

GENERAL OBJECTIONS AND DEFINITIONS

Joint Applicants object to any and all Data Requests, including the instructions and definitions accompanying such data requests to the extent:

- (1) they conflict with, are inconsistent with, or lack any basis in the Commission's Rules of Practice and Procedure or the South Dakota Rules of Civil Procedure;
- (2) they seek information subject to the attorney-client privilege and/or the attorney work product privilege or that compliance with the terms of any instruction, definition, or data request would require disclosure of information protected by the attorney-client privilege and/or the attorney work product privilege;
- (3) that compliance with the terms of any instruction, definition, or discovery request would require a legal opinion, legal analysis, or legal conclusion;
- (4) they are excessively broad, lack and temporal reference, or are unduly burdensome and that compliance with the terms of any instruction, definition, or data request would require that a special study, which has not been conducted, be performed to produce such information;
- (5) they seek to solicit draft documents not in a final form; and,
- (6) that compliance with the terms of any instruction, definition, or data request would require the production of information or documents that are not relevant to this proceeding, and to the extent the instruction, definition or data request is not reasonably calculated to lead to the discovery of admissible evidence in this proceeding.

Definitions, Representations, and Disclaimers: The following Definitions, Representations, and Disclaimers shall apply with respect to the Joint Applicants' responses to any and all Data Requests:

- Joint Applicants means NorthWestern Energy Public Service Corporation ("NorthWestern"), NorthWestern Energy Group, Inc. and Black Hills Corporation ("Black Hills").
- Joint Applicants interpret "communications" to mean written documents including letters, memorandums, reports, presentations, studies, and agreements..
- Intervenors shall maintain the responses in the form they are provided and may not manipulate or extract information from any data request response in any way; specifically, intervenors may not input any responses or data received as part of a response into any Artificial Intelligence (AI) tool, program, or platform.
- With respect to any non-public forward looking financial information, information submitted to or received from ratings agencies (such as S & P, Moody's or Fitch) on a non-public basis, and/or confidential "trade secret" information. Joint Applicants hereby advise any authorized intervenors, as the recipients of these documents and information, that receipt of the documents and information may deem the recipient an "insider" for purposes of insider trading laws. Such individuals are hereby advised that they are subject to and bound by any and all applicable laws concerning insider trading.

All responses by Joint Applicants to this set of Data Requests are provided subject to and without waiving the foregoing General Objections and Definitions, Representations, and Disclaimers. Joint Applicants also hereby incorporate their General Objections, Representations, and Definitions into their responses to each future discovery set from intervenor(s).

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REQUEST DATE : 01/02/26
RESPONSE DATE : 01/12/26
REQUESTING PARTY: South Dakota Public Utilities Commission Staff
SUBJECT: Merger Integration

Staff Request No. 2.1:

Refer to Witness Nooney's Testimony, page 2, line 19 of Witness Nooney's direct testimony, specifically the statement that the testimony includes an "estimated timeline to complete" the implementation of the Joint Applicants' merger integration efforts. Please:

- a. Identify the specific page and line reference(s) in Witness Nooney's direct testimony where the merger integration timeline is presented.
- b. State (yes/no) whether the "timeline" referenced in subpart (a) includes projected completion dates of merger integration milestones.

Response to Staff Request No. 2.1:

Joint Response:

- a. Please see Ms. Nooney's Direct Testimony beginning at page 7, line 1 through page 10, line 15. There, Ms. Nooney noted, the companies were "still in the preliminary stages of developing our comprehensive integration plan... and that "preparing a comprehensive integration plan will take many months of collaboration with team members across functional areas of both NorthWestern Group and Black Hills." Please see also page 8, line 11-12 (noting that "the Implementation stage may take multiple years to successfully complete). For additional information on the status of integration planning, please see response to Staff 2.2.

Please also see Mr. Bird's testimony at page 27, line 9 through page 28, line 4 for an explanation of the estimated timeline for obtaining regulatory approvals and closing.

- b. No. At this stage, the Joint Applicants do not have projected completion dates for the implementation of merger integration milestones. Establishing such dates will be dependent on a number of factors and variables, including when the Joint Applicants obtain final state and federal approvals/authorizations and are able to

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close the merger. Please see response to Staff 2.2 for additional information on the status of integration planning.

Respondent(s):

Kimberly Nooney (Black Hills) and Crystal Lail (NorthWestern)

Attachments:

None

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REQUEST DATE : 01/02/26

RESPONSE DATE : 01/12/26

REQUESTING PARTY: South Dakota Public Utilities Commission Staff

SUBJECT: Merger Integration

Staff Request No. 2.2:

Refer to Witness Nooney’s Testimony, page 7, lines 13 through 22, specifically the statement that, “During the regulatory approvals process...our two companies will...jointly work to design and stand-up a governance framework for the integration, complete integration planning, and prepare for implementation post-regulatory approvals and transaction close. The Planning stage will include: establishing an IMO Steering Committee, and functional working groups that have defined roles and responsibilities; aligning on integration goals and objectives; developing an issue resolution process; identifying best business practices and optimization opportunities; and, creating detailed short- and long-term integration plans to be implemented post-regulatory approvals and transaction close.” Please

