58th Annual EEI Financial Conference

Phoenix, AZ | November 2023

8-K November 13, 2023

NorthWestern Energy

Delivering a Bright Future

Forward Looking Statements

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 hereof 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 most recent Form 10-K and 10-Q along with other public filings with the SEC.

Recognized by Newsweek as one of **"America's Most Responsible Companies"**

NorthWestern Corporation
dba: NorthWestern Energy
Ticker: NWE (Nasdaq)
www.northwesternenergy.com

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NorthWestern Energy
Delivering a Bright Future

Vision

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

Mission

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

Values

- **S**afety
- **E**xcellence
- **R**espect
- **V**alue
- **I**ntegrity
- **C**ommunity
- **E**nvironment

NorthWestern Energy
Delivering a Bright Future

Company Overview

NWE - An Investment for the Long Term

Pure Electric & Gas Utility

- 100% pure electric & natural gas utility business with over 100 years of operating history
- Solid economic indicators in service territory
- Diverse electric supply portfolio ~55% hydro, wind & solar

Solid Utility Foundation

- Residential electric & gas rates below national average
- Solid system reliability
- Low leaks per 100 miles of pipe
- Solid JD Power Overall Customer Satisfaction scores

Earnings & Cash Flow

- Pending Montana electric and natural gas rate review to reduce regulatory lag, aid earnings and cash flow and improve balance sheet strength
- History of consistent annual dividend growth

Recognized as one of America's Greatest Workplaces

Attractive Future Growth Prospects

- Disciplined maintenance capital investment program focus on reliability, capacity, asset life and compliance
- Further opportunity for energy supply investment to meet significant capacity shortfalls

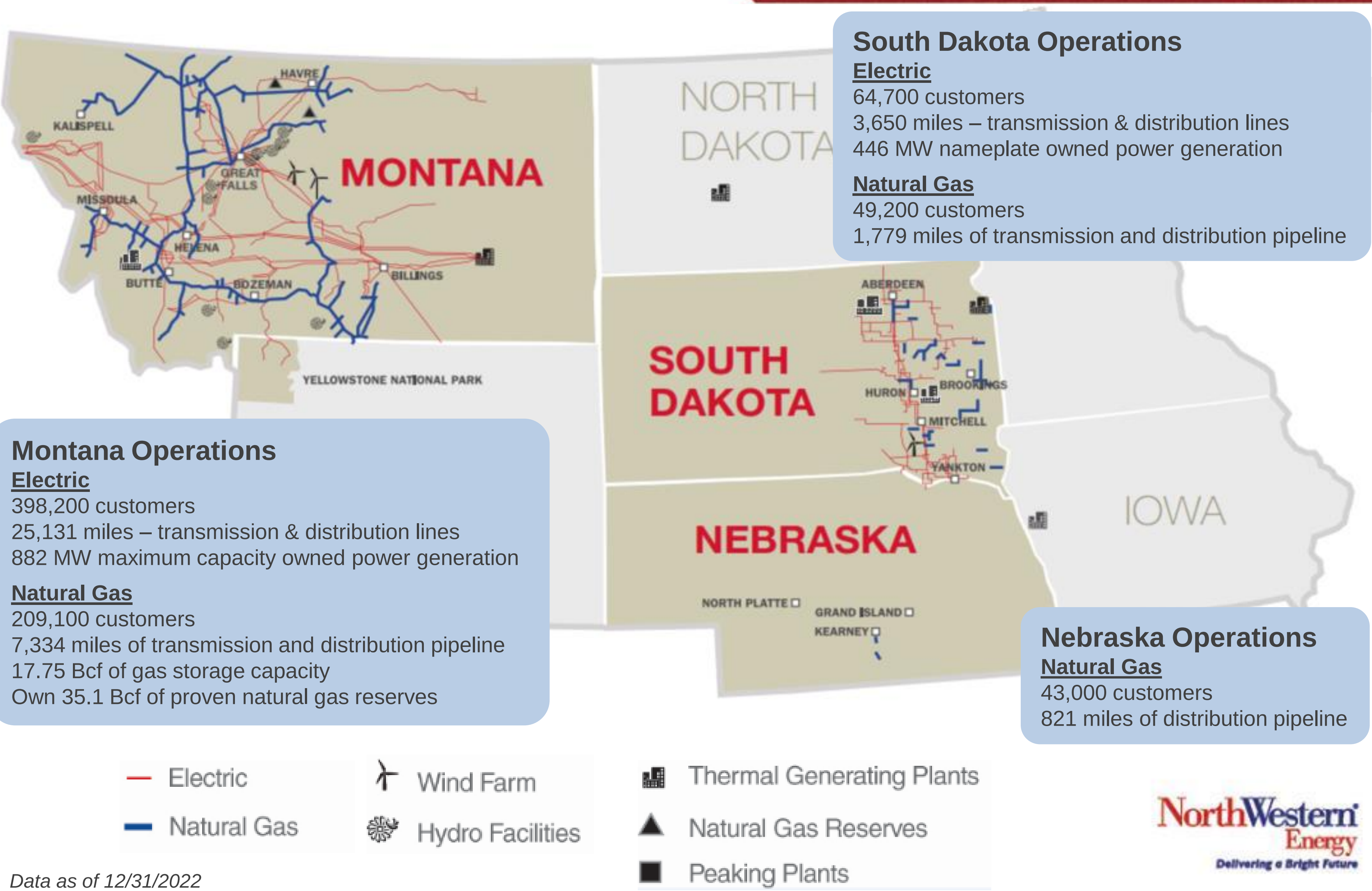
Financial Goals & Metrics

- Target 4%-6% EPS growth plus dividend yield to provide competitive total return
- Target dividend long-term payout ratio of 60%-70%
- Target debt to capitalization ratio of 50%-55% with liquidity of $100 million or greater

Best Practices Corporate Governance

5th Best Governance Score

About NorthWestern



South Dakota Operations

Electric

64,700 customers
3,650 miles – transmission & distribution lines
446 MW nameplate owned power generation

Natural Gas

49,200 customers
1,779 miles of transmission and distribution pipeline

Montana Operations

Electric

398,200 customers
25,131 miles – transmission & distribution lines
882 MW maximum capacity owned power generation

Natural Gas

209,100 customers
7,334 miles of transmission and distribution pipeline
17.75 Bcf of gas storage capacity
Own 35.1 Bcf of proven natural gas reserves

Nebraska Operations

Natural Gas

43,000 customers
821 miles of distribution pipeline

Data as of 12/31/2022

NorthWestern Energy
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NorthWestern's Combo-Advantage

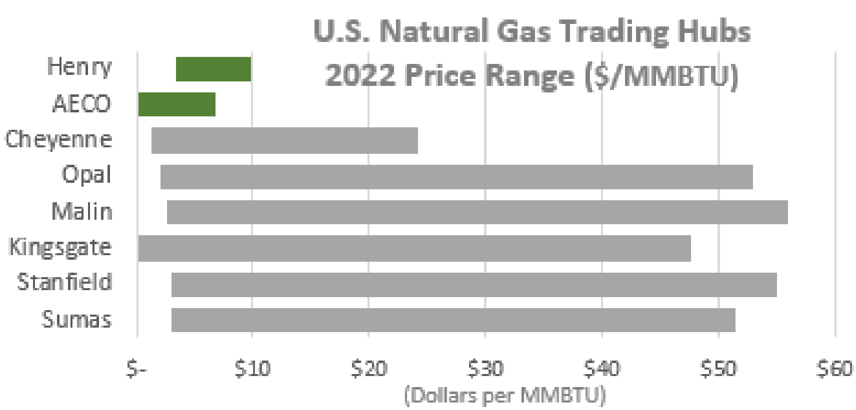
- ✓ **Combination electric & natural gas provider in Montana & South Dakota**
  - *Targeting best-in-class Customer Experience*
  - *Opportunity to invest in critical Capacity expansion (supply & transmission)*
  - *Continued Grid Evolution to improve resiliency and enhance wildfire mitigation efforts*
  - *Transforming our Digital Platform to enhance cyber-security & technology solutions*
- ✓ **Natural hedge between natural gas to electric conversions**
- ✓ **Primarily residential with commercial & industrial customers across many industries**

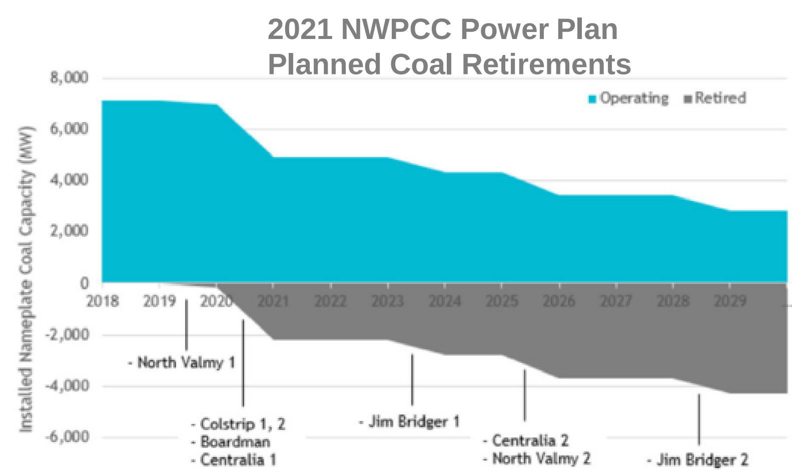
Natural Gas

- Investment in production*, transmission & distribution
- Extreme winters necessitate economical gas heating
- Energy Choice (*Ban the Ban*) laws in MT & SD
- Access to low & less volatile natural gas pricing
  - AECO & Henry Hub (Ventura)

Electric

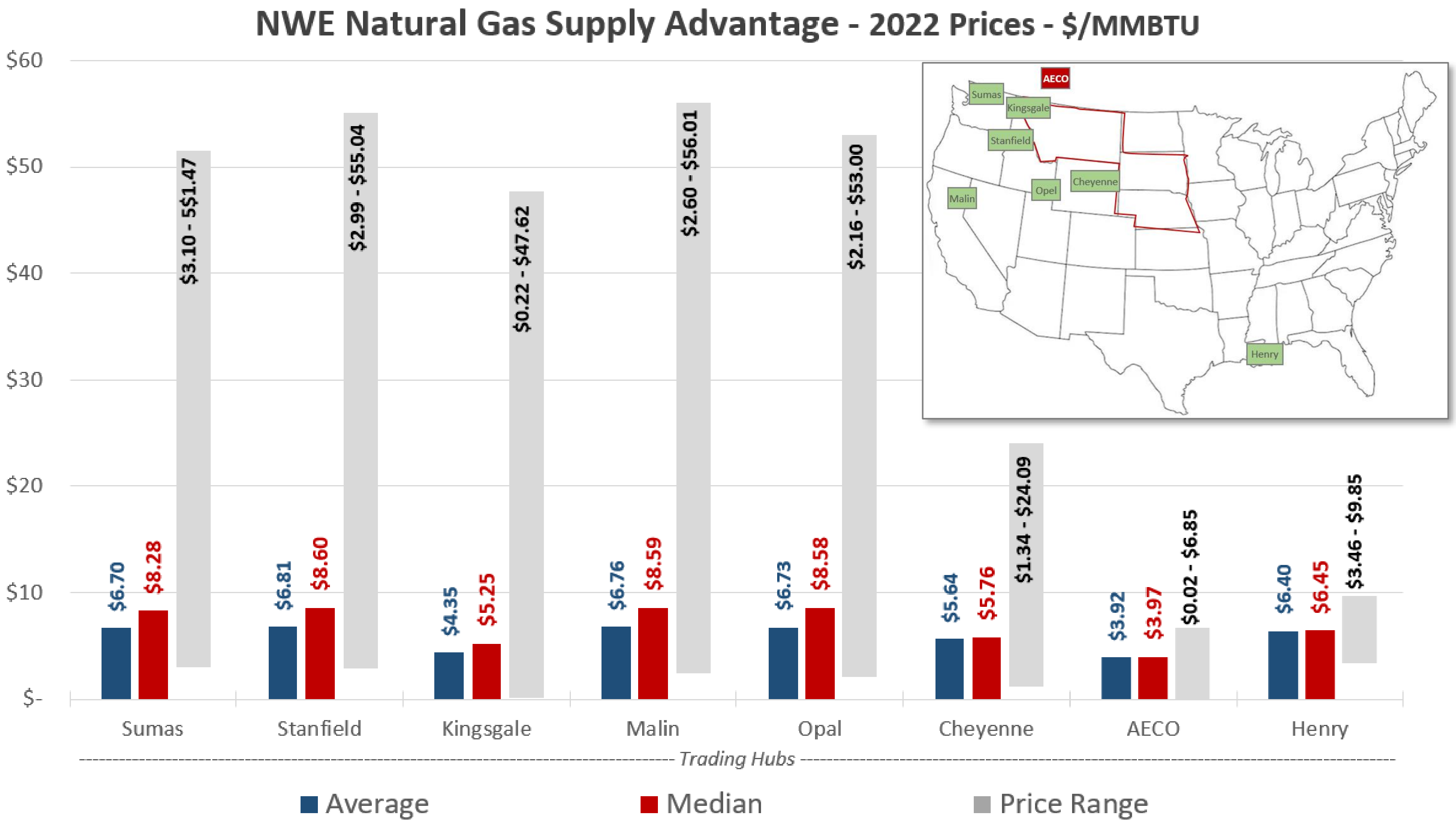
- Investment in generation, transmission & distribution
- Highly diverse & carbon-free electric supply portfolio
- Broad footprint spanning multiple reliability & transmission regions / organizations
- Growing regional capacity deficit requiring investment





**Proven reserves only, no exploration*

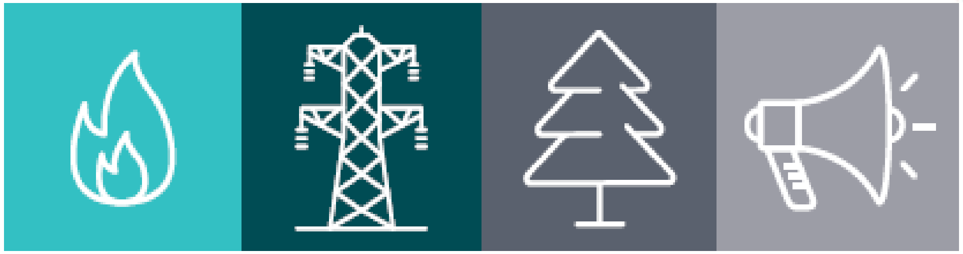
Natural Gas LDC - AECO Advantage to Customers



NWE has access to some of the lowest and stable natural gas prices in the nation, through the Alberta Energy Company (AECO) trading hub.

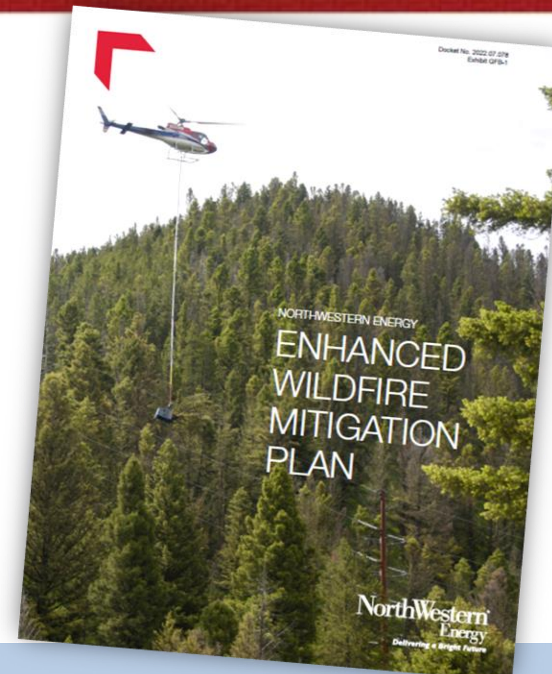
Source: S&P Global

Montana Enhanced Wildfire Mitigation Plan



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

- ✓ **Filed in August 2022 with Montana general rate review**
  - ✓ **Approved settlement provides for deferral of fire mitigation operating expense of up to approximately $95 million over a five- year period for future recovery**
- ✓ **Key elements of the plan, driven by risk analysis include:**
  - ✓ **Situational Awareness**
  - ✓ **Operational Practice**
  - ✓ **System Preparedness**
  - ✓ **Vegetation Management**
  - ✓ **Public Communication**



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.

