,165
78	Net Decrease in Short-Term Debt (c)		
80	Dividends on Preferred Stock		
81	Dividends on Common Stock	(40,000,000)	(20,746,102)
83	Net Cash Provided by (Used in) Financing Activities (Total of lines 70 thru 81)	2,469,952	(751,321)
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	Net Increase (Decrease) in Cash and Cash Equivalents (Total of line 22, 57 and 83)	834,891	11,256,415
88	Cash and Cash Equivalents at Beginning of Period	11,256,416	1
90	Cash and Cash Equivalents at End of Period	[c]12,091,307	11,256,416

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

FOOTNOTE DATA

(a) Concept: NoncashAdjustmentsToCashFlowsFromOperatingActivities

	12/31/2025	12/31/2024
Other Noncash Charges to Income, Net:		
Amortization of debt issue costs, discount, and deferred hedge gain	843,192	917,774
Other noncash gains	-	(13,448)
Stock based compensation costs	1,112,232	792,268
	1,955,424	1,696,594

(b) Concept: OtherAdjustmentsToCashFlowsFromOperatingActivities

	12/31/2025	12/31/2024
Other Assets and Liabilities, Net:		
Net change - other current assets	2,199,488	(1,121,904)
Net change - accrued utility revenues	(2,077,006)	(44,492)
Net change - deferred debits	3,446,772	(8,813,148)
Net change - deferred credits	225,287	3,137,256
Net change - noncurrent liabilities	1,677,377	(1,467,946)
	5,471,918	(8,310,234)

(c) Concept: CashAndCashEquivalents

	12/31/2025	12/31/2024	12/31/2023
Cash (131)	2,515,496	1,559,709	1
Working Funds (135)	5,700	5,250	-
Other Special Deposits (134)	9,570,111	9,691,457	-
Total	12,091,307	11,256,416	1

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However, where material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

NOTES TO FINANCIAL STATEMENTS

(1) Nature of Operations

Northwestern Energy Public Service Corporation (NWE Public Service), a direct wholly-owned subsidiary of NorthWestern Energy Group, Inc., doing business as NorthWestern Energy, provides electricity and / or natural gas to approximately 160,200 customers in South Dakota and Nebraska. We have generated and distributed electricity in South Dakota and distributed natural gas in South Dakota and Nebraska since 1923.

The Financial Statements for the periods included herein have been prepared by NWE Public Service (NorthWestern, we or us), pursuant to the rules and regulations of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases. The preparation of financial statements in conformity with the accounting requirements of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases requires management to make estimates and assumptions that may affect the reported amounts of assets, liabilities, revenues and expenses during the reporting period. Actual results could differ from those estimates. Events occurring subsequent to December 31, 2025, have been evaluated as to their potential impact to the Consolidated Financial Statements through the date of issuance.

The following notes to the financials statements appear in NWE Public Service's annual report to the shareholders and are prepared in conformity with GAAP. This report differs from GAAP due to FERC requiring the presentation of subsidiaries on the equity method of accounting, which differs from Accounting Standards Codification (ASC) 810, Consolidation. ASC 810 requires that all majority-owned subsidiaries be consolidated. The other significant differences consist of the following:

- Removal and decommissioning costs of generation, transmission and distribution assets are reflected in the Balance Sheets as a component of accumulated depreciation of $99.5 million and $93.2 million as of December 31, 2025 and December 31, 2024, respectively, in accordance with regulatory treatment as compared to regulatory liabilities for GAAP purposes;
- Goodwill is reflected in the Balance Sheets as a utility plant adjustments of $93.8 million as of December 31, 2025 and December 31, 2024, respectively, in accordance with regulatory treatment, as compared to goodwill for GAAP purposes (see Note 8);
- The current portion of gas stored underground is reflected in the Balance Sheets as current and accrued assets, as compared to inventory for GAAP purposes;
- Operating lease right of use assets are reflected in the Balance Sheets as capital leases of $0.2 million as of December 31, 2025 and December 31, 2024, respectfully, in accordance with regulatory treatment, as compared to non-current assets for GAAP purposes;
- Operating lease liabilities are reflected in the Balance Sheets as current and long term obligations under capital leases of $0.2 million as of December 31, 2025 and December 31, 2024, respectfully, in accordance with regulatory treatment, as compared to accrued expenses and long term liabilities for GAAP purposes;
- Unamortized debt expense is classified in the Balance Sheets as deferred debits in accordance with regulatory treatment, as compared to long-term debt for GAAP purposes;
- Current and long-term debt is classified in the Balance Sheets as all long-term debt in accordance with regulatory treatment, while current and long-term debt are presented separately for GAAP reporting;
- The current portion of the provision for injuries and damages and the expected insurance proceeds receivable related to the provision for injuries and damages are reported as a current liability for GAAP purposes, as compared to a non-current liability for FERC purposes;

- Accumulated deferred tax assets and liabilities are classified in the Balance Sheets as gross non-current deferred debits and credits, respectively, while GAAP presentation reflects a net non-current deferred tax liability;
- Stranded tax effects associated with the Tax Cuts and Jobs Act are included in accumulated other comprehensive income (AOCI) in accordance with regulatory treatment, while included in retained earnings for GAAP purposes;
- Uncertain tax positions related to temporary differences are classified in the Balance Sheets within the deferred tax accounts in accordance with regulatory treatment, as compared to other noncurrent liabilities for GAAP purposes. In addition, interest related to uncertain tax positions is recognized in interest expense in accordance with regulatory treatment, as compared to income tax expense for GAAP purposes;
- Net periodic benefit costs and net periodic post retirement benefit costs are reflected in operating expense for FERC purposes, as compared to the GAAP presentation, which reflects the current service costs component of the net periodic benefit costs in operating expenses and the other components outside of income from operations. In addition, only the service cost component of net periodic benefit cost is eligible for capitalization for GAAP purposes, as compared to the total net periodic benefit costs for FERC purposes;

- Regulatory assets and liabilities are reflected in the Balance Sheets as non-current items, while current and non-current amounts are presented separately for GAAP;
- Unbilled revenue is reflected in the Balance Sheets in Accrued utility revenues in accordance with regulatory treatment, as compared to Accounts receivable, net for GAAP purposes;
- Implementation costs associated with cloud computing arrangements are reflected on the Balance Sheets as Miscellaneous Intangible Plant in accordance with regulatory treatment, as compared to Other current assets for GAAP purposes. Additionally, these cash outflows are presented within investing activities cash outflows in the Statement of Cash Flows in accordance with regulatory treatment, as compared to operating activities cash outflows for GAAP purposes; and
- GAAP revenue differs from FERC revenue primarily due to the equity method of accounting as discussed above, netting of electric purchases and sales for resale in revenue for the GAAP presentation as compared to a gross presentation for FERC purposes (with the exception of those transactions in a regional transmission organization (RTO)), the netting of RTO transmission transactions for the GAAP presentation as compared to a gross presentation for FERC purposes, and the classification of regulatory amortizations in revenue for GAAP purposes as compared to expense for FERC purposes.

Holding Company Reorganization

NWE Public Service was incorporated on May 30, 2023, as a direct wholly-owned subsidiary of NorthWestern Corporation (NW Corp) in preparation of a holding company reorganization. On this date, NWE Public Service issued 100 shares of $0.01 par value common stock to NW Corp for $1. NWE Public Service had no other financial activity during the year ended December 31, 2023.

On January 1, 2024, NorthWestern Energy Group, Inc. completed the second and final phase of the holding company reorganization. NW Corp contributed the assets and liabilities of its South Dakota and Nebraska regulated utilities to NWE Public Service, and then distributed its equity interest in NWE Public Service and certain other subsidiaries to NorthWestern Energy Group, Inc., resulting in NW Corp owning and operating the Montana regulated utility and NWE Public Service owning and operating the Nebraska and South Dakota utilities, each as a direct subsidiary of NorthWestern Energy Group, Inc.

The below table represents the net assets that NW Corp contributed to NWE Public Service on January 1, 2024:

Net assets contributed to NWE Public Service on January 1, 2024:	
ASSETS	
Current Assets:	
Cash and cash equivalents	$ 253
Accounts receivable, net	37,547
Inventories	31,717
Regulatory assets	5,681
Prepaid expenses and other	10,755
Total current assets	**85,953**
Property, plant, and equipment, net	1,067,549
Goodwill	93,779
Regulatory assets	93,933
Other noncurrent assets	9,558
Total Assets	**$ 1,350,772**
LIABILITIES	
Current Liabilities:	
Accounts payable	28,751
Accrued expenses	27,392
Regulatory liabilities	20,766
Total current liabilities	**76,909**
Long-term debt	532,148
Deferred income taxes	25,033
Noncurrent regulatory liabilities	106,307
Other noncurrent liabilities	29,850
Total Liabilities	**$ 770,247**
Total Net Assets Contributed to NWE Public Service	**$ 580,525**

NorthWestern Energy Group, Inc. Pending Merger with Black Hills Corporation

On August 18, 2025, NorthWestern Energy Group, Inc. entered into a Merger Agreement with Black Hills and River Merger Sub Inc., a direct wholly owned subsidiary of Black Hills (Merger Sub). The Merger Agreement provides for an all-stock merger of equals between NorthWestern Energy Group, Inc. and Black Hills upon the terms and subject to the conditions set forth therein. The Merger Agreement provides for Merger Sub to merge with and into NorthWestern Energy Group, Inc. (Merger), with NorthWestern Energy Group, Inc. continuing as the surviving entity and a direct wholly owned subsidiary of Black Hills, which would assume the new corporate name of Bright Horizon Energy Corporation as the resulting parent company of the combined corporate group. The completion of the Merger is subject to the satisfaction or waiver of certain conditions to closing. We anticipate the transaction closing in the second half of 2026, subject to the satisfaction or waiver of certain closing conditions.