- a. State (yes/no) whether the Joint Applicants have established an IMO Steering Committee.
- b. If the answer to subpart (a) is affirmative, provide documentation demonstrating this activity is completed. This should include, but is not necessarily limited to, all deliverables created by the IMO Steering Committee to date and all IMO Steering Committee meeting minutes to date. If the answer to subpart (a) is no, provide a narrative description of the Joint Applicants’ progress to date on this task, identify any written documentation that has been created reflecting such progress (for example, emails, meeting materials, internal memoranda, or consultant communications), and state the expected completion date. If the Joint Applicants assert that progress has begun but no written documentation has been created or maintained, explain why no written documentation exists. If the task has not yet begun, state that the task has not yet begun and provide the expected completion date.
- c. State (yes/no) whether the Joint Applicants have established “functional working groups that have defined roles and responsibilities.”
- d. If the answer to subpart (c) is affirmative, provide documentation demonstrating this activity is completed. This should include, but is not necessarily limited to, a listing of the functional working groups and any deliverables created by these groups to date. If the answer to subpart (c) is no, provide a narrative description of

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- the Joint Applicants' progress to date on this task, identify any written documentation that has been created reflecting such progress (for example, emails, meeting materials, internal memoranda, or consultant communications), and state the expected completion date. If the Joint Applicants assert that progress has begun but no written documentation has been created or maintained, explain why no written documentation exists. If the task has not yet begun, state that the task has not yet begun and provide the expected completion date.
- e. State (yes/no) whether the Joint Applicants have “align[ed] on integration goals and objectives.”
 - f. If the answer to subpart (e) is affirmative, provide documentation demonstrating this activity is completed. This should include, but not necessarily be limited to, a listing of the integration goals and objectives. If the answer to subpart (e) is no, provide a narrative description of the Joint Applicants' progress to date on this task, identify any written documentation that has been created reflecting such progress (for example, emails, meeting materials, internal memoranda, or consultant communications), and state the expected completion date. If the Joint Applicants assert that progress has begun but no written documentation has been created or maintained, explain why no written documentation exists. If the task has not yet begun, state that the task has not yet begun and provide the expected completion date.
 - g. State (yes/no) whether the Joint Applicants have “develop[ed] an issue resolution process.”
 - h. If the answer to subpart (g) is affirmative, provide documentation demonstrating this activity is completed. This should include, but not necessarily be limited to, escalation thresholds and decision authority, as well as a log of issues identified and addressed. If the answer to subpart (g) is no, provide a narrative description of the Joint Applicants' progress to date on this task, identify any written documentation that has been created reflecting such progress (for example, emails, meeting materials, internal memoranda, or consultant communications), and state the expected completion date. If the Joint Applicants assert that progress has begun but no written documentation has been created or maintained, explain why no written documentation exists. If the task has not yet begun, state that the task has not yet begun and provide the expected completion date.
 - i. State (yes/no) whether the Joint Applicants have “identif[ied] best business practices.”
 - j. If the answer to subpart (i) is affirmative, provide documentation demonstrating this activity is completed. This should include, but not necessarily be limited to, a mapping of best practices were identified (Black Hills, NorthWestern, other), any comparison matrices or benchmarking summaries, and identification of which practices are expected to be adopted post-close. If the answer to subpart (i) is no,

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provide a narrative description of the Joint Applicants' progress to date on this task, identify any written documentation that has been created reflecting such progress (for example, emails, meeting materials, internal memoranda, or consultant communications), and state the expected completion date. If the Joint Applicants assert that progress has begun but no written documentation has been created or maintained, explain why no written documentation exists. If the task has not yet begun, state that the task has not yet begun and provide the expected completion date.

- k. State (yes/no) whether the Joint Applicants have “creat[ed] detailed [short-term] integration plans to be implemented post-regulatory approvals and transaction close.”
- l. If the answer to subpart (k) is affirmative, provide documentation demonstrating this activity is completed. This should include, but not necessarily be limited to, a copy of the short-term integration plans. If the answer to subpart (k) is no, provide a narrative description of the Joint Applicants' progress to date on this task, identify any written documentation that has been created reflecting such progress (for example, emails, meeting materials, internal memoranda, or consultant communications), and state the expected completion date. If the Joint Applicants assert that progress has begun but no written documentation has been created or maintained, explain why no written documentation exists. If the task has not yet begun, state that the task has not yet begun and provide the expected completion date.
- m. State (yes/no) whether the Joint Applicants have “creat[ed] detailed [long-term] integration plans to be implemented post-regulatory approvals and transaction close.”
- n. If the answer to subpart (m) is affirmative, provide documentation demonstrating this activity is completed. This should include, but not necessarily be limited to, a copy of the long-term integration plans. If the answer to subpart (m) is no, provide a narrative description of the Joint Applicants' progress to date on this task, identify any written documentation that has been created reflecting such progress (for example, emails, meeting materials, internal memoranda, or consultant communications), and state the expected completion date. If the Joint Applicants assert that progress has begun but no written documentation has been created or maintained, explain why no written documentation exists. If the task has not yet begun, state that the task has not yet begun and provide the expected completion date.

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Response to Staff Request No. 2.2:

Joint Response:

- a. Yes, the Joint Applicants established an IMO Transaction Steering Committee in December of 2025.
- b. To date, the IMO Transaction Steering Committee (“IMO Committee”) has not met as a group and has not produced any deliverables. The IMO Committee is made up of the following individuals: Linn Evans, Brian Bird, Crystal Lail, Kimberly Nooney, Sarah Wiltse, Bobbi Schrappe, Marne Jones, Jason Merkel, Darren Nakata, Shannon Heim, Don Redden, Jeanne Vold. The IMO Committee has a lead from each Company. The Black Hills IMO lead is Madeline Macapugay. The IMO lead for NorthWestern is Mike Neiman. The IMO Committee will be meeting the week of January 12, 2026. The focus of the meetings during the week of January 12, 2026 will be to align around key integration goals and objectives. See Highly Confidential Attachment Staff 2.2a and Highly Confidential Attachment 2.2b. r.
- c. Yes.
- d. The functional work groups have been established, with an initial meeting scheduled during the week of January 19, 2026. See also Confidential Attachment 2.2c which includes role descriptions and key responsibilities for functional workstream leads and sub-functional workstreams. As the initial kick-off for the functional work groups meeting is occurring later in January, there are no deliverables at this time.
- e. No, the Joint Applicants have not aligned on integration goals and objectives.
- f. An area of focus in the IMO Committee kickoff meetings discussed in response to subpart b will be to determine and align on the integration goals and objectives. Given this, no written documents on this focus area have been created yet.
- g. No, the Joint Applicants have not developed an issue resolution process.
- h. An area of focus in the IMO Committee kickoff meetings discussed in response to subpart b will be to determine and align on an issue resolution process. Given this, no written documents on this focus area have been created yet.
- i. No, Joint Applicants have not identified best business practices.
- j. The process of comparing and identifying best business practices will be assessed during integration planning process with input from senior management, integration leads, and subject matter experts of both companies considering the impact on all stakeholders, including customers. This work is planned to begin with the IMO

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Committee and workgroup kickoff meetings to be held the weeks of January 12 and January 19, 2026. Given this, no written documents on this focus area have been created yet.

- k. No, the Joint Applicants have not yet created detailed short-term integration plans to implement post-regulatory approvals and post-transaction close.
- l. The detailed short-term integration plans will be assessed during integration planning process with input from senior management, integration leads, and subject matter experts of both companies considering the impact on all stakeholders, including customers. This work is planned to begin with the IMO Committee and workgroup kickoff meetings to be held the weeks of January 12 and January 19, 2026. Given this, no written documents on this focus area have been created yet.
- m. No. Joint Applicants have not yet created detailed long-term integration plans to be implemented post-regulatory approvals and transaction close.
- n. The detailed long-term integration plans will be assessed during integration planning process with input from senior management, integration leads, and subject matter experts of both companies considering the impact on all stakeholders, including customers. This work is planned to begin with the IMO Committee and workgroup kickoff meetings to be held the weeks of January 12 and January 19, 2026. Given this, no written documents on this focus area have been created yet.

Respondent(s):

Kimberly Nooney (Black Hills) and Crystal Lail (NorthWestern)

Attachments:

- Highly Confidential Attachment Staff 2.2a – BH Integration Presentation 01-05-26
- Highly Confidential Attachment Staff 2.2b -NorthWestern Integration PwC Dec 2025
- Confidential Attachment Staff 2.2c –IMO Governance Structure and Leads Appointments

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REQUEST DATE : 01/02/26
RESPONSE DATE : 01/12/26
REQUESTING PARTY: South Dakota Public Utilities Commission Staff
SUBJECT: Merger Integration

Staff Request No. 2.3:

Referring to the Company's merger integration costs, please:

- a. Quantify the amount of merger integration costs incurred through the most recent date available (in the response, please state the date through which the Company is reporting these costs).
- b. Break the figure provided in response to subpart (a) out by FERC account and by internal versus external costs.
- c. Quantify the total estimated costs related to merger integration efforts, broken out by FERC account and by internal versus external costs.
- d. State which of the costs, if any, referenced in subpart (c) the Company intends to seek recovery for in future rate cases.

Response to Staff Request No. 2.3:

Specific Objection: In addition to the general objections raised by Joint Applicants, Joint Applicants object to subparts (c) and (d) on grounds the requests call for speculation. Without waiving said objections, and specifically reserving same, please see the following.

Joint Response:

- d. The Joint Applicants have not made any determinations as to which or the amount of merger integration costs that may be sought for recovery. As noted in the testimony of Crystal Lail, Joint Applicants may request Commission authorization to defer and recover any Transition Costs in a future proceeding provided that demonstrated merger savings exceed the requested recovery of Transition Costs.

NorthWestern:

- a. NorthWestern Group has incurred \$548,074.96 of incremental integration-related costs through December 31, 2025.

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- b. See below for the requested breakout by FERC account:

| FERC Account | Amount | Internal or External |
|--------------|------------|----------------------|
| 921000 | 34,914.53 | Internal |
| 923000 | 513,160.43 | External |

- c. NorthWestern Group does not have a total estimated cost of the merger integration efforts in total broken out by FERC account and by internal versus external costs.

Black Hills:

- a. Black Hills has incurred \$493,368.22 of incremental integration related costs through 12/31/2025.
- b. See the requested breakout below:

| FERC Account | Amount | Internal or External |
|--------------|--------------|----------------------|
| 921000 | \$50.22 | Internal |
| 923000 | \$493,318.00 | External |

- c. Black Hills does not have a total estimated cost of the merger integration efforts in total broken out by FERC account and by internal verses external costs.

Respondent(s):

Crystal Lail (NorthWestern) and Kimberly Nooney (Black Hills)

Attachments:

None

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REQUEST DATE : 01/02/26
RESPONSE DATE : 01/12/26
REQUESTING PARTY: South Dakota Public Utilities Commission Staff
SUBJECT: Merger Integration

Staff Request No. 2.4:

With reference to the Company's response to Staff Request No. 1.48, please:

- a. Provide a copy of the RFP released by the Company related to the PwC contract.
- b. Provide the responses (i.e., proposals) to the RFP related to this contract, including, but not limited to, PwC's response.
- c. Provide the date on which the Company expects to enter into a contract with PwC to assist with merger integration planning.
- d. Provide a copy of the final contract with PwC, when available.
- e. Provide an estimate of PwC costs that the Company expects to incur with respect to this contract.
- f. Provide an estimate of the amount quantified in response to subpart (e) of this request that the Joint Applicants expect to seek recovery for from South Dakota ratepayers and provide the underlying calculation for how this amount was derived.