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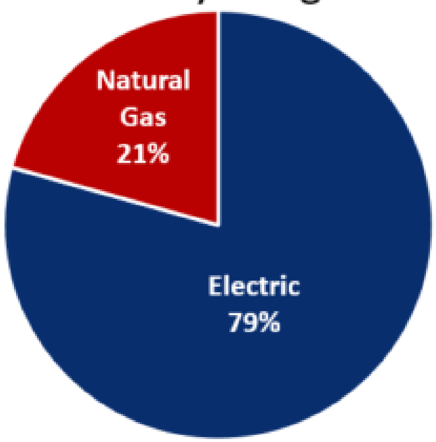
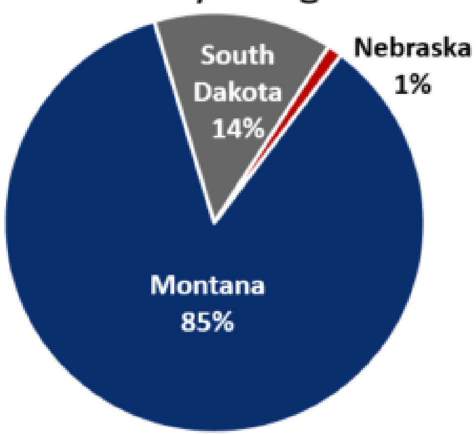
A Diversified Electric and Gas Utility

Utility Margin(1)

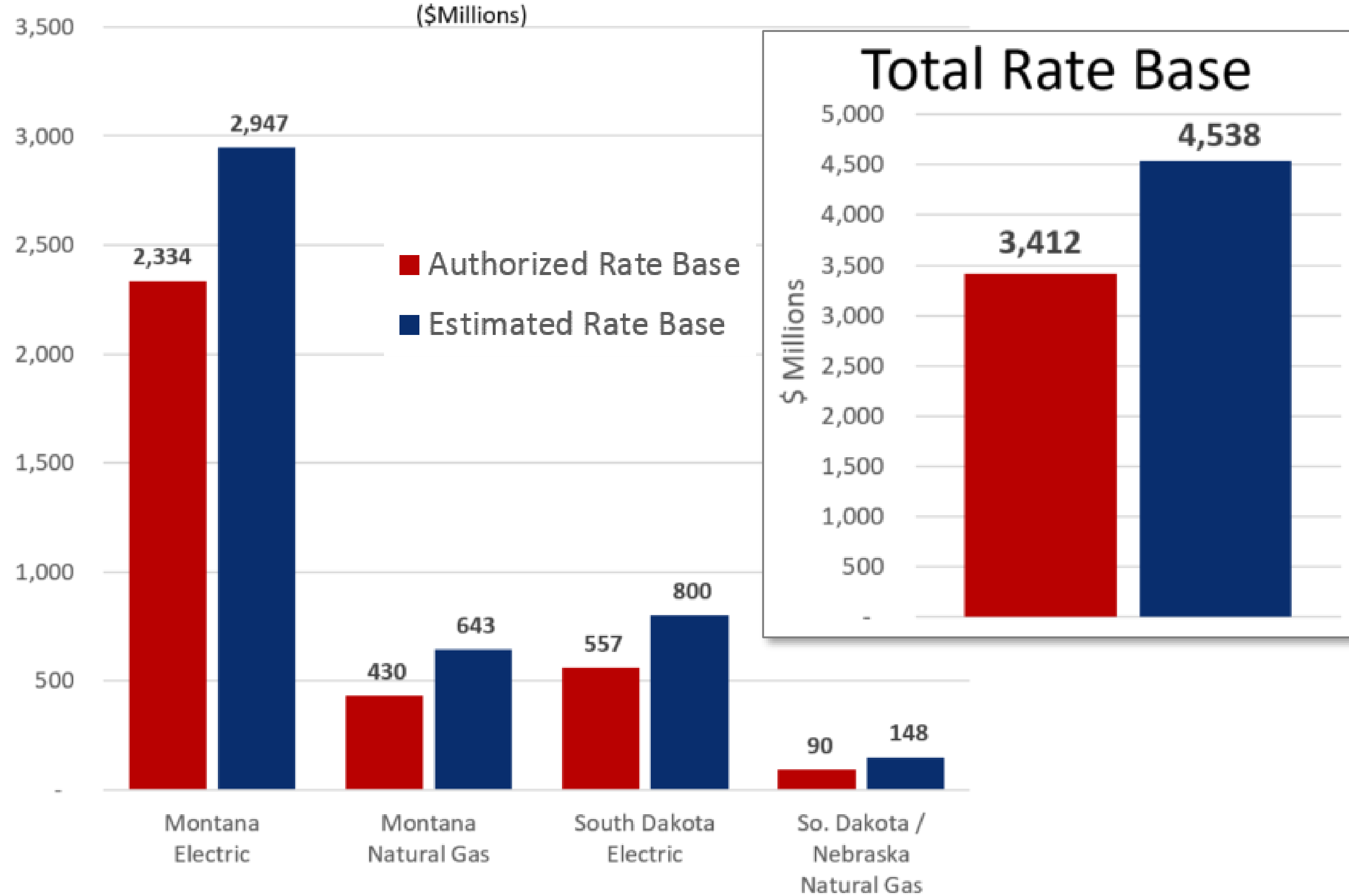


Utility Margin(1)



Data as reported in our 2022 10-K

Rate Base by Service Territory

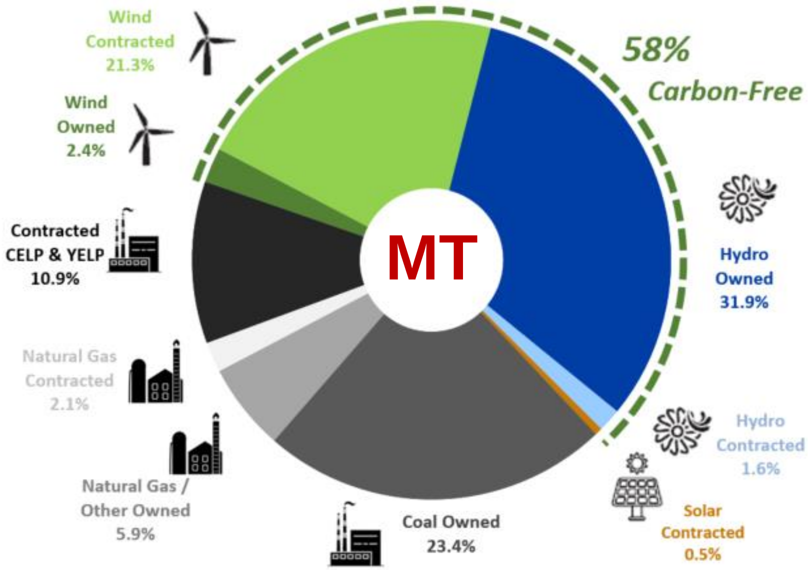


NorthWestern's '80/20' rules:
Approximately 80% Electric and 80% Montana.
Over $4.5 billion of rate base investment to serve our customers

(1) Utility Margin is a non-GAAP Measure. See appendix for additional disclosure.

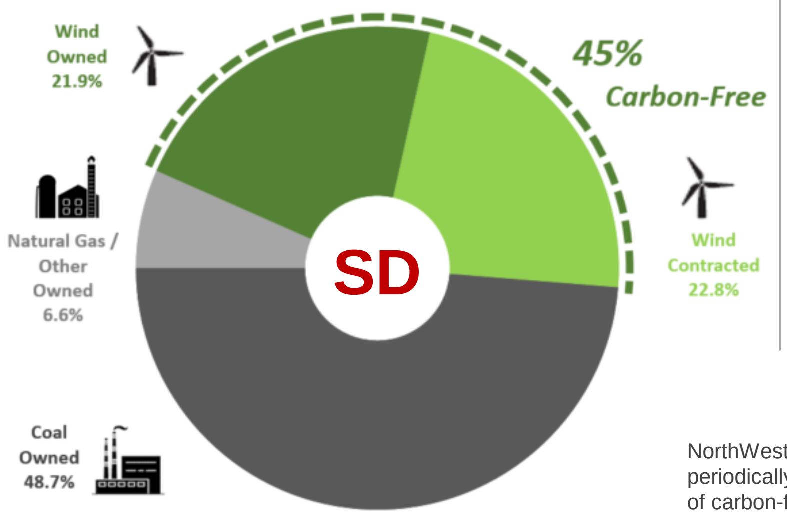
Highly Carbon-Free Supply Portfolio

2022 Electric Generation Portfolio - Montana

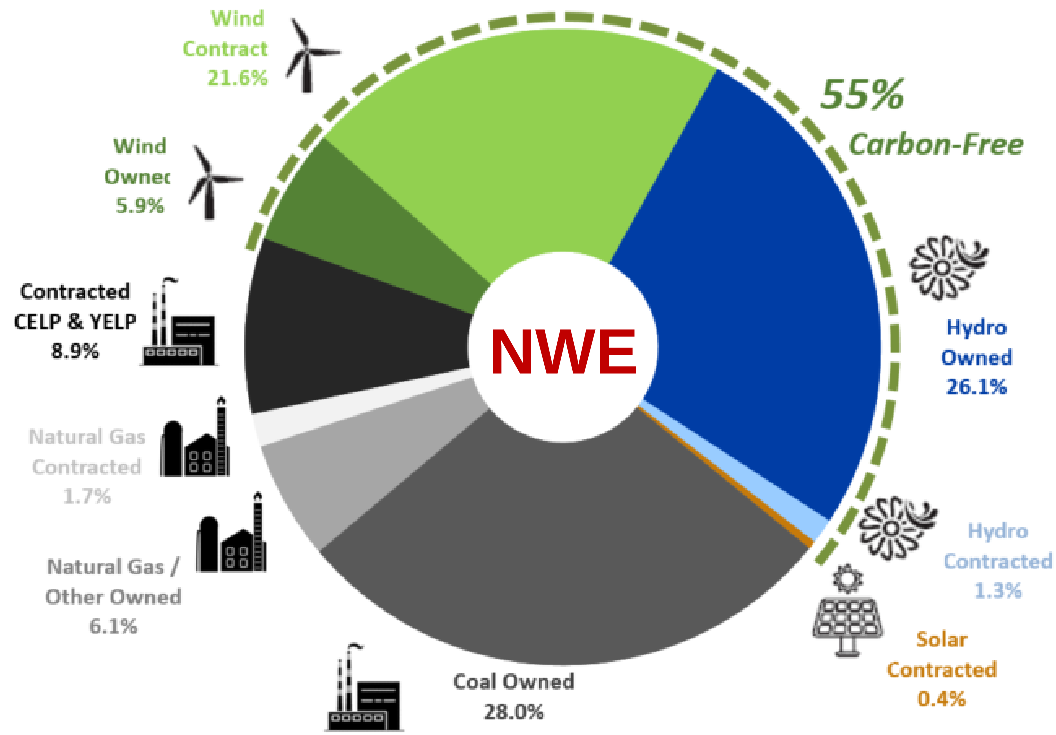


Contracted energy from Colstrip Energy Limited Partners (CELP), Yellowstone Energy Limited Partners (YELP) as well as a majority of the contracted wind, hydro and solar are federally mandated Qualifying Facilities, as defined under the Public Utility Regulatory Policies Act of 1978 (PURPA).

2022 Electric Generation Portfolio - South Dakota



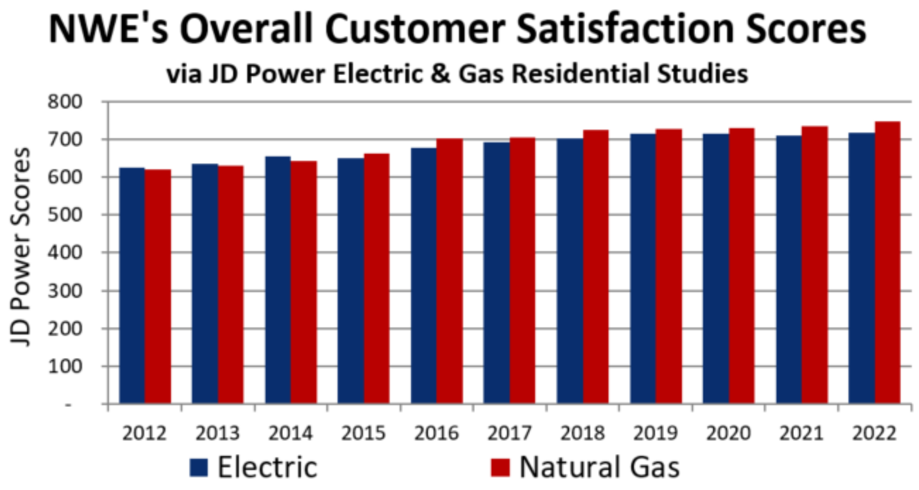
2022 Electric Generation Portfolio - Total NWE

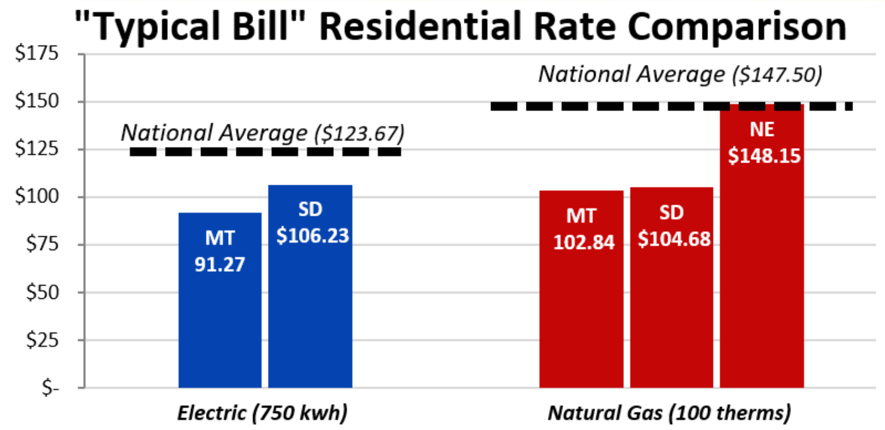


Based upon 2022 MWH's of owned and long-term contracted resources. Approximately 55% of our total company owned and contracted supply is carbon-free – better than the national average of ~40% (2022 eia.gov table 7.2b)

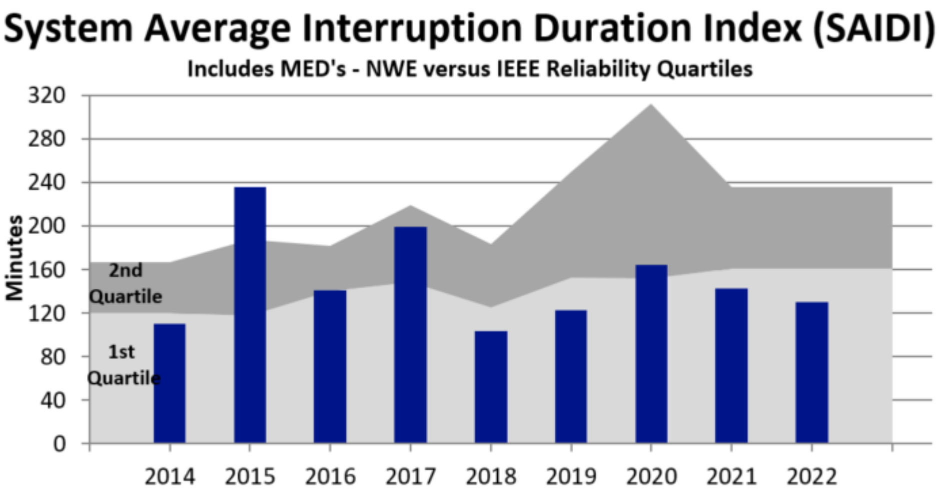
NorthWestern does not own all the renewable energy certificates (RECs) generated by contracted wind, and periodically sells its own RECs with proceeds benefiting retail customers. Accordingly, we cannot represent that 100% of carbon-free energy in the portfolio was delivered to our customers.

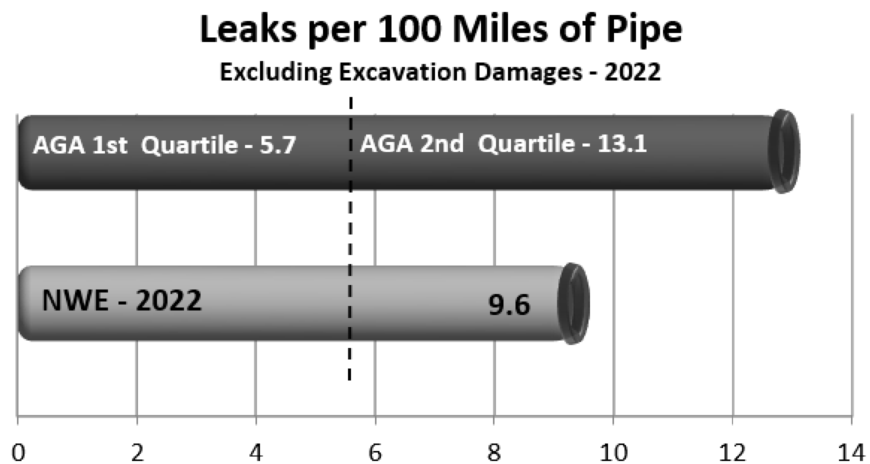
Strong Utility Foundation





NWE rates as of 7/1/2022 (Electric) and 12/1/2022 (Natural Gas)
Electric source: Edison Electric Institute Typical Bills and Average Rates Report, 7/1/22
Natural Gas source: US EIA - Monthly residential supply and delivery rates as of December 2022



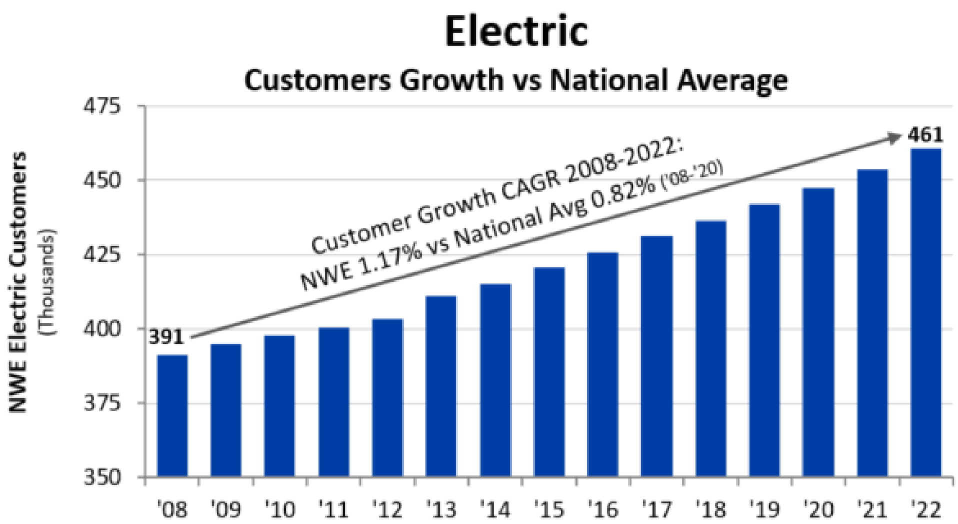


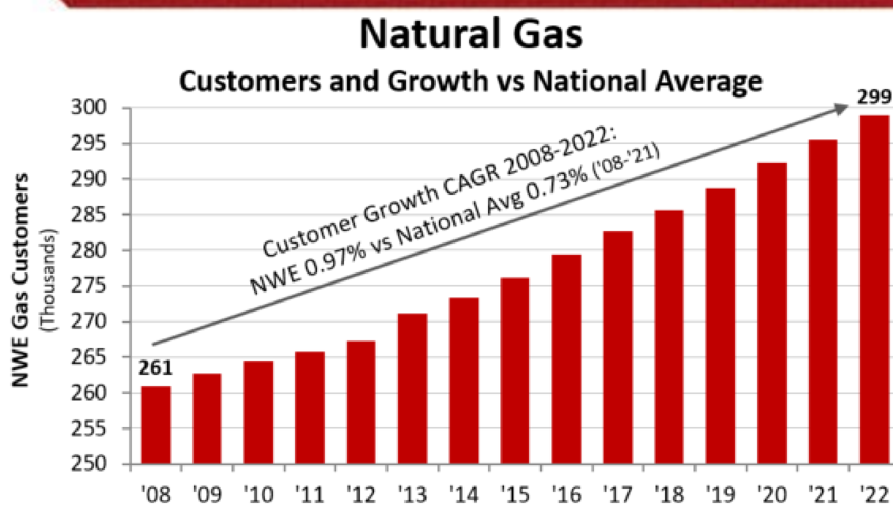
Note: AGA data is from 2022 survey based on 2021 data