(2) Significant Accounting Policies

Use of Estimates

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used for such items as long-lived asset values and impairment charges, long-lived asset useful lives, tax provisions, uncertain tax position reserves, AROs, regulatory assets and liabilities, allowances for uncollectible accounts, our QF liability, environmental liabilities, unbilled revenues and actuarially determined benefit costs and liabilities. We revise the recorded estimates when we receive better information or when we can determine actual amounts. Those revisions can affect operating results.

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropria
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a
4. Report data on a year-to-date basis.

Line No.	Item (a)	Unrealized Gains and Losses on Available-For-Sale Securities (b)	Minimum Pension Liability Adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 116, Line 78) (i)	T Compr In
1	Balance of Account 219 at Beginning of Preceding Year		0					0		
2	Preceding Quarter/Year to Date Reclassifications from Account 219 to Net Income		829,241					829,241		
3	Preceding Quarter/Year to Date Changes in Fair Value									
4	Total (lines 2 and 3)		829,241					829,241	30,932,544	3
5	Balance of Account 219 at End of Preceding Quarter/Year		829,241					829,241		
6	Balance of Account 219 at Beginning of Current Year		829,241					829,241		
7	Current Quarter/Year to Date Reclassifications from Account 219 to Net Income		172,722					172,722		
8	Current Quarter/Year to Date Changes in Fair Value									
9	Total (lines 7 and 8)		172,722					172,722	31,527,278	3
10	Balance of Account 219 at End of Current Quarter/Year		1,001,963					1,001,963		

Revenue Recognition

We recognize revenue as customers obtain control of promised goods and services in an amount that reflects consideration expected in exchange for those goods or services. Generally, the delivery of electricity and natural gas results in the transfer of control to customers at the time the commodity is delivered and the amount of revenue recognized is equal to the amount billed to each customer, including estimated volumes delivered when billings have not yet occurred.

Cash Equivalents

We consider all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents.

Restricted Cash

Restricted cash consists primarily of funds held in trust accounts to satisfy the requirements of certain stipulation agreements.

Accounts Receivable, Net

Accounts receivable are net of allowances for uncollectible accounts of $0.4 million and $0.3 million at December 31, 2025 and December 31, 2024, respectively. Receivables include unbilled revenues of $23.1 million and $21.1 million at December 31, 2025 and December 31, 2024, respectively.

Inventories

Inventories are stated at the lower of average cost or net realizable value.

Regulation of Utility Operations

Our regulated operations are subject to the provisions of ASC 980, *Regulated Operations*. Regulated accounting is appropriate provided that (i) rates are established by or subject to approval by independent, third-party regulators, (ii) rates are designed to recover the specific enterprise's cost of service, and (iii) in view of demand for service, it is reasonable to assume that rates are set at levels that will recover costs and can be charged to and collected from customers.

Our Financial Statements reflect the effects of the different rate making principles followed by the jurisdictions regulating us. The economic effects of regulation can result in regulated companies recording costs that have been, or are deemed probable to be, allowed in the ratemaking process in a period different from the period in which the costs would be charged to expense by an unregulated enterprise. When this occurs, costs are deferred as regulatory assets and recorded as expenses in the periods when those same amounts are reflected in rates. Additionally, regulators can impose liabilities upon a regulated company for amounts previously collected from customers and for amounts that are expected to be refunded to customers (regulatory liabilities).

If we were required to terminate the application of these provisions to our regulated operations, all such deferred amounts would be recognized in the Statements of Income at that time. This would result in a charge to earnings and accumulated other comprehensive income (AOCI), net of applicable income taxes, which could be material. In addition, we would determine any impairment to the carrying costs of deregulated plant and inventory assets.

Derivative Financial Instruments

We account for derivative instruments in accordance with ASC 815, *Derivatives and Hedging*. All derivatives are recognized in the Balance Sheets at their fair value unless they qualify for certain exceptions, including the normal purchases and normal sales exception. Additionally, derivatives that qualify and are designated for hedge accounting are classified as either hedges of the fair value of a recognized asset or liability or of an unrecognized firm commitment (fair-value hedge) or hedges of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (cash-flow hedge). For fair-value hedges, changes in fair values for both the derivative and the underlying hedged exposure are recognized in earnings each period. For cash-flow hedges, the portion of the derivative gain or loss that is effective in offsetting the change in the cost or value of the underlying exposure is deferred in AOCI and later reclassified into earnings when the underlying transaction occurs. Gains and losses from the ineffective portion of any hedge are recognized in earnings immediately. For other derivative contracts that do not qualify or are not designated for hedge accounting, changes in the fair value of the derivatives are recognized in earnings each period. Cash inflows and outflows related to derivative instruments are included as a component of operating, investing or financing cash flows in the Statements of Cash Flows, depending on the underlying nature of the hedged items. As of December 31, 2025, the only derivative instruments we have qualify for the normal purchases and normal sales exception.

Revenues and expenses on contracts that are designated as normal purchases and normal sales are recognized when the underlying physical transaction is completed. While these contracts are considered derivative financial instruments, they are not required to be recorded at fair value, but on an accrual basis of accounting. Normal purchases and normal sales are contracts where physical delivery is probable, quantities are expected to be used or sold in the normal course of business over a reasonable period of time, and price is not tied to an unrelated underlying derivative. As part of our regulated electric and gas operations, we enter into contracts to buy and sell energy to meet the requirements of our customers. These contracts include short-term and long-term commitments to purchase and sell energy in the retail and wholesale markets with the intent and ability to deliver or take delivery. If it were determined that a transaction designated as a normal purchase or a normal sale no longer met the exceptions, the fair value of the related contract would be reflected as an asset or liability and immediately recognized through earnings. See Note 8 - Risk Management and Hedging Activities, for further discussion of our derivative activity.

Property, Plant and Equipment

Property, plant and equipment are stated at original cost, including contracted services, direct labor and material, allowance for funds used during construction (AFUDC), and indirect charges for engineering, supervision and similar overhead items. All expenditures for maintenance and repairs of utility property, plant and equipment are charged to the appropriate maintenance expense accounts. A betterment or replacement of a unit of property is accounted for as an addition and retirement of utility plant. At the time of such a retirement, the accumulated provision for depreciation is charged with the original cost of the property retired and also for the net cost of removal. Also included in plant and equipment are assets under finance lease, which are stated at the present value of minimum lease payments.

AFUDC represents the cost of financing construction projects with borrowed funds and equity funds. While cash is not realized currently from such allowance, it is realized under the ratemaking process over the service life of the related property through increased revenues resulting from a higher rate base and higher depreciation expense. The component of AFUDC attributable to borrowed funds is included as a reduction to interest expense, while the equity component is included in other income. This rate averaged 6.9% in 2025 and 2024. AFUDC capitalized totaled $1.7 million and $1.6 million for the years ended December 31, 2025 and 2024, respectively.

We record provisions for depreciation at amounts substantially equivalent to calculations made on a straight-line method by applying various rates based on useful lives of the various classes of properties (ranging from 5 to 95) determined from engineering studies. As a percentage of the depreciable utility plant at the beginning of the year, our provision for depreciation of utility plant was approximately 3.4% for 2025.

Depreciation rates include a provision for our share of the estimated costs to decommission our jointly owned plants at the end of the useful life. The annual provision for such costs is included in depreciation expense, while the accumulated provisions are included in noncurrent regulatory liabilities.

Pension and Postretirement Benefits

We have liabilities under defined benefit retirement plans and a postretirement plan that offers certain health care and life insurance benefits to eligible employees and their dependents. The costs of these plans are dependent upon numerous factors, assumptions and estimates, including determination of discount rate, expected return on plan assets, rate of future compensation increases, age and mortality and employment periods. In determining the projected benefit obligations and costs, assumptions can change from period to period and may result in material changes in the cost and liabilities we recognize.

Income Taxes

We follow the liability method in accounting for income taxes. Deferred income tax assets and liabilities represent the future effects on income taxes from temporary differences between the bases of assets and liabilities for financial reporting and tax purposes. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. The probability of realizing deferred tax assets is based on forecasts of future taxable income and the availability of tax planning strategies that can be implemented, if necessary, to realize deferred tax assets. We establish a valuation allowance when it is more likely than not that all, or a portion of, a deferred tax asset will not be realized.

Exposures exist related to various tax filing positions, which may require an extended period of time to resolve and may result in income tax adjustments by taxing authorities. On a quarterly basis, we evaluate exposures in light of any additional information and make adjustments as necessary to reflect the best estimate of the future outcomes. We believe our deferred tax assets and established liabilities are appropriate for estimated exposures; however, actual results may differ from these estimates. The resolution of tax matters in a particular future period could have a material impact on our Income Statements and provision for income taxes.

Under the Inflation Reduction Act of 2022 our production tax credits may be transferred to an unrelated entity. Our policy is to account for these transferable credits within income tax expense.

Environmental Costs

We record environmental costs when it is probable we are liable for the costs and we can reasonably estimate the liability. We may defer costs as a regulatory asset if there is precedent for recovering similar costs from customers in rates. Otherwise, we expense the costs. If an environmental cost is related to facilities we currently use, such as pollution control equipment, then we may capitalize and depreciate the costs over the remaining life of the asset, assuming the costs are recoverable in future rates or future cash flows.

Our remediation cost estimates are based on the use of an environmental consultant, our experience, our assessment of the current situation and the technology currently available for use in the remediation. We regularly adjust the recorded costs as we revise estimates and as remediation proceeds. If we are one of several designated responsible parties, then we estimate and record only our share of the cost.

Supplemental Cash Flow Information

	Year Ended December 31, 2025	2024
	(in thousands)	
Cash paid (received) for:		
Nebraska state income tax	$ (160)	$ —
Production tax credits[1]	(12,293)	(6,867)
Interest	24,060	22,952
Significant non-cash transactions:		
Capital expenditures included in trade accounts payable	11,623	3,840

(1) Proceeds from production tax credits transferred are included in cash provided by operating activities within the Statement of Cash Flows.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the Balance Sheets that sum to the total of the same such amounts shown in the Statements of Cash Flows (in thousands):

	December 31, 2025	2024
Cash and cash equivalents	$ 2,521	$ 1,565
Restricted cash	9,570	9,691
Total cash, cash equivalents, and restricted cash shown in the Statements of Cash Flows	$ 12,091	$ 11,256

Restricted cash consists primarily of funds held in trust accounts to satisfy the requirements of certain stipulation agreements.

