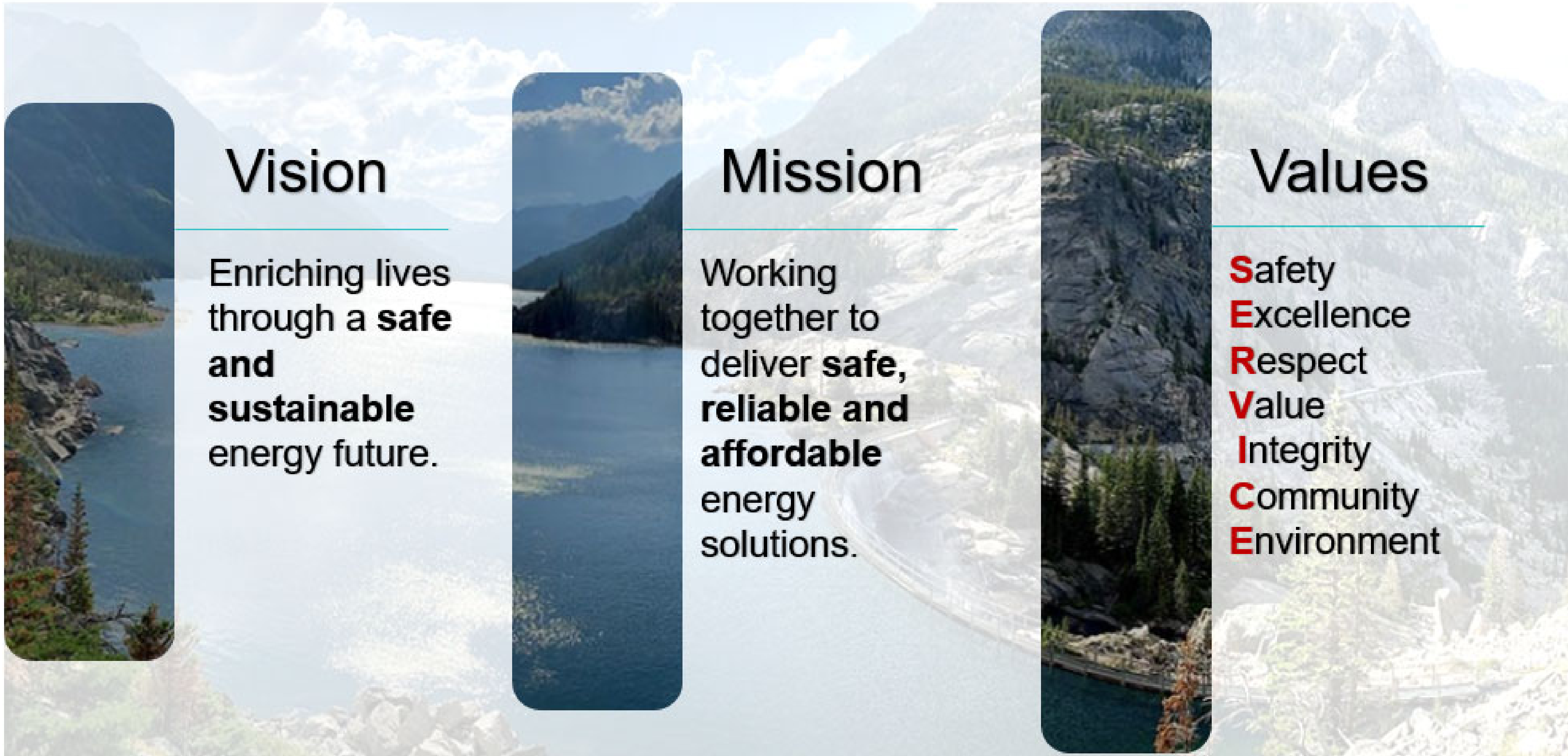
2024 First Quarter Earnings Webcast

April 26, 2024

NorthWestern Energy®

NorthWestern Energy



Vision

Enriching lives through a **safe and sustainable** energy future.

Mission

Working together to deliver **safe, reliable and affordable** energy solutions.

Values

Safety
Excellence
Respect
Value
Integrity
Community
Environment

Forward Looking Statements

During the course of this presentation, there will be forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," or "will."

The information in this presentation is based upon our current expectations as of the date of this document unless otherwise noted. Our actual future business and financial performance may differ materially and adversely from our expectations expressed in any forward-looking statements. We undertake no obligation to revise or publicly update our forward-looking statements or this presentation for any reason. Although our expectations and beliefs are based on reasonable assumptions, actual results may differ materially. The factors that may affect our results are listed in certain of our press releases and disclosed in the Company's 10-K and 10-Q along with other public filings with the SEC.

Recent Highlights

- Reported GAAP diluted EPS of $1.06
  - Non-GAAP diluted EPS of $1.09[1]
- Affirming 2024 diluted EPS guidance of $3.42 - $3.62
- Affirming long-term (5 year) rate base and earnings per share growth rates targets of 4% - 6%[2]
- Completed debt financing needed for 2024
- Dividend Declared: $0.65 per share payable June 28, 2024 to shareholders of record as of June 14, 2024

Montana Electric and Gas Rate Review Filings Anticipated in third quarter of 2024

- Montana electric to include prudence review of Yellowstone County Generating Station

Wildfire Mitigation Plan

- **Expect to release in May 2024 –** Includes our new Public Safety Power Shutoff process. The plan recognizes and addresses the unique needs of our customers, communities, and first responders.

1.) *See reconciliation of Non-GAAP adjustments on page 9 and "Non-GAAP Financial Measures" in appendix*
2.) *Based on 2022 adjusted non-GAAP earnings of $3.18 per diluted share and 2022 estimated rate base of $4.54 billion*

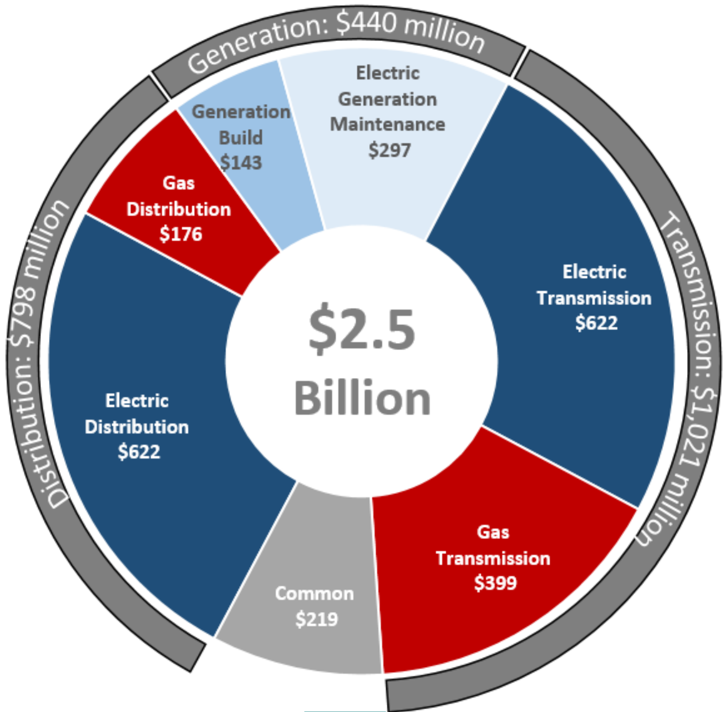
The NorthWestern Value Proposition

~5% Dividend Yield

+

<u>Base Capital Plan:</u>
4%-6% EPS Growth

2024-2028 Capital Investment
($ Millions)



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9%-11% Total Growth

+

<u>Incremental Opportunities:</u>
6% + EPS Growth

- ✓ **FERC Transmission**
- ✓ **Incremental generating capacity** (subject to successful resource procurement bids)
- ✓ **Qualifying Facility and / or Power Purchase Agreement buyouts**
- ✓ **Electrification supporting economic development**

=

11%+ Total Growth

Nearly $2.5 billion of highly executable and low-risk capital investment forecasted over the next five years.

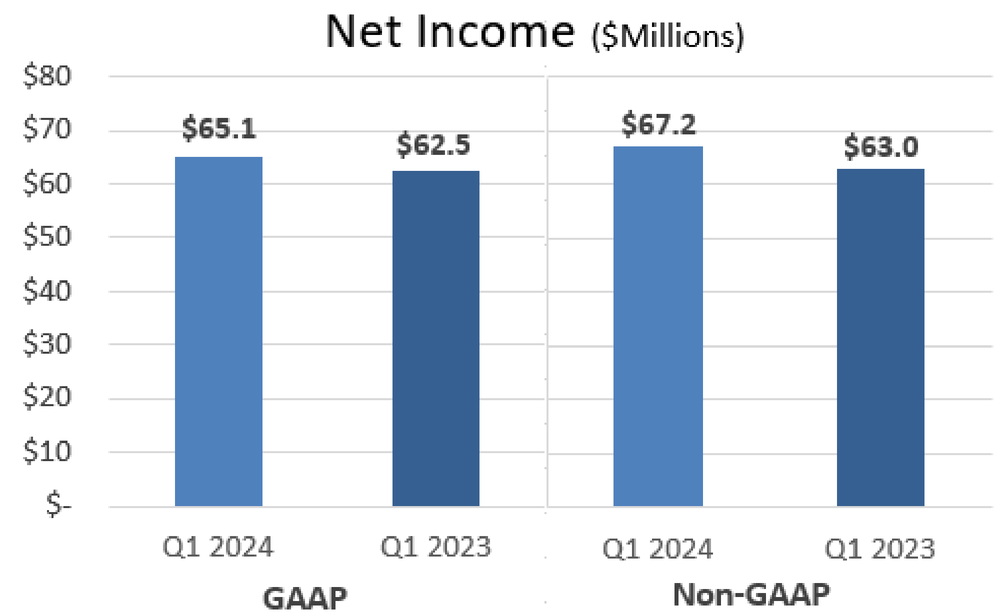
This investment is expected to drive annualized earnings and rate base growth of approximately 4% - 6%.

See slide titled "Strong Growth Outlook" for additional information.

First Quarter 2024 Financial Results

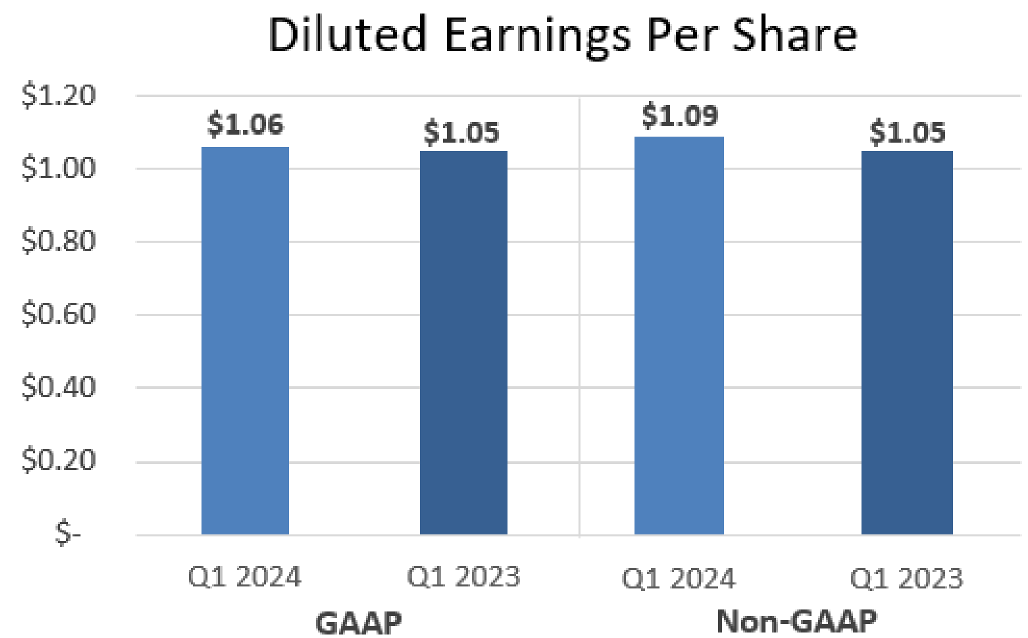
First Quarter Net Income vs Prior Period

- GAAP: ↑ 2.6 million or 4.2%
- Non-GAAP[1]: ↑ 4.2 million or 6.7%



First Quarter EPS vs Prior Period

- GAAP: ↑ $0.01 or 1.0%
- Non-GAAP[1]: ↑ $0.04 or 3.8%



1.) See reconciliation of Non-GAAP adjustments on page 9 and "Non-GAAP Financial Measures" in appendix