Response to Staff Request No. 2.4:

Specific Objection: In addition to the Joint Applicants' general objections and definitions, Joint Applicants object to subpart (f) on grounds the request calls for speculation. Without waiving said objections, and specifically reserving same, please see the following.

Joint Response:

- a. Please see Confidential Attachment Staff 2.4a - Joint Modified Request for Proposal Overview.

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- b. Please see Confidential Attachments Staff 2.4 b-d, which represents responses to the issued RFP.
- c. The scope of work for the Integration Planning phase was executed on December 12, 2025 by NorthWestern and on December 15, 2025 by PwC.
- d. Please see Confidential Attachment Staff 2.4e - PwC Scope of Work
- e. See Confidential Attachment 2.4e – PwC Scope of Work.
- f. The Joint Applicants have not made any determinations as to which if any transition costs will be sought for recovery. As noted in the testimony of Crystal Lail, Joint Applicants may request Commission authorization to defer and recover any transition costs in a future proceeding provided that demonstrated merger savings exceed the requested recovery of Transition Costs.

Respondent(s):

Kimberly Nooney (Black Hills) and Crystal Lail (NorthWestern)

Attachments:

- Confidential Attachment Staff 2.4a - Joint Modified Request for Proposal Overview 10-25
- Confidential Attachments Staff 2.4b - 1 RFP Response
- Confidential Attachment Staff 2.4c – 2 RFP Response
- Confidential Attachment Staff 2.4d – 3 RFP Response
- Confidential Attachment Staff 2.4e - PwC Scope of Work

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REQUEST DATE : 01/02/26
RESPONSE DATE : 01/12/26
REQUESTING PARTY: South Dakota Public Utilities Commission Staff
SUBJECT: Cost Allocation

Staff Request No. 2.5:

With reference to Staff Request No. 1.3(b), the Joint Applicants state: “At this time, no internal or consultant analyses have been prepared regarding potential changes to allocation methodologies.” Please:

- a. Explain how the Joint Applicants are proposing for the Commission to assess the risk of adverse impacts resulting from cost allocation methodology modifications that may occur in connection with the merger when the Joint Applicants themselves have not evaluated or analyzed how those methodologies may change.
- b. If the Company’s response to subpart (a) relies, in whole or in part, on the Commission’s continuing regulatory oversight (Staff notes the statement made in response to Staff Request No. 1.11 that, “Joint Applicants commit to filing changes to the cost allocation methodologies with the Commission through applicable regulatory processes after the merger closes.”), explain how reliance on regulatory oversight “after the merger closes” satisfies the Company’s obligation in the instant proceeding to demonstrate that the merger is unlikely to result in adverse impacts to South Dakota customers.
- c. If the Company’s response to subpart (a) relies, in whole or in part, on the Company’s assertion made in response to Staff Request No. 1.3(a) that, “Joint Applicants do not expect the existing Black Hills and NorthWestern cost allocation methodologies to initially be impacted by the merger...”, state the length after consummation of the proposed merger that the Company is committing to maintain existing cost allocation methodologies for Black Hills and NorthWestern.

Response to Staff Request No. 2.5:

Specific Objection: In addition to the Joint Applicants’ general objections and definitions, Joint Applicants object to all subparts on grounds they misstate or misconstrue the applicable legal standard for merger review and approval in South Dakota. Without waiving said objections, and specifically reserving same, please see the following.

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Joint Response:

- a. Please see Joint Applicants' Joint Application for an explanation of applicable legal standards that govern this proceeding and how the Joint Applicants have satisfied their burden. Joint Applicants disagree that "assessing the risk of adverse impacts resulting from cost allocation methodology modifications" is the pertinent legal standard for their application. The Joint Applicants clarify and reiterate they are not proposing any cost allocation modifications for any South Dakota rate regulated entity as part of this proceeding. Please see Ms. Lail's Direct Testimony at page 24, lines 3-17 for an explanation of when and how changes to cost allocation methodology will occur. In pertinent part, she states: While we do not expect the existing NorthWestern Group and Black Hills' cost allocation methodologies to initially be impacted by the Merger, we expect to evaluate this process as part of the integration planning discussed by Ms. Nooney. NorthWestern commits to filing changes to the cost allocation methodologies with the Commission through the appropriate regulatory process, as applicable, after the Merger closes.
- b. Please see objections and the response to subpart a. No cost allocation changes are being requested or proposed as part of this Merger docket. Because no cost allocation changes are being requested as part of this Merger docket, South Dakota customers cannot be adversely impacted by cost allocation decisions as a direct result of this proceeding. The Commission will have the opportunity to review any changes that are identified during the implementation and integration process and to address those impacts in the appropriate future regulatory proceeding where the resulting impacts would occur and/or requested to be passed on to customers.

That said, the Joint Applicants understand Staff's interest in the potential impacts of future cost allocation changes on South Dakota customers and the extent to which future cost allocations could positively or negatively impact South Dakota customers. Both Black Hills and NorthWestern have experience in developing and implementing cost allocation methodologies across a diverse range of operating companies, with a guiding principle that costs be reasonable and equitably allocated across operating companies. While the Joint Applicants have not yet developed a new cost allocation methodology for the merged entity, they are in the process of evaluating both companies' current practices and principles to identify an approach that will ensure costs remain reasonably and fairly allocated across operating companies. Generally speaking, both Joint Applicants' share a similar current practice of direct charging each operating company to the extent practicable based on the primary cost driver or a relevant proxy if needed. Both entities also similarly rely on the following primary cost drivers to determine allocations: Gross Margin, Asset Costs, and Payroll Costs as reflected in Joint Applicants' respective cost allocation manuals.