Accounting Standards Issued

In December 2023, the Financial Accounting Standards Board issued Accounting Standards Update 2023-09, *Improvements to Income Tax Disclosures*, which expands income tax disclosures. The expanded disclosures require the disclosure of prescribed categories presented in the income tax rate reconciliation and additional disclosures on income tax expense and taxes paid, net of refunds received, for federal, state, and foreign jurisdictions. We early adopted this standard for the year ended December 31, 2025, and used the retrospective method of adoption, with no material impact on our Consolidated Financial Statements.

At this time, we are not expecting the adoption of recently issued accounting standards to have a material impact to our financial condition, results of operations, and cash flows.

(3) Regulatory Matters

Nebraska Natural Gas Rate Review

In June 2024, we filed a natural gas rate review with the Nebraska Public Service Commission (NPSC). Interim rates, which increased base natural gas rates $2.3 million, were implemented on October 1, 2024. In April 2025, we reached a settlement agreement with certain parties for a base rate annual revenue increase of $2.4 million. In June 2025, the NPSC approved this settlement agreement and final rates were implemented on July 1, 2025.

(4) Regulatory Assets and Liabilities

We prepare our Financial Statements in accordance with the provisions of ASC 980, as discussed in Note 2 - Significant Accounting Policies. Pursuant to this guidance, certain expenses and credits, normally reflected in income as incurred, are deferred and recognized when included in rates and recovered from or refunded to customers. Regulatory assets and liabilities are recorded based on management's assessment that it is probable that a cost will be recovered or that an obligation has been incurred. Accordingly, we have recorded the following major classifications of regulatory assets and liabilities that will be recognized in expenses and revenues in future periods when the matching revenues are collected or refunded. Of these regulatory assets and liabilities, energy supply costs are the only items earning a rate of return. The remaining regulatory items have corresponding assets and liabilities that will be paid for or refunded in future periods.

	Note Reference	Remaining Amortization Period	December 31, 2025	2024
			(in thousands)	
Flow-through income taxes	12	Plant Lives	$ 74,490	$ 74,250
Environmental clean-up	17	Undetermined	12,081	11,257

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION. AMORTIZATION AND DEPLETION

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company For the Current Year/Quarter Ended (b)	Electric (c)	Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)
1	UTILITY PLANT							
2	In Service							
3	Plant in Service (Classified)	1,551,974,769	1,175,572,241	304,757,414				71,645,114
4	Property Under Capital Leases	243,921			[b] 243,921			
5	Plant Purchased or Sold							
6	Completed Construction not Classified							
7	Experimental Plant Unclassified							
8	Total (3 thru 7)	1,552,218,690	1,175,572,241	304,757,414	243,921			71,645,114
9	Leased to Others							
10	Held for Future Use	2,870,523	2,870,523					
11	Construction Work in Progress	64,895,167	53,295,277	9,391,834	0			2,208,056
12	Acquisition Adjustments	30,009,843	30,009,843					
13	Total Utility Plant (8 thru 12)	1,649,994,223	1,261,747,884	314,149,248	243,921			73,853,170
14	Accumulated Provisions for Depreciation Amortization, & Depletion	601,060,628	451,977,835	122,952,451			0	26,130,342
15	Net Utility Plant (13 less 14)	1,048,933,595	809,770,049	191,196,797	243,921			47,722,828
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION							
17	In Service:							
18	Depreciation	583,682,986	439,328,653	122,952,451				21,401,882
19								

Supply costs		1 Year	7,472	10,309
Excess deferred income taxes	12	Plant Lives	5,983	6,580
Pension	14	See Note 14	5,526	5,376
Deferred financing costs	[illegible]	See Note 11	216	793
State & local taxes & fees		1 Year	6	61
Other		Various	[illegible]	[illegible]
Total Regulatory Assets			**$ 106,640**	**$ 109,191**
Removal cost	6	Plant Lives	$ 99,468	$ 93,152
Excess deferred income taxes	12	Plant Lives	16,797	17,725
Supply costs		1 Year	16,050	15,840
State & local taxes & fees		1 Year	304	205
Other		Various	745	747
Total Regulatory Liabilities			**$ 133,364**	**$ 127,669**

Income Taxes

Flow-through income taxes primarily reflect the effects of plant related temporary differences such as flow-through of depreciation, repairs related deductions, and removal costs that we will recover or refund in future rates. We amortize these amounts as temporary differences reverse. Excess deferred income tax assets and liabilities are recorded as a result of the Tax Cuts and Jobs Act and will be recovered or refunded in future rates. See Note 12 - Income Taxes for further discussion.

Environmental Clean-up

Environmental clean-up costs are the estimated costs of investigating and cleaning up contaminated sites we own. We discuss the specific sites and clean-up requirements further in Note 17 - Commitments and Contingencies. Environmental clean-up costs are typically recoverable in customer rates when they are actually incurred. When cost projections become known and measurable, we coordinate with the appropriate regulatory authority to determine a recovery period.

Supply Costs

The South Dakota Public Utilities Commission (SDPUC) and NPSC have authorized the use of electric and natural gas supply cost trackers that enable us to track actual supply costs and either [illegible] r refund the over collection to our customers. Accordingly, we have recorded a regulatory asset and liability to reflect the future recovery of under collections and refunding of over collections through the [illegible] process. We earn interest on natural gas supply costs under collected, or apply interest to an over collection, of 6.8 percent and 6.9 percent for electric and natural gas, respectively, in South Dakota; and 7.1 percent for natural gas in Nebraska.

Pension and Postretirement Benefits

We recognize the unfunded portion of plan benefit obligations in the Balance Sheets, which is remeasured at each year end, with a corresponding adjustment to regulatory assets/liabilities as the costs associated with these plans are recovered in rates. The SDPUC allows recovery of pension and postretirement benefit costs on an accrual basis.

Deferred Financing Costs

Consistent with our historical regulatory treatment, a regulatory asset has been established to reflect the remaining deferred financing costs on long-term debt that has been replaced through the issuance of new debt. These amounts are amortized over the life of the new debt.

Removal Cost

The anticipated costs of removing assets upon retirement are collected from customers in advance of removal activity as a component of depreciation expense. Our depreciation method, in[illegible]al, is established by the respective regulatory commissions. Therefore, consistent with this regulated treatment, we reflect this accrual of removal costs for our regulated assets by increasing our regulatory liability. See Note 6 - Asset Retirement Obligations, for further information regarding this item.

(5) Property, Plant and Equipment

The following table presents the major classifications of our property, plant and equipment (in thousands):

	December 31, 2025	December 31, 2024
	(in thousands)	
Electric Plant	$ 1,178,443	$ 1,145,833
Natural Gas Plant	303,436	286,843
Plant acquisition adjustment[1]	30,010	30,010
Common and Other Plant	72,360	72,896
Construction work in process	66,793	31,027
Total property, plant and equipment	1,651,042	1,566,609
Less accumulated depreciation	(486,318)	(457,466)
Less accumulated amortization	(17,128)	(15,904)
Net property, plant and equipment	$ 1,147,596	$ 1,093,239

(1) The plant acquisition adjustment balance above includes our Beethoven wind project acquired in 2015. The acquisition adjustment is amortized on a straight-line basis over the estimated remaining useful life in depreciation expense.

Jointly Owned Electric Generating Plant

We have an ownership interest in three base-load electric generating plants, all of which are coal fired and operated by other companies. We have an undivided interest in these facilities and are responsible for our proportionate share of the capital and operating costs while being entitled to our proportionate share of the power generated. Our interest in each plant is reflected in the Balance Sheets on a pro rata basis and our share of operating expenses is reflected in the Statements of Income. The participants each finance their own investment.

Information relating to our ownership interest in these facilities is as follows (in thousands):

	Big Stone (SD)	Neal #4 (IA)	Coyote (ND)
December 31, 2025			

	Amortization and Depletion of Producing Natural Gas Land and Land Rights							
20	Amortization of Underground Storage Land and Land Rights	0						
21	Amortization of Other Utility Plant	5,618,401	[(a)](#)889,941					4,728,460
22	Total in Service (18 thru 21)	589,301,387	440,218,594	122,952,451			0	26,130,342
23	Leased to Others							
24	Depreciation	0						
25	Amortization and Depletion	0						
26	Total Leased to Others (24 & 25)	0	0	0	0	0	0	0
27	Held for Future Use							
28	Depreciation	0						
29	Amortization	0						
30	Total Held for Future Use (28 & 29)	0	0	0	0	0	0	0
31	Abandonment of Leases (Natural Gas)	0						
32	Amortization of Plant Acquisition Adjustment	11,759,241	11,759,241.00					
33	Total Accum Prov (equals 14) (22,26,30,31,32)	601,060,628	451,977,835	122,952,451			0	26,130,342

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Ownership percentages	23.4 %	8.7 %	10.0 %
Plant in service	$ 157,919	$ 66,740	$ 53,609
Accumulated depreciation	54,760	40,595	40,564
December 31, 2024			
Ownership percentages	23.4 %	8.7 %	10.0 %
Plant in service	$ 157,572	$ 65,426	$ 52,430
Accumulated depreciation	49,573	39,025	39,887

(6) Asset Retirement Obligations

We are obligated to dispose of certain long-lived assets upon their abandonment. We recognize a liability for the legal obligation to perform an asset retirement activity in which the timing and/or method of settlement are conditional on a future event. We measure the liability at fair value when incurred and capitalize a corresponding amount as part of the book value of the related assets, which increases our property, plant and equipment and other noncurrent liabilities. The increase in the capitalized cost is included in determining depreciation expense over the estimated useful life of these assets. Since the fair value of the asset retirement obligation (ARO) is determined using a present value approach, accretion of the liability due to the passage of time is recognized each period and recorded as a regulatory asset until the settlement of the liability. Revisions to estimated AROs can result from changes in retirement cost estimates, revisions to estimated inflation rates, and changes in the estimated timing of abandonment. If the obligation is settled for an amount other than the carrying amount of the liability, we will recognize a regulatory asset or liability for the difference, which will be surcharged/refunded to customers through the rate making process. We record regulatory assets and liabilities for differences in timing of asset retirement costs recovered in rates and AROs recorded since asset retirement costs are recovered through rates charged to customers.