- Solid and generally improving JD Power Overall Customer Satisfaction Scores
- Residential electric and natural gas rates below national average *
- Solid electric system reliability
- Better than average natural gas leaks per mile

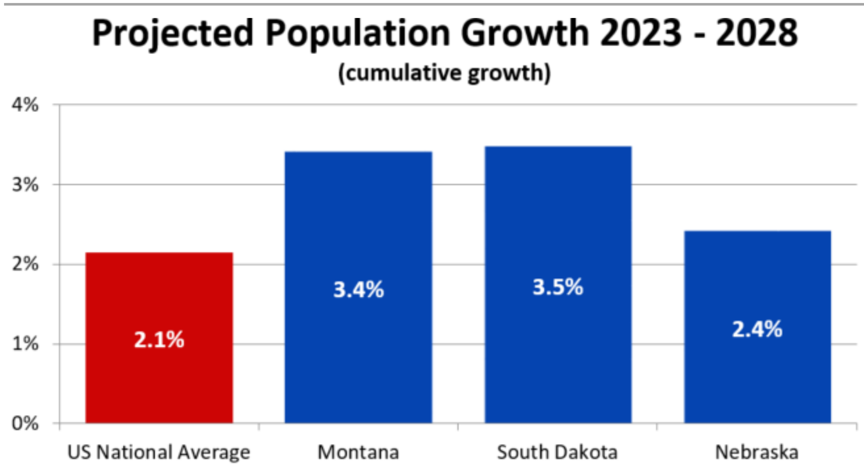
** NE bills temporarily impacted by ongoing recovery of the February 2021 prolonged cold weather event that resulted in extreme price excursion for purchased power and natural gas.*

Solid Economic Indicators

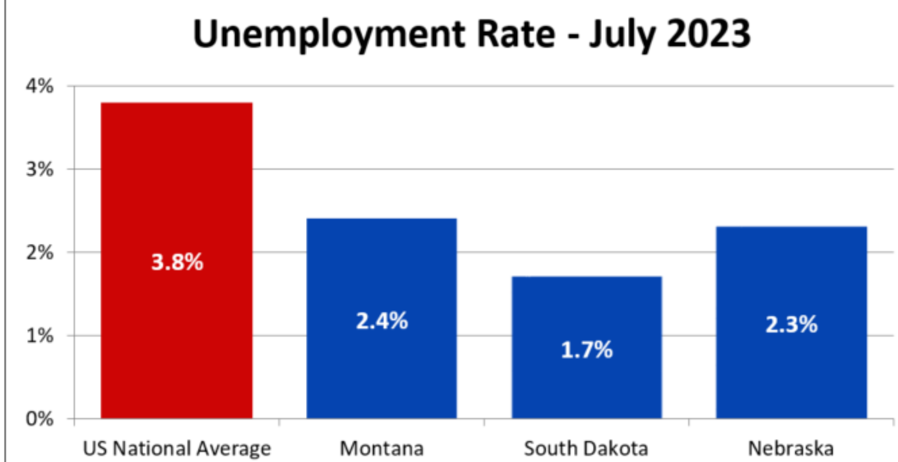




Source: Company 10K's, 2020/2021 EEI Statistical Yearbook – Table 7.2 and EIA.gov



Source: Claritas via S&P Global Market Intelligence 8-30-2023

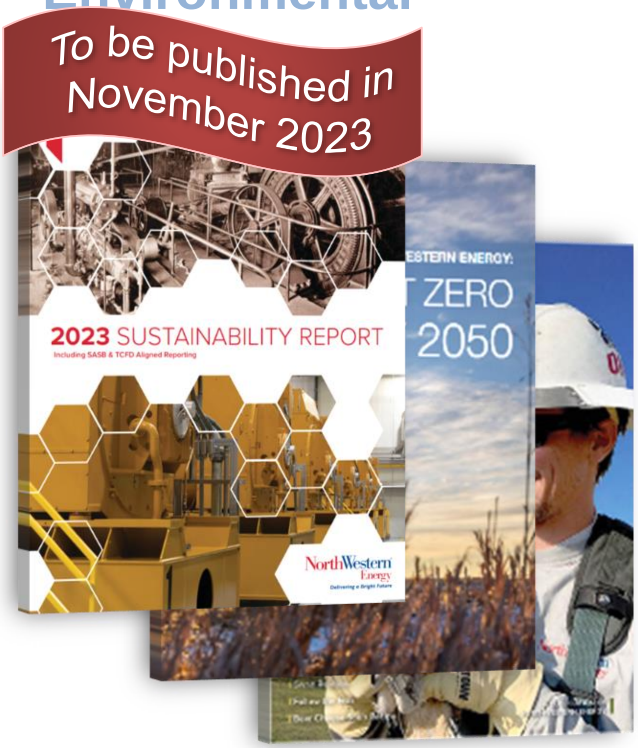


Source: U.S. Department of Labor via S&P Global Market Intelligence 8-30-2023

- Customer growth rates historically exceed National Averages.
- Projected population growth in our service territories in-line or better than the National Average.

Corporate Sustainability

Environmental



Social

Governance

These eight publications provide valuable insight into NorthWestern Energy's Environmental, Social and Governance (ESG) Sustainability practices. Sustainability Report includes Sustainability Accounting Standards Board (SASB) and Task Force on Climate-Related Financial Disclosures (TCFD) aligned reporting.

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Best Practices Governance

5th Best Score Among 50 Publicly Traded North American Utility and Power Companies by Moody's Investment Services for Best Governance Practices

Recent Governance Recognition

America's Most Responsible Companies

Recognized by ***Newsweek*** as one of the most responsible companies in 2023. One of only eleven EEI member utilities selected.

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20 / 20 – Women on Boards

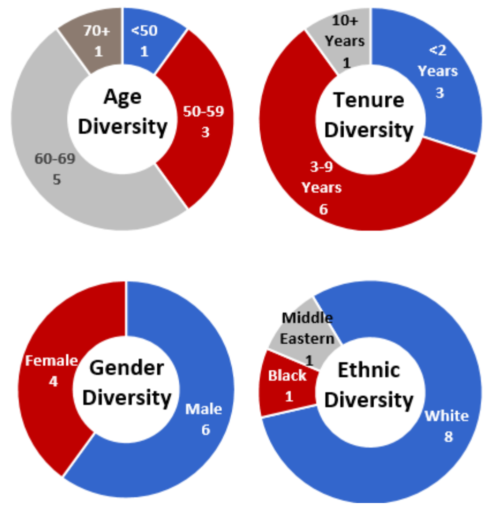
Recognized for gender diversity on its board of directors by 2022 Women on Boards. Currently four of the company's ten directors are female.

Edison Electric Institute Emergency Response Award recipient

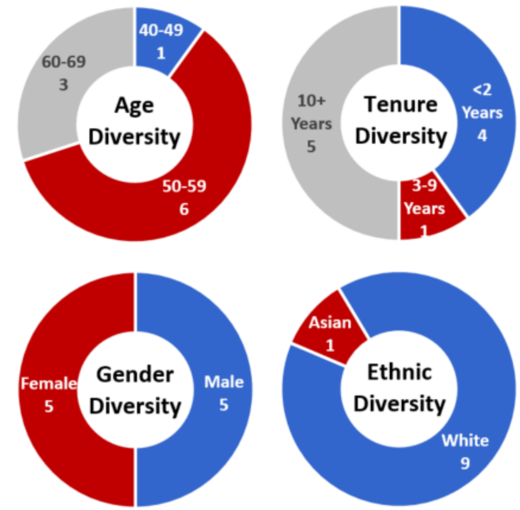
Recognized for our restoration response for both the May 2022 derecho in South Dakota and the historic flooding in Montana & Yellowstone National Park in June 2022.

Diverse Leadership

Board of Directors



Executive Team



2022 CEO Pay Ratio to Average Employee Salary

NWE

26:1

U.S. Utilities Average	12 Member Peer Group Average
66:1	40:1

Performance- Based Pay to Peers

76%

Financial & Regulatory Update

Strong Outlook & 2024 Earnings Guidance

Non-GAAP EPS guidance

2023: $3.00 - $3.10
2024: $3.42 - $3.62

✓ **Long-term (5 Year) expected growth rates**
- **EPS growth of 4% to 6%** (from 3% to 6%) from 2022 base year of $3.18 Non-GAAP
- **Rate base growth of 4% - 6%** (from 4% to 5%) from 2022 base year $4.54 billion.
- Continued focus on earned returns driven by financial and operational execution

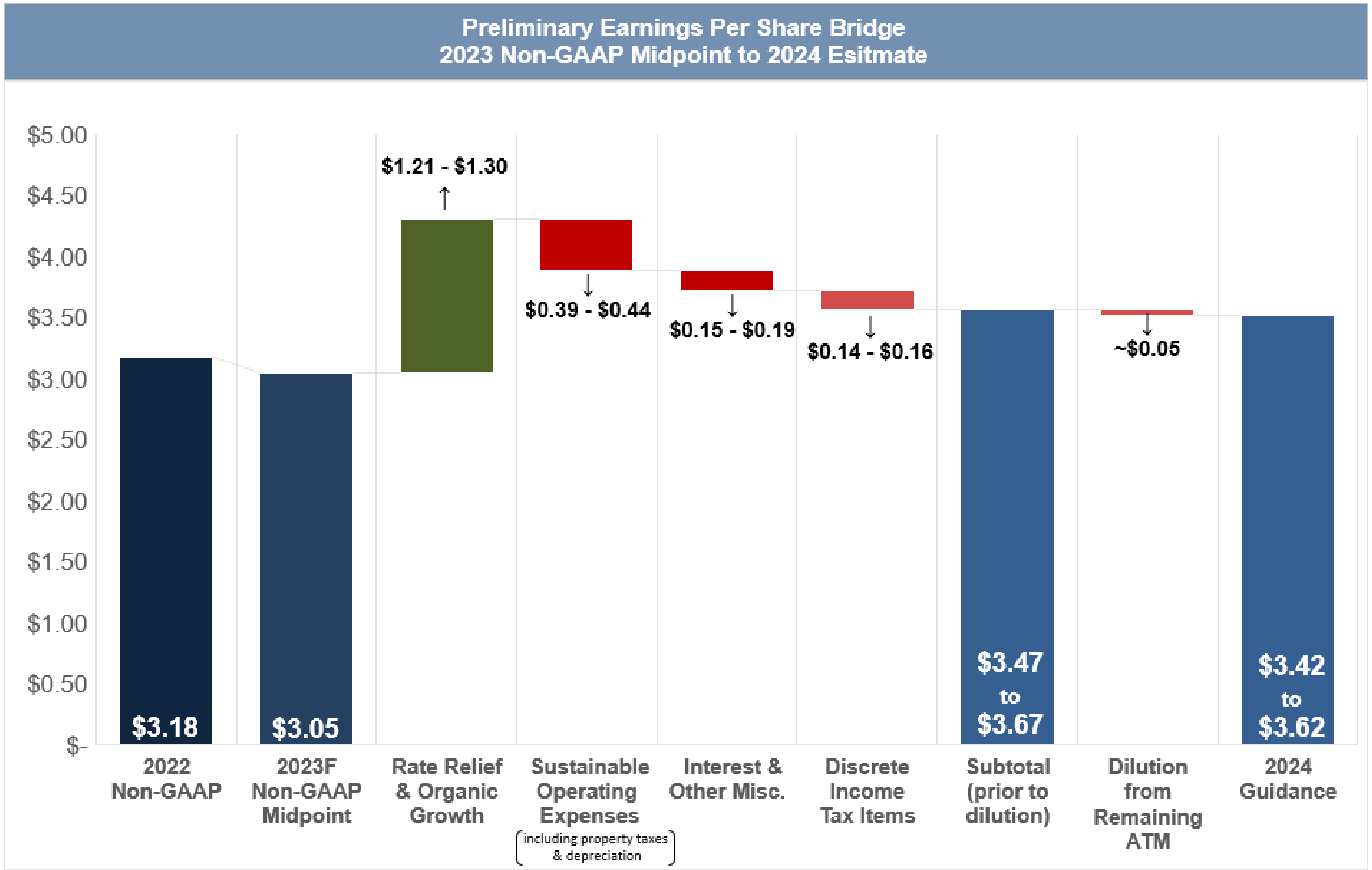
✓ **No equity expected** to fund the current 5-year capital plan
- $510 million capital plan for 2023 on target
- $2.4 billion infrastructure investment plan for '23–'27 sized to be self-funded
- Any equity needs would be driven by opportunities incremental to the plan

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

✓ Annual dividend growth expected to be below earnings growth until we return to a payout ratio within our targeted 60% to 70%

This guidance range is based upon, but not limited to, the following major assumptions:
- Final approval of all material aspects of the Montana general rate review settlement agreement
- Constructive outcomes in our current South Dakota rate review and regulatory proceedings
- Normal weather in our service territories
- An effective income tax rate of approximately 4%-5% for 2023 and 12%-14% for 2024; and
- Diluted average shares outstanding of approximately 60.4 million in 2023 and 61.3 million in 2024.

Earnings Bridge to 2024



See *Detailed Earnings Bridge to 2024* slide in the Appendix for additional information

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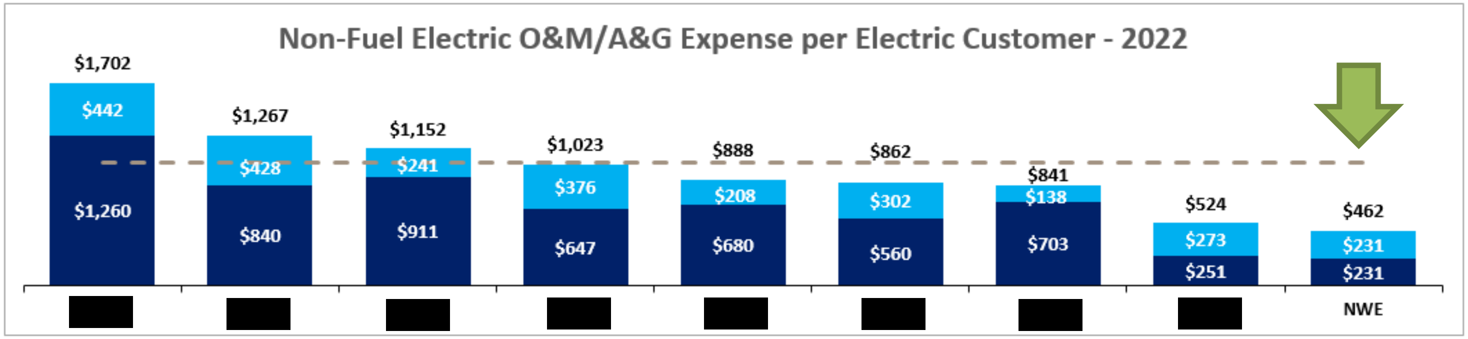
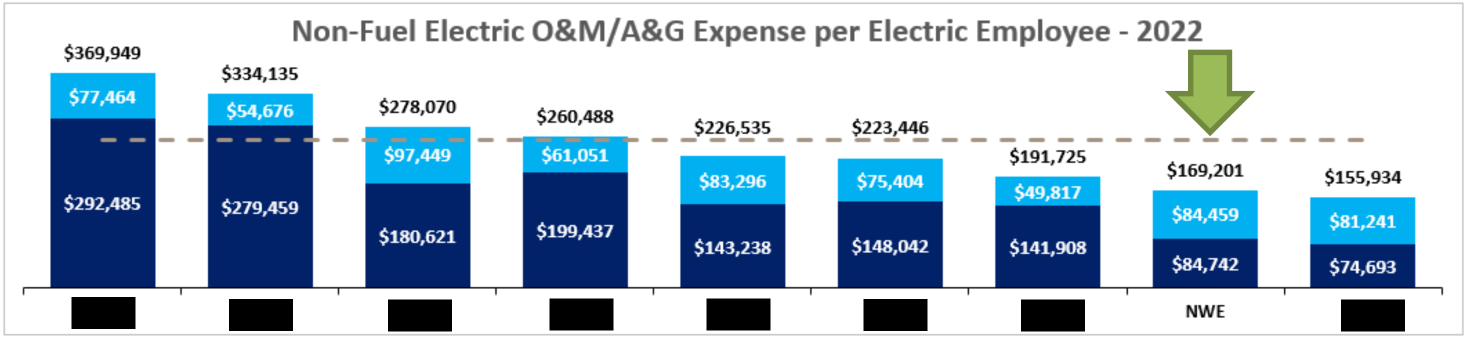
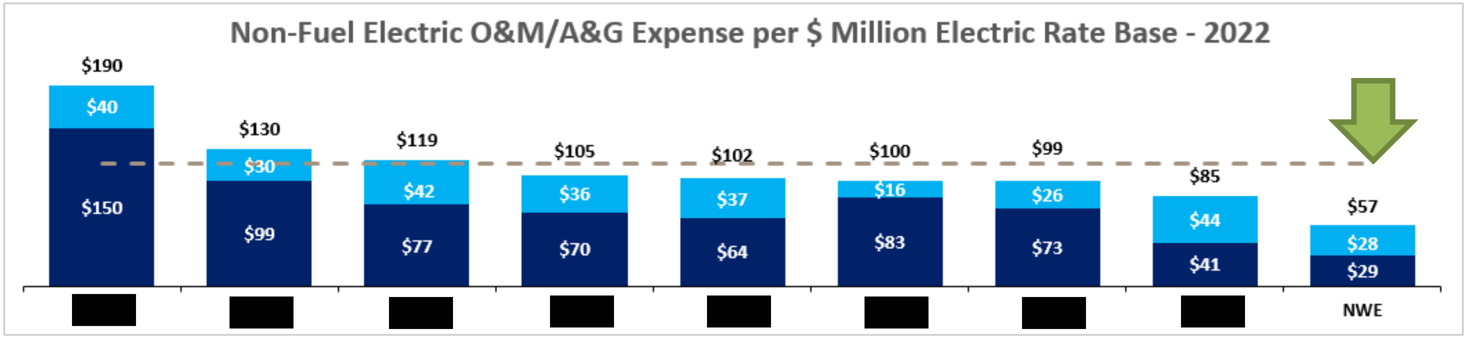
- Final approval of all material aspects of the Montana general rate review settlement agreement
- Constructive outcomes in our current South Dakota rate review and regulatory proceedings
- Normal weather in our service territories
- An effective income tax rate of approximately 4%-5% for 2023 and 12%-14% for 2024; and
- Diluted average shares outstanding of approximately 60.4 million in 2023 and 61.3 million in 2024.

