

Montana Public Service Commission



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November 5, 2025

Mr. Charles Lane
Director of Regulatory Affairs
NorthWestern Energy
208 North Montana Avenue, Suite 200
Helena, MT 59601

Re: Federal Energy Regulatory Commission Docket ER26-129

Dear Mr. Lane:

On July 30, 2024, NorthWestern Energy announced that it would acquire Puget Sound Energy's 370 megawatt share of the Colstrip Plant. According to the announcement, together with the previously-announced acquisition of Avista's 222 megawatt share, NorthWestern Energy will own 55% of the Colstrip Plant beginning on January 1, 2026.

Following NorthWestern Energy's announcement of its acquisition of Puget Sound Energy's 370 megawatt share of the Colstrip Plant, NorthWestern Energy submitted multiple compliance filings in Docket 2022.11.102 indicating that the Colstrip Plant capacity to be acquired from Puget Sound Energy would contribute to meeting NorthWestern Energy's capacity obligations under the Western Resource Adequacy Program or would otherwise contribute to serving retail customers' peak demands and ensure adequate and reliable service.

On October 14, 2025, NorthWestern Colstrip 370pu LLC ("NorthWestern Colstrip") submitted a filing with the Federal Energy Regulatory Commission ("FERC") requesting approval of a cost-based rate tariff ("Filing"). The Filing states that NorthWestern Colstrip is a special purpose subsidiary of NorthWestern Group, Inc. and is not regulated by the Montana Public Service Commission. According to the Filing, NorthWestern Corporation will acquire Puget Sound Energy's 370 megawatt share of the Colstrip Plant and, once acquired, the 370 megawatt share of the Colstrip Plant will be held 100% by NorthWestern Colstrip, which will be effectuated through an assignment from NorthWestern Corporation.

The Commission has consistently exercised authority over mergers, sales, and transfers of utilities and utility property. See *In re the Joint Application of NorthWestern Corp. and BBI*, Dkt. 2006.6.82, Order 6754e ¶¶ 19-32 (Aug. 1, 2007). Based on the information above, it appears that NorthWestern Energy intends to transfer property that it has characterized as utility property.

Please clarify whether NorthWestern Energy intends to seek approval from the Montana Public Service Commission prior to effectuating the transfer of its 370 megawatt share of the Colstrip Plant to NorthWestern Colstrip.

If NorthWestern Energy does not consider this transaction to constitute a transfer of utility property requiring Commission approval, please provide a comprehensive explanation supporting that position.

Please submit your response by November 7, 2025.

Sincerely,

/s/ Will Rosquist

Will Rosquist
Regulatory Division Administrator
Montana Public Service Commission