Our AROs relate to the reclamation and removal costs at our jointly-owned coal-fired generation facilities, U.S. Department of Transportation requirements to cut, purge and cap retired natural gas pipeline segments, and to remove all above-ground wind power facilities and restore the soil surface at the end of their life. The following table presents the change in our ARO (in thousands):

	December 31,	
	2025	2024
Liability at January 1,	$ 6,841	$ 6,616
Accretion expense	321	311
Liabilities incurred	—	—
Liabilities settled	(177)	(120)
Revisions to cash flows	1,234	34
Liability at December 31,	$ 8,219	$ 6,841

During the twelve months ended December 31, 2025, our ARO liability decreased $0.2 million for partial settlement of the legal obligations at our natural gas pipeline segments. Additionally, during the twelve months ended December 31, 2025, our ARO liability increased $1.2 million related to changes in the timing and amount of retirement cost estimates.

In addition, we have identified removal liabilities related to our electric and natural gas transmission and distribution assets that have been installed on easements over property not owned by us. The easements are generally perpetual and only require remediation action upon abandonment or cessation of use of the property for the specified purpose. The ARO liability is not estimable for such easements as we intend to utilize these properties indefinitely. In the event we decide to abandon or cease the use of a particular easement, an ARO liability would be recorded at that time.

We collect removal costs in rates for certain transmission and distribution assets that do not have associated AROs. Generally, the accrual of future non-ARO removal obligations is not required, however, long-standing ratemaking practices approved by applicable state and federal regulatory commissions have allowed provisions for such costs in historical depreciation rates. The recorded amounts of costs collected from customers through depreciation rates are classified as a regulatory liability in recognition of the fact that we have collected these amounts that will be used in the future to fund asset retirement costs and do not represent legal retirement obligations. See Note 4 - Regulatory Assets and Liabilities for removal costs recorded as regulatory liabilities on the Balance Sheets as of December 31, 2025 and 2024.

(7) Goodwill

We completed our annual goodwill impairment test as of April 1, 2025, and no impairment was identified. We calculate the fair value of our reporting units by considering various factors, including valuation studies based primarily on a discounted cash flow analysis, with published industry valuations and market data as supporting information. Key assumptions in the determination of fair value include the use of an appropriate discount rate and estimated future cash flows. In estimating cash flows, we incorporate expected long-term growth rates in our service territory, regulatory stability, and commodity prices (where appropriate), as well as other factors that affect our revenue, expense and capital expenditure projections.

Goodwill by segment is as follows (in thousands):

	December 31,	
	2025	2024
Electric	$ 63,667	$ 63,667
Natural gas	30,112	30,112
Total Goodwill	$ 93,779	$ 93,779

(8) Risk Management and Hedging Activities

Nature of Our Business and Associated Risks

We are exposed to certain risks related to the ongoing operations of our business, including the impact of market fluctuations in the price of electricity and natural gas commodities and changes in interest rates. We rely on market purchases to fulfill a portion of our electric and natural gas supply requirements. Several factors influence price levels and volatility. These factors include, but are not limited to, seasonal changes in demand, weather conditions, available generating assets within regions, transportation availability and reliability within and between regions, fuel availability, market liquidity, and the nature and extent of current and potential federal and state regulations.

Objectives and Strategies for Using Derivatives

To manage our exposure to fluctuations in commodity prices we routinely enter into derivative contracts. These types of contracts are included in our electric and natural gas supply portfolios and are used to manage price volatility risk by taking advantage of fluctuations in market prices. While individual contracts may be above or below market value, the overall portfolio approach is intended to provide greater price stability for consumers. We do not maintain a trading portfolio, and our derivative transactions are only used for risk management purposes consistent with regulatory guidelines.

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

FOOTNOTE DATA

(a) Concept: AmortizationOfOtherUtilityPlantUtilityPlantInService

Balance as of December 31, 2024 - $493,761

(b) Concept: UtilityPlantInServicePropertyUnderCapitalLeases

This column represents our right of use (operating lease) assets.

In addition, we may use interest rate swaps to manage our interest rate exposures associated with new debt issuances or to manage our exposure to fluctuations in interest rates on variable rate debt.

Accounting for Derivative Instruments

We evaluate new and existing transactions and agreements to determine whether they are derivatives. The permitted accounting treatments include: normal purchase normal sale (NPNS); cash flow hedge; fair value hedge; and mark-to-market. Mark-to-market accounting is the default accounting treatment for all derivatives unless they qualify, and we specifically designate them, for one of the other accounting treatments. Derivatives designated for any of the elective accounting treatments must meet specific, restrictive criteria both at the time of designation and on an ongoing basis. The changes in the fair value of recognized derivatives are recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and the type of hedge transaction.

Normal Purchases and Normal Sales

We have applied the NPNS scope exception to our contracts involving the physical purchase and sale of gas and electricity at fixed prices in future periods. During our normal course of business, we enter into full-requirement energy contracts, power purchase agreements and physical capacity contracts, which qualify for NPNS. All of these contracts are accounted for using the accrual method of accounting; therefore, there were no unrealized amounts recorded in the Financial Statements at December 31, 2025 and 2024. Revenues and expenses from these contracts are reported on a gross basis in the appropriate revenue and expense categories as the commodities are received or delivered.

Credit Risk

Credit risk is the potential loss resulting from counterparty non-performance under an agreement. We manage credit risk with policies and procedures for, among other things, counterparty analysis and exposure measurement, monitoring and mitigation. We limit credit risk in our commodity and interest rate derivatives activities by assessing the creditworthiness of potential counterparties before entering into transactions with them and continuing to evaluate their creditworthiness on an ongoing basis.

We are exposed to credit risk through buying and selling electricity and natural gas to serve customers. We may request collateral or other security from our counterparties based on the assessment of creditworthiness and expected credit exposure. It is possible that volatility in commodity prices could cause us to have material credit risk exposures with one or more counterparties. We enter into commodity master enabling agreements with our counterparties to mitigate credit exposure, as these agreements reduce the risk of default by allowing us or our counterparty the ability to make net payments. The agreements generally are: (1) Western Systems Power Pool agreements – standardized power purchase and sales contracts in the electric industry; (2) International Swaps and Derivatives Association agreements – standardized financial gas and electric contracts; (3) North American Energy Standards Board agreements – standardized physical gas contracts; and (4) Edison Electric Institute Master Purchase and Sale Agreements – standardized power sales contracts in the electric industry.

Many of our forward purchase contracts contain provisions that require us to maintain an investment grade credit rating from each of the major credit rating agencies. If our credit rating were to fall below investment grade, the counterparties could require immediate payment or demand immediate and ongoing full overnight collateralization on contracts in net liability positions,

(9) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). Measuring fair value requires the use of market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, corroborated by market data, or generally unobservable. Valuation techniques are required to maximize the use of observable inputs and minimize the use of unobservable inputs.

Applicable accounting guidance establishes a hierarchy that prioritizes the inputs used to measure fair value, and requires fair value measurements to be categorized based on the observability of those inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). The three levels of the fair value hierarchy are as follows:

- Level 1 – Unadjusted quoted prices available in active markets at the measurement date for identical assets or liabilities;
- Level 2 – Pricing inputs, other than quoted prices included within Level 1, which are either directly or indirectly observable as of the reporting date; and
- Level 3 – Significant inputs that are generally not observable from market activity.

We classify assets and liabilities within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement of each individual asset and liability taken as a whole. Due to the short-term nature of cash and cash equivalents, accounts receivable, net, accounts payable, and short-term borrowings, the carrying amount of each such item approximates fair value. There are no components of our assets or liabilities measured at fair value in the Financial Statements at December 31, 2025 and 2024.

Financial Instruments

The estimated fair value of financial instruments is summarized as follows (in thousands):

	December 31, 2025		December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Liabilities:				
Long-term debt	$ 594,998	$ 557,704	$ 552,186	$ 504,498

The estimated fair value amounts have been determined using available market information and appropriate valuation methodologies; however, considerable judgment is required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that we would realize in a current market exchange.

We determined fair value for long-term debt based on interest rates that are currently available to us for issuance of debt with similar terms and remaining maturities, except for publicly traded debt, for which fair value is based on market prices for the same or similar issues or upon the quoted market prices of U.S. treasury issues having a similar term to maturity, adjusted for our bond issuance rating and the present value of future cash flows. These are significant other observable inputs, or level 2 inputs, in the fair value hierarchy.

(10) Unsecured Credit Facilities

We have a $200.0 million unsecured revolver credit facility with base sublimits of $50.0 million for NorthWestern Energy Group and $150.0 million for NWE Public Service (the HoldCo and NWE Public Service Credit Facility). The HoldCo and NWE Public Service Credit Facility has a maturity date of November 29, 2028. The HoldCo and NWE Public Service Credit Facility has uncommitted features that allow both NorthWestern Energy Group and NWE Public Service to request one-year extensions to the maturity date and increase the size of the credit facility by an additional $50.0 million. The credit facility also gives us the flexibility to adjust the sublimits as needed, provided that NorthWestern Energy Group's base sublimit cannot exceed $100.0 million and NWE Public Service's sublimit cannot exceed $200.0 million. Borrowings may be made at interest rates equal to (a) SOFR, plus a credit spread adjustment of 10.0 basis points plus a margin of 100.0 to 175.0 basis points, or (b) a base rate, plus a margin of 0.0 to 75.0 basis points.

Commitment fees for the unsecured revolving lines of credit was $0.2 million for the years ended December 31, 2025 and 2024.