Disciplined Electric O&M Program





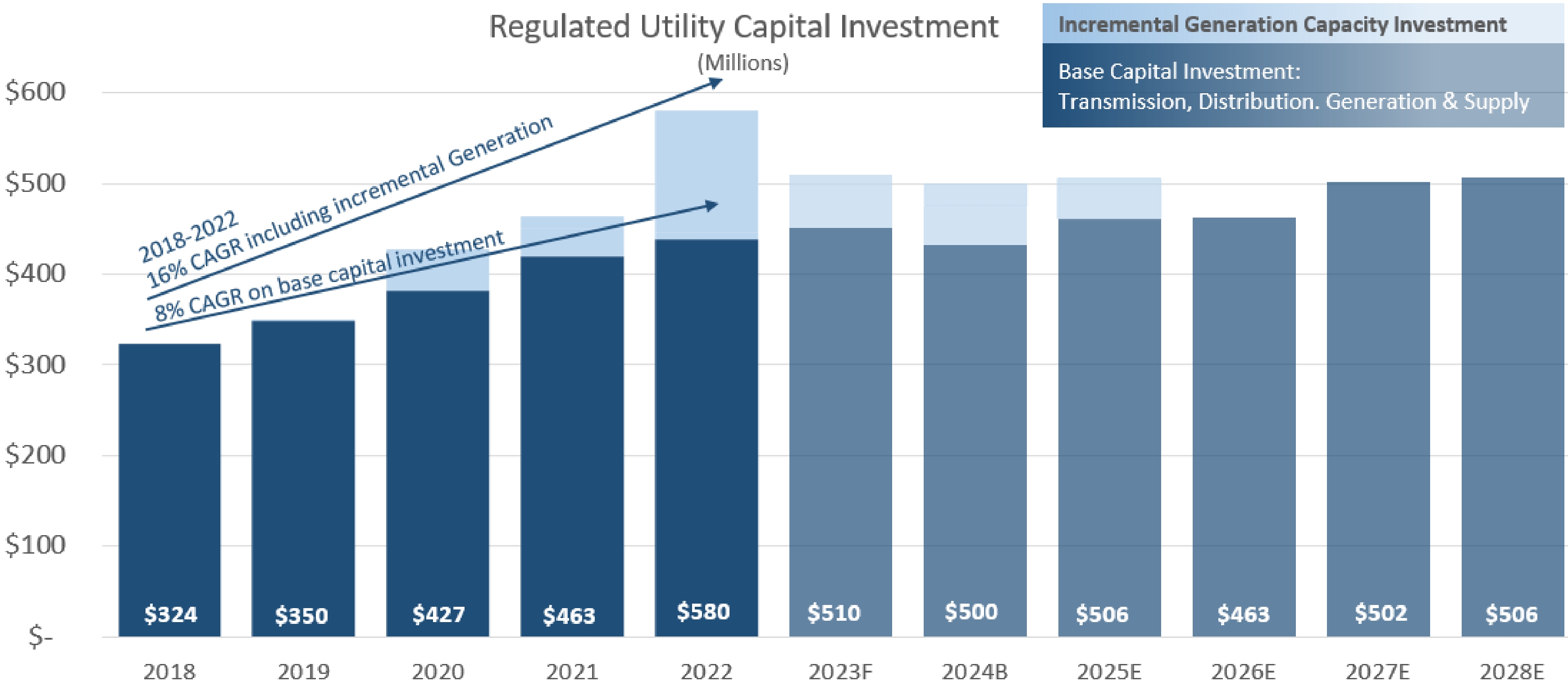


Per Customer…
Per Employee…
Per Rate Base…

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

Source: FERC Form 1 Reports - 2022 expenses and MWh's
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

Track Record of Growing Capital Investment



$2.1B 2018-2022 Invested over the last 5 years*

$2.5B 2024-2028 Forecasted over the next 5 years**

This critical capital investment addresses generation and transmission capacity constraints, grid modernization and renewable energy integration. More than two-thirds of the investment is related to distribution and transmission on both the electric and natural gas systems.

* Historical Capital Investment includes property, plant and equipment additions from our cash flow statement and capital expenditures included in accounts payable.
** See *Regulated Utility Five-Year Capital Forecast* slide in the appendix for additional detail.

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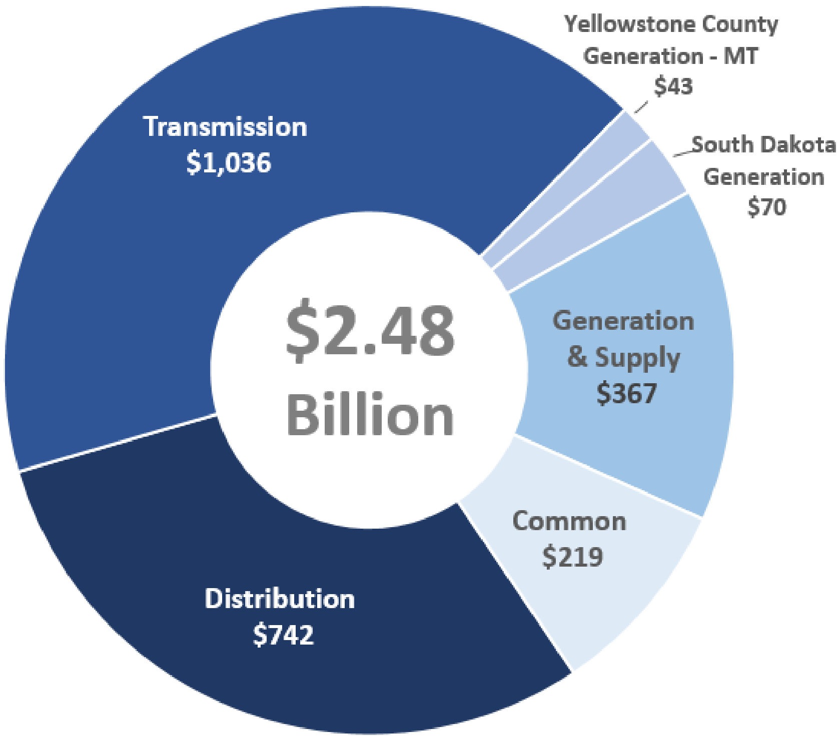
Highly Executable Pipeline of Capital Investment



Capital Opportunities <u>not</u> currently included in the Projections

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

Nearly $2.5 billion of low-risk capital investment forecasted over the next five years is expected to drive annualized rate base growth of approximately 4% - 6%. We expect to finance this capital with a combination of cash flows from operations and first mortgage bonds (equity funding is not anticipated).

Financing plans are subject to change and intended to protect our current credit ratings (targeting a 14%-15% FFO to Debt ratio).

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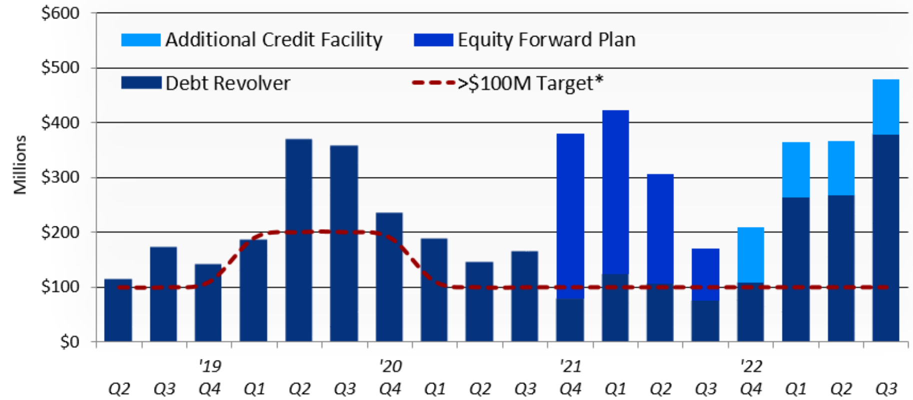
Solid Balance Sheet

Credit Ratings

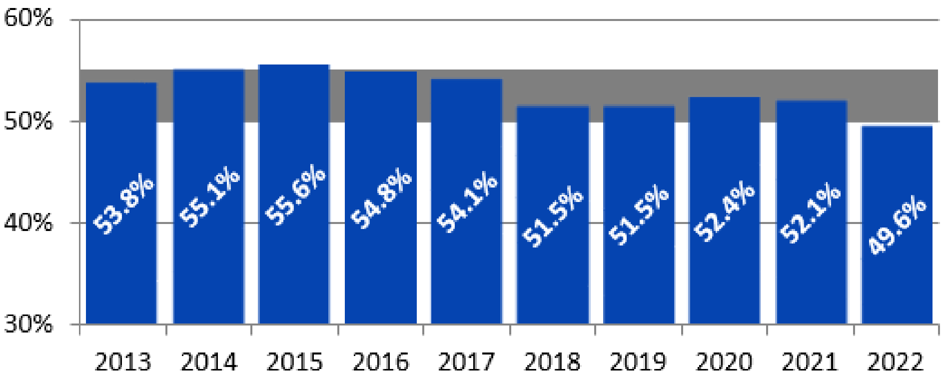
	Fitch	Moody's	S&P
Senior Secured Rating	A-	A3	A-
Senior Unsecured Rating	BBB+	Baa2	BBB
Commerical Paper	F3	Prime-2	A-2
Outlook	Stable	Stable	Stable

A security rating is not a recommendation to buy, sell or hold securities. Such ratings may be subject to revisions or withdrawl at any time by the credit rating agency and each rating should be evaluated independently of any other rating.

Liquidity - Debt Revolver / Credit Facilities & Equity Forward Plan



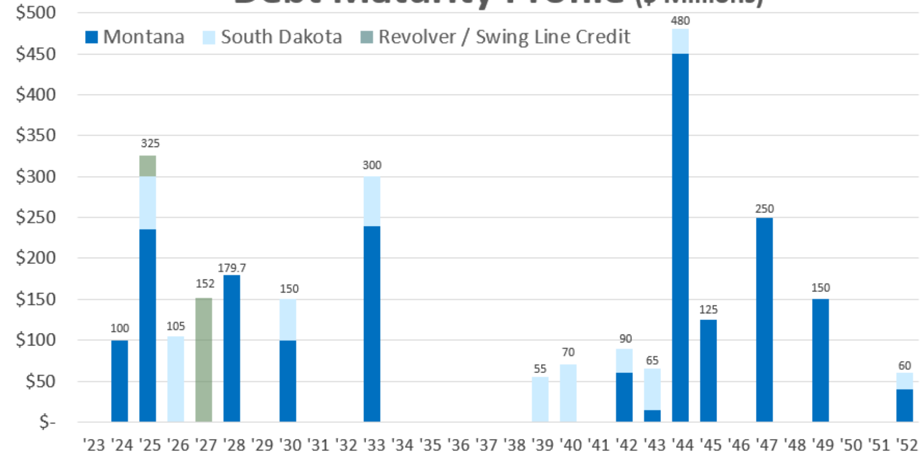
Debt to Capital Ratio



Target: 50% - 55% - Annual ratio based on average of each quarter's debt/cap ratio

Excludes Basin Creek capital lease and New Market Tax Credit Financing

Debt Maturity Profile ($ Millions)



Investment grade credit ratings, liquidity significantly greater than our $100 million target, debt to capitalization at the bottom our targeted 50%-55% range and a manageable schedule of debt maturities.

Montana General Rate Review

Unanimous approval from the Montana Public Service Commission of a constructive multi-party settlement

($Millions)	Interim Granted (Oct.1, '22 to Oct. 31, '23) El.	N.G.	Total	Final Settlement (effective Nov. 1, '23) El.	N.G.	Total
Base Rates - owned electric generation, natural gas production & storage, transmission & distribution	**$29.4**	**$1.7**	**$31.1**	**$67.4**	**$14.1**	**$81.5**
Pass-Through: **PCCAM** - Power Cost & Credit Adjustment Mechanism	$61.1	n/a	$61.1	$69.7	n/a	$69.7
Pass-Through: **Property Tax** (tracker true-up)	$10.8	$2.9	$13.7	$14.5	$4.2	$18.7
Total	**$101.3**	**$4.6**	**$105.9**	**$151.6**	**$18.3**	**$169.9**
Equity Capital Structure				**48.02%**	**48.02%**	**48.02%**
Return on Equity				**9.65%**	**9.55%**	
Rate Base (Millions)				**$2,843**	**$583**	**$3,426**

- ✓ Final settlement rates effective November 1, 2023
- ✓ We do not expect a true-up in rates from interim to final rates for the period from October 1, 2022 to October 31, 2023
- ✓ Settlement resulted in 74% of the electric and 63% of the natural gas rebuttal base rate request.

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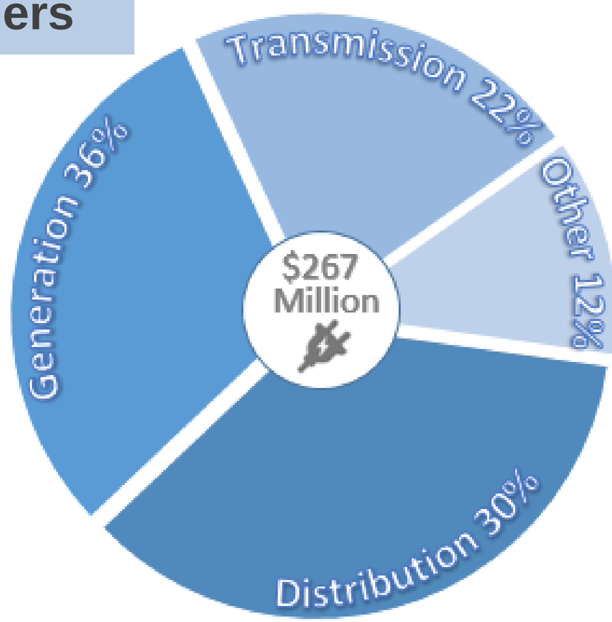
South Dakota Rate Review

Request to update our rates to reflect the current cost to provide safe and reliable service to our customers

- **First rate review since 2015.** Seeking recovery of nearly 30 percent of rate base that is not included in South Dakota electric rates today.
- Requested base rate increase driven by **more than $267 million invested in South Dakota critical electric infrastructure**, while keeping operating costs below the rate of inflation, since our last electric rate review.