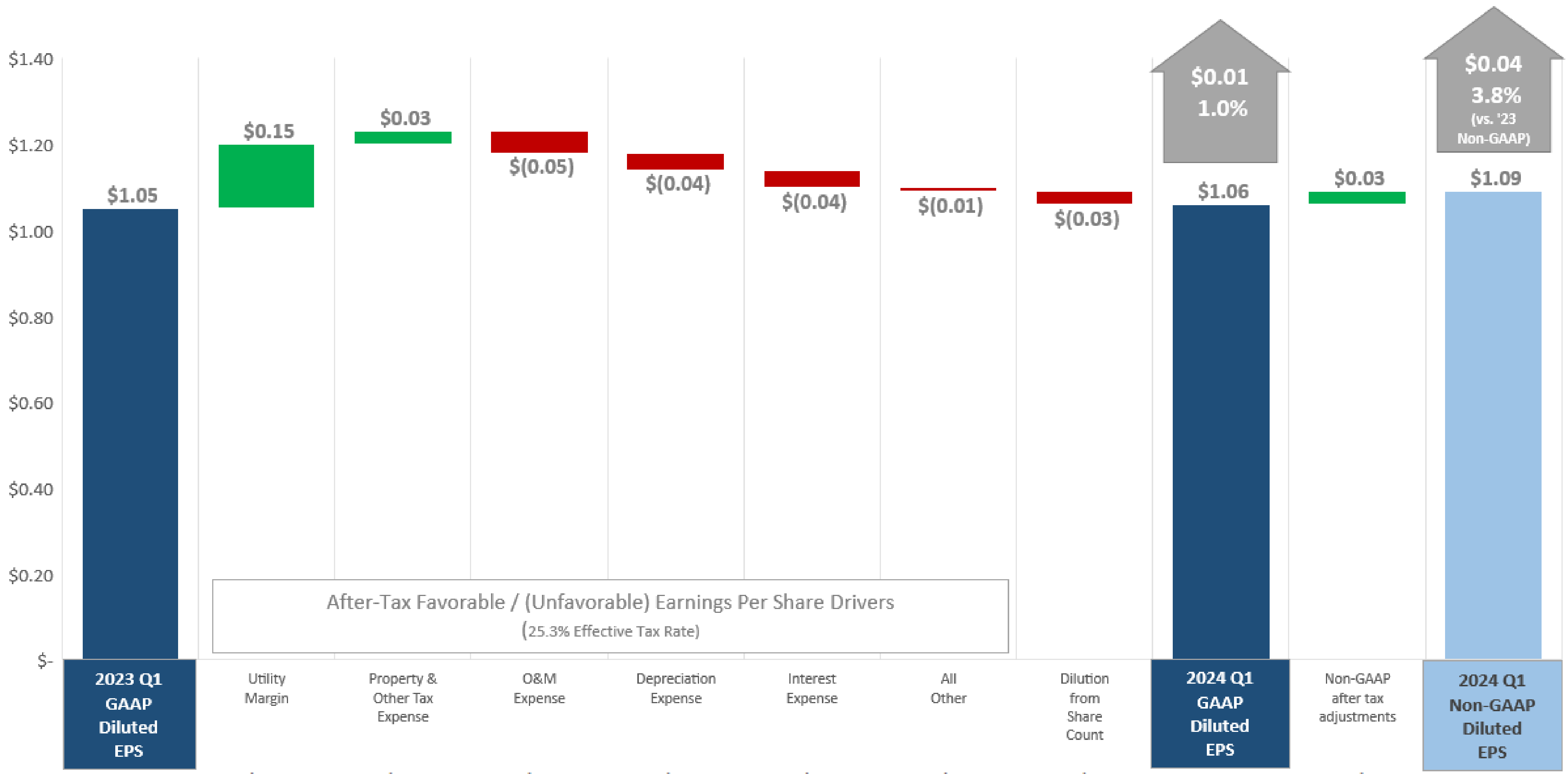
First Quarter Financial Results

(in millions except per share amounts)	Three Months Ended March 31, 2024	2023	Variance	% Variance
Operating Revenues	$ 475.3	$ 454.5	$ 20.8	4.6%
Fuel, purchased supply & direct transmission expense (exclusive of depreciation and depletion)	174.7	165.5	9.2	5.6%
Utility Margin[1]	**300.6**	**289.0**	**11.6**	**4.0%**
Operating Expenses				
Operating and maintenance	54.2	55.9	(1.7)	(3.0%)
Administrative and general	40.4	34.7	5.7	16.4%
Property and other taxes	47.2	49.2	(2.0)	(4.1%)
Depreciation and depletion	56.7	53.2	3.5	6.6%
Total Operating Expenses	**198.5**	**193.0**	**5.5**	**2.8%**
Operating Income	**102.1**	**96.0**	**6.1**	**6.4%**
Interest expense	(31.0)	(28.0)	(3.0)	(10.7%)
Other income, net	4.3	4.7	(0.4)	(8.5%)
Income Before Taxes	**75.4**	**72.7**	**2.7**	**3.7%**
Income tax expense	(10.3)	(10.2)	(0.1)	(1.0%)
Net Income	**$ 65.1**	**$ 62.5**	**$ 2.6**	**4.2%**
Effective Tax Rate	13.7%	14.1%	(0.4%)	
Diluted Shares Outstanding	61.3	59.8	1.5	2.5%
Diluted Earnings Per Share	$1.06	$1.05	$ 0.01	1.0%
Dividends Paid per Common Share	$ 0.65	$ 0.64	$ 0.01	1.6%

1.) Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

First Quarter Earnings Drivers

After-tax EPS vs Prior Year



	Utility Margin	Property & Other Tax Expense	O&M Expense	Depreciation Expense	Interest Expense	All Other	Dilution from Share Count	Non-GAAP after tax adjustments
Pre-Tax ($M)	$11.6	$2.0	($4.0)	($3.5)	($3.0)	($0.4)	-	$3.6
After-Tax ($M)	$8.7	$1.5	($3.0)	($2.6)	($2.2)	($0.3)	-	$2.1
Diluted EPS	$0.15	$0.03	($0.05)	($0.04)	($0.04)	($0.01)	($0.03)	$0.03

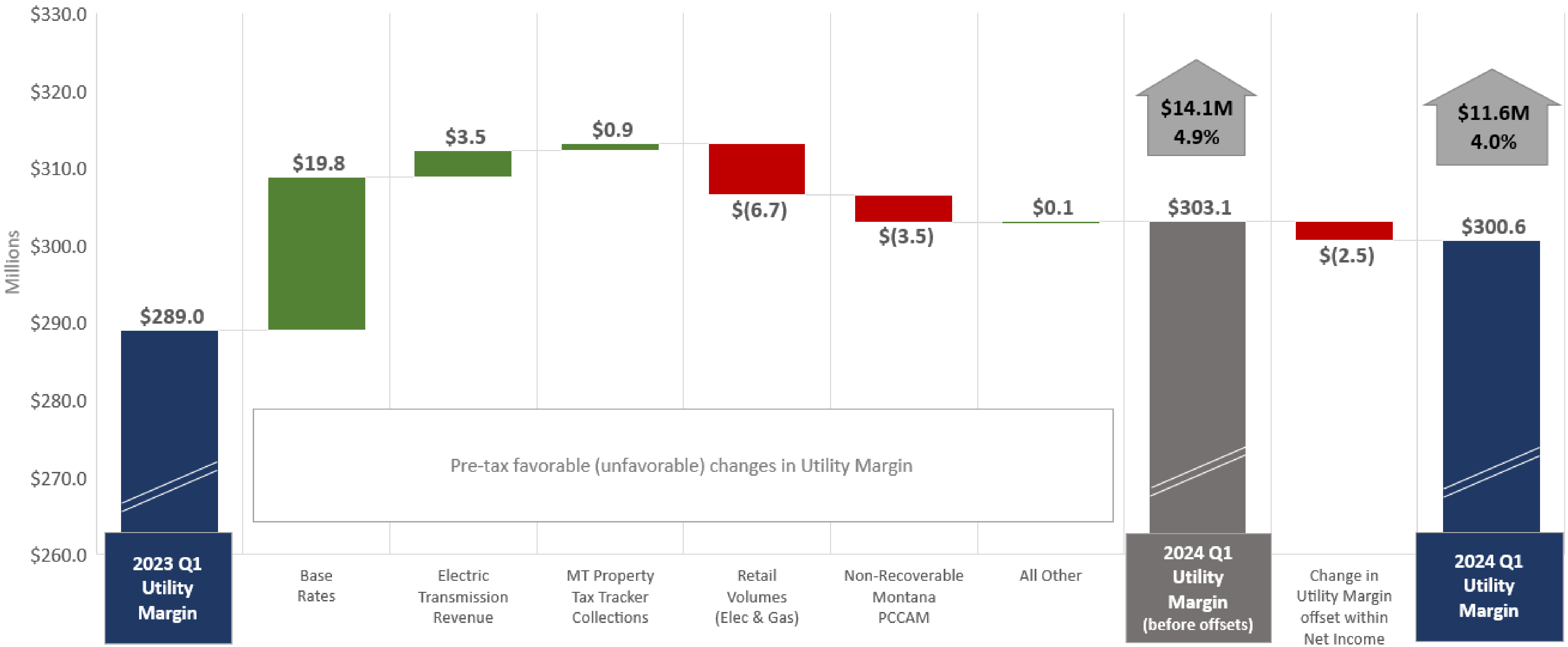
Improvement in Utility Margin offset mild weather, higher OA&G expense, depreciation, interest expense, and share count dilution.

1.) Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

2.) See reconciliation of Non-GAAP adjustments on page 9 and "Non-GAAP Financial Measures" in appendix.

First Quarter Utility Margin Bridge

Pre-tax Millions vs. Prior Year



Pre-Tax ($M)	$19.8	$3.5	$0.9	($6.7)	($3.5)	$0.1	$14.1	($2.5)	$11.6
After-Tax ($M)	$14.8	$2.6	$0.7	($5.0)	($2.6)	$0.1	$10.6	($1.9)	$8.7
Diluted EPS	$0.25	$0.04	$0.01	($0.08)	($0.04)	$0.00	$0.18	($0.03)	$0.15

$11.6 million or 4.0% increase in Utility Margin

NOTE: Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

First Quarter 2024 Non-GAAP Earnings

Three Months Ended March 31,

(in millions)	GAAP: Three Months Ended March 31, 2024	Non-GAAP Adjustments: Unfavorable Weather (addback)	Non-GAAP Adjustments: Move Pension Expense to OG&A (disaggregated with ASU 2017-07) (1)	Non-GAAP Adjustments: Non-employee Deferred Compensation	Non-GAAP Adjustments: Impairment of Alternative Energy Storage Investment	Non-GAAP Adjustments: Community Renewable Energy Project Penalty (not tax deductible)	Non-GAAP: Three Months Ended March 31, 2024	Non-GAAP Variance: Variance $	Non-GAAP Variance: Variance %	Non-GAAP: Three Months Ended March 31, 2023	Non-GAAP Adjustments: Add Back Reduction related to Previously Claimed AMT Credit	Non-GAAP Adjustments: Non-employee Deferred Compensation	Non-GAAP Adjustments: Move Pension Expense to OG&A (disaggregated with ASU 2017-07) (1)	Non-GAAP Adjustments: Favorable Weather (Deduct)	GAAP: Three Months Ended March 31, 2023
Revenues	$475.3	1.2					$476.5	$25.6	5.7%	$450.9				(3.6)	$454.5
Fuel, supply & dir. tx	174.7						174.7	9.2	5.6%	165.5					165.5
Utility Margin (2)	**300.6**	**1.2**	-	-	-	-	**301.8**	**16.4**	**5.7%**	**285.4**	-	-	-	**(3.6)**	**289.0**
Op. Expenses															
OG&A Expense	94.6		-	(0.1)	(2.2)		92.3	2.4	2.7%	89.9		0.1	(0.9)		90.6
Prop. & other taxes	47.2						47.2	(2.0)	-4.1%	49.2					49.2
Depreciation	56.7						56.7	3.5	6.6%	53.2					53.2
Total Op. Exp.	**198.5**	-	-	**(0.1)**	**(2.2)**	-	**196.2**	**3.9**	**2.0%**	**192.3**	-	**0.1**	**(0.9)**	-	**193.0**
Op. Income	**102.1**	**1.2**	-	**0.1**	**2.2**	-	**105.6**	**12.5**	**13.4%**	**93.1**	-	**(0.1)**	**0.9**	**(3.6)**	**96.0**
Interest expense	(31.0)						(31.0)	(3.0)	-10.7%	(28.0)					(28.0)
Other (Exp.) Inc., net	4.3		-	(0.1)	2.5	(2.3)	4.4	0.4	10.0%	4.0		0.1	(0.9)		4.7
Pretax Income	**75.4**	**1.2**	-	-	**4.7**	**(2.3)**	**79.0**	**9.9**	**14.3%**	**69.1**	-	-	-	**(3.6)**	**72.7**
Income tax	(10.3)	(0.3)	-	-	(1.2)	-	(11.8)	(5.7)	-93.6%	(6.1)	3.2	-	-	0.9	(10.2)
Net Income	**$65.1**	**0.9**	-	-	**3.5**	**(2.3)**	**$67.2**	**$4.2**	**6.7%**	**$63.0**	**3.2**	-	-	**(2.7)**	**$62.5**
ETR	13.7%	25.3%	-	-	25.3%	0.0%	14.9%			8.8%	-	-	-	25.3%	14.1%
Diluted Shares	61.3						61.3	1.5	2.5%	59.8					59.8
Diluted EPS	**$1.06**	0.01	-	-	0.06	(0.04)	**$1.09**	$0.04	3.8%	**$1.05**	0.05	-	-	(0.05)	**$1.05**

We estimate weather to be a $1.2 million pre-tax detriment as compared to normal and a $4.8 million detriment as compared to first quarter 2023.