The availability under the facilities in place for the year ended December 31, 2024, is shown in the following table (in millions):

	2025	2024
Unsecured revolving line of credit, expiring November 2028	**$ 150.0**	**$ 150.0**

Name of Respondent: NorthWestern Energy Public Service Corporation	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 12/31/2025	Year/Period of Report End of: 2025/ Q4

NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.
2. If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.

Line No.	Description of item (a)	Balance Beginning of Year (b)	Changes during Year Additions (c)	Changes during Year Amortization (d)	Changes during Year Other Reductions (Explain in a footnote) (e)	Balance End of Year (f)
1	Nuclear Fuel in process of Refinement, Conv, Enrichment & Fab (120.1)					
2	Fabrication					
3	Nuclear Materials					
4	Allowance for Funds Used during Construction					
5	(Other Overhead Construction Costs, provide details in footnote)					
6	SUBTOTAL (Total 2 thru 5)					
7	Nuclear Fuel Materials and Assemblies					
8	In Stock (120.2)					
9	In Reactor (120.3)					
10	SUBTOTAL (Total 8 & 9)					
11	Spent Nuclear Fuel (120.4)					
12	Nuclear Fuel Under Capital Leases (120.6)					
13	(Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5)					
14	TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13)					
15	Estimated Net Salvage Value of Nuclear Materials in Line 9					
16	Estimated Net Salvage Value of Nuclear Materials in Line 11					
17	Est Net Salvage Value of Nuclear Materials in Chemical Processing					
18	Nuclear Materials held for Sale (157)					
19	Uranium					

Amounts outstanding at December 31:		
SOFR borrowings	41.0	34.0
Letters of credit	—	—
	41.0	34.0
Net availability as of December 31	$ 109.0	$ 116.0

Our credit facilities include covenants that require us to meet certain financial tests, including a maximum debt to capitalization ratio not to exceed 65 percent. The facilities also contain covenants which, among other things, limit our ability to engage in any consolidation or merger or otherwise liquidate or dissolve, dispose of property, and enter into transactions with affiliates A default on the South Dakota First Mortgage Bonds would trigger a cross default on the NWE Public Service sublimit of the HoldCo and NWE Public Service Credit Facility; however a default on the NWE Public Service Credit Facility would not trigger a default on the South Dakota First Mortgage Bonds.

(11) Long-Term Debt

Long-term debt consisted of the following (in thousands):

	Due	December 31, 2025	December 31, 2024
Unsecured Debt:			
Unsecured Revolving Line of Credit	2028	$ 41,000	$ 34,000
Secured Debt:			
Mortgage bonds—			
South Dakota—5.01%	2025	—	64,000
South Dakota—2.80%	2026	60,000	60,000
South Dakota—2.66%	2026	45,000	45,000
South Dakota—5.55%	2029	33,000	33,000
South Dakota—3.21%	2030	50,000	50,000
South Dakota—5.57%	2033	31,000	31,000
South Dakota—5.42%	2033	30,000	30,000
South Dakota—5.75%	2034	7,000	7,000
South Dakota—5.49%	2035	100,000	—
South Dakota—4.26%	2040	70,000	70,000
South Dakota—4.15%	2042	30,000	30,000
South Dakota—4.85%	2043	50,000	50,000
South Dakota—4.22%	2044	30,000	30,000
South Dakota—4.30%	2052	20,000	20,000
Other Long Term Debt:			
Discount on Notes and Bonds and Debt Issuance Costs, Net		(2,002)	(1,814)
Total Long-Term Debt		$ 594,998	$ 552,186
Less current maturities (including associated debt issuance costs)		(104,967)	(63,991)
Total Long-Term Debt, Net of Current Maturities		$ 490,031	$ 488,195

Secured Debt

First Mortgage Bonds and Pollution Control Obligations

The South Dakota First Mortgage Bonds are a series of general obligation bonds issued under our South Dakota indenture. These bonds are secured by substantially all of our electric and natural gas assets associated with our South Dakota and Nebraska utility operations.

On March 28, 2024, we issued and sold $33.0 million aggregate principal amount of South Dakota First Mortgage Bonds at a fixed interest rate of 5.55 percent maturing on March 28, 2029, and $7.0 million aggregate principal amount of South Dakota First Mortgage Bonds at a fixed interest rate of 5.75 percent maturing on March 28, 2034. These bonds were issued in transactions exempt from the registration requirements of the Securities Act of 1933. Proceeds were used for general utility purposes. The bonds are secured by our electric and natural gas assets associated with its South Dakota and Nebraska utility operations.

On May 1, 2025, we issued and sold $100.0 million aggregate principal amount of South Dakota First Mortgage Bonds at a fixed interest rate of 5.49 percent maturing on May 1, 2035. These bonds were issued in transactions exempt from the registration requirements of the Securities Act of 1933. Proceeds were utilized to repay at maturity $64.0 million of 5.01 percent South Dakota First Mortgage Bonds due on May 1, 2025 and for other general utility purposes.

As of December 31, 2025, we were in compliance with our financial debt covenants.

Maturities of Long-Term Debt

The aggregate minimum principal maturities of long-term debt during the next five years are $105.0 million in 2026, $41.0 million in 2028, $33 million in 2029, and 50.0 million in 2030.

(12) Income Taxes

Income tax (benefit) expense is comprised of the following (in thousands):

	Year Ended December 31, 2025	Year Ended December 31, 2024
Federal		
Current	$ (10,383)	$ (5,989)
Deferred	14,076	(997)
Investment tax credits	—	—
State		
Current		

20	Plutonium					
21	Other (Provide details in footnote)					
22	TOTAL Nuclear Materials held for Sale (Total 19, 20, and 21)					

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Deferred	250	250
Income Tax Expense (Benefit)	$ 3,943	$ (6,736)

Deferred income tax expense is comprised of the following (in thousands):

	Year Ended December 31,	
	2025	2024
Deferred tax benefit excluding items below	$ 1,837	$ (2,934)
Adjustments to other noncurrent liabilities, regulatory assets, and liabilities	(543)	(5,371)
Tax benefit allocated to other comprehensive income	(46)	(134)
Adjustments to deferred income taxes for production tax credit cash transfer	13,078	7,692
Deferred tax expense (benefit)	$ 14,326	$ (747)

Our effective tax rate typically differs from the federal statutory tax rate primarily due to the regulatory impact of flowing through the federal and state tax benefit of repairs deductions, state tax benefit of accelerated tax depreciation deductions (including bonus depreciation when applicable), and production tax credits. The regulatory accounting treatment of these deductions requires immediate income recognition for temporary tax differences of this type, which is referred to as the flow-through method. When the flow-through method of accounting for temporary differences is reflected in regulated revenues, we record deferred income taxes and establish related regulatory assets and liabilities.

The table below reconciles our effective income tax rate to the federal statutory rate and summarizes the significant differences in income tax expense (benefit) based on the differences between our effective tax rate and the federal statutory rate (in thousands). Our income from continuing operations is primarily from domestic operations.

	Year Ended December 31,			
	2025		2024	
	(in dollars)	(in percent)	(in dollars)	(in percent)
Income before income taxes	$ 35,470		$ 24,197	
Income tax calculated at federal statutory rate	7,449	21.0 %	5,081	21.0 %
State income tax, net of federal provision(1)	250	0.7	250	1.0
Tax Credits				
Production tax credits	(4,296)	(12.1)	(8,781)	(36.3)
Production tax credits discount on transfer	785	2.2	825	3.4
Impact of utility ratemaking on income taxes				
Flow-through repairs deductions	(3,828)	(10.8)	(3,859)	(15.9)
Amortization of excess deferred income taxes	(478)	(1.3)	(465)	(1.9)
AFUDC, net	(179)	(0.5)	(154)	(0.6)
Plant and depreciation of flow through items	3,757	10.6	2,675	11.1
Gas repairs safe harbor method change	—	—	(2,628)	(10.9)
Nontaxable and nondeductible items	162	0.5	133	0.5
Other	321	0.8	187	0.8
	(3,506)	(9.9)	(11,817)	(48.8)
Income Tax Expense (Benefit) and Effective Tax Rate	$ 3,943	11.1 %	$ (6,736)	(27.8)%

(1) For all years presented, the state of Nebraska comprises the majority of the domestic state income taxes, net of federal provisions.

We are included in NorthWestern Energy Group, Inc.'s consolidated federal and state income tax returns. In accordance with our tax sharing agreement with NorthWestern Energy Group, Inc., we compute our income taxes based upon the separate return method, where we are assumed to file a separate return with the taxing authority, thereby reporting our taxable income and paying the applicable tax to or receiving the appropriate refund from NorthWestern Energy Group, Inc.

In 2023, the Internal Revenue Service (IRS) issued a safe harbor method of accounting for the repair and maintenance of natural gas transmission and distribution property. For the year ending December 31, 2024, after completion of our impact analysis of the gas repairs safe harbor method change, we recorded an income tax benefit of approximately $2.6 million related to tax deductions for repair costs that were previously capitalized in the 2022 and prior tax years.

The components of the net deferred income tax liability recognized in our Balance Sheets are related to the following temporary differences (in thousands):

	December 31,	
	2025	2024
Production tax credit	$ 52,936	$ 62,094
NOL carryforward	26,168	30,124
Unbilled revenue	3,383	3,350
Environmental liability	3,363	3,283
Compensation accruals	1,642	1,693
Reserves and accruals	205	119
Other	2,091	2,001
Deferred Tax Asset	**89,788**	**102,664**
Excess tax depreciation	(115,334)	(113,500)
Flow through depreciation	(13,395)	(13,270)
Pension / postretirement benefits	(1,230)	(1,291)
Regulatory assets and other	(4,610)	(4,391)
Deferred Tax Liability	**(134,569)**	**(132,452)**
Deferred Tax Liability, net	**$ (44,781)**	**$ (29,788)**

As of December 31, 2025, our total federal NOL carryforward was approximately $124.6 million. Our federal NOL carryforward does not expire. We believe it is more likely than not that sufficient taxable income will be generated to utilize these NOL carryforwards.