Category	Current Rates	Requested Rates
Test Year (Trailing Twelve Months)	Sep. 30, 2014	Dec. 31, 2022
Return on Equity	Black Box	10.70%
Equity Ratio		50.50%
Cost of Debt		4.32%
Rate of Return	7.24%	7.54%
Authorized Rate Base	$557.3M	$787.3 M
Rate Relief Requested		$30.9M

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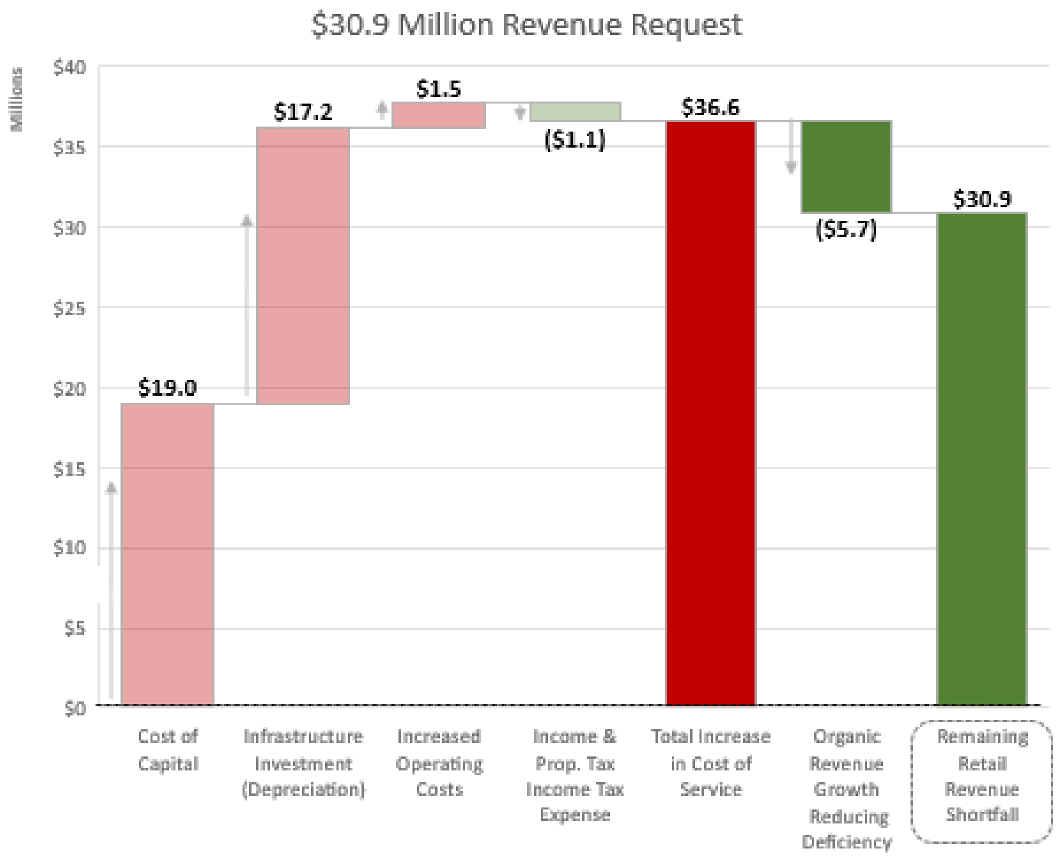
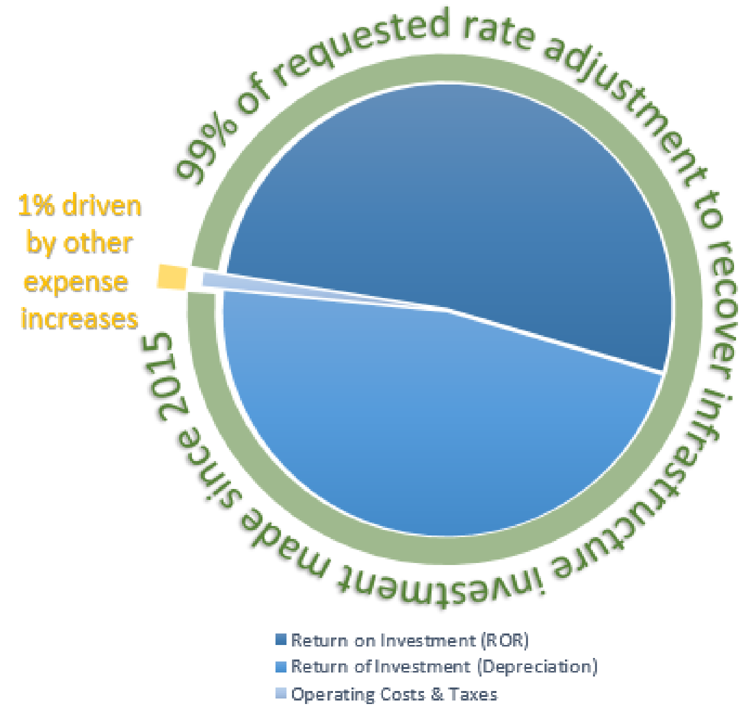
South Dakota Rate Review

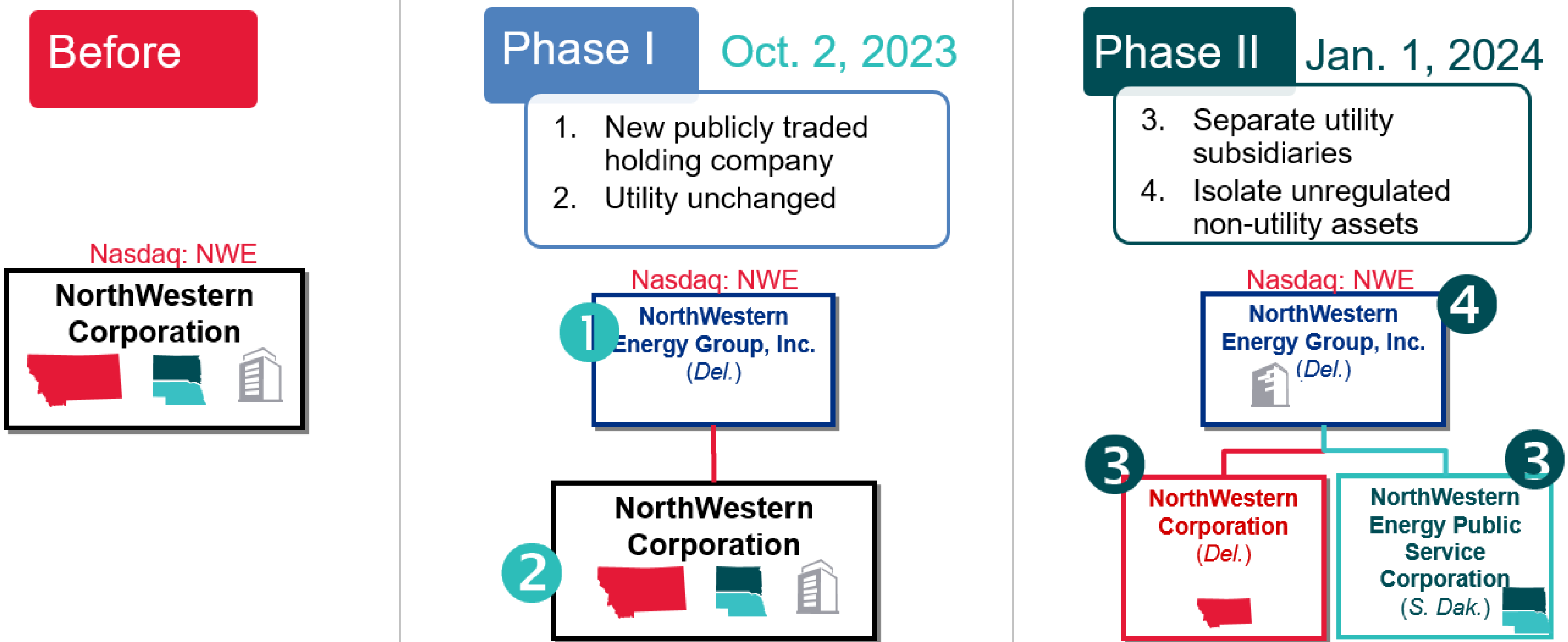
Infrastructure investment drives nearly 99%* of the requested base rate adjustment





* $19.0 million Cost of Capital plus $17.2 million Infrastructure Investment as a percent of $36.6 million Total Change in Cost of Service.

Holding Company Reorganization



Stock

- New name – NorthWestern Energy Group, Inc.
- Same NWE stock ticker
- Same shareholders
- Same stock plans

Governance

- Same board of directors, but now at new parent NorthWestern Energy Group, Inc.
- Same executive team
- Same policies

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Supply Update

✓Montana:

- **175 MW Yellowstone County Generating Station** Construction began in April 2022 with costs of approximately $275 million with $217.5 million invested to date (thru 9/30/23). Current schedule anticipates commercial operation during third quarter 2024*
- Anticipated acquisition of 222 MW of Colstrip capacity from Avista on 12/31/2025 for $0 transfer price.

✓Integrated Resource Plans

South Dakota: Filed in September 2022, the plan identifies 43 megawatts as retire and replace candidates.

Montana: Filed in April 2023, the plan evaluates alternatives to reliably and affordably 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.

The recently completed 58-megawatt Bob Glanzer Generating Station in Huron, South Dakota, provides on-demand resources to support the variability of wind and solar projects coming onto our system and the grid in our region and help serve our customers during extended periods of peak demand.

** On October 21, 2021, the Montana Environmental Information Center (MEIC) and the Sierra Club filed a lawsuit in Montana State Court, against the Montana Department of Environmental Quality (MDEQ) and NorthWestern, alleging that the environmental analysis conducted by MDEQ prior to issuance of the Yellowstone County Generating Station's air quality construction permit was inadequate. The Montana District Court judge held oral argument on June 20, 2022. On April 4, 2023, the Montana District Court issued an order finding MDEQ's environmental analysis was deficient in not addressing exterior lighting and greenhouse gases. The Court remanded it back to MDEQ to address the deficiencies and vacated the air quality permit pending that remand. As a result of the vacatur of the permit, we were required to stop construction. On April 14, 2023, following entry of final judgment, we filed a Motion to Stay the order vacating the air quality permit pending appeal. On April 17, 2023, we filed a notice of appeal with the Montana Supreme Court. On June 8, 2023 the Montana District Court Judge issued a Stay Pending Appeal allowing construction to resume. This lawsuit, as well as additional legal challenges related to the Yellowstone County Generating Station, could delay the project timing and increase costs. At this time, we still expect the plan to be operational in the second half of 2024.*

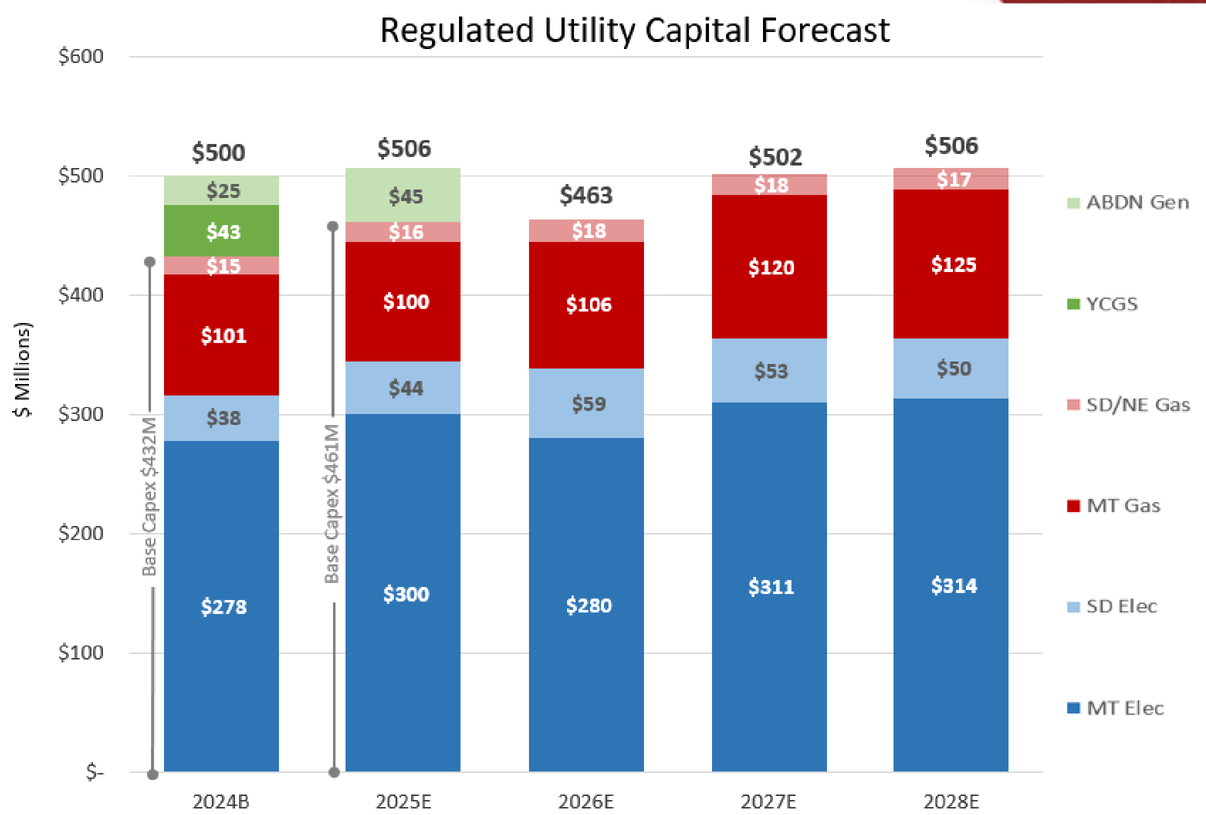
Conclusion

- Pure Electric & Gas Utility
- Solid Utility Foundation
- Best Practices Corporate Governance
- Attractive Future Growth Prospects
- Improving Earnings & Cash Flows (rate reviews pending)

Delivering a **bright future**

NorthWestern Energy

Regulated Utility Five-Year Capital Forecast



Distribution and Transmission Modernization and Maintenance - The primary goals of our infrastructure investments are to reverse the trend in aging infrastructure, maintain reliability, proactively manage safety, build capacity into the system, and prepare our network for the adoption of new technologies. We are taking a proactive and pragmatic approach to replacing these assets while also evaluating the implementation of additional technologies to prepare the overall system for smart grid applications. Beginning in 2021, and continuing through 2025, we are installing **automated metering infrastructure in Montana at a total cost of approximately $105 million, with approximately $38 million remaining in the 2024 – 2025 capital forecast**.

	2024B	2025E	2026E	2027E	2028E	Total '24-'28
Base Capex	$ 432	$ 461	$ 463	$ 501	$ 506	$ 2,364
New Generation Build	68	45	-	-	-	113
Total	$ 500	$ 506	$ 463	$ 501	$ 506	$ 2,477
Electric	$ 384	$ 390	$ 339	$ 363	$ 364	$ 1,840
Natural Gas	116	117	124	138	143	638
Total	$ 500	$ 506	$ 463	$ 501	$ 506	$ 2,477

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Detailed Earnings Bridge to 2024

	2024 Guidance Bridge		
	Low		High
2023 Non-GAAP Diluted EPS - Midpoint of Guidance	**$3.05**		**$3.05**
2024 Earnings Drivers (after-tax and per share)			
Utility Margin	1.21	-	1.30
OG&A expense	(0.09)	-	(0.05)
Property & other tax expense	(0.09)	-	(0.08)
Depreciation expense	(0.26)	-	(0.26)
Interest expense	(0.24)	-	(0.21)
Other income	0.05	-	0.06
Incremental tax impact*	(0.16)	-	(0.14)
Subtotal of anticipated changes	**0.42**	**-**	**0.62**
2024 EPS guidance prior to equity dilution	**$3.47**		**$3.67**
Dilution from shares issued during 2023	(0.05)	-	(0.05)
EPS guidance after equity dilution	**$3.42**		**$3.62**
2024 Non-GAAP Adjusted Diluted EPS (Midpoint)		**$3.52**	
2024 potential dividend payout ratio	76.1%		71.9%
2024 Expected dividend	**$2.60**		**$2.60**

* 2024 earnings drivers shown above are calculated using a 25.3% effective tax rate. The incremental tax impact line included above reflects anticipated changes in discrete tax items (such as amortization of removals, tax repairs and meter deductions, production tax credits, and other permanent or flow-through items) from 2023 non-GAAP earnings to 2024 guidance.

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

- Final approval of all material aspects of the Montana general rate review settlement agreement
- Constructive outcomes in our current South Dakota rate review and regulatory proceedings
- Normal weather in our service territories
- An effective income tax rate of approximately 4%-5% for 2023 and 12%-14% for 2024; and
- Diluted average shares outstanding of approximately 60.4 million in 2023 and 61.3 million in 2024.

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NWE Rate Base and Earnings Profile

Estimate as of 12/31/2022

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)	April 2019 (4)	$ 2,030.1	$ 2,675.8	6.92%	9.65%	49.38%
Montana - Colstrip Unit 4	April 2019	$ 304.0	$ 271.3	8.25%	10.00%	50.00%
Montana natural gas delivery and production (2)	September 2017 (4)	$ 430.2	$ 643.3	6.96%	9.55%	46.79%
Total Montana		$ 2,764.3	$ 3,590.4			
South Dakota electric (3)	December 2015	$ 557.3	$ 799.6	7.24%	n/a	n/a
South Dakota natural gas (3)	December 2011	$ 65.9	$ 97.8	7.80%	n/a	n/a
Total South Dakota		$ 623.2	$ 897.4			
Nebraska natural gas (3)	December 2007	$ 24.3	$ 49.9	8.49%	10.40%	n/a
Total NorthWestern Energy		**$ 3,411.8**	**$ 4,537.7**			

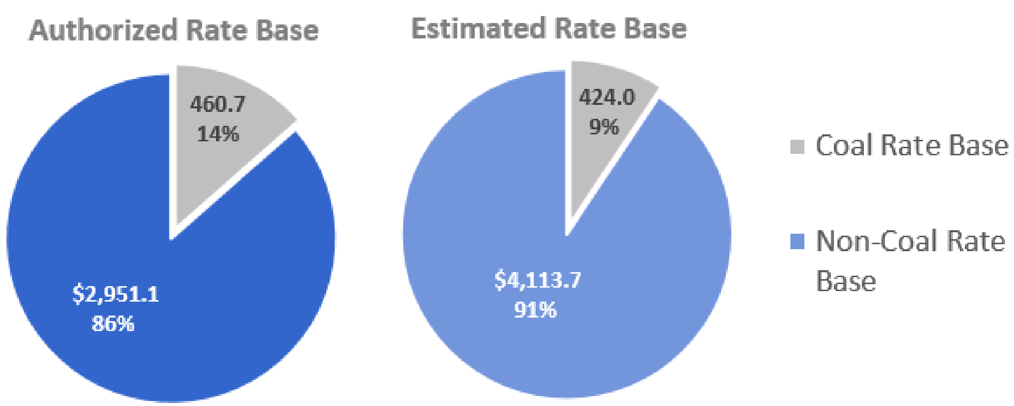
(1) The revenue requirement associated with the FERC regulated portion of Montana electric transmission and ancillary services are included as revenue credits to our MPSC jurisdictional customers. Therefore, we do not separately reflect FERC authorized rate base or authorized returns.

(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 August 8, 2022, we filed a Montana electric and natural gas rate review filing (2021 test year) requesting an increase to our authorized rate base, return on equity, and equity level in our capital structure. We expect a final order regarding this rate review in 2023.

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.