The adjusted non-GAAP measures presented in the table reflect significant items that are non-recurring or a variance from normal weather, however they should not be considered a substitute for financial results and measures determined or calculated in accordance with GAAP.

(1) As a result of the adoption of Accounting Standard Update 2017-07 in March 2018, pension and other employee benefit expense is now disaggregated on the GAAP income statement with portions now recorded in both OG&A expense and Other (Expense) Income lines. To facilitate better understanding of trends in year-over-year comparisons, the non-GAAP adjustment above re-aggregates the expense in OG&A - as it was historically presented prior to the ASU 2017-07 (with no impact to net income or earnings per share).

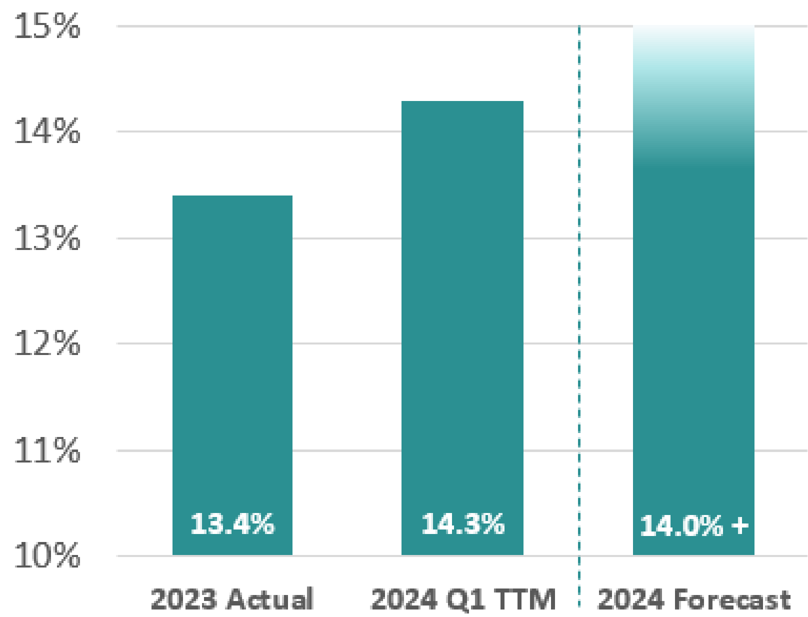
(2) Utility Margin is a non-GAAP Measure. See the slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

Credit, Cash flow and Financing Plans

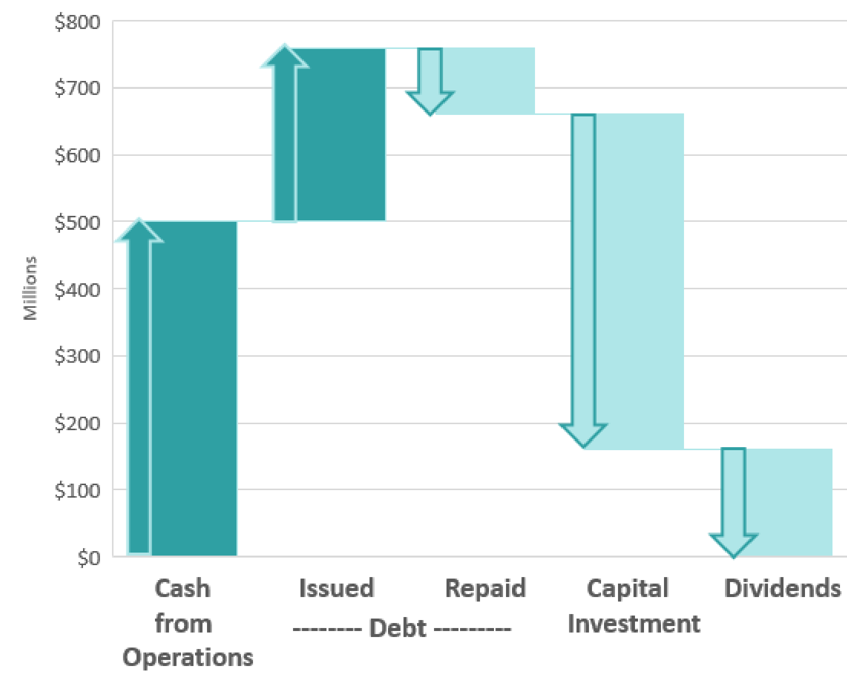
Credit Ratings

		Moody's	S&P	Fitch
NWEG (Hold-Co.)	Issuer	-	BBB	BBB
	Secured	-	-	-
	Unsecured	-		BBB
	Outlook	-	*Stable*	*Stable*
NW Corp. (MT Op.-Co.)	Issuer	*Baa2*	BBB	BBB
	Secured	*A3*	A-	A-
	Unsecured	*Baa2*		BBB+
	Outlook	*Stable*	*Stable*	*Stable*
NWEPS (SDNE Op.-Co.)	Issuer	*Baa2*	BBB	BBB
	Secured	*A3*	A-	A-
	Unsecured	-	-	BBB+
	Outlook	*Stable*	*Stable*	*Stable*

FFO / Debt



2024 Financing Plan



<u>No equity expected</u> to fund the current 5-year | $2.5 billion capital plan

Financing plans (targeting a FFO to Debt ratio > 14%) are expected to maintain our current credit ratings.
We expect to pay minimal cash taxes into 2028 due to utilization of our NOL's and tax credits.
Financing plans and are subject to change.

Strong Growth Outlook

2024 Non-GAAP EPS Guidance[1] of $3.42 - $3.62

✓ **Affirming long-term (5 Year) expected growth rates**
- **EPS growth of 4% to 6%** from 2022 base year of $3.18 Non-GAAP
- **Rate base growth of 4% to 6%** from 2022 base year $4.54 billion
- Continued focus on earned returns driven by financial and operational execution

✓ **No equity expected** to fund the current 5-year | $2.5 billion capital plan
- Capital plan is expected to be funded by cash from operations (aided by net operating losses[1]) and secured debt
- Any equity needs would be driven by opportunities incremental to the plan

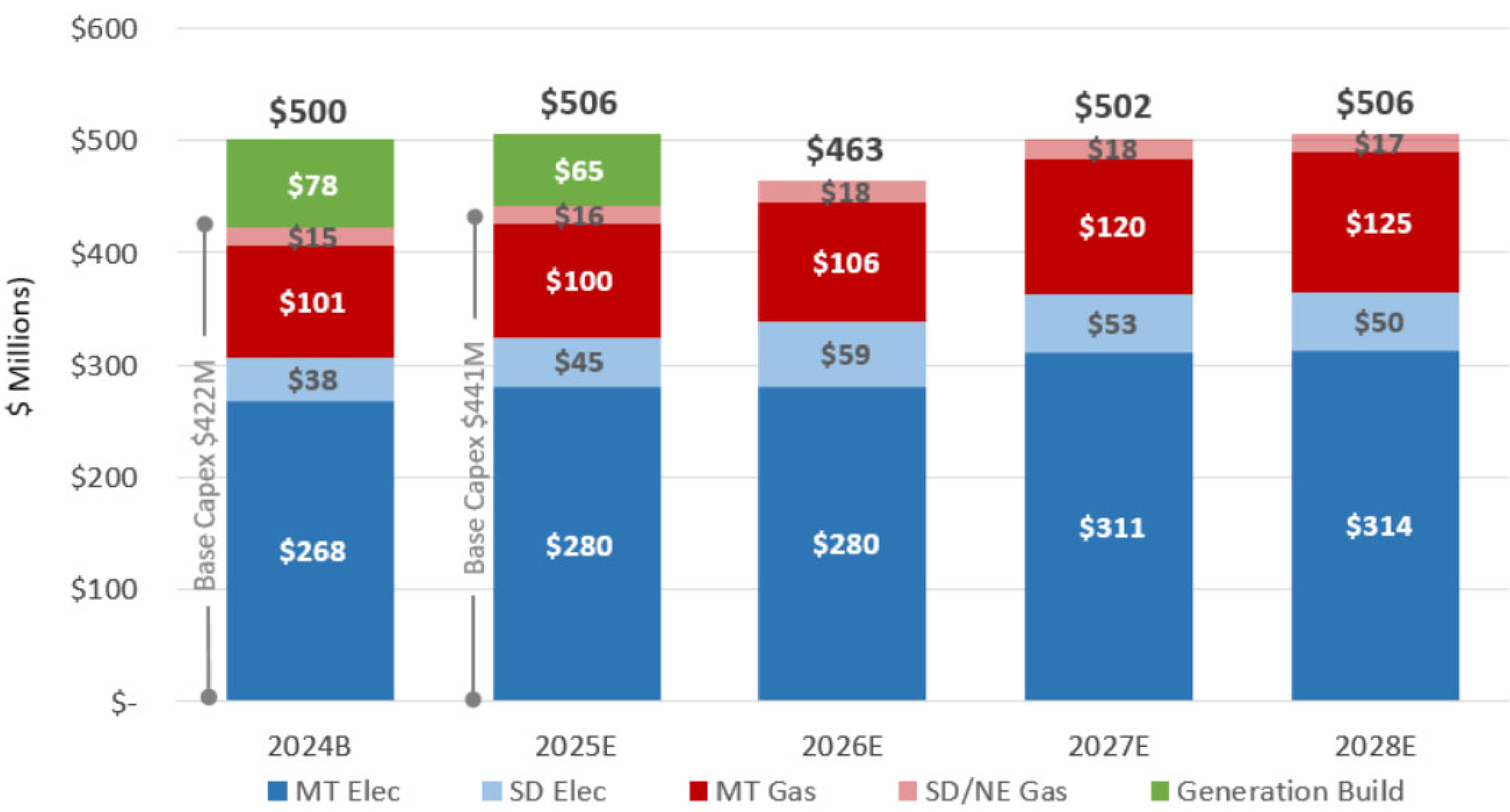
✓ **Targeting FFO > 14% by end of 2024** and beyond

