NorthWestern Energy Docket GE15-002 South Dakota DSM Filing

South Dakota Public Utilities Commission First Data Request (1-1 – 1-11)

Data Requests received August 13, 2015

1-10) Please explain why NorthWestern Energy proposes to change forecasted retail sales volumes for determining the Energy Efficiency Adjustment Rate from "estimated retail sales... for the designated recovery period" to the "most recent twelve month ended retail sales... for the designated recovery period."

RESPONSE:

The proposed change provides consistency among NorthWestern's adjustment clause recovery mechanisms. The volumes used in the Electric Fuel Tracker are historical volumes. This rate is similar to this adjustment tracker in that a future rate is determined by using projected costs while truing up the historic revenues and costs. Therefore, following a consistent approach of using the historic volumes is preferred.