Name of Respondent:	This report is:	Date of Report:	Year/Period of Report
NorthWestern Energy Public Service Corporation	(1) ☑ An Original (2) ☐ A Resubmission	12/31/2025	End of: 2025/ Q4

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts.
2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of the prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.
7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.
8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.
9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date.

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1	1. INTANGIBLE PLANT						
2	(301) Organization	0	0	0	0	0	0
3	(302) Franchise and Consents	0	0	0	0	0	0
4	(303) Miscellaneous Intangible Plant	2,609,021	0	0	0	(2,609,021)	0
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	2,609,021	0	0	0	(2,609,021)	0
6	2. PRODUCTION PLANT						
7	A. Steam Production Plant						
8	(310) Land and Land Rights	366,511	(23,642)	0	0	0	342,869
9	(311) Structures and Improvements	28,409,104	743,637	357,514	0	0	28,795,227
10	(312) Boiler Plant Equipment	202,801,303	1,765,081	612,800	0	(36,403)	203,917,181
11	(313) Engines and Engine-Driven Generators	0	0	0	0	0	0
12	(314) Turbogenerator Units	27,255,916	761,596	57,229	0	(1,019)	27,959,264
13	(315) Accessory Electric Equipment	13,247,310	36,806	287	0	0	13,283,829
13.1		0	9,076	499	0	44,421	52,998

At December 31, 2025, our total production tax credit carryforward was approximately $52.9 million. If unused, our production tax credit carryforwards will expire as follows: $0.3 million in 2035, $7.5 million in 2036, $7.5 million in 2037, $7.0 million in 2038, $7.1 million in 2039, $7.7 million in 2040, $7.1 million in 2041, and $8.7 million in 2042. We believe it is more likely than not that sufficient taxable income will be generated to utilize these production tax credit carryforwards.

Tax years 2022 and forward remain subject to examination by the IRS and state taxing authorities.

(13) Comprehensive Income

The following tables display the components of Other Comprehensive Income, after-tax, and the related tax effects (in thousands):

	December 31, 2025 Before-Tax	2025 Tax Expense (Benefit)	2025 Net-of-Tax	2024 Before-Tax	2024 Tax Expense (Benefit)	2024 Net-of-Tax
Postretirement medical liability adjustment	$ 219	$ (46)	$ 173	$ 637	$ (133)	$ 504
Other comprehensive income	$ 219	$ (46)	$ 173	$ 637	$ (133)	$ 504

Balances by classification included within AOCI on the Balance Sheets are as follows, net of tax (in thousands):

	December 31, 2025	2024
Postretirement medical plans	$ 1,002	$ 829
Accumulated other comprehensive income	$ 1,002	$ 829

The following table displays the changes in AOCI by component, net of tax (in thousands):

	Affected Line Item in the Statements of Income	December 31, 2025 Postretirement Medical Plans	December 31, 2024 Postretirement Medical Plans
Beginning balance		$ 829	$ —
Amounts reclassified from AOCI		173	504
Net current-period other comprehensive income		1,002	504
Contribution from Parent		$ —	$ 325
Ending Balance		$ 1,002	$ 829

(14) Employee Benefit Plans

Pension and Other Postretirement Benefit Plans

We sponsor and/or contribute to pension and postretirement health care and life insurance benefit plans for eligible employees. The pension plan for our South Dakota and Nebraska employees is referred to as the NorthWestern Energy SD/NE Plan (formerly known as the NorthWestern Corporation Plan). We utilize a number of accounting mechanisms that reduce the volatility of reported pension costs. Differences between actuarial assumptions and actual plan results are deferred and are recognized into earnings only when the accumulated differences exceed 10 percent of the greater of the projected benefit obligation or the market-related value of plan assets. If necessary, the excess is amortized over the average remaining service period of active employees. The Plans' funded status is recognized as an asset in our Financial Statements. See Note 4 - Regulatory Assets and Liabilities, for further discussion on how these costs are recovered through rates charged to our customers.

Benefit Obligation and Funded Status

Following is a reconciliation of the changes in plan benefit obligations and fair value of plan assets, and a statement of the funded status (in thousands):

	Pension Benefits December 31, 2025	Pension Benefits 2024	Other Postretirement Benefits December 31, 2025	Other Postretirement Benefits 2024
Change in benefit obligation:				
Obligation at beginning of period	$ 43,144	$ 46,662	$ 2,387	$ 3,110
Service cost	409	493	45	56
Interest cost	2,286	2,219	89	101
Plan amendments	—	—	—	—
Actuarial loss (gain)	2,057	(1,719)	(183)	(710)
Settlements	—	—	—	—
Benefits paid	(3,878)	(4,511)	(303)	(170)
Benefit Obligation at End of Period	$ 44,018	$ 43,144	$ 2,035	$ 2,387
Change in Fair Value of Plan Assets:				
Fair value of plan assets at beginning of period	52,611	54,537	—	—
Return on plan assets	4,086	1,385	—	—
Employer contributions	—	1,200	303	170
Settlements	—	—	—	—
Benefits paid	(3,878)	(4,511)	(303)	(170)
Fair value of plan assets at end of period	$ 52,819	$ 52,611	$ —	$ —
Funded Status	$ 8,801	$ 9,467	$ (2,035)	$ (2,387)

Amounts Recognized in the Balance Sheet Consist of:

Noncurrent asset	8,801	9,467	—	—
Total Assets	$ 8,801	$ 9,467	$ —	$ —
Current liability	—	—	(661)	(800)
Noncurrent liability	—	—	(1,374)	(1,587)
Total Liabilities	—	—	(2,035)	(2,387)
Net amount recognized	$ 8,801	$ 9,467	$ (2,035)	$ (2,387)
Amounts Recognized in Regulatory Assets Consist of:				
Prior service credit	—	—	—	—
Net actuarial (loss) gain	(1,265)	(992)	—	—
Amounts recognized in AOCI consist of:				
Prior service cost	—	—	—	—
Net actuarial gain	—	—	1,268	1,228
Total	$ (1,265)	$ (992)	$ 1,268	$ 1,228

The actuarial gain/loss is primarily due to the change in discount rate assumption and actual asset returns compared with expected amounts.

Net Periodic Cost (Credit)

The components of the net costs (credits) for our pension and other postretirement plans are as follows (in thousands):

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
	2025	2024	2025	2024
Components of Net Periodic Benefit Cost				
Service cost	$ 409	$ 493	$ 45	$ 56
Interest cost	2,285	2,219	89	101
Expected return on plan assets	(2,302)	(2,740)	—	—
Amortization of prior service cost (credit)	—	—	—	—
Recognized actuarial loss (gain)	—	—	(142)	(73)
Net Periodic Benefit Cost (Credit)	$ 392	$ (28)	$ (8)	$ 84
Previously deferred costs recognized(1)	124	75	—	—
Net Periodic Benefit Cost (Credit) Recognized	$ 516	$ 47	$ (8)	$ 84

(1) Net periodic benefit costs for pension and postretirement benefit plans are recognized for financial reporting based on the authorization of each regulatory jurisdiction in which we operate. A portion of these costs are recorded in regulatory assets and recognized in the Statements of Income as those costs are recovered through customer rates.

For the year ended December 31, 2025 and 2024, service costs were recorded in Operating, general, and administrative expense while non-service costs were recorded in Other income, net on the Statements of Income.

For purposes of calculating the expected return on pension plan assets, the market-related value of assets is used, which is based upon fair value. The difference between actual plan asset returns and estimated plan asset returns are amortized equally over a period not to exceed five years.

Actuarial Assumptions

The measurement dates used to determine pension and other postretirement benefit measurements for the plans are December 31, 2025. The actuarial assumptions used to compute net periodic pension cost and postretirement benefit cost are based upon information available as of the beginning of the year, specifically, market interest rates, past experience and management's best estimate of future economic conditions. Changes in these assumptions may impact future benefit costs and obligations. In computing future costs and obligations, we must make assumptions about such things as employee mortality and turnover, expected salary and wage increases, discount rate, expected return on plan assets, and expected future cost increases. Two of these assumptions have the most impact on the level of cost: (1) discount rate and (2) expected rate of return on plan assets. During 2022, the plan's actuary conducted an experience study to review five years of plan experience and update these assumptions.

On an annual basis, we set the discount rate using a yield curve analysis. This analysis includes constructing a hypothetical bond portfolio whose cash flow from coupons and maturities matches the year-by-year, projected benefit cash flow from our plans. The decrease in the discount rate during 2025 increased our projected benefit obligation by approximately $1.0 million.

In determining the expected long-term rate of return on plan assets, we review historical returns, the future expectations for returns for each asset class weighted by the target asset allocation of the pension and postretirement portfolios, and long-term inflation assumptions. Based on the target asset allocation for our pension assets and future expectations for asset returns, we decreased our long term rate of return on assets assumption for NorthWestern Energy SD/NE Pension Plan to 4.96 percent for 2026.

The weighted-average assumptions used in calculating the preceding information are as follows:

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
	2025	2024	2025	2024
Discount rate	5.20	5.50	4.85	5.30
Expected rate of return on assets	4.58	5.15	N/A	N/A
Long-term rate of increase in compensation levels (non-union)	4.00	4.00	4.00	4.00
Long-term rate of increase in compensation levels (union)	4.00	4.00	4.00	4.00
Interest crediting rate	3.30	3.30	N/A	N/A

The postretirement benefit obligation is calculated assuming that health care costs increase by a 5 percent fixed rate. The company contribution toward the premium cost is capped, therefore future health care cost trend rates are expected to have a minimal impact on company costs and the accumulated postretirement benefit obligation.