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A primary difference between Black Hills and NorthWestern's cost allocation process, however, is that Black Hills uses a service company model; thus, shared costs are allocated from the service company ("BHSC") to the applicable regulated and non-regulated affiliates. By way of comparison, NorthWestern does not use a service company model; thus charges are allocated from NorthWestern Corporation (where employees are employed) to affiliates.

- c. Please see objections and the response to subpart a.. As noted in the response to Staff 2.2, the implementation planning process is in the early stages and functional teams will begin work this month. As such, at this point, Joint Applicants cannot propose a specific length of time, after consummation of the proposed merger, during which existing cost allocation methodologies for Black Hills and NorthWestern will remain unchanged. However, as noted in subpart b, the Commission will have the ability to address any proposed customer impacts in the appropriate future regulatory proceeding where the actual resulting impacts will occur.

Respondent(s):

Crystal Lail (NorthWestern) and Kimberly Nooney (Black Hills)

Attachments:

None

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REQUEST DATE : 01/02/26
RESPONSE DATE : 01/12/26
REQUESTING PARTY: South Dakota Public Utilities Commission Staff
SUBJECT: Capital Project Prioritization

Staff Request No. 2.6:

With reference to the response to Staff Request 1.31 and the differing capital project prioritization methodologies currently used by Black Hills and NorthWestern Energy, please:

- a. State whether the Company is committing that the existing capital project prioritization methodologies used by Black Hills and NorthWestern Energy will remain unchanged for a defined period of time following consummation of the merger. If yes, identify the duration of that commitment.
- b. If the response to subpart (a) is no, state whether the Joint Applicants have developed any criteria, principles, guardrails, or decision rules that would govern how changes to capital prioritization methodologies would be evaluated or implemented in the future.
- c. If the response to subpart (b) is no, explain how the Commission can determine, based on information that has been provided by the Joint Applicants in the instant proceeding, that changes to capital prioritization methodologies that may occur in connection with the merger will not adversely impact South Dakota customers.
- d. If the Joint Applicants' response to subpart (c) relies, in whole or in part, on the Commission's continuing regulatory oversight, explain how reliance on continuing regulatory oversight satisfies the Joint Applicants' obligation in the instant proceeding to demonstrate that the merger is unlikely to result in adverse impacts to South Dakota customers.

Response to Staff Request No. 2.6:

Specific Objection: In addition to the Joint Applicants' general objections and definitions, Joint Applicants object to all subparts on grounds they misstate or misconstrue the applicable legal standard for merger review and approval in South Dakota. Without waiving said objections, and specifically reserving same, please see the following.

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Joint Response:

- a. The Joint Applicants have not made any commitments in their application or testimony. While Joint Applicants cannot say with certainty when or if any change to the existing capital prioritization methodologies will be determined or occur, both utilities will continue to deploy capital in a means to provide safe, reliable and cost-effective service. Today both utilities prioritize their capital deployment based on similar factors including reliability, safety, compliance, and financial implications, including customer impact. Post-merger, we will focus on similar priorities to ensure the right projects are pursued.
- b. Although the Joint Applicants have not developed specific criteria, principles, guardrails, or decisional rules that they plan to use in evaluating how, or if, changes to capital prioritization methodologies may be implemented in the future, both utilities are prudent operators today and have an obligation to provide safe and reliable service to customers in a manner that is as cost-effective as possible. Though the capital prioritization documents provided Staff 1.31 may be formatted and phrased differently, consistent with their utility obligations, both companies consider reliability, safety, compliance, and financial implications, including customer impact when deploying capital. Similarly, the purpose of both processes is to ensure that the right projects are selected to meet these objectives.
- c. As explained above, both utilities are prudent operators and have an obligation to provide safe and reliable service to customers in a manner that is as cost-effective as possible. Utilities are inherently capital intense and today both companies address the capital needs of the business based on business needs and the considerations noted above. As business needs change, both utilities make prudent decisions and adjust prioritization – adjustments can be required with or without a merger. For the reasons stated above, Joint Applicants do not anticipate significant changes in capital prioritization methodologies.
- d. Please see objections and the response to subparts (a) and (b). No changes to capital project prioritization are being proposed as part of this Merger docket, and no costs for capital projects are being sought for recovery as part of this Merger docket. Additionally, as explained above, Joint Applicants do not anticipate significant changes in capital prioritization philosophy and thus, process alignment will not result in a significant adverse impact to customers.

Respondent(s):

Crystal Lail (NorthWestern) and Marne Jones (Black Hills)

Attachments:

None

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REQUEST DATE : 01/02/26

RESPONSE DATE : 01/12/26

REQUESTING PARTY: South Dakota Public Utilities Commission Staff

SUBJECT: Post-Merger Organizational Structure

Staff Request No. 2.7:

In response to Staff Request No. 1.13, the Joint Applicants stated that they “have not performed an analysis of post-merger shared services, cost-allocation arrangements, or otherwise determined which entities will employ staff dedicated to South Dakota operations.” In response to Staff Request No. 1.33, the Joint Applicants stated that they “have not determined what an organizational chart might look like for [capital planning, engineering, and operations personnel] functions post-merger.” Please:

- a. Explain how the Joint Applicants are proposing for the Commission to evaluate whether South Dakota-specific operational needs will be adequately protected post-merger when the Joint Applicants have not determined which entities or personnel will be responsible for key operational, planning, and decision-making functions (such as capital planning, engineering, and operations).
- b. If the Company’s response to subpart (a) relies, in whole or in part, on future merger integration planning, explain how the absence of evidence of post-merger structures in the instant proceeding supports a finding that the merger is unlikely to result in adverse impacts to South Dakota customers.
- c. State whether the Joint Applicants commit to maintaining existing South Dakota-specific reporting lines and decision authority for capital planning, engineering, and operations functions for any defined period following consummation of the proposed merger, and if so, state the length of that period.