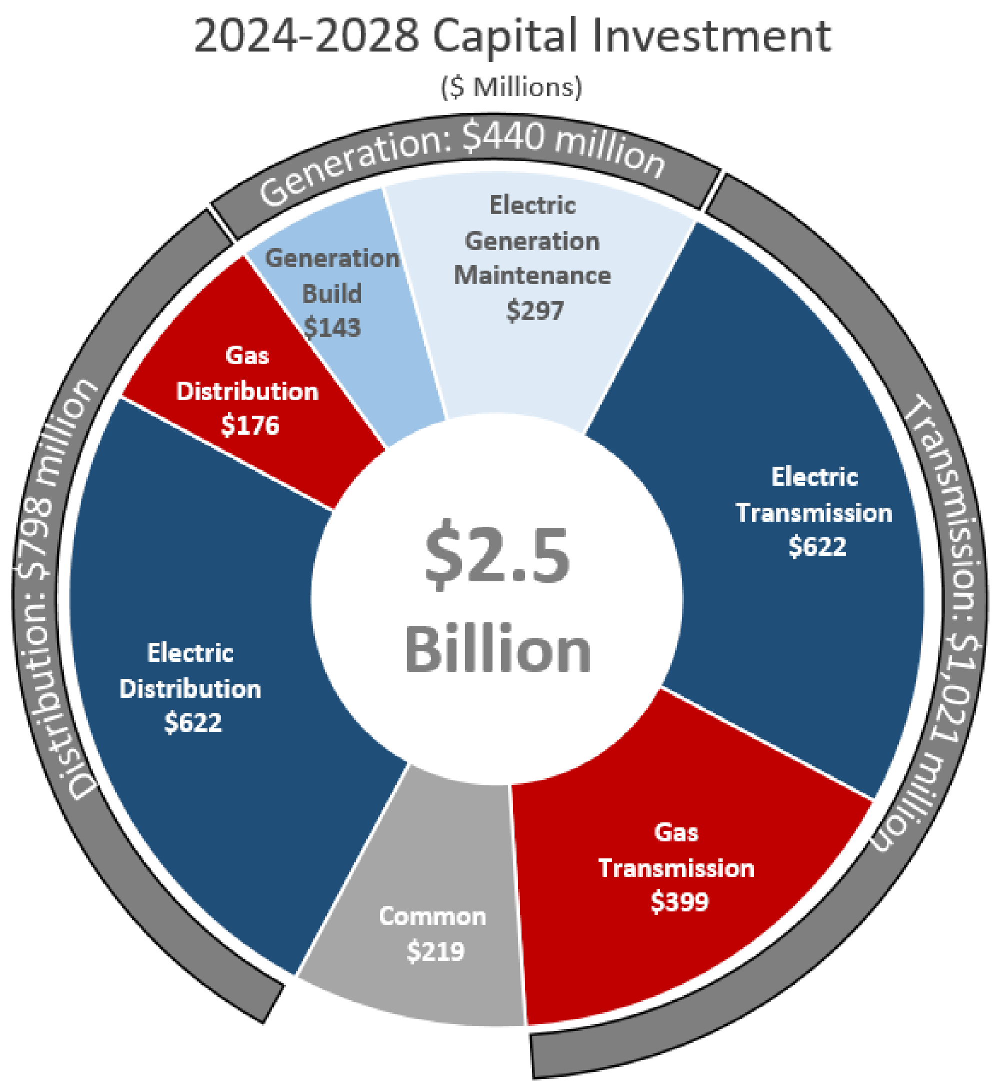
✓ Earnings growth is expected to exceed dividend growth until we return to our targeted 60% to 70% payout ratio.

1.) See "2024 Earnings Bridge" in the Appendix for additional detail.

This guidance range is based upon, but not limited to, the following major assumptions:
- Normal weather in our service territories;
- An effective income tax rate of approximately 12%-14%; and
- Diluted average shares outstanding of approximately 61.3 million.

Regulated Utility Five-Year Capital Forecast

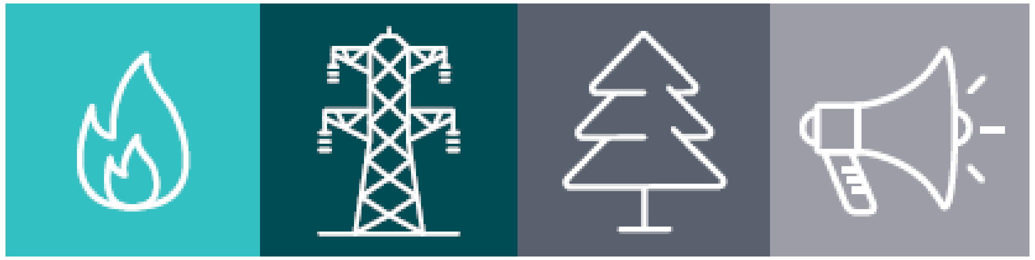




$ Millions	2024	2025	2026	2027	2028
Electric	$ 384	$ 390	$ 339	$ 364	$ 364
Natural Gas	$ 116	$ 117	$ 124	$ 138	$ 142
Total NWE Capex	$ 500	$ 506	$ 463	$ 502	$ 506

$2.5 billion of highly-executable and low-risk capital investment

Montana Wildfire Mitigation Plan



Reduction of Ignition Potential	System and Environmental Monitoring	Enhanced Vegetation Maintenance	Enriched Public Communication and Outreach

- ✓ Comprehensive summary of wildfire mitigation activities
- ✓ Expect to update plan with each electric rate review filing
- ✓ Deferral treatment for wildfire costs beyond amounts authorized in rates (up to $95 million over 5 years)
- ✓ **Key elements of the plan, driven by risk analysis include:**
  - Situational Awareness
  - Operational Practice
  - System Preparedness
  - Vegetation Management
  - Public Communication
- ✓ Linear line miles of highest risk Montana electric assets

Distribution	5.9%
Transmission	7.3%

Our operational practice includes situationally performing power shutdowns and adjusting system operating protocols during periods of heightened wildfire risk. Power shutdown considerations include environmental conditions, system performance, and mitigating any potential impacts of an outage to customers and emergency services.

NorthWestern's Public Safety Power Shutoff (PSPS) plan is expected to be implemented for the 2024 Montana wild fire season (second quarter).

Conclusion

Pure Electric & Gas Utility

Solid Utility Foundation

Best Practices Corporate Governance

Attractive Future Growth Prospects

Strong Earnings & Cash Flows

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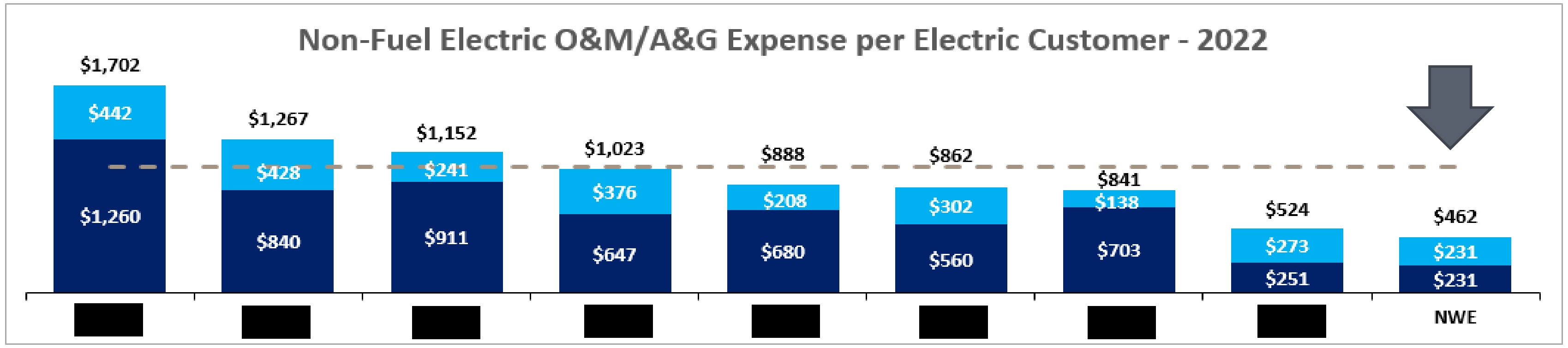
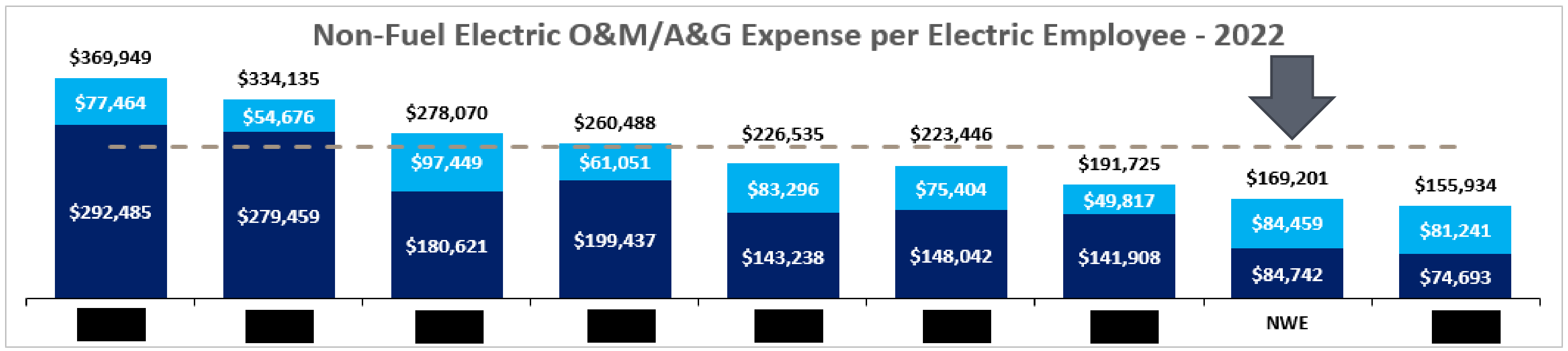
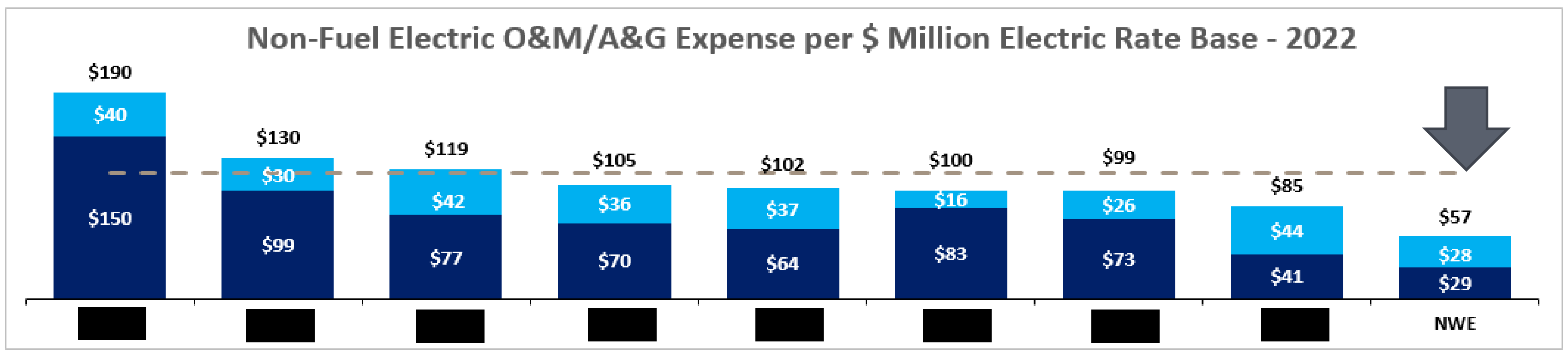
Appendix:

Disciplined Expense Program







Per Customer…
Per Employee…
Per Rate Base…

NorthWestern maintains best-in-class expense efficiency among our regional peers.