Investment Strategy

Our investment goals with respect to managing the pension and other postretirement assets are to meet current and future benefit payment needs while maximizing total investment returns (income and appreciation) after inflation within the constraints of diversification, prudent risk taking, Prudent Man Rule of the Employee Retirement Income Security Act of 1974 and liability-based considerations. Each plan is diversified across asset classes to achieve optimal balance between risk and return and between income and growth through capital appreciation. Our investment philosophy is based on the following:

- Each plan should be substantially invested as long-term cash holdings reduce long-term rates of return;
- Pension Plan portfolio risk is described by volatility in the funded status of the Plans;
- It is prudent to diversify each plan across the major asset classes;
- Equity investments provide greater long-term returns than fixed income investments, although with greater short-term volatility;
- Fixed income investments of the plans should strongly correlate with the interest rate sensitivity of the plan's aggregate liabilities in order to hedge the risk of change in interest rates negatively impacting the pension plans overall funded status, (such assets will be described as Liability Hedging Fixed Income assets);
- Allocation to foreign equities increases the portfolio diversification and thereby decreases portfolio risk while providing for the potential for enhanced long-term returns;
- Active management can reduce portfolio risk and potentially add value through security selection strategies;
- A portion of plan assets should be allocated to passive, indexed management funds to provide for greater diversification and lower cost; and
- It is appropriate to retain more than one investment manager, provided that such managers offer asset class or style diversification.

Investment risk is measured and monitored on an ongoing basis through quarterly investment portfolio reviews, annual liability measurements, and periodic asset/liability studies.

The most important component of an investment strategy is the portfolio asset mix, or the allocation between the various classes of securities available. The mix of assets is based on an optimization study that identifies asset allocation targets in order to achieve the maximum return for an acceptable level of risk, while minimizing the expected contributions and pension and postretirement expense. In the optimization study, assumptions are formulated about characteristics, such as expected asset class investment returns, volatility (risk), and correlation coefficients among the various asset classes, and making adjustments to reflect future conditions expected to prevail over the study period. Based on this, the target asset allocation established, within an allowable range of plus or minus 3 - 5 percent, is as follows:

	NorthWestern Energy SD/NE Pension	
	December 31,	
	2025	2024
Fixed income securities	90.0 %	90.0 %
Opportunistic fixed income	3.0	3.0
Global equities	7.0	7.0

The actual allocation by plan is as follows:

	NorthWestern Energy SD/NE Pension	
	December 31,	
	2025	2024
Cash and cash equivalents	0.9 %	0.8 %
Fixed income securities	89.0	89.4
Opportunistic fixed income	3.0	2.9
Global equities	7.1	6.9
	100.0 %	100.0 %

Generally, the asset mix will be rebalanced to the target mix as individual portfolios approach their minimum or maximum levels. The guidelines allow for a transition to targets over time as assets are reallocated to newly-approved asset classes of opportunistic fixed income and private real estate. Debt securities consist of U.S. and international instruments including emerging markets and high yield instruments, as well as government, corporate, asset backed and mortgage backed securities. While the portfolio may invest in high yield securities, the average quality must be rated at least "investment grade" by rating agencies. Equity, real estate and fixed income portfolios may be comprised of both active and passive management strategies. Performance of fixed income investments is measured by both traditional investment benchmarks as well as relative changes in the present value of the plan's liabilities. Equity investments consist primarily of U.S. stocks including large, mid and small cap stocks. We also invest in global equities with exposure to developing and emerging markets. Equity investments may also be diversified across investment styles such as growth and value. Derivatives, options and futures are permitted for the purpose of reducing risk but may not be used for speculative purposes. Real estate investments will consist of global equity or debt interests in tangible property consisting of land, buildings, and other improvements in commercial and residential sectors.

All of our plan assets are held by common collective trusts (CCTs). In accordance with our investment policy, these pooled investment funds must have an adequate asset base relative to their asset class, be invested in a diversified manner and have a minimum of three years of verified investment performance experience or have a portfolio manager with a minimum of three years of verified investment experience in a similar investment strategy. The fund must have management and/or oversight by an investment advisor registered with the SEC. Investments in a collective investment vehicle are valued by multiplying the investee company's NAV per share by the number of units or shares owned at the valuation date. NAV per share is determined by the trustee. Investments held by the CCT, including collateral invested for securities on loan, are valued on the basis of valuations furnished by a pricing service approved by the CCT's investment manager, which determines valuations using methods based on quoted closing market prices on national securities exchanges, or at fair value as determined in good faith by the CCT's investment manager if applicable. The direct holding of NorthWestern Energy Group stock is not permitted; however, any holding in a diversified mutual fund or collective investment fund is permitted.

Cash Flows

In accordance with the Pension Protection Act of 2006 (PPA), and the relief provisions of the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), we are required to meet minimum funding levels in order to avoid required contributions and benefit restrictions. We have elected to use asset smoothing provided by the WRERA, which allows the use of asset averaging, including expected returns (subject to certain limitations), for a 24-month period in the determination of funding requirements. Additional funding relief was passed in the American Rescue Plan Act of 2021, providing for longer amortization and interest rate smoothing, which we elected to use. We expect to continue to make contributions to the pension plans in 2026 and future years that reflect the minimum requirements and discretionary amounts consistent with the amounts recovered in rates. Additional legislative or regulatory measures, as well as fluctuations in financial market conditions, may impact our funding requirements.

Annual contributions to the pension plan are as follows (in thousands):

	2025	2024
NorthWestern Energy Pension Plan	—	1,200
	$ —	$ 1,200

We estimate the plans will make future benefit payments to participants as follows (in thousands):

	Pension Benefits	Other Postretirement Benefits
2026	4,215	661
2027	3,802	204
2028	4,057	161
2029	3,722	166
2030	3,746	187
2031-2035	17,802	808

Defined Contribution Plan

Our defined contribution plan permits employees to defer receipt of compensation as provided in Section 401(k) of the Internal Revenue Code. Under the plan, employees may elect to direct a percentage of their gross compensation to the plan. We also contribute various percentages of employees' gross compensation to the plan. Company contributions for the years ended December 31, 2025 and 2024 were $3.2 million and $3.1 million respectively.

(15) Stock-Based Compensation

NorthWestern Corporation employees, which provide all labor related services to us, participate in the NorthWestern Energy Group, Inc. Amended and Restated Equity Compensation Plan (ECP), which includes restricted stock awards and performance share awards. Stock-based compensation expense is allocated to us based on the outstanding awards held by these employees and our allocation of labor costs. We account for share-based compensation arrangements by recognizing compensation costs for all share-based awards over the respective service period for employee services received in exchange for an award of equity or equity-based compensation. The compensation cost is based on the fair value of the grant on the date it was awarded.

We recognized total stock-based compensation expense of $0.9 million and $0.6 million for the years ended December 31, 2025 and 2024 respectively, and related income tax benefit of $0.2 million and $0.1 million for the years ended December 31, 2025 and 2024 respectively.

(16) Common Stock

We have 100 shares of common stock authorized with a $0.01 par value. We have 100 shares of common stock issued and outstanding.

Dividend Restrictions

Under various state regulatory agreements, debt agreements and the Federal Power Act, we have restrictions, including minimum equity ratios, that limit the amount of dividend distributions that can be made.

Our ability to pay dividends is limited by the terms of various debt agreements, pursuant to which, we are required to maintain a debt to capitalization ratio of no more than 0.65 to 1.00.

As of December 31, 2025, approximately $264.4 million of our net assets were available for the payment of dividends under our most restrictive dividend restriction.

(17) Commitments and Contingencies

Long Term Supply and Capacity Purchase Obligations

We have entered into various commitments, largely purchased power, electric transmission, coal and natural gas supply and natural gas transportation contracts. These commitments range from one to 24 years. Costs incurred under these contracts are included in Fuel, purchased power and direct transmission expense in the Statements of Income and were approximately $107.5 million and $100.6 million for the year ended December 31, 2025 and 2024, respectively. As of December 31, 2025, our commitments under these contracts were $76.8 million in 2026, $54.3 million in 2027, $53.1 million in 2028, $50.0 million in 2029, $29.2 million in 2030, and $150.7 million thereafter. These commitments are not reflected in our Financial Statements.

ENVIRONMENTAL LIABILITIES AND REGULATION

Environmental Matters

The operation of electric generating, transmission and distribution facilities, and gas transportation and distribution facilities, along with the development (involving site selection, environmental assessments, and permitting) and construction of these assets, are subject to extensive federal, state, and local environmental and land use laws and regulations. Our activities involve compliance with diverse laws and regulations that address emissions and impacts to the environment, including air and water, protection of natural resources, avian and wildlife. We monitor federal, state, and local environmental initiatives to determine potential impacts on our financial results. As new laws or regulations are implemented, our policy is to assess their applicability and implement the necessary modifications to our facilities or their operation to maintain ongoing compliance.

Our environmental exposure includes a number of components, including remediation expenses related to the cleanup of current or former properties, and costs to comply with changing environmental regulations related to our operations. At present, our environmental reserve, which relates primarily to the remediation of former manufactured gas plant sites owned by us or for which we are responsible, is estimated to range between $13.4 million to $19.2 million. As of December 31, 2025, we had a reserve of approximately $16.0 million, which has not been discounted. Environmental costs are recorded when it is probable we are liable for the remediation and we can reasonably estimate the liability. We use a combination of site investigations and monitoring to formulate an estimate of environmental remediation costs for specific sites. Our monitoring procedures and development of actual remediation plans depend not only on site specific information but also on coordination with the different environmental regulatory agencies in our respective jurisdictions; therefore, while remediation exposure exists, it may be many years before costs are incurred.

The following summarizes the change in our environmental liability (in thousands):

	December 31,	
	2025	2024
Liability at January 1,	$ 15,635	$ 16,848
Deductions	(1,347)	(1,846)
Charged to costs and expense	1,728	633
Liability at December 31,	$ 16,016	$ 15,635

We are permitted to recover the remediation costs related to certain environmental liabilities within rates. Over time, as costs become determinable, we may seek authorization to recover such costs in rates or seek insurance reimbursement as available and applicable; therefore, although we cannot guarantee regulatory recovery for all remediation costs, we do not expect these costs to have a material effect on our consolidated financial position or results of operations.

Manufactured Gas Plants - Approximately $15.7 million of our environmental reserve accrual is related to the following manufactured gas plants.