Response to Staff Request No. 2.7:

Specific Objection: In addition to the Joint Applicants’ general objections and definitions, Joint Applicants object to all subparts on grounds they misstate or misconstrue the applicable legal standard for merger review and approval in South Dakota. Without waiving said objections, and specifically reserving same, please see the following.

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Joint Response:

- a. Joint Applicants are not proposing any operational changes as part of this proceeding. Applicants affirm, however, that they will continue to carry out their respective obligations to provide safe, reliable service in South Dakota and will continue to maintain the necessary staffing to continue to do so post-merger. Specifically, please see Ms. Jones' Direct Testimony beginning at page 12, line 1 through page 15, line 7, which in pertinent part states:

Black Hills Power will continue to provide the same or better service that we do today for South Dakota customers. And, as Mr. Bird explains, NorthWestern will continue to provide the same or better service in its South Dakota territory.

Please also see Mr. Bird's Direct Testimony at page 28, lines 10-12:

Through and after the merger, customers will continue to have safe, reliable, and affordable service from a combined utility that provides scale, additional resources, and resiliency to meet the challenges of the future.

He further testifies at page 19, lines 19 and 20, that "we expect to maintain the status quo for service after the merger at the local operating company level[.]" at page 22, lines 2 and 3, that "[t]hese services will be provided by the existing systems, operated by local South Dakota employees, and under the same tariffs and rates[.]" and at page 25, line 22 through page 26, line 1, that "we intend that our communities and customers will continue to be served by those field employees serving them today."

- b. Please the Joint Applicants' response to subpart (a). As Mr. Bird and Ms. Jones' testimony referenced in subpart (a) demonstrates, the Joint Applicants are committed to maintaining staffing levels and positions that ensure the merger will not diminish service quality, material changes to headcount, or result in significant adverse impact to customers under South Dakota law.
- c. The Joint Applicants are not proposing any defined time period by which they will maintain "existing South Dakota-specific reporting lines and decision authority for capital planning, engineering, and operations functions."

Respondent(s):

Brian Bird (NorthWestern) and Marne Jones (Black Hills)

Attachments:

None

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REQUEST DATE : 01/02/26
RESPONSE DATE : 01/12/26
REQUESTING PARTY: South Dakota Public Utilities Commission Staff
SUBJECT: Board of Directors Materials

Staff Request No. 2.8:

Reference the following statement made on page 16, lines 12 and 13 of Witness Bird's direct testimony: "After months of strategic discussions, the boards of both companies unanimously approved the Merger Agreement in August 2025."

- a. Separately for NorthWestern and for Black Hills, provide the date for each and every Board of Directors meeting in which the proposed merger has been discussed (both pre- and post- merger announcement).
- b. For each of the Board of Directors meetings listed in subpart (a), provide an un-redacted copy of any presentation materials related to the proposed merger that were distributed to the directors. [Note1: Please do not rely on responses previously provided in Set 1—such as the attachments provided in response to Staff No. 1.19—when responding to this request. This request is a new and different request that seeks un-redacted, full versions of the presentation materials provided to board members. Note2: Given that the Joint Applicants' directors relied on the presentation materials provided to them to make the decision to enter into the merger agreement, Staff believes the entirety of all of these presentations is relevant to Staff's examination of the proposed transaction. Accordingly, Staff requests these presentations be provided without redactions. To the extent that the Company claims privilege, Staff requests that, consistent with 15-6-26(b)(5) a privilege log be provided that allows Staff to assess the applicability of the privilege. Specifically, Staff requests that every redaction be logged with the following information: Document Reference, Page Reference, General Description of What is Being Redacted, Specific Privilege Being Asserted.]
- c. For each of the Boards of Directors meetings listed in subpart (a), provide an un-redacted copy of any sections of the Boards of Directors meeting minutes related to the proposed merger. [Note: Staff is only seeking board minutes related to the proposed merger. Redactions of the meetings minutes for any non-merger related discussions is acceptable to Staff.]

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Response to Staff Request No. 2.8:

Specific Objection: Joint Applicants reiterate their general objections and definitions, and specifically their objection to this request on grounds it seeks to solicit information that is subject to attorney client privilege and attorney work product protections, and to the extent the discovery request seeks to solicit work product that is in draft form. Joint Applicants further object that subpart b and c of the request to the extent as vague, ambiguous, and overbroad.

Without waiving said objections, and specifically reserving same, please see the following.

NorthWestern:

- a. The Merger was discussed with NorthWestern Energy's Board of Directors on the following dates, all in 2025: April 29, June 20 and 25, July 14, 15, 21, 23, and 30, August 13, 17, and 18, October 29-30, and December 10-11.
- b. See Highly Confidential Attachment Staff 2.8a through Highly Confidential Attachment Staff 2.8y. See Attachment Staff 2.8z for a privilege log.
- c. NorthWestern will confidentially make redacted versions of approved NorthWestern Energy Group, Inc.'s minutes available for viewing by Staff and its consultant at a mutually agreeable time through an online Sharefile which will allow the redacted minutes to be viewed, but which will not allow the user to download files. NorthWestern objects to any efforts by the viewing party to reproduce, screen-shot or photograph the redacted viewable versions. Redactions will be made for materials outside the scope of the request and for materials protected by the attorney client privilege.