A&G Expense
O&M Expense

Source: FERC Form 1 Reports - 2022 expenses and company filings through S&P Global IQ
Electric Non-Fuel O&M excludes fuel and steam costs for power generation, water costs for hydro operations and purchased power cost unless identified in company disclosures, electric employees are allocated by electric rate base weighting to total rate base

Appendix

Rate Base & Authorized Return Summary

Estimate as of 12/31/2023

Jurisdiction and Service	Implementation Date	Authorized Rate Base (millions)	Year-end Estimated Rate Base (millions)	Authorized Overall Rate of Return	Authorized Return on Equity	Authorized Equity Level
Montana electric delivery and production (1)	November 2023	$ 2,565.5	$ 2,874.8	6.72%	9.65%	48.02%
Montana - Colstrip Unit 4	November 2023	$ 276.9	$ 257.7	8.25%	10.00%	50.00%
Montana natural gas delivery and production (2)	November 2023	$ 582.8	$ 744.1	6.67%	9.55%	48.02%
Total Montana		$ 3,425.2	$ 3,876.6			
South Dakota electric (3) (4)	January 2024	$ 791.8	$ 810.3	6.81%	n/a	n/a
South Dakota natural gas (3)	December 2011	$ 65.9	$ 95.8	7.80%	n/a	n/a
Total South Dakota		$ 857.7	$ 906.1			
Nebraska natural gas (3)	December 2007	$ 24.3	$ 50.1	8.49%	10.40%	n/a
Total NorthWestern Energy		**$ 4,307.2**	**$ 4,832.8**			

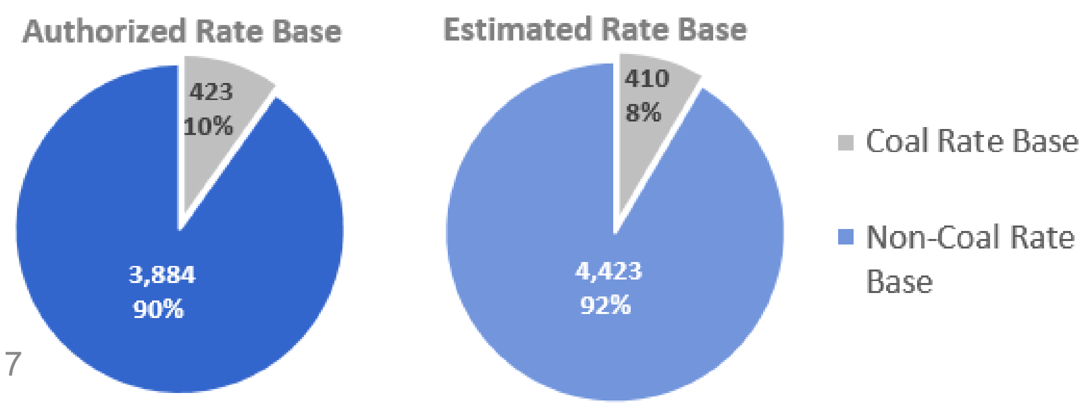
(1) The revenue requirement associated with the FERC regulated portion of Montana electric transmission and ancillary services are included as revenue credits to our MPSC jurisdictional customers. Therefore, we do not separately reflect FERC authorized rate base or authorized returns.

(2) The Montana gas revenue requirement includes a step down which approximates annual depletion of our natural gas production assets included in rate base.

(3) For those items marked as "n/a," the respective settlement and/or order was not specific as to these terms.

(4) On June 15, 2023, we filed a South Dakota electric rate review filing (2022 test year) with the South Dakota Public Utility Commission

Coal Generation Rate Base as a percentage of Total Rate Base



Revenue from coal generation is not easily identifiable due to the use of bundled rates in South Dakota and other rate design and accounting considerations. However, NorthWestern is a fully regulated utility company for which rate base is the primary driver for earnings. The data to the left illustrates that NorthWestern only derives approximately 9 -14% of earnings from its jointly owned coal generation rate base.

Generation Investment

Generation Update

Montana

175 MW Yellowstone County Generating Station natural gas fired facility
- Construction started April 2022
- Total cost of $310-$320 million with $267.5M incurred thru 3/31/2024
- Scheduled to be online in Q3 of 2024*

222 MW of Colstrip from Avista
- $0 purchase price
- Avista retains pre-closing environmental and pension liabilities
- Transfer effective 12/31/2025

South Dakota

Capacity generation in Aberdeen, SD to replace aging generation resources
- Construction to start in 2024
- Total cost of $70 million
- Scheduled to be completed end of 2025

Resource Plans

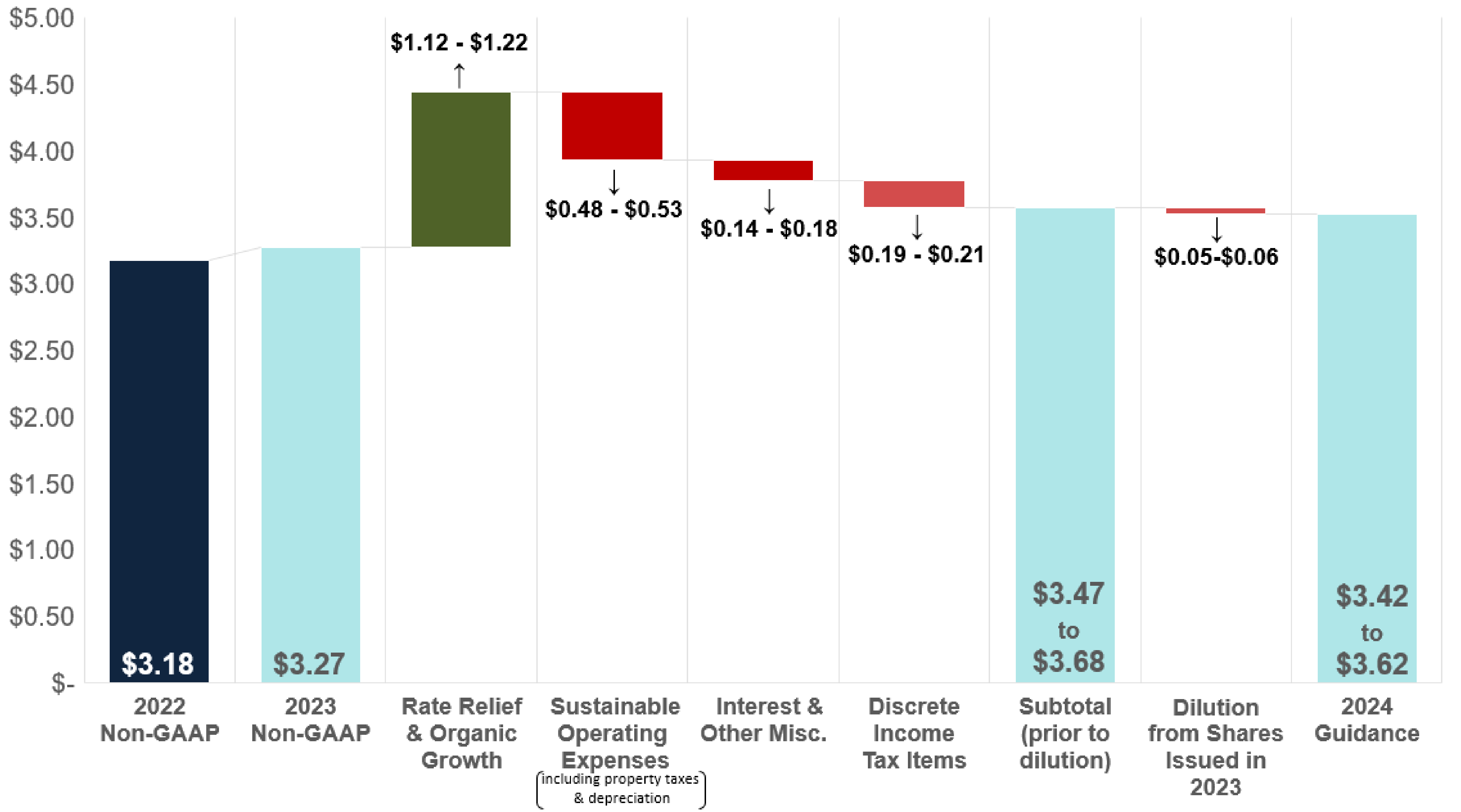
Montana: Filed in April 2023, the plan evaluates alternatives to reliably and affordably to meet customer needs over a 20 year horizon. With the anticipated addition of YCGS and Avista's transfer of Colstrip, the plan anticipates resource adequacy into 2029.

South Dakota: Filed in September 2022, the plan identifies 43 megawatts as retire and replace candidates. We anticipate filing the next IRP in the summer of 2024.

Construction of our 175 MW Yellowstone County Generating Station

* See NorthWestern Energy Group's 2023 10-K for additional detail associated with litigation challenging the Yellowstone County Generating Station air quality permit. This litigation could further delay the project and increase costs.

2024 Earnings Bridge



This guidance range is based upon, but not limited to, the following major assumptions:

- Normal weather in our service territories;
- An effective income tax rate of approximately 12%-14%; and
- Diluted average shares outstanding of approximately 61.3 million.

Colstrip Transfer

Colstrip Transfer Overview

NorthWestern Energy executed an agreement with Avista Corporation (Exit Agreement) for the transfer of Avista's ownership interests in Colstrip Units 3 and 4.

- **Effective date of transfer: December 31, 2025**
- Generating capacity: 222 MW
  (bringing our total ownership to 444 MW)
- **Transfer price: $0.00**
- NorthWestern will be responsible for operational and capital costs beginning January 1, 2026.
  - The agreement does not require approval by the Montana Public Service Commission (MPSC). We expect to work with the MPSC in a future docket for cost recovery in 2026.
  - NorthWestern will have the right to exercise Avista's vote with respect to capital expenditures[1] between now and 2025 with Avista responsible for its pro rata share[2].
- Avista will retain its existing environmental and decommissioning obligations through life of plant.
- Under the Colstrip Ownership & Operating Agreement, each of the owners will have a 90-day period in which to evaluate the transaction between NorthWestern and Avista to determine whether to exercise their respective right of first refusal.
- We filed our Montana Integrated Resource Plan on April 28, 2023. This transaction is expected to satisfy our capacity needs in Montana for at least the next 5 years.

1. Avista retains the vote related to remediation activities.
2. Avista bears its current project share (15%) costs through 2025, other than "Enhancement Work Costs" for which it bears a time-based pro-rata share. Enhancement Work Costs are costs that are not performed on a least-costs basis or are intended to extend the life of the facility beyond 2025. See the Exit Agreement for additional detail.

Colstrip Facility Ownership Overview

Mitigating today's capacity crisis while creating a sustainable glide path to the cost-effective carbon-free technologies of tomorrow

	Current Colstrip Ownership Structure (megawatts)		Announced Sep. 12, 2022 **2026 Exit Agreement** 185 MW of both Units 3 & 4 transfer from **Puget Sound → Talen**		Executed Jan. 16, 2023 **2026 Exit Agreement** 111 MW of both Units 3 & 4 transfer from **Avista → NorthWestern**	
	Unit 3	**Unit 4**	**Unit 3**	**Unit 4**	**Unit 3**	**Unit 4**
Avista	111	111	111	111		
NorthWestern		222		222	111	333
PacifiCorp	74	74	74	74	74	74
Portland	148	148	148	148	148	148
Puget	185	185				
Talen	222		407	185	407	185
Total	**740**	**740**	**740**	**740**	**740**	**740**

NorthWestern is actively working with the other owners to resolve outstanding issues, including the associated pending legal proceedings. Additionally, the owners intend to pursue a mutually beneficial reallocation (swap) of megawatts between the two units that would ideally provide NorthWestern with a controlling (> 370 megawatts) share of Unit 4.

Why Colstrip?

Reliable

- **Existing resource, ready to serve our Montana customers**. Avoids lengthy planning, permitting and construction of a new facility that would stretch in-service beyond 2026.
- Reduces reliance on imported power and volatile markets, providing increased energy independence.
- In-state and on-system asset mitigating the transmission constraints we experience importing capacity.
- Adds critical long-duration, 24/7 on-demand generation necessary for balancing our existing portfolio.

Affordable

- **222 MW of capacity with no upfront capital costs and stable operating costs going forward.**
  - Equivalent new build would cost in excess of $500 million.
  - Incremental operating costs are known and reasonable. Resulting variable generation costs represent a 90%+ discount to market prices incurred during December's polar vortex.
- In addition to no upfront capital, low and stably priced mine-mouth coal supply costs.

Sustainable

- **We remain committed to our net zero goal by 2050.** This additional capacity, with a remaining life of up to 20 years, helps bridge the interim gap and will likely lead to less carbon post 2040.
- Yellowstone County Generating Station is potentially our last natural gas resource addition in Montana.
- Partners are committed to evaluate non-carbon long-duration alternative resources for the site.
- Keeps the existing plant open and retains its highly skilled jobs vital to the Colstrip community.
- Protects existing ownership interests with an ultimate goal of majority ownership of Unit 4.

NorthWestern Energy executed an agreement with Avista Corporation for the transfer of Avista's ownership interests in Colstrip Units 3 & 4.

- Effective date of transfer: 12/31/2025
- Generating capacity: 222 MW
- **Transfer price: $0.00**

Why Colstrip?

Reduces Risk

- We are in a supply capacity crisis due to lack of resource adequacy, with approx. 40% of our customers' peak needs on the market. This transaction will reduce our need to import expensive capacity during critical times.
- Establishes clarity regarding operations past 2025 Washington state legislation deadline.
- Reduces PCCAM risk sharing for customers and shareholders.