2022 System Statistics

Owned Energy Supply

Electric (MW)	MT	SD	Total
Base load coal	222	211	433
Wind	51	80	131
Hydro	459	-	459
Other resources(2)	150	155	305
	882	446	1,328

Natural Gas (Bcf)	MT	SD	Total
Proven reserves	35.1	-	35.1
Annual production	3.1	-	3.1
Storage	17.8	-	17.8

Transmission

Trans for Others	MT	SD	Total
Electric (GWh)	13,723	22	13,745
Natural Gas (Bcf)	47	35	82

System (miles)	MT	SD	Total
Electric	6,597	1,308	7,905
Natural gas	2,235	55	2,290
Total	8,832	1,363	10,195

Distribution

Demand	MT	SD / NE(1)	Total
Daily MWs	750	200	950
Peak MWs	1,250	340	1,590
Annual GWhs	6,600	1,750	8,350
Annual Bcf	23	11	34

Customers	MT	SD / NE	Total
Electric	398,200	64,700	462,900
Natural gas	209,100	92,200	301,300
Total	607,300	156,900	764,200

System (miles)	MT	SD / NE	Total
Electric	18,534	2,342	20,876
Natural gas	5,099	2,545	7,644
Total	23,633	4,887	28,520

Note: Statistics above are as of 12/31/2022

(1) Nebraska is a natural gas only jurisdiction

(2) Dave Gates Generating Station (DGGS) in Montana is a 150 MW nameplate facility but consider it a 105 MW (60 MW FERC & 45MW MPSC jurisdictions) peaker

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Transmission System Update

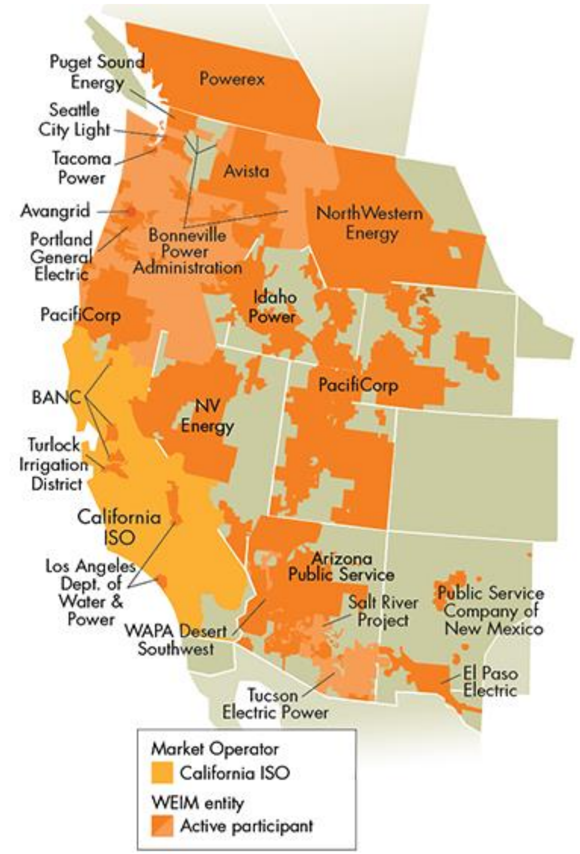
Electric Transmission:

- In June 2021, we joined the Western Energy Imbalance Market (WEIM). This real-time, within-hour energy market will provide the company's Montana customers with economically efficient energy to resolve imbalances and variations in load and generation on our Montana system.
- Continue planned retirements of generating resources in Montana in conjunction with increasing demand is placing more stress on the transmission system (two record peaks in the last three seasons). As a result, we are experiencing less available transmission capacity throughout the system.
- Continued investment is critical to address aging infrastructure, capacity concerns, reliability and compliance requirements.

Gas Transmission:

- Continued investment is critical to address aging infrastructure, capacity concerns, reliability and compliance (including the Pipeline and Hazardous Materials Safety Administration proposed rules).
- Three primary factors leading to the need for additional investment to address:
  - Overall reliability and capacity on the gas transmission system to withstand single large contingencies and to address the decline in on-system gas production;
  - The need to provide additional capacity for existing gas-fired electric generation (given expected growing dependence); and
  - The need to serve new gas-fired capacity generation in South Dakota.

WEIM Participants



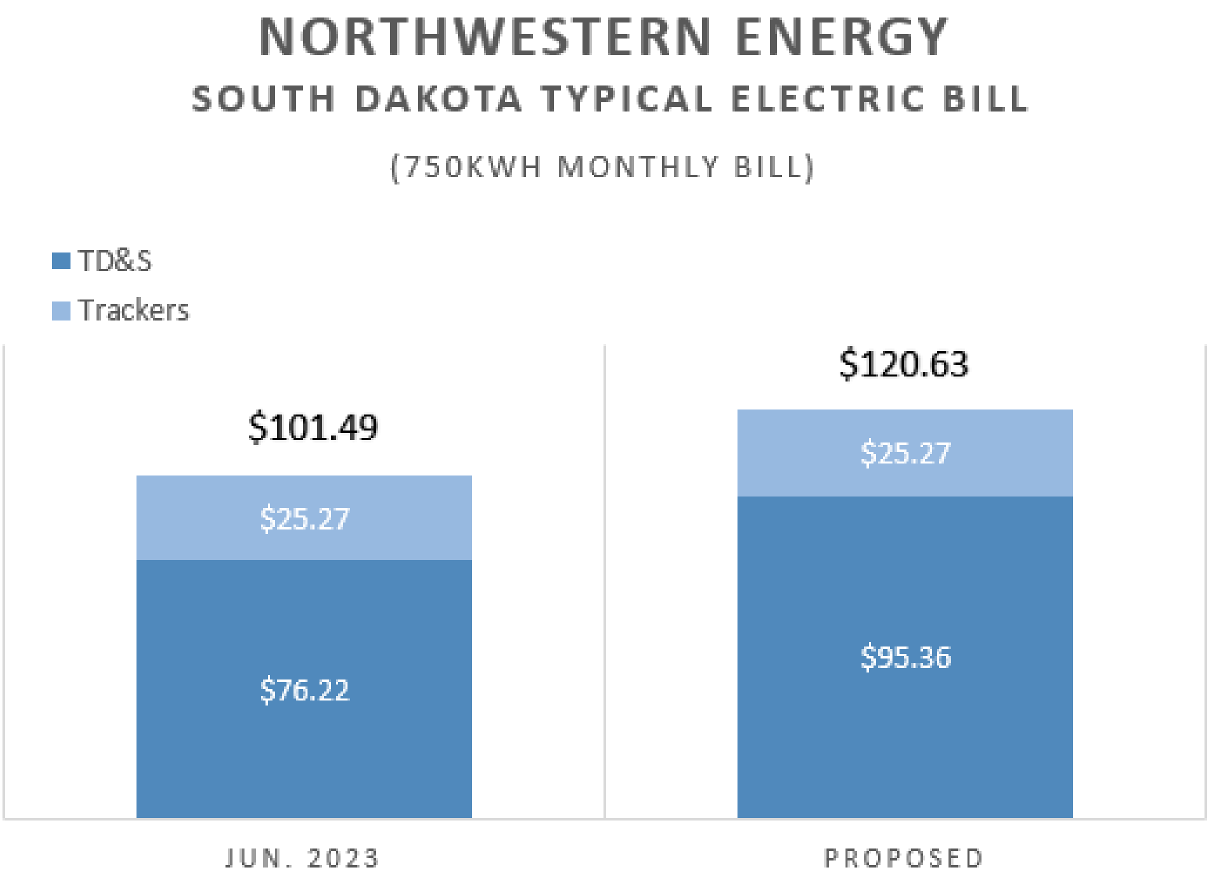
Significant investment needs identified for transmission reliability, capacity and gas / electric interdependence.

Rate Reviews

South Dakota Rate Review

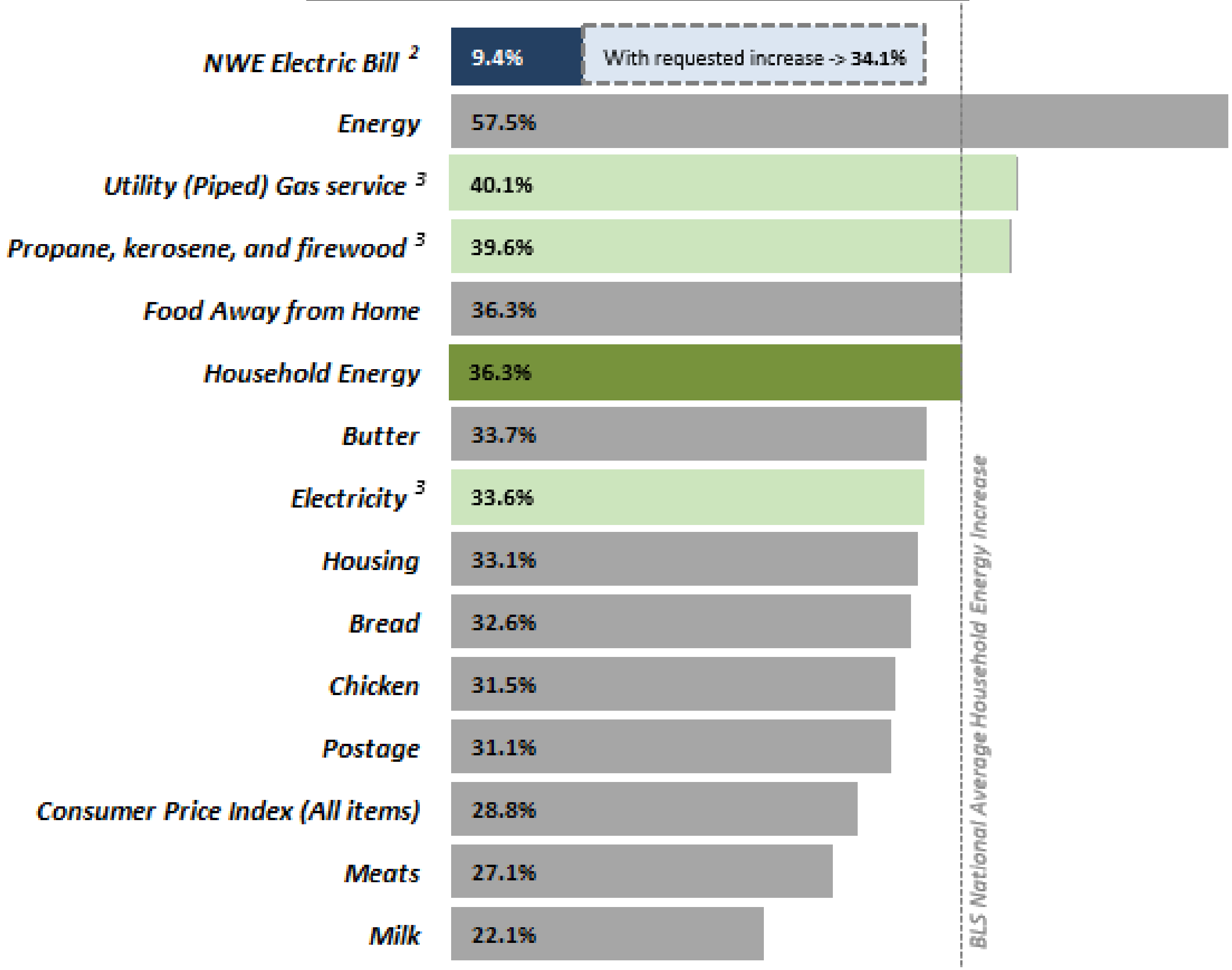
$19.14
Per month

Increase for an average residential electric customer that uses 750 kWh if our requested rate increase is approved.



South Dakota Rate Review

Percent Increase since January 2016 [1]



Since our last rate adjustment, NorthWestern's typical residential electric customer bills have maintained a pace well below inflation.

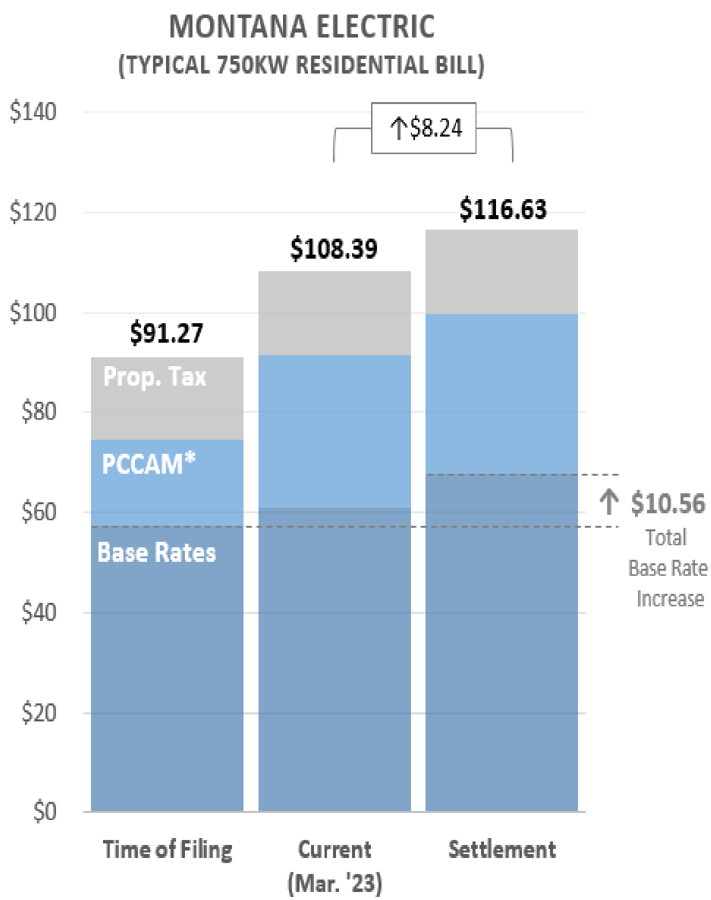
This request, if granted in full, would still result in customer bills in line with inflation.

1. Based on U.S. Bureau of Labor Statistics Consumer Price Index for All Urban Consumers comparing January of 2016 to June of 2023.
2. Based on a typical 750 kWh monthly South Dakota residential electric bill - final rates implementation from 2014 Rate Case (January 2016 - June 2023).
3. Sub-component of Household Energy

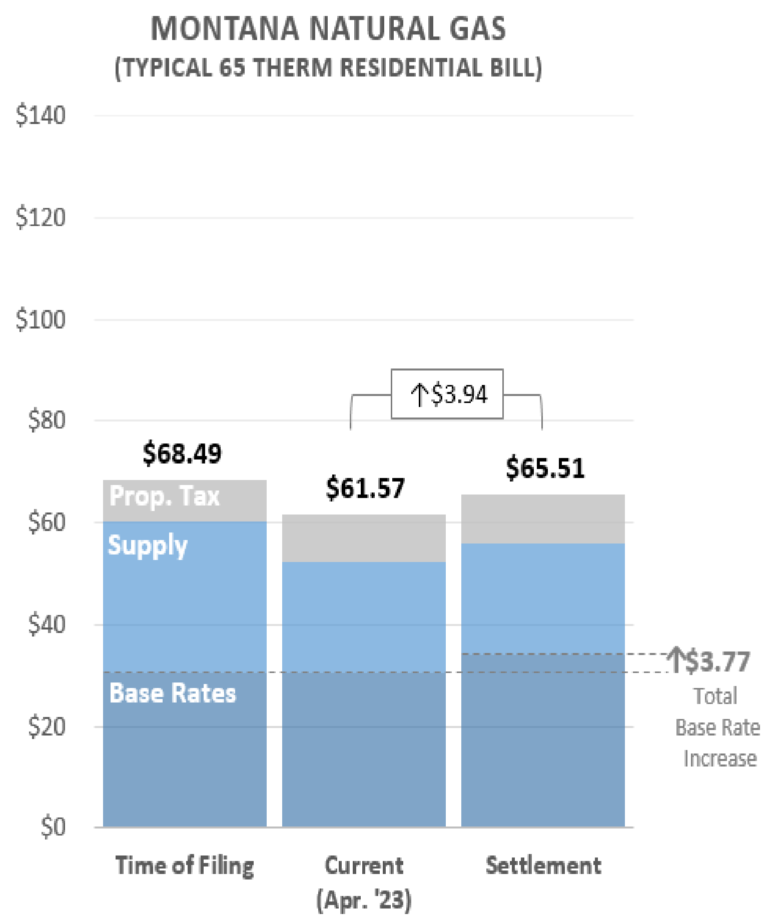
Montana Rate Review

Reliable, Sustainable and still Affordable service for our customers.

While still significant – the resulting increase in customer bills, from current rates, amounts to pennies a day (Electric: $8.24 per month or 27 cents per day | Natural Gas $3.94 per month or 13 cents per day)



* Including Deferred Supply Costs



Colstrip Transfer Agreement

Colstrip Transaction 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 expect to file our Montana Integrated Resource Plan during the first quarter 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 Transfer

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.