NorthWestern preserves all claims that this information is entitled to protection as "Highly Confidential" and as such will only be made available to the persons entitled to view Highly Confidential Information.

Black Hills:

- a. The Merger was discussed with Black Hills' Board of Directors (including and/or Board of Director Committee meetings) on the following dates: April 9, 2025 May 14, 2025 June 9, 2025 June 20, 2025, June 23, 2025, July 2, 2025, July 22, 2025, July 31, 2025 August 5, 2025, August 13, 2025, August 14, 2025, August 15, 2025, August 17, 2025 August 18, 2025, October 22, 2025, October 28, 2025 and January 5, 2026.
- b. Please see Highly Confidential Attachment Staff 2.8aa through Highly Confidential Attachment Staff 2.8cc. Please note employee names have been redacted from 2.8bb. See Attachment Staff 2.8dd for a privilege log.

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- c. Black Hills will confidentially make redacted versions of approved board minutes available for viewing by Staff and its consultant at a mutually agreeable time through an online Sharefile which will allow the redacted minutes to be viewed, but which will not allow the user to download files. Black Hills objects to any efforts by the viewing party to reproduce, screen-shot or photograph the redacted viewable versions. Redactions will be made for materials outside the scope of the request and for materials protected by the attorney client privilege.

Black Hills preserves all claims that this information is entitled to protection as “Highly Confidential” and as such will only be made available to the persons entitled to view Highly Confidential Information.

Respondent(s):

Crystal Lail (NorthWestern) and Kimberly Nooney (Black Hills)

Attachments:

- Highly Confidential Attachment Staff 2.8a – Mizuho Project River Presentation to Yellowstone BoD
- Highly Confidential Attachment Staff 2.8b – Mizuho Project River Transaction Update 2025-06-25
- Highly Confidential Attachment Staff 2.8c – Mizuho Project River Transaction Update 2025-07-30
- Highly Confidential Attachment Staff 2.8d – Mizuho Project River Transaction Update 2025 08 13
- Highly Confidential Attachment Staff 2.8e – Mizuho Project River Update 2025-07-14
- Highly Confidential Attachment Staff 2.8f – Mizuho Project River Yellowstone Materials
- Highly Confidential Attachment Staff 2.8g – Mizuho Transaction Analysis 06 20 2025
- Highly Confidential Attachment Staff 2.8h - Mizuho Project River Update 2025-06-16
- Highly Confidential Attachment Staff 2.8i – Mizuho Missouri Debt and Equity Research

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- Highly Confidential Attachment Staff 2.8j – Mizuho MOE Board Considerations
- Highly Confidential Attachment Staff 2.8k – Mizuho Preliminary Transaction Structure
- Highly Confidential Attachment Staff 2.8l – Mizuho Premium Analysis
- Highly Confidential Attachment Staff 2.8m - Mizuho Project River Follow Up 2025-07-09
- Highly Confidential Attachment Staff 2.8n - Mizuho Project River Transaction Analysis Update 2025 06 30
- Highly Confidential Attachment Staff 2.8o – Mizuho Project River Transaction Update 2025 06 25
- Highly Confidential Attachment Staff 2.8p – Mizuho Project River Transaction Update 2025 07 11
- Highly Confidential Attachment Staff 2.8q – Mizuho Project River Transaction Update 2025 08 07
- Highly Confidential Attachment Staff 2.8r – Mizuho Project River Transaction Update 2025 08 13
- Highly Confidential Attachment Staff 2.8s – Mizuho Project River Update 2025-07-07
- Highly Confidential Attachment Staff 2.8t – Mizuho Project River Yellowstone Materials 2025 04 21
- Highly Confidential Attachment Staff 2.8u – Mizuho Status Update 2025-06-05
- Highly Confidential Attachment Staff 2.8v - Mizuho Transaction Analysis
- Highly Confidential Attachment Staff 2.8w – Mizuho Transaction Workplan
- Highly Confidential Attachment Staff 2.8x – Rating Agency Presentation
- Highly Confidential Attachment Staff 2.8y – WTW Compensation Matters Briefing
- Attachment Staff 2.8z – NorthWestern Privilege Log Board of Directors’ Presentation Materials
- Highly Confidential Attachment Staff 2.8aa – BH Goldman Sachs Presentations

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- Highly Confidential Attachment Staff 2.8bb – BH Officer Retention Presentation 08-13-25
- Highly Confidential Attachment Staff 2.8cc – BH Merger Agreement Terms for HR Matters 08-15-25
- Confidential Attachment Staff 2.8dd – BH Privilege Log

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REQUEST DATE : 01/02/26

RESPONSE DATE : 01/12/26

REQUESTING PARTY: South Dakota Public Utilities Commission Staff

SUBJECT: Operational Efficiencies

Staff Request No. 2.9:

Reference the following exchange from the August 19, 2025 merger conference call with investors:¹ Nicholas Campanella: “Then just one more, if I could. Are there any cost savings embedded in that number when you are talking about it on the combined 5% to 7% EPS outlook?” Witness Lail: “Yes. I would tell you there is [sic] some and they are very light is what I would say. But there is some assumed efficiencies within that number.”