Bill Headroom

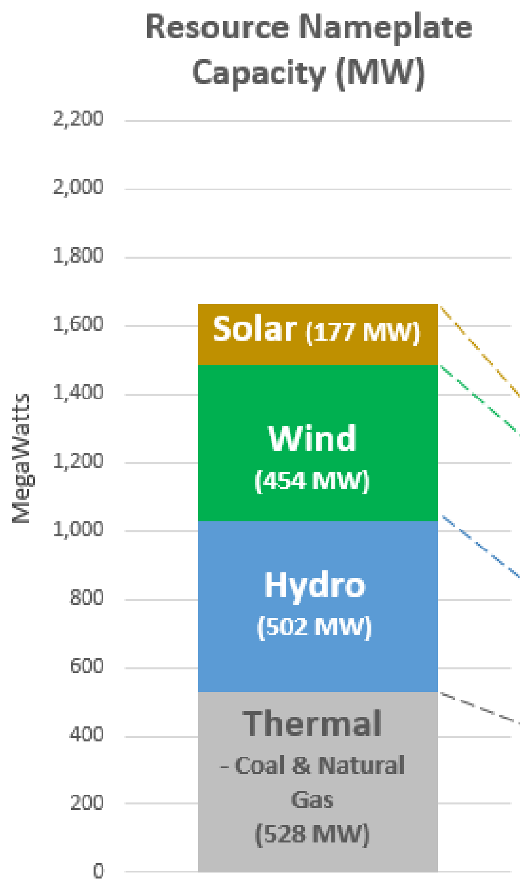
- Stable pricing reduces impact of market volatility and high energy prices on customers.

Aligned with 'All of the Above' energy transition in Montana

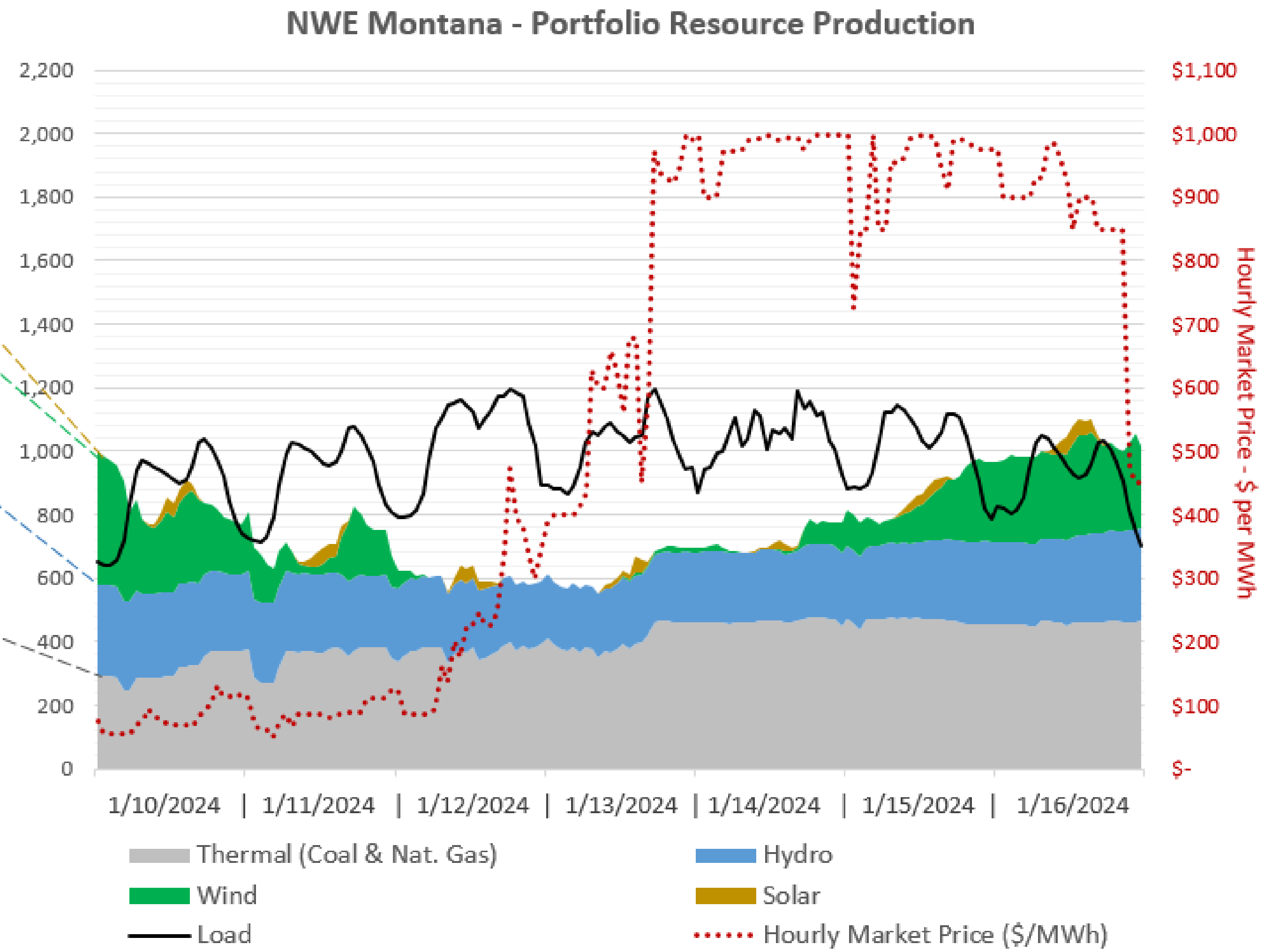
- Supports our generating portfolio that is nearly 60% carbon-free today.
- Provides future opportunity at the site while supporting economic development in Montana.
- Agreement considers the appropriate balance of reliability, affordability and sustainability.

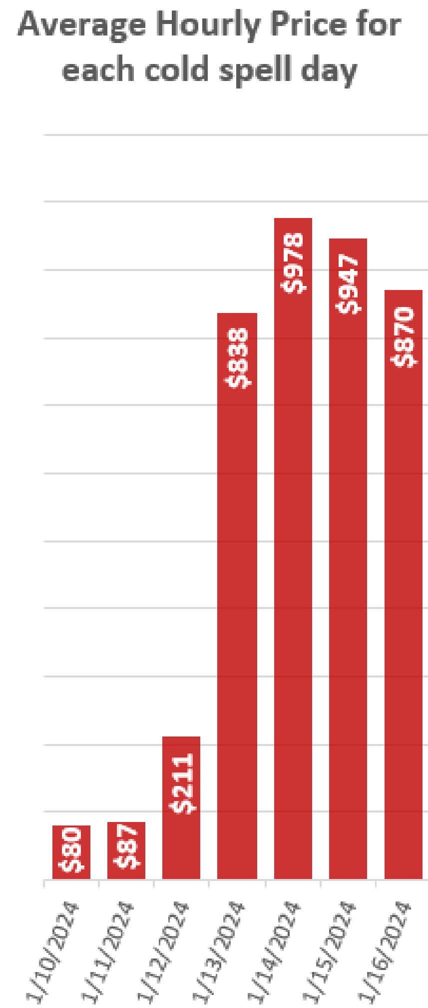
Appendix

January 2024 Cold Weather Event - Montana



Includes owned and long-term contracted resources in Montana

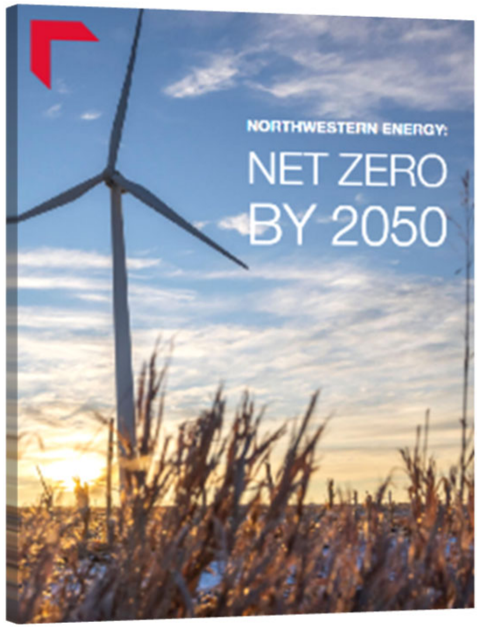




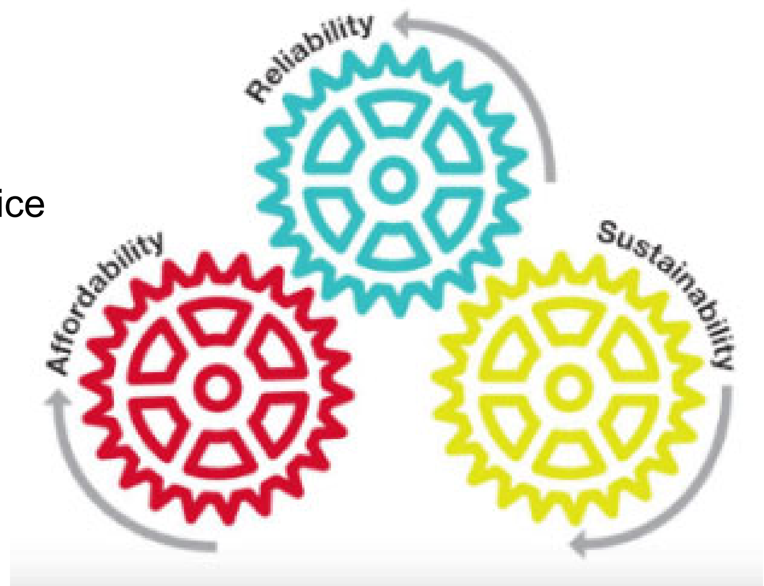
The above charts illustrate our resource nameplate capacity, the actual resource specific contribution of energy, the capacity deficit we faced, and the market price of power during the January 2024 multi-day cold weather event in Montana. As a result of our capacity deficit, we were reliant upon the high and volatile power market a majority of the time to meet customer demand.

Appendix

Our Net-Zero Vision



Over the past 100 years, NorthWestern Energy has maintained our commitment to provide customers with reliable and affordable electric and natural gas service while also being good stewards of the environment. We have responded to climate change, its implications and risks, by increasing our environmental sustainability efforts and our access to clean energy resources. But more must be done. We are committed to achieving net zero emissions by 2050.



- Committed to achieving net-zero by 2050 for Scope 1 and 2 emissions
- Must balance Affordability, Reliability and Sustainability in this transition
- No new carbon emitting generation additions after 2035
- Pipeline modernization, enhanced leak detection and development of alternative fuels for natural gas business
- Electrify fleet and add charging infrastructure
- Carbon offsets likely needed to ultimately achieve net-zero
- Please visit www.NorthWesternEnergy.com/NetZero to learn more about our Net Zero Vision.

First Quarter Appendix

Appendix

Utility Margin (Q1)

(dollars in millions)

	Three Months Ended March 31,			
	2024	2023	Variance	
Electric	$ 227.9	$ 217.2	$ 10.7	4.9%
Natural Gas	72.7	71.8	0.9	1.3%
Total Utility Margin	**$ 300.6**	**$ 289.0**	**$ 11.6**	**4.0%**

Increase in utility margin due to the following factors:

$ 19.8	New base rates
3.5	Higher transmission revenue due to market conditions
0.9	Montana property tax tracker collections
0.2	Higher Montana natural gas transportation
(3.5)	Higher non-recoverable Montana electric supply costs due to higher electric supply costs
(3.5)	Lower natural gas retail volumes
(3.2)	Lower electric retail volumes
(0.1)	Other
$ 14.1	**Change in Utility Margin Impacting Net Income**
$ (2.4)	Lower property & other taxes recovered in revenue, offset in property & other taxes
(0.5)	Lower revenue from higher production tax credits, offset in income tax expense
0.4	Higher operating expenses recovered in revenue, offset in operating & maintenance expense
$ (2.5)	**Change in Utility Margin Offset Within Net Income**
$ 11.6	**Increase in Utility Margin**

(1) Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

Operating Expenses (Q1)

(dollars in millions)

	Three Months Ended March 31,			
	2024	2023	Variance	
Operating & maintenance	$ 54.2	$ 55.9	$ (1.7)	(3.0)%
Administrative & general	40.4	34.7	5.7	16.4%
Property and other taxes	47.2	49.2	(2.0)	(4.1)%
Depreciation and depletion	56.7	53.2	3.5	6.6%
Operating Expenses	**$ 198.5**	**$ 193.0**	**$ 5.5**	**2.8%**

Increase in operating expenses due to the following factors:

$	3.5	Higher depreciation expense due to plant additions and higher depreciation rates
	2.4	Litigation outcome (Pacific Northwest Solar)
	2.2	Non-cash impairment of alternative energy storage investment
	1.6	Higher labor and benefits[(1)]
	0.5	Higher insurance expense
	0.4	Higher property and other taxes not recoverable within trackers
	(2.6)	Lower expenses at our electric generation facilities
	0.2	Other
$	**8.2**	**Change in Operating Expense Items Impacting Net Income**
$	(2.4)	Lower property and other taxes recovered in trackers, offset in revenue
	(0.9)	Pension and other postretirement benefits, offset in other income[(1)]
	0.4	Higher operating and maintenance expenses recovered in trackers, offset in revenue
	0.2	Higher deferred compensation, offset in other income
$	**(2.7)**	**Change in Operating Expense Items Offset Within Net Income**
$	**5.5**	**Increase in Operating Expenses**

(1) In order to present the total change in labor and benefits, we have included the change in the non-service cost component of our pension and other postretirement benefits, which is recorded within other income on our Condensed Consolidated Statements of Income. This change is offset within this table as it does not affect our operating expenses.