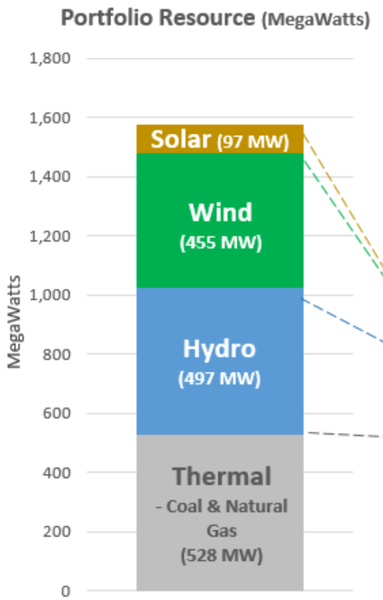
Bill Headroom

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

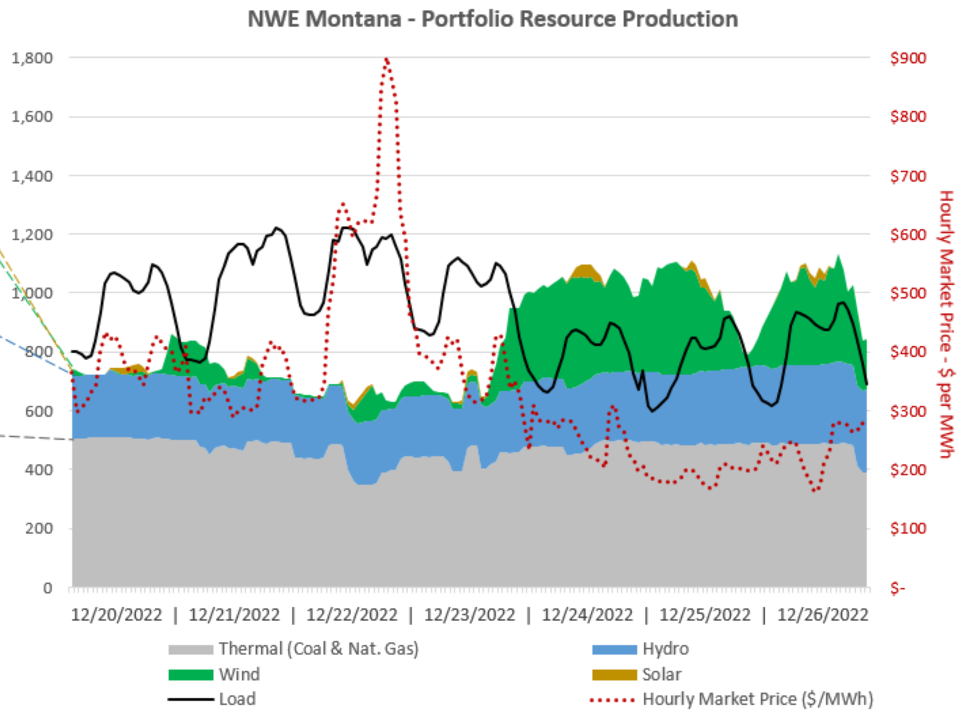
Aligned with 'All of the Above' energy transition in Montana

- 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.

December 2022 Polar Vortex



Portfolio Resource includes owned and long-term contracted resources in Montana



The chart illustrates the actual resource specific contribution of energy, the capacity deficit we faced, and the market price of power during the late December 2022 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.

Estimated Cost Benefit of Existing 222 MW Colstrip Ownership vs. Market Purchases (Millions)

	Existing 222 MW of Colstrip				Colstrip Cost	Estimated Market Cost	
	MWh	Variable	+ Fixed	= Total	vs. Market	Total	Avg. $ Per Mwh
Dec. 20-26	35,580	$0.8	$1.4	$2.2	($9.8)	$12.0	$336.14
Dec. 21-23	15,467	$0.4	$0.5	$0.9	($5.7)	$6.6	$427.64

Colstrip costs significantly lower than market

Facility Ownership Overview

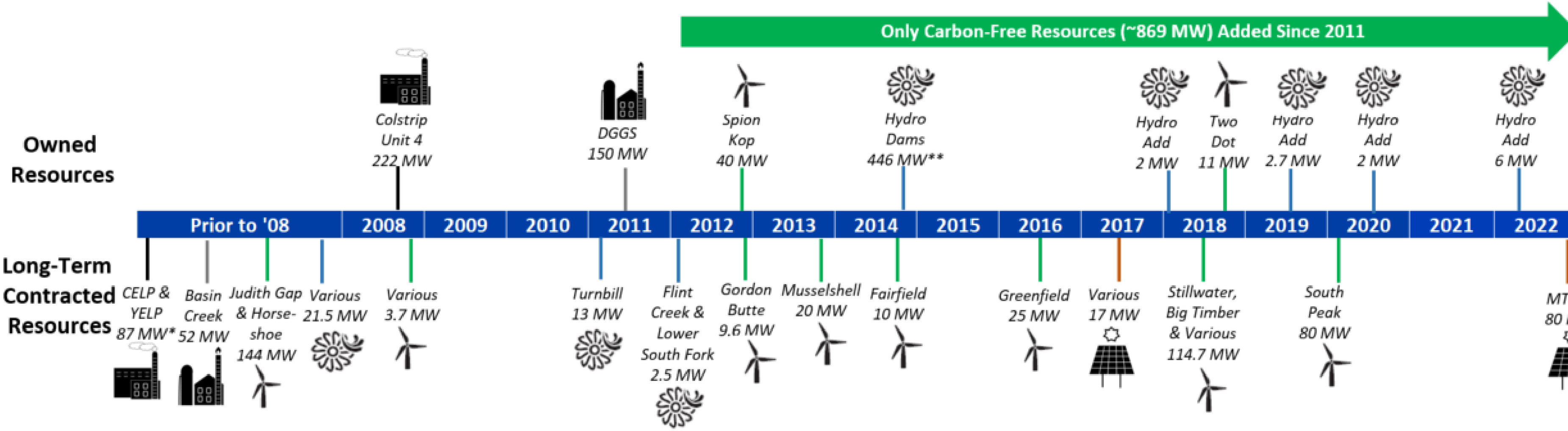
Mitigating today's capacity crisis while creating a sustainable glide path to the cost-effective carbon-free technologies of tomorrow

	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.

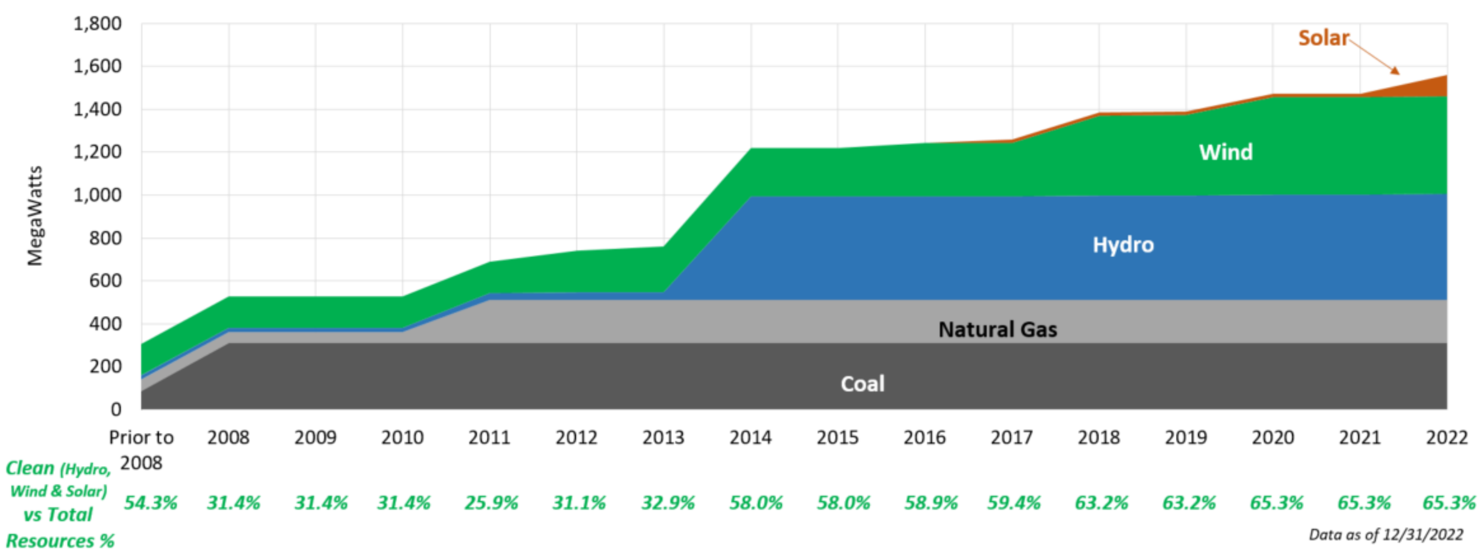
Timeline of Montana Generation Portfolio

Owned and Long-Term Resource Portfolio Timeline



** Federally mandated Qualifying Facilities contracts with CELP (Colstrip Energy Limited Partnership) and YELP (Yellowstone Energy Limited Partnership) expire in 2024 and 2028, respectively.*
*** Excludes 194 MW Kerr Dam which was purchased and subsequently transferred to the Salish & Kootenai Tribes in 2015.*

NorthWestern Energy Montana - Cumulative Timeline of Owned and Long-Term Contracted Electric Resources



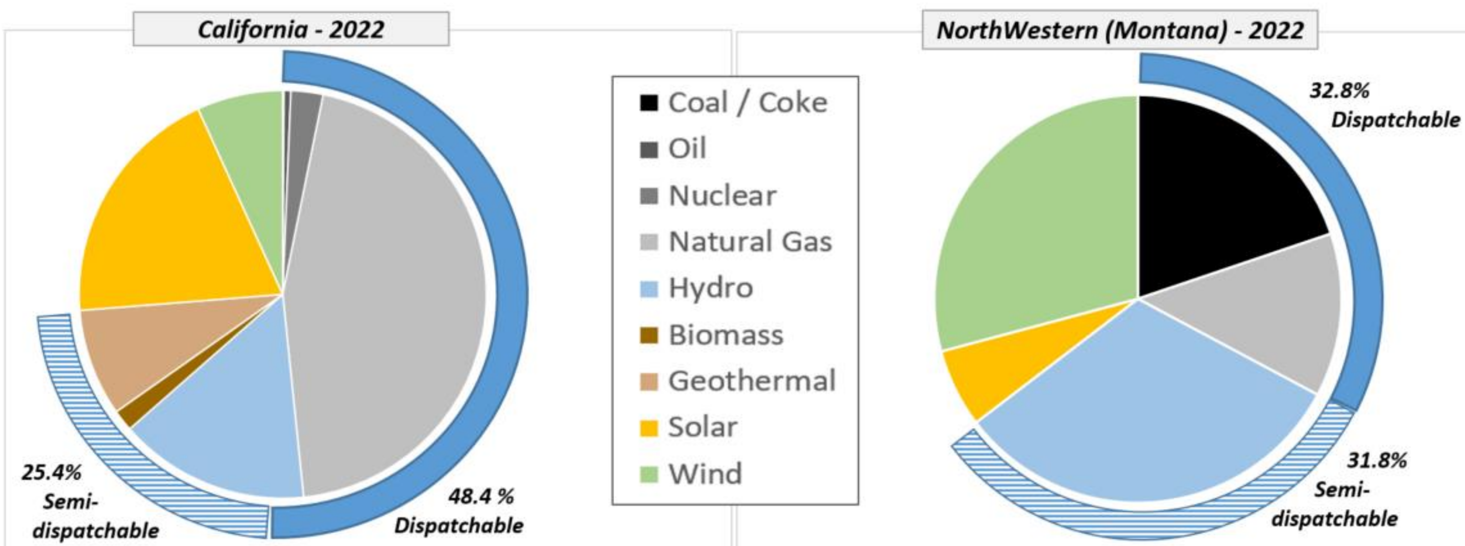
Since 2011, we have added approximately 870 MW, both owned and long-term contract, to our generation portfolio, all of which is from carbon-free resources.

Appendix

Comparison of Installed Capacity

Comparison of Installed Capacity (MW) - Dispatchability and Carbon Emitting

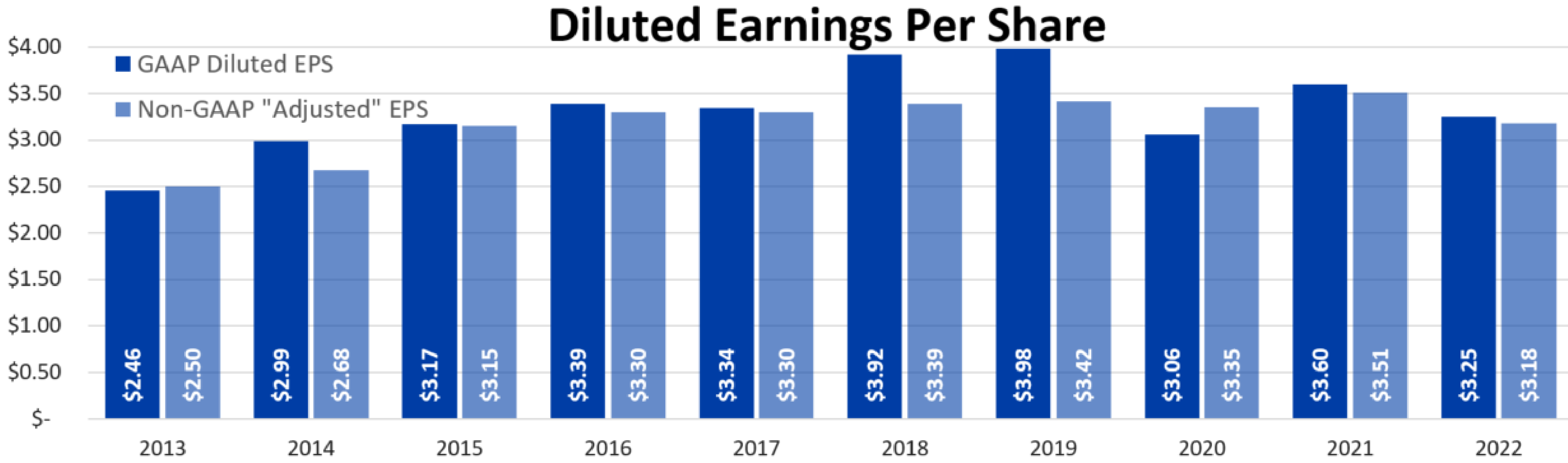
	California				NorthWestern Energy (Montana)			
	MW	Percent			MW	Percent		
	2021	of Total	Dispatchable	Non-Carbon	2022	of Total	Dispatchable	Non-Carbon
Coal / Coke	90	0.1%	0.1%		309	19.8%	19.8%	
Oil	492	0.5%	0.5%		0	0.0%		
Nuclear	2,323	2.6%	2.6%			0.0%		
Natural Gas	41,102	45.2%	45.2%		202	13.0%	13.0%	
Hydro	13,804	15.2%		15.2%	496	31.8%		31.8%
Biomass	1,555	1.7%		1.7%		0.0%		
Geothermal	7,739	8.5%		8.5%		0.0%		
Solar	17,685	19.4%		19.4%	97	6.2%		6.2%
Wind	6,206	6.8%		6.8%	454	29.2%		29.2%
	90,996	100.0%	48.4%	51.6%	1,558	100.0%	32.8%	67.2%

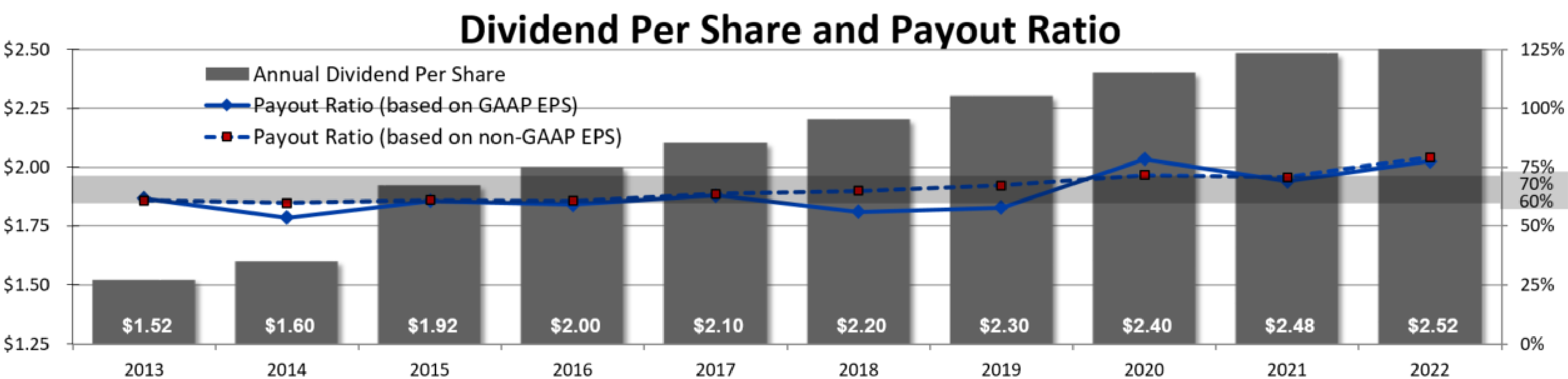


Source: EIA.gov – 2022 Form EIA-860 Data - Schedule 3 for calendar year 2022

California is dealing with significant capacity issues DESPITE having a greater amount of dispachable generation and fewer renewables than NorthWestern Energy in Montana (as a percentage of the total).