South Dakota - A formerly operated manufactured gas plant located in Aberdeen, South Dakota, has been identified on the Federal Comprehensive Environmental Response, Compensation, and Liability Information System list as contaminated with coal tar residue. We are currently conducting feasibility studies, implementing remedial actions pursuant to work plans approved by the South Dakota Department of Agriculture and Natural Resources, and conducting ongoing monitoring and operation and maintenance activities. As of December 31, 2025, the reserve for remediation costs at this site was approximately $7.8 million, and we estimate that approximately $2.7 million of this amount will be incurred through 2028. The SDPUC permits the recovery of these costs within rates.

Nebraska - We own sites in North Platte, Kearney, and Grand Island, Nebraska on which former manufactured gas facilities were located. We are currently working independently to fully characterize the nature and extent of potential impacts associated with these Nebraska sites. Our reserve estimate includes assumptions for site assessment and remedial action work. At present, we cannot determine with a reasonable degree of certainty the nature and timing of any risk-based remedial action at our Nebraska locations.

Global Climate Change - National and international actions have been initiated to address global climate change and the contribution of GHG including, most significantly, carbon dioxide (CO_2) and methane emissions from natural gas. These actions include legislative proposals, Executive, Congressional and EPA actions at the federal level, state level activity, investor activism and private party litigation relating to emissions. Coal-fired plants have come under particular scrutiny due to their level of emissions. We have joint ownership interests in three coal-fired electric generating plants, all of which are operated by other companies. We are responsible for our proportionate share of the capital and operating costs while being entitled to our proportionate share of the power generated.

EPA Rules - Congress has not passed any federal climate change legislation regarding GHG emissions from coal fired plants, and we cannot predict the timing or form of any potential legislation. Historically, Section 111(d) of the Clean Air Act (CAA) has been interpreted to confer authority on EPA in coordination with the states to regulate emissions, including GHG emissions, from existing stationary sources. On April 25, 2024, the EPA released final rules related to GHG emission standards (GHG Rules) for existing coal-fired facilities and new coal and natural gas-fired facilities as well as final rules strengthening the MATS requirements (MATS Rules). As finalized, compliance with the rules would require expensive upgrades at Colstrip Units 3 and 4 with proposed compliance dates that may not be achievable and / or require technology that is unproven, resulting in significant impacts to costs of the facilities. The final MATS and GHG Rules require compliance as early as 2027 and 2032, respectively.

On June 11, 2025, the EPA issued a Notice of Proposed Rulemaking proposing significant changes to the federal regulatory framework for both GHG emissions and hazardous air pollutants from power plants. If either the lead or alternative proposal is adopted, our additional material compliance costs would be eliminated. On February 19, 2026, the EPA rescinded the 2024 MATS Rules, restoring the rule to the 2012 MATS standards.

On February 12, 2026, the EPA released a final rule titled Rescission of the Greenhouse Gas Endangerment Finding and Motor Vehicle Greenhouse Gas Emission Standards Under the Clean Air Act. This action reflects a further shift in federal policy regarding the regulation of GHG emissions under the CAA and may have implications for the scope of the EPA's authority to regulate GHG emissions from stationary sources, including power plants. The legal and practical effects of this final rule, including the potential for judicial review or subsequent regulatory action, remain uncertain.

Notwithstanding these developments, existing and future federal, state, or regional environmental requirements - including potential revisions to GHG emissions standards, or other air quality regulations could cause us to incur material costs of compliance, increase our costs of procuring electricity, decrease transmission revenue and impact cost recovery. Technology to efficiently capture, remove and/or sequester such GHG emissions or hazardous air pollutants may not be available within a timeframe consistent with the implementation of any such requirements.

***Regional Haze Rules* -** In January 2017, the EPA published amendments to the requirements under the CAA for state plans for protection of visibility - regional haze rules. Among other things, these amendments revised the process and requirements for the state implementation plans and extended the due date for the next periodic comprehensive regional haze state implementation plan revisions from 2018 to 2021.

The states of North Dakota and South Dakota have developed and submitted to the EPA, for its approval, their respective State Implementation Plans (SIP) for Regional Haze compliance. While these states, among others, did not meet the EPA’s July 31, 2021, submission deadline, they were all submitted in 2022. The draft North Dakota SIP does not require any additional controls at the Coyote generating facility. Similarly, the draft South Dakota SIP does not require any additional controls at the Big Stone generating facility. Until these SIPs are finalized and approved by EPA, the potential remains that installation of additional emissions controls might be required at these facilities.

Jointly Owned Plants - We have joint ownership in generation plants located in South Dakota, North Dakota, and Iowa that are or may become subject to the various regulations discussed above that have been or may be issued or proposed.

***Other* –** We continue to manage equipment containing polychlorinated biphenyl (PCB) oil in accordance with the EPA's Toxic Substance Control Act regulations. We will continue to use certain PCB-contaminated equipment for its remaining useful life and will, thereafter, dispose of the equipment according to pertinent regulations that govern the use and disposal of such equipment.

We routinely engage the services of a third-party environmental consulting firm to assist in performing a comprehensive evaluation of our environmental reserve. Based upon information available at this time, we believe that the current environmental reserve properly reflects our remediation exposure for the sites currently and previously owned by us. The portion of our environmental reserve applicable to site remediation may be subject to change as a result of the following uncertainties:

- We may not know all sites for which we are alleged or will be found to be responsible for remediation; and
- Absent performance of certain testing at sites where we have been identified as responsible for remediation, we cannot estimate with a reasonable degree of certainty the total costs of remediation.

LEGAL PROCEEDINGS

We are subject to various legal proceedings, governmental audits and claims that arise in the ordinary course of business. In our opinion, the amount of ultimate liability with respect to these other actions will not materially affect our financial position, results of operations, or cash flows.

(18) Revenue from Contracts with Customers

Accounting Policy

Our revenues are primarily from tariff based sales. We provide gas and/or electricity to customers under these tariffs without a defined contractual term (at-will). As the revenue from these arrangements is equivalent to the electricity or gas supplied and billed in that period (including estimated billings), there will not be a shift in the timing or pattern of revenue recognition for such sales. We have also completed the evaluation of our other revenue streams, including those tied to longer term contractual commitments. These revenue streams have performance obligations that are satisfied at a point in time, and do not have a shift in the timing or pattern of revenue recognition.

Customers are billed monthly on a cycle basis. To match revenues with associated expenses, we accrue unbilled revenues for electric and natural gas services delivered to customers, but not yet billed at month-end.

Nature of Goods and Services

We currently provide retail electric and natural gas services to two primary customer classes. Our largest customer class consists of residential customers, which include single private dwellings and individual apartments. Our commercial customers consist primarily of main street businesses.

Electric Segment - Our regulated electric utility business primarily provides generation, transmission, and distribution services to our customers. We recognize revenue when electricity is delivered to the customer. Payments on our tariff based sales are generally due in 20-30 days after the billing date.

***Natural Gas Segment* -** Our regulated natural gas utility business primarily provides transmission and distribution services to our customers in our South Dakota and Nebraska jurisdictions. We recognize revenue when natural gas is delivered to the customer. Payments on our tariff based sales are generally due in 20-30 days after the billing date.

Disaggregation of Revenue

The following tables disaggregate our revenue for the twelve months ended by major source and customer class (in thousands):

December 31, 2025	Electric	Natural Gas	Total
South Dakota	$ 77,894	$ 28,948	$ 106,842
Nebraska	—	25,733	25,733
Residential	**77,894**	**54,681**	**132,575**
South Dakota	120,108	21,574	141,682
Nebraska	—	13,784	13,784
Commercial	**120,108**	**35,358**	**155,466**
Lighting, governmental, irrigation, and interdepartmental	3,479	—	3,479
Total Retail Revenues	**201,481**	**90,039**	**291,520**
Regulatory Amortization	1,570	(5,640)	(4,070)
Transportation, wholesale and other	1,758	8,872	10,630
Total Revenues	**$ 204,809**	**$ 93,271**	**$ 298,080**

December 31, 2024	Electric	Natural Gas	Total
South Dakota	$ 70,012	$ 26,884	$ 96,896
Nebraska	—	21,205	21,205
Residential	**70,012**	**48,089**	**118,101**

South Dakota	111,813	18,069	129,882
Nebraska	—	11,432	11,432
Commercial	**111,813**	**29,501**	**141,314**
Lighting, governmental, irrigation, and interdepartmental	3,274	—	3,274
Total Retail Revenues	**185,099**	**77,590**	**262,689**
Regulatory Amortization	3,768	4,395	8,163
Transportation, wholesale and other	1,599	7,000	8,599
Total Revenues	**$ 190,466**	**$ 88,985**	**$ 279,451**

(19) Related Party Transactions and Shared Services

Our parent, NorthWestern Energy Group, Inc., is organized as a holding company. As part of a holding company we receive services and share costs with Northwestern Energy Group, Inc., and its other subsidiaries pursuant to an Intercompany Services Agreement (ISA) that became effective in 2023. The ISA was approved by the Montana Public Service Commission (MPSC), whom regulates NorthWestern Corporation, a direct and wholly-owned subsidiary of NorthWestern Energy Group, Inc. In accordance with the ISA, NorthWestern Corporation, which employs all or substantially all of the employees of NorthWestern Energy Group, Inc. and its subsidiaries, will provide all labor related services to us. Pursuant to the ISA, all rendered services are at cost. The total cost of labor and benefits associated with the services provided to us by NorthWestern Corporation employees was $39.3 million for each of the years ended December 31, 2025 and 2024.

Additionally, pursuant to the ISA, when utility-related operating, administrative, and general costs are attributable to more than one entity within the holding company structure and are unable to be direct charged (Shared OA&G Costs), these costs will be allocated amongst the entities pursuant to a Cost Allocation Manual. The nature of these Shared OA&G Costs includes operations supervision and engineering, energy supply marketing, networking communications, information technology, human resources, accounting, legal, and other such administrative costs.

Outstanding payables and receivables associated with related party transactions under the ISA are cash settled monthly.

Document Content(s)