Operating to Net Income (Q1)

(dollars in millions)

	Three Months Ended March 31,			
	2024	**2023**	**Variance**	
Operating Income	**$ 102.1**	**$ 96.0**	**$ 6.1**	**6.4%**
Interest expense	(31.0)	(28.0)	(3.0)	(10.7)%
Other income, net	4.3	4.7	(0.4)	(8.5)%
Income Before Taxes	**75.4**	**72.7**	**2.7**	**3.7%**
Income tax expense	(10.3)	(10.2)	(0.1)	(1.0)%
Net Income	**$ 65.1**	**$ 62.5**	**$ 2.6**	**4.2%**

$3.0 million increase in interest expenses was primarily due to higher interest on long term debt partly offset by lower interest on our revolving credit facilities and higher capitalization of AFUDC.

$0.4 million decrease in other income, net was primarily due to a non-cash impairment of an alternative energy storage equity investment and an increase in the non-service component of pension expense, partly offset by a reversal of a previously expensed CREP penalty and higher capitalization of AFUDC.

$0.1 million increase in income tax expense was primarily due to higher pre-tax income.

Tax Reconciliation (Q1)

(in millions)	Three Months Ended March 31,				
	2024		2023		Variance
Income Before Income Taxes	**$75.4**		**$72.7**		2.7
Income tax calculated at federal statutory rate	15.8	21.0%	15.3	21.0%	0.5
Permanent or flow through adjustments:					
State income taxes, net of federal provisions	0.6	0.9%	1.0	1.3%	(0.4)
Flow-through repairs deductions	(6.1)	(8.2%)	(5.8)	(8.0%)	(0.3)
Production tax credits	(3.0)	(4.0%)	(3.2)	(4.4%)	0.2
Amortization of excess deferred income tax	(0.4)	(0.5%)	(0.8)	(1.1%)	0.4
Plant and depreciation flow-through items	3.1	4.1%	0.7	0.9%	2.4
Share-based compensation	0.3	0.4%	0.4	0.5%	(0.1)
Reduction to previously claimed alternative minimum tax credit	-	-	3.2	4.4%	(3.2)
Other, net	0.0	0.0	(0.6)	(0.5%)	0.6
Sub-total	(5.5)	(7.3%)	(5.1)	(6.9%)	(0.4)
Income Tax Expense	**$ 10.3**	**13.7%**	**$ 10.2**	**14.1%**	**$ 0.1**

Segment Results (Q1)

(in thousands)

Three Months Ended March 31, 2024	Electric	Gas	Other	Total
Operating revenues	$ 343,186	$ 132,156	$ -	$ 475,342
Fuel, purchased supply & direct transmission*	115,341	59,380	-	174,721
Utility margin[1]	227,845	72,776	-	300,621
Operating and maintenance	40,299	13,883	-	54,182
Administrative and general	27,919	10,046	2,480	40,445
Property and other taxes	36,300	10,869	2	47,171
Depreciation & depletion	47,304	9,439		56,743
Operating income (loss)	76,023	28,539	(2,482)	102,080
Interest expense	(24,657)	(6,249)	(73)	(30,979)
Other income (expense)	5,461	1,054	(2,196)	4,319
Income tax (expense) benefit	(7,283)	(3,173)	122	(10,334)
Net income (loss)	$ 49,544	$ 20,171	$ (4,629)	$ 65,086

Three Months Ended March 31, 2023	Electric	Gas	Other	Total
Operating revenues	$ 295,308	$ 159,234	$ -	$ 454,542
Fuel, purchased supply & direct transmission*	78,134	87,358	-	165,492
Utility margin[1]	217,174	71,876	-	289,050
Operating and maintenance	42,413	13,448	-	55,861
Administrative and general	24,968	9,766	14	34,748
Property and other taxes	38,251	10,898	2	49,151
Depreciation & depletion	43,898	9,350	-	53,248
Operating income (loss)	67,644	28,414	(16)	96,042
Interest expense	(18,560)	(3,251)	(6,197)	(28,008)
Other income	3,366	1,415	(44)	4,737
Income tax benefit (expense)	(6,628)	234	(3,847)	(10,241)
Net income (loss)	$ 45,822	$ 26,812	$ (10,104)	$ 62,530

** Direct Transmission expense excludes depreciation and depletion*

(1) Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

Electric Segment (Q1)

	Three Months Ended March 31,							
	Revenues		Change		Megawatt Hours (MWH)		Average Customer Counts	
	2024	2023	$	%	2024	2023	2024	2023
	(in thousands)							
Montana	$ 117,363	$ 125,462	$ (8,099)	(6.5) %	847	871	326,317	320,739
South Dakota	19,310	19,771	(461)	(2.3) %	173	195	51,451	51,276
Residential	**136,673**	**145,233**	**(8,560)**	**(5.9) %**	**1,020**	**1,066**	**377,768**	**372,015**
Montana	101,503	112,613	(11,110)	(9.9) %	824	851	75,676	74,262
South Dakota	27,773	25,128	2,645	10.5 %	287	279	13,011	12,942
Commercial	**129,276**	**137,741**	**(8,465)**	**(6.1) %**	**1,111**	**1,130**	**88,687**	**87,204**
Industrial	11,669	11,841	(172)	(1.5) %	725	626	79	78
Other	4,816	5,254	(438)	(8.3) %	13	15	4,920	4,859
Total Retail Electric	**282,434**	**300,069**	**(17,635)**	**(5.9) %**	**2,869**	**2,837**	**471,454**	**464,156**
Regulatory amortization	36,346	(25,297)	61,643	(243.7) %				
Transmission	22,387	18,893	3,494	18.5 %				
Wholesale and other	2,019	1,643	376	22.9 %				
Total Revenues	**343,186**	**295,308**	**47,878**	**16.2 %**				
Total fuel, purchased supply & direct transmission expense*	115,341	78,134	37,207	47.6 %				
Utility Margin[1]	**227,845**	**217,174**	**10,671**	**4.9 %**				

** Direct transmission expense is exclusive of depreciation and depletion expense*

(1) Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

Natural Gas Segment (Q1)

	Three Months Ended March 31,							
	Revenues		Change		Dekatherms (Dkt)		Average Customer Counts	
	2024	2023	$	%	2024	2023	2024	2023
	(in thousands)							
Montana	$ 48,590	$ 66,882	$ (18,292)	(27.3) %	6,257	6,517	185,216	183,500
South Dakota	13,605	19,935	(6,330)	(31.8) %	1,437	1,752	42,602	42,150
Nebraska	10,517	20,513	(9,996)	(48.7) %	1,231	1,407	38,050	37,965
Residential	**72,712**	**107,330**	**(34,618)**	**(32.3) %**	**8,925**	**9,676**	**265,868**	**263,615**
Montana	25,083	36,339	(11,256)	(31.0) %	3,397	3,687	26,083	25,666
South Dakota	9,267	14,286	(5,019)	(35.1) %	1,314	1,502	7,371	7,252
Nebraska	6,218	13,163	(6,945)	(52.8) %	861	999	5,082	5,076
Commercial	**40,568**	**63,788**	**(23,220)**	**(36.4) %**	**5,572**	**6,188**	**38,536**	**37,994**
Industrial	419	729	(310)	(42.5) %	60	75	236	231
Other	575	796	(221)	(27.8) %	89	93	195	188
Total Retail Electric	**$ 114,274**	**$ 172,643**	**$ (58,369)**	**(33.8) %**	**14,646**	**16,032**	**304,835**	**302,028**
Regulatory amortization	6,926	(25,401)	32,327	(127.3) %				
Wholesale and other	10,956	11,992	(1,036)	(8.6) %				
Total Revenues	**$ 132,156**	**$ 159,234**	**$ (27,078)**	**(17.0) %**				
Total fuel, purchased supply & direct transmission expense*	$ 59,380	$ 87,358	$ (27,978)	(32.0) %				
Utility Margin[1]	**$ 72,776**	**$ 71,876**	**$ 900**	**1.3 %**				

** Direct transmission expense is exclusive of depreciation and depletion expense*

(1) Utility Margin is a non-GAAP Measure. See appendix slide titled "Reconciling Gross Margin to Utility Margin" for additional disclosure.

Appendix

PCCAM Impact by Quarter

Pretax millions – shareholder (detriment) benefit

	Q1	Q2	Q3	Q4	Full Year
'17/'18 Tracker — First full year recorded in Q3			$3.3		$3.3
'18/'19 Tracker			($5.1)	$0.3	(4.8)
2018 (Expense) Benefit	**$0.0**	**$0.0**	**($1.8)**	**$0.3**	**($1.5)**
					Full Year
'18/'19 Tracker	($1.6)	$4.6			$3.0
'19/'20 Tracker			$0.1	($0.7)	(0.6)
2019 (Expense) Benefit	**($1.6)**	**$4.6**	**$0.1**	**($0.7)**	**$2.4**
					Full Year
CU4 Disallowance ('18/'19 Tracker)				($9.4)	($9.4)
'19/'20 Tracker	($0.1)	$0.2			$0.1
Recovery of modeling costs	$0.7				$0.7
'20/'21 Tracker			($0.6)	($0.3)	($0.9)
2020 (Expense) Benefit	**$0.6**	**$0.2**	**($0.6)**	**($0.3)**	**($0.1)**
					Full Year
'20/'21 Tracker	($0.8)	($0.5)			($1.3)
'21/'22 Tracker			($2.7)	($1.4)	($4.1)
2021 (Expense) Benefit	**($0.8)**	**($0.5)**	**($2.7)**	**($1.4)**	**($5.4)**
	Q1	*Q2*	*Q3*	*Q4*	*Full Year*
'21/'22 Tracker	($0.8)	($0.8)			($1.6)
'22/'23 Tracker			($3.9)	($1.7)	($5.6)
2022 (Expense) Benefit	**($0.8)**	**($0.8)**	**($3.9)**	**($1.7)**	**($7.2)**
	Q1	*Q2*	*Q3*	*Q4*	*Year-to-Date*
'22/'23 Tracker	$0.5	$2.1			$2.6
Retro-active application of PCCAM base				$3.2	$3.2
'23/'24 Tracker			$0.1	$1.1	$1.2
2023 (Expense) Benefit	**$0.5**	**$2.1**	**$0.1**	**$4.3**	**$7.0**
	Q1	*Q2*	*Q3*	*Q4*	*Year-to-Date*
'23/'24 Tracker	($3.0)				($3.0)
'24/'25 Tracker					$0.0
2024 (Expense) Benefit	**($3.0)**	**$0.0**	**$0.0**	**$0.0**	**($3.0)**
Year-over-Year Variance	***($3.5)***				***($3.5)***

Qualified Facility Earnings Adjustment

(Millions)	Annual actual contract price escalation	Annual adjustment for actual output and pricing	Adjustment associated with the one-time clarification in contract term	Total
Nov-12	(Arbitration) $47.9 Non-GAAP Adj.	$0.0	$0.0	$47.9
Jun-13	$0.0	1.0	0.0	**$1.0**
Jun-14	$0.0	0.0	0.0	**$0.0**
Jun-15	($6.1) Non-GAAP Adj.	1.8	0.0	**($4.3)**
Jun-16	$0.0	1.8	0.0	**$1.8**
Jun-17	$0.0	2.1	0.0	**$2.1**
Jun-18	$17.5 Non-GAAP Adj.	9.7	0.0	**$27.2**
Jun-19	$3.3	3.1	0.0	**$6.4**
Jun-20	$2.2	0.9	0.0	**$3.1**
Jun-21	($2.1)	2.6	8.7 Non-GAAP Adj.	**$9.2**
Sep-21	$0.0	0.0	(1.3) Non-GAAP Adj.	($1.3)
Dec-21	$0.0	0.0	(0.4) Non-GAAP Adj.	($0.4)
Jun-22	$3.3	1.8	0.0	**$5.1**
Jun-23	$4.2	0.8	0.0	**$5.0**
Year-over-Year Better (Worse)				
2013	($47.9)	1.0	0.0	**($46.9)**
2014	$0.0	(1.0)	0.0	**($1.0)**
2015	($6.1)	1.8	0.0	**($4.3)**
2016	$6.1	0.0	0.0	**$6.1**
2017	$0.0	0.3	0.0	**$0.3**
2018	$17.5	7.6	0.0	**$25.1**
2019	($14.2)	(6.6)	0.0	**($20.8)**
2020	($1.1)	(2.2)	0.0	**($3.3)**
2021	($4.3)	$1.7	$7.0	**$4.4**
2022	$5.4	($0.8)	($7.0)	**($2.4)**
2023	$0.9	($1.0)	$0.0	**($0.1)**

Our electric QF liability consists of unrecoverable costs associated with contracts covered under PURPA that are part of a 2002 stipulation with the MPSC and other parties. Risks / losses associated with these contracts are born by shareholders, not customers. Therefore, any mitigation of prior losses and / or benefits of liability reduction also accrue to shareholders.

