

Summary of Revenue Requirement Issues

	<u>Change in Revenue Deficiency</u>	<u>Revenue Deficiency</u>
NorthWestern Proposed Revenue Deficiency		\$ 6,043,222
<u>Adjustments to NorthWestern Proposed Revenue Deficiency:</u>		
Weather Normalization	11,518	
Book to Bill	5,317	
Remove Management Fee	-	
Contract Renewal Revenue Change	4,340	
New Customer Revenue	-	
MGP Recovery Reduction	-	
Labor Expense	-	
401k Match	-	
Payroll Taxes	-	
FPP Amortization	-	
Medical Costs	24,592	
General Advertising and Sponsorships	(4,850)	
Promotional Advertising	-	
Economic Development	(6,066)	
Board Dividends	-	
Bad Debt	(14,740)	
Spousal Travel and Lineman's Rodeo Trip on Aircraft	-	
Rate Case Expense	(27,201)	
LTIP Removal	-	
STIP Removal	-	
Claims and Property Insurance	429,242	
Postage	(2,344)	
NSF Charge	480	
Depreciation for New Rates	(803,130)	
Depreciation for Normalization	(6,779)	
Interest Synchronization	(36,499)	
Carrying Charge	-	
Income Taxes	-	
Normalizing Additions and Retirements During Test Year	2,060	
Cash Working Capital	(22,448)	
Tax Collections Available	(13,005)	
Other Working Capital	34,379	
Gross Receipts Tax	(2,176)	
Return on Equity	(931,868)	
Capital Structure and Cost of Debt	(84,716)	
Rounding Differences	8	
Total Revenue Deficiency Change from Company Filed Case:	<u>8</u>	(1,443,887)
Settlement Revenue Deficiency		<u><u>\$ 4,599,335</u></u>