- a. Identify and provide all documents, analyses, workpapers, and models (including in native format) that support, quantify, or otherwise substantiate the statement that there are “some assumed efficiencies” embedded in the combined 5% to 7% EPS outlook.
- b. For each item produced in subpart (a), identify (i) the specific efficiency assumption(s) reflected (for example, headcount, procurement, shared services, systems, financing, or other categories), (ii) the assumed timing of each efficiency, and (iii) whether any portion is attributable to South Dakota-jurisdictional utilities (either directly or through allocations).
- c. If the Joint Applicants contend that no responsive documents exist for subparts (a) and (b), explicitly state: “No responsive documents exist.” Then state whether the “assumed efficiencies” referenced on the investor call were reflected without written support.
- d. State (yes/no) whether the Joint Applicants have updated the “assumed efficiencies” related to this merger.
- e. If the answer to subpart (d) is affirmative, provide copies of the analysis underlying the Company’s updated view of “assumed efficiencies.”

¹ The transcript was obtained from the following URL: <https://www.northwesternenergy.com/docs/default-source/default-document-library/about-us/investors/financials/black-hills-corp---northwestern-energy-merger-conference-call-transcript.pdf>

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Response to Staff Request No. 2.9:

Specific Objection: In addition to Joint Applicants' general objections and definitions, Joint Applicants object to this data request to the extent it seeks to solicit documents, analyses, workpapers, and/or models that were not developed by Joint Applicants, and that are outside Joint Applicants control or custody.

Without waiving or limiting their objections, Joint Applicants respond as follows:

Joint Response:

- d. No.
- e. Not applicable.

NorthWestern:

- a. Please see the Highly Confidential Attachment Staff 2.8a, pages 21 and 39, Highly Confidential Attachment Staff 2.8b, page 9, Highly Confidential Attachment Staff 2.8e, page 8, Highly Confidential Attachment Staff 2.8f, page 49, Highly Confidential Attachment Staff 2.8g, page 9, Highly Confidential Attachment Staff 2.8m, page 6, Highly Confidential Attachment Staff 2.8n, page 2, Highly Confidential Attachment Staff 2.8o, page 9, Highly Confidential Attachment Staff 2.8p, page 6, Highly Confidential Attachment Staff 2.8s, page 5, Highly Confidential Attachment Staff 2.8t, page 47 and 64, and Highly Confidential Attachment Staff 2.8v, page 9. Please note any references to efficiencies or potential accretion are only estimates.
- b. The efficiencies or accretion estimates noted are in the aggregate and were not based on specific areas of assumed efficiencies as noted. Moreover, the estimates are on an enterprise basis and are not utility specific and are not tied to a specific achievement date or time.
- c. Not applicable.

Black Hills:

- a. Please the Highly Confidential Attachments to Staff 2.8 and particularly the presentations made on June 9, 2025 at slide numbers 38-39 and August 14, 2025, at slide number 6. Please note: any references to efficiencies or potential accretion are only estimates.
- b. The efficiencies or accretion estimates noted are in the aggregate and were not based on specific areas of assumed efficiencies as noted. Moreover, the estimates

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are on an enterprise basis and are not utility specific and are not tied to a specific achievement date or time.

- c. Not applicable.

Respondent(s):

Crystal Lail (NorthWestern) and Kimberly Nooney (Black Hills_

Attachments:

None

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REQUEST DATE : 01/02/26
RESPONSE DATE : 01/12/26
REQUESTING PARTY: South Dakota Public Utilities Commission Staff
SUBJECT: Ring-Fencing

Staff Request No. 2.10:

Refer to page 21 of Witness Lail’s direct testimony filed in Montana PSC Docket No. 2025.10.078. Please state whether the Company is aware of any legal, regulatory, or contractual restrictions that would prohibit the South Dakota Public Utilities Commission from ordering the same, or substantially the same, ring-fencing provisions to be applied to South Dakota utilities as those the Company has voluntarily agreed to apply in Montana. [Note: For purposes of this request, “substantially the same” means ring-fencing provisions that are materially equivalent in scope, effect, and enforceability to those the Company has voluntarily agreed to apply in Montana, even if the specific wording differs.]

Response to Staff Request No. 2.10:

Specific Objections: As reflected in the Joint Applicants’ general objections and definitions, Joint Applicants object to this request on grounds the request calls for a legal analysis and/or conclusion. Specifically, the request calls for legal analysis and/or conclusions related to the scope of the Commission’s jurisdiction and authority. Joint Applicants further object on grounds that ring-fencing provisions in place in Montana are outside the scope of this proceeding and the result of unique jurisdictional considerations and the product of confidential settlement negotiations.

Without waiving said objections, and specifically reserving same, please see the following.

Joint Response:

Joint Applicants are not aware of any explicit legal statute prohibiting the South Dakota PUC from ordering ring-fencing provisions except to note that this has not been requested by the Joint Applicants in this docket and thus, it is not an issue before the South Dakota PUC at this time. However, arguably, adoption of the ring-fencing provisions in place in Montana today could lead to unintended impacts to South Dakota customers as they are unlikely to receive certain benefits of the merger, like money-pooling for NorthWestern.

The Joint Applicants clarify that they oppose any recommendation to impose “the same, or substantially the same, ring-fencing provisions” from the Montana Public Service Commission (“MPSC”) to any of their rate-regulated South Dakota utilities. The ring-fencing provisions

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imposed by the MPSC were a result of settlement in a contested docket. The safeguards in place today in South Dakota adequately protect customers and any revisions should be separately considered rather than aligned to another jurisdiction.

Respondent(s):

Crystal Lail (NorthWestern) and Marne Jones (Black Hills)


Attachments:

None

CERTIFICATE OF SERVICE

I certify that on this 12th day of January, 2026, the foregoing document served by electronic mail on the following:

| | |
|--|---|
| Ms. Leah Mohr Executive Director South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 Leah.Mohr@state.sd.us | Mr. Logan Schaeftbauer Staff Attorney South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 Logan.Schaeftbauer@state.sd.us |
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Catherine Sabers