Appendix

Balance Sheet

(dollars in millions)	As of March 31, 2024		As of December 31, 2023	
Cash and cash equivalents	$	4.2	$	9.2
Restricted cash		16.2	$	16.0
Accounts receivable, net		186.9	$	212.3
Inventories		103.8	$	114.5
Other current assets		85.7	$	55.0
Goodwill		357.6	$	357.6
PP&E and other non-current assets		6,879.0	$	6,836.1
Total Assets	**$**	**7,633.4**	**$**	**7,600.7**
Payables		96.5		124.3
Other current liabilities		344.7		307.3
Total debt & capital leases		2,775.1		2,793.4
Other non-current liabilities		1,604.0		1,590.3
Shareholders' equity		2,813.0		2,785.3
Total Liabilities and Equity	**$**	**7,633.4**	**$**	**7,600.7**
Capitalization:				
Total Debt & Capital Leases		2,775.1		2,793.4
Less: Basin Creek Capital Lease		(8.0)		(8.8)
Shareholders' Equity		2,813.0		2,785.3
Total Capitalization	**$**	**5,580.1**	**$**	**5,569.9**
Ratio of Debt to Total Capitalization		**49.6%**		**50.0%**

Debt to Total Capitalization down from last quarter and slightly below our targeted 50% - 55% range.

Reconciling Gross Margin to Utility Margin

Reconciliation of Gross Margin to Utility Margin for Quarter Ending March 31,

	Electric		Natural Gas		Total	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
(in millions)						
Reconciliation of gross margin to utility margin						
Operating Revenues	$ 343.2	$ 295.3	$ 132.1	$ 159.2	$ 475.3	$ 454.5
Less: Fuel, purchased supply and direct transmission expense (exclusive of depreciation and depletion shown	115.3	78.1	59.4	87.4	174.7	165.5
Less: Operating & maintenance expense	40.3	42.4	13.9	13.5	54.2	55.9
Less: Property and other tax expense	36.3	38.3	10.9	10.9	47.2	49.2
Less: Depreciation and depletion expense	47.3	43.9	9.4	9.3	56.7	53.2
Gross Margin	**104.0**	**92.6**	**38.5**	**38.1**	**142.5**	**130.7**
Plus: Operating & maintenance expense	40.3	42.4	13.9	13.5	54.2	55.9
Plus: Property and other tax expense	36.3	38.3	10.9	10.9	47.2	49.2
Plus: Depreciation and depletion	47.3	43.9	9.4	9.3	56.7	53.2
Utility Margin (1)	**$ 227.9**	**$ 217.2**	**$ 72.7**	**$ 71.8**	**$ 300.6**	**$ 289.0**

Management believes that Utility Margin provides a useful measure for investors and other financial statement users to analyze our financial performance in that it excludes the effect on total revenues caused by volatility in energy costs and associated regulatory mechanisms. This information is intended to enhance an investor's overall understanding of results. Under our various state regulatory mechanisms, as detailed below, our supply costs are generally collected from customers. In addition, Utility Margin is used by us to determine whether we are collecting the appropriate amount of energy costs from customers to allow recovery of operating costs, as well as to analyze how changes in loads (due to weather, economic or other conditions), rates and other factors impact our results of operations. Our Utility Margin measure may not be comparable to that of other companies' presentations or more useful than the GAAP information provided elsewhere in this report.

(1) Utility Margin is a non-GAAP Measure.

Appendix

Non-GAAP Financial Measures

Use of Non-GAAP Financial Measures - Reconcile to Non-GAAP diluted EPS

Pre-Tax Adjustments ($ Millions)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Reported GAAP Pre-Tax Income	**$ 110.4**	**$ 181.2**	**$ 156.5**	**$ 176.1**	**$ 178.3**	**$ 182.2**	**$ 144.2**	**$ 190.2**	**$ 182.4**	**$ 201.6**
Non-GAAP Adjustments to Pre-Tax Income:										
Weather	(1.3)	13.2	15.2	(3.4)	(1.3)	(7.3)	9.8	1.1	(8.9)	4.3
Lost revenue recovery related to prior periods	-	-	(14.2)	-	-	-	-	-	-	-
Remove hydro acquisition transaction costs	15.4	-	-	-	-	-	-	-	-	-
Exclude unplanned hydro earnings	(8.7)	-	-	-	-	-	-	-	-	-
Remove benefit of insurance settlement	-	(20.8)	-	-	-	-	-	-	-	-
QF liability adjustment	-	6.1	-	-	(17.5)	-	-	(6.9)	-	-
Electric tracker disallowance of prior period costs	-	-	12.2	-	-	-	9.9	-	-	-
Income tax adjustment	-	-	-	-	9.4	-	-	-	-	-
Community Renewable Energy Project Penalty	-	-	-	-	-	-	-	-	2.5	-
Unplanned Equity Dilution from Hydro transaction					-	-	-	-	-	-
Adjusted Non-GAAP Pre-Tax Income	**$ 115.8**	**$ 179.7**	**$ 169.7**	**$ 172.7**	**$ 168.9**	**$ 174.9**	**$ 163.9**	**$ 184.4**	**$ 176.0**	**$ 205.9**

Tax Adjustments to Non-GAAP Items ($ Millio	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GAAP Net Income	**$ 120.7**	**$ 151.2**	**$ 164.2**	**$ 162.7**	**$ 197.0**	**$ 202.1**	**$ 155.2**	**$ 186.8**	**$ 183.0**	**$ 194.1**
Non-GAAP Adjustments Taxed at 38.5% ('12-'17) and 25.3% ('18-currrent):										
Weather	(0.8)	8.1	9.3	(2.1)	(1.0)	(5.5)	7.3	0.8	(6.6)	3.2
Lost revenue recovery related to prior periods	-	-	(8.7)	-	-	-	-	-	-	-
Remove hydro acquisition transaction costs	9.5	-	-	-	-	-	-	-	-	-
Exclude unplanned hydro earnings	(5.4)	-	-	-	-	-	-	-	-	-
Remove benefit of insurance settlement	-	(12.8)	-	-	-	-	-	-	-	-
QF liability adjustment	-	3.8	-	-	(13.1)	-	-	(5.2)	-	-
Electric tracker disallowance of prior period costs	-	-	7.5	-	-	-	7.4	-	-	-
Income tax adjustment	(18.5)	-	(12.5)	-	(12.8)	(22.8)	-	-	-	-
Community Renewable Energy Project Penalty									2.5	-
Unplanned Equity Dilution from Hydro transaction										-
Previously claimed AMT Credit									-	3.2
Natural Gas Safe Harbor UTP Benefit										(3.2)
Non-GAAP Net Income	**$ 105.5**	**$ 150.3**	**$ 159.8**	**$ 160.6**	**$ 170.1**	**$ 173.8**	**$ 169.9**	**$ 182.4**	**$ 178.9**	**$ 197.3**

Non-GAAP Diluted Earnings Per Share	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Diluted Average Shares (Millions)	*40.4*	*47.6*	*48.5*	*48.7*	*50.2*	*50.8*	*50.7*	*51.9*	*56.3*	*60.4*
Reported GAAP Diluted earnings per share	**$ 2.99**	**$ 3.17**	**$ 3.39**	**$ 3.34**	**$ 3.92**	**$ 3.98**	**$ 3.06**	**$ 3.60**	**$ 3.25**	**$ 3.22**
Non-GAAP Adjustments:										
Weather	(0.02)	0.17	0.19	(0.04)	(0.02)	(0.11)	0.14	0.01	(0.11)	0.05
Lost revenue recovery related to prior periods	-	-	(0.18)	-	-	-	-	-	-	-
Remove hydro acquisition transaction costs	0.24	-	-	-	-	-	-	-	-	-
Exclude unplanned hydro earnings	(0.14)	-	-	-	-	-	-	-	-	-
Remove benefit of insurance settlements & recoveries	-	(0.27)	-	-	-	-	-	-	-	-
QF liability adjustment	-	0.08	-	-	(0.26)	-	-	(0.10)	-	-
Electric tracker disallowance of prior period costs	-	-	0.16	-	-	-	0.15	-	-	-
Income tax adjustment	(0.47)	-	(0.26)	-	(0.25)	(0.45)	-	-	-	-
Community Renewable Energy Project Penalty	-	-	-	-	-	-	-	-	0.04	-
Unplanned Equity Dilution from Hydro transaction	0.08	-	-	-	-	-	-	-	-	-
Previously claimed AMT Credit									-	0.05
Natural Gas Safe Harbor UTP Benefit										(0.05)
Non-GAAP Diluted Earnings Per Share	**$ 2.68**	**$ 3.15**	**$ 3.30**	**$ 3.30**	**$ 3.39**	**$ 3.42**	**$ 3.35**	**$ 3.51**	**$ 3.18**	**$ 3.27**

Non-GAAP Financial Measures

This presentation includes financial information prepared in accordance with GAAP, as well as other financial measures, such as Utility Margin, Adjusted Non-GAAP pretax income, Adjusted Non-GAAP net income and Adjusted Non-GAAP Diluted EPS that are considered “non-GAAP financial measures.” Generally, a non-GAAP financial measure is a numerical measure of a company’s financial performance, financial position or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP.

We define Utility Margin as Operating Revenues less fuel, purchased supply and direct transmission expense (exclusive of depreciation and depletion) as presented in our Consolidated Statements of Income. This measure differs from the GAAP definition of Gross Margin due to the exclusion of Operating and maintenance, Property and other taxes, and Depreciation and depletion expenses, which are presented separately in our Consolidated Statements of Income. A reconciliation of Utility Margin to Gross Margin, the most directly comparable GAAP measure, is included in this presentation.

Management believes that Utility Margin provides a useful measure for investors and other financial statement users to analyze our financial performance in that it excludes the effect on total revenues caused by volatility in energy costs and associated regulatory mechanisms. This information is intended to enhance an investor's overall understanding of results. Under our various state regulatory mechanisms, as detailed below, our supply costs are generally collected from customers. In addition, Utility Margin is used by us to determine whether we are collecting the appropriate amount of energy costs from customers to allow recovery of operating costs, as well as to analyze how changes in loads (due to weather, economic or other conditions), rates and other factors impact our results of operations. Our Utility Margin measure may not be comparable to that of other companies' presentations or more useful than the GAAP information provided elsewhere in this report.

Management also believes the presentation of Adjusted Non-GAAP pre-tax income, Adjusted Non-GAAP net income and Adjusted Non-GAAP Diluted EPS is more representative of normal earnings than GAAP pre-tax income, net income and EPS due to the exclusion (or inclusion) of certain impacts that are not reflective of ongoing earnings. The presentation of these non-GAAP measures is intended to supplement investors' understanding of our financial performance and not to replace other GAAP measures as an indicator of actual operating performance. Our measures may not be comparable to other companies' similarly titled measures.

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