EPS & Dividend History



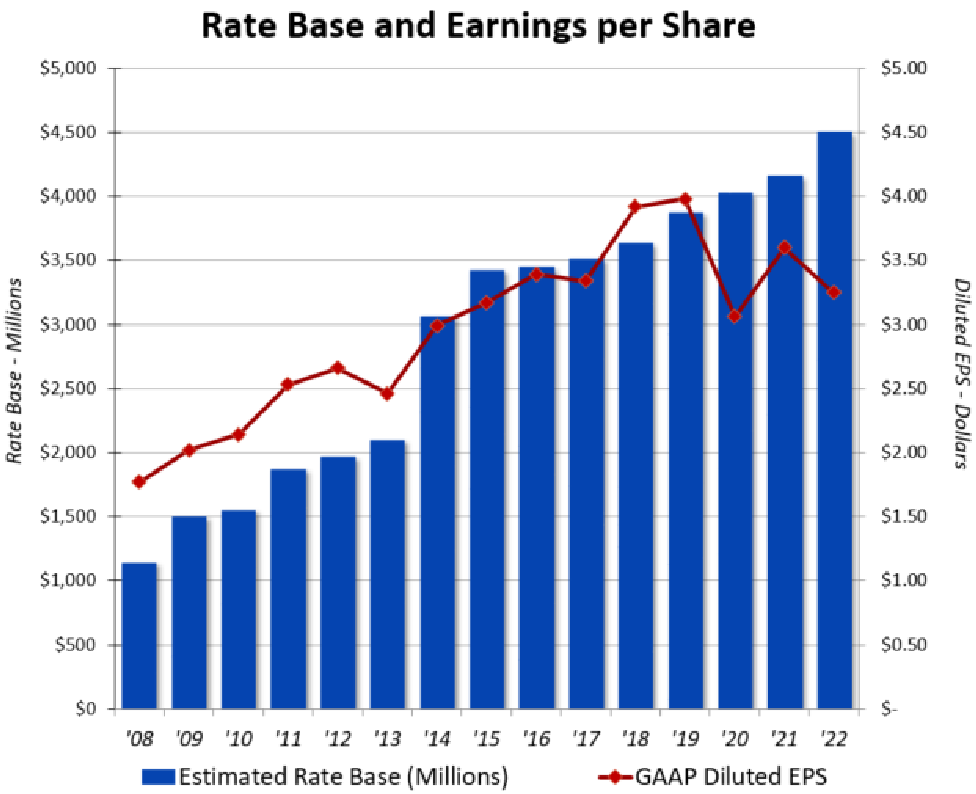


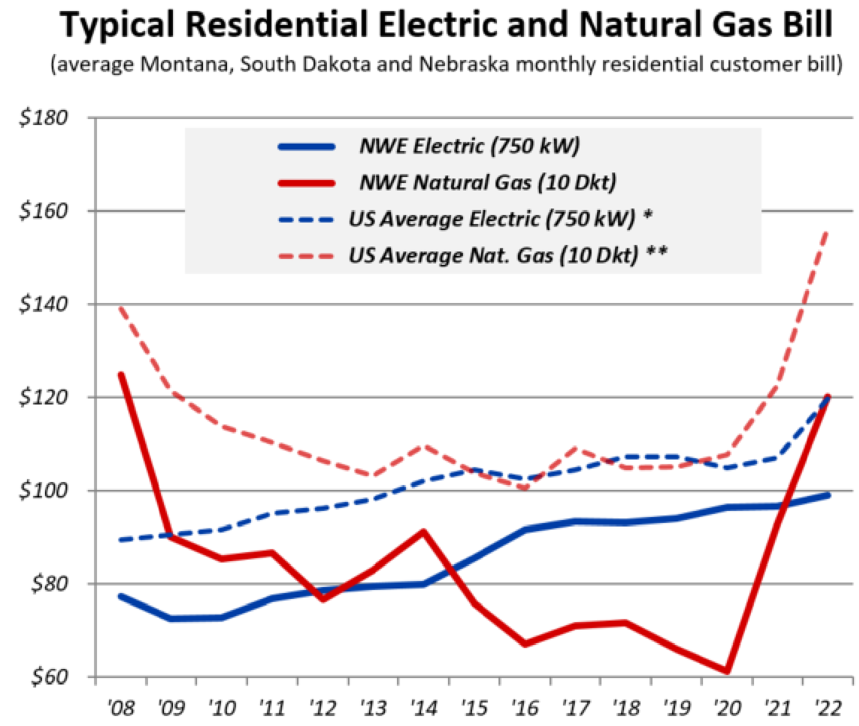
2013-2022 CAGR's: GAAP EPS: 3.1% - Non-GAAP EPS: 2.7% - Dividend: 5.8%

See appendix for "Non-GAAP Financial Measures"

Appendix

Investment for Our Customers' Benefit





* Electric - EEI Typical Bills and Average Summer and Winter Rates Report (2008-2022)
** Natural Gas - EIA U.S. Price of Natural Gas Delivered to Residential Customers (2008-2022)
Note: 2022 data is as of November 2022

Over the past decade we have been reintegrating our Montana energy supply portfolio and making additional investments across our entire service territory to enhance system safety, reliability and capacity.

We have made these enhancements with minimal impact to customers' bills while maintaining bills lower than the US average. As a result we have also been able to deliver solid earnings growth for our investors.

2008-2022 CAGRs	Estimated Rate Base: 10.4%	GAAP Diluted EPS: 4.4%
2008-2022 CAGRs	NWE typical electric bill: 1.8%	NWE typical natural gas bill: (0.3%)
2008-2022 CAGRs	US average electric bill: 2.1%*	US average natural gas bill: 0.8%**

Our Commissioners

Montana Public Service Commission

Name	Party	Began Serving	Term Ends
James Brown (President)	R	Jan-21	Jan-25
Jennifer Fielder (Vice President)	R	Jan-21	Jan-25
Annie Bukacek	R	Jan-23	Jan-27
Tony O'Donnell	R	Jan-17	Jan-25
Randy Pinocci	R	Jan-23	Jan-27

Commissioners are elected in statewide elections from each of five districts. Leadership positions are elected by fellow Commissioners. Commissioner term is four years, Chairperson term is two years.

South Dakota Public Utilities Commission

Name	Party	Began Serving	Term Ends
Kristie Fiegen (Chair)	R	Aug-11	Jan-25
Gary Hanson (Vice Chair)	R	Jan-03	Jan-27
Chris Nelson	R	Jan-11	Jan-29

Commissioners are elected in statewide elections. Chairperson is elected by fellow Commissioners. Commissioner term is six years, Chairperson term is one year.

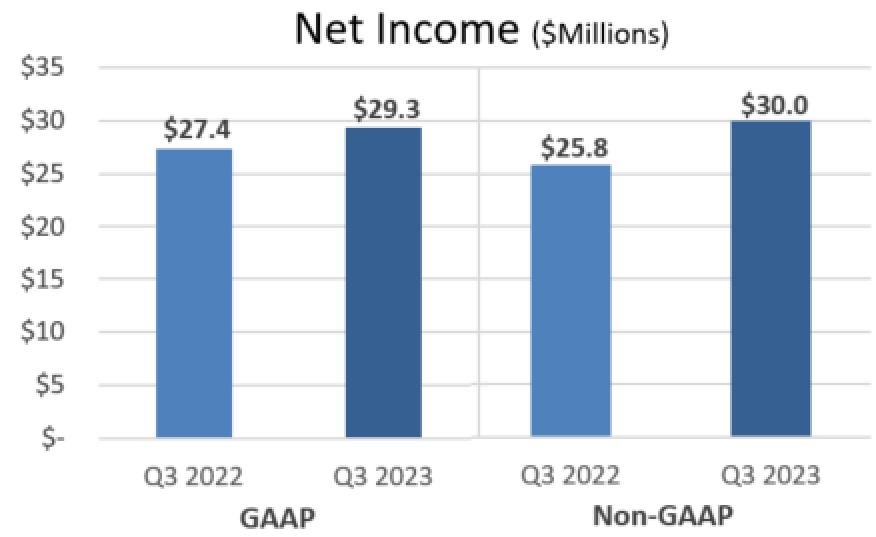
Nebraska Public Service Commission

Name	Party	Began Serving	Term Ends
Eric Kamler	R	Jan-23	Jan-29
Christian Mirch	R	Jan-23	Jan-27
Tim Schram	R	Jan-07	Jan-25
Kevin Stocker	R	Jan-23	Jan-29
Dan Watermeier (Chair)	R	Jan-19	Jan-25

Commissioners are elected in statewide elections. Chairperson is elected by fellow Commissioners. Commissioner term is six years, Chairperson term is one year.

Earnings & Other

Q3 2023 Financial Results



Third Quarter Net Income vs Prior Period

•**GAAP: ↑ $1.9 Million or +7.1%**

•Non-GAAP*: ↑ $4.2 Million +16.3%

Third Quarter EPS vs Prior Period

•**GAAP: ↑ $0.01 or +2.1%**

•Non-GAAP*: ↑ $0.05 or 11.4%

*See slide 56 and *"Non-GAAP Financial Measures"* slide in the appendix for additional detail on this measure.

NorthWestern Energy
Delivering a Bright Future

Appendix

Q3 2023 Financial Results

(in millions except per share amounts)	Three Months Ended September 30,			
	2023	2022	Variance	% Variance
Operating Revenues [(1)]	$ 321.1	$ 335.1	$ (14.0)	(4.2%)
Fuel, purchased supply & direct transmission expense (exclusive of depreciation and depletion)	88.9	109.0	(20.1)	(18.4%)
Utility Margin [(2)]	**232.2**	**226.1**	**6.1**	**2.7%**
Operating Expenses				
Operating and maintenance	53.2	54.7	(1.5)	(2.7%)
Administrative and general	29.4	28.1	1.3	4.6%
Property and other taxes	41.8	46.5	(4.7)	(10.1%)
Depreciation and depletion	52.2	48.6	3.6	7.4%
Total Operating Expenses	**176.6**	**177.9**	**(1.3)**	**(0.7%)**
Operating Income	**55.6**	**48.2**	**7.4**	**15.4%**
Interest expense	(28.7)	(25.3)	(3.4)	(13.4%)
Other income, net	4.1	4.2	(0.1)	(2.4%)
Income Before Taxes	**31.0**	**27.1**	**3.9**	**14.4%**
Income tax (expense) benefit	(1.7)	0.3	(2.0)	(666.7%)
Net Income	**$ 29.3**	**$ 27.4**	**$ 1.9**	**7.1%**
Effective Tax Rate	5.5%	(0.9%)	6.4%	
Diluted Shares Outstanding	60.5	56.6	3.9	6.9%
Diluted Earnings Per Share	$0.48	$ 0.47	$ 0.01	2.1%
Dividends Paid per Common Share	$ 0.64	$ 0.63	$ 0.01	1.6%

(1) Decrease in revenues is primarily related to pass-through supply costs and non-cash regulatory amortizations.
(2) Utility Margin is a non-GAAP Measure See appendix slide titled "Explaining Utility Margin" for additional disclosure.

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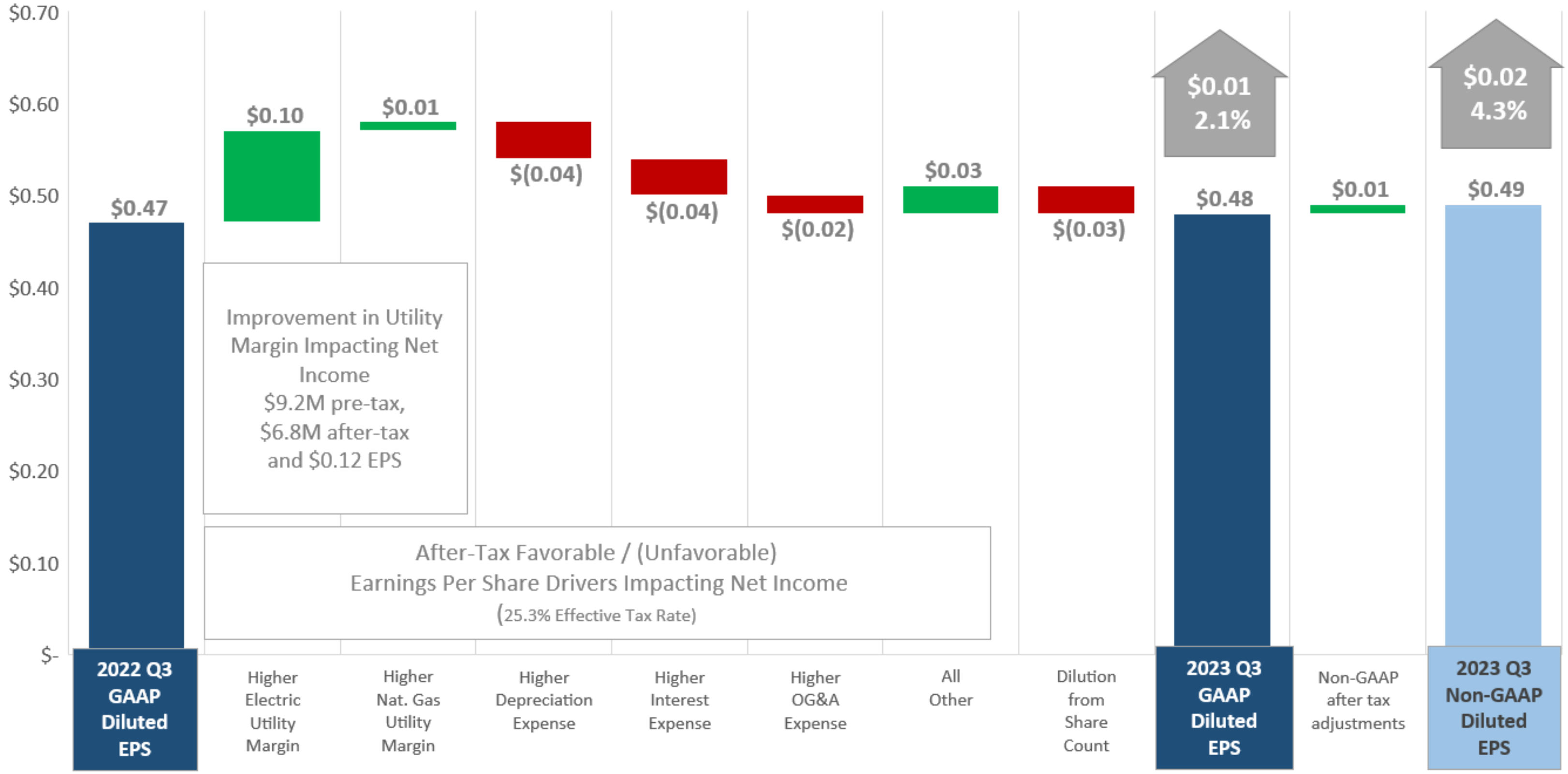
Q3 2023 EPS Bridge

After-tax Earnings Per Share



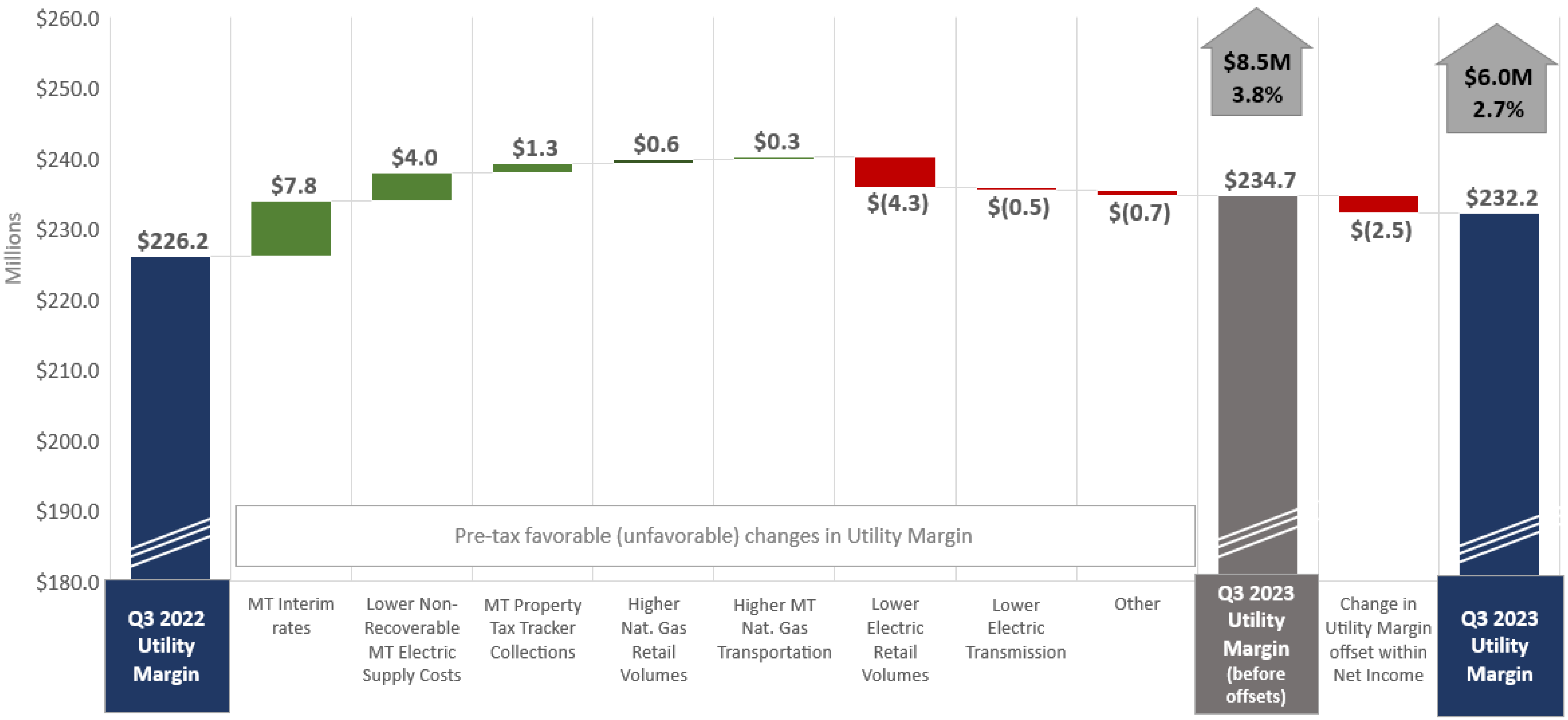
Pre-Tax ($M)	$7.5	$1.0	($3.6)	($3.4)	($1.3)	$3.7	-	$0.9
After-Tax ($M)	$5.6	$0.7	($2.7)	($2.5)	($1.0)	$1.8	-	$0.7
Diluted EPS	$0.10	$0.01	($0.04)	($0.04)	($0.02)	$0.03	($0.03)	$0.01

Improvement in Utility Margin offset by higher expenses and share count dilution

See slide 56 and *"Non-GAAP Financial Measures"* slide in the appendix for additional detail on this measure.

Q3 2023 Utility Margin Bridge

Pre-tax Millions



Pre-Tax ($M)	$7.8	$4.0	$1.3	$0.6	$0.3	($4.3)	($0.5)	($0.7)	$8.5	($2.5)	$6.0
After-Tax ($M)	$5.8	$3.0	$1.0	$0.4	$0.2	($3.2)	($0.4)	($0.5)	$6.3	($1.9)	$4.4
Diluted EPS	$0.10	$0.05	$0.02	$0.01	$0.00	($0.05)	($0.01)	($0.01)	$0.11	($0.03)	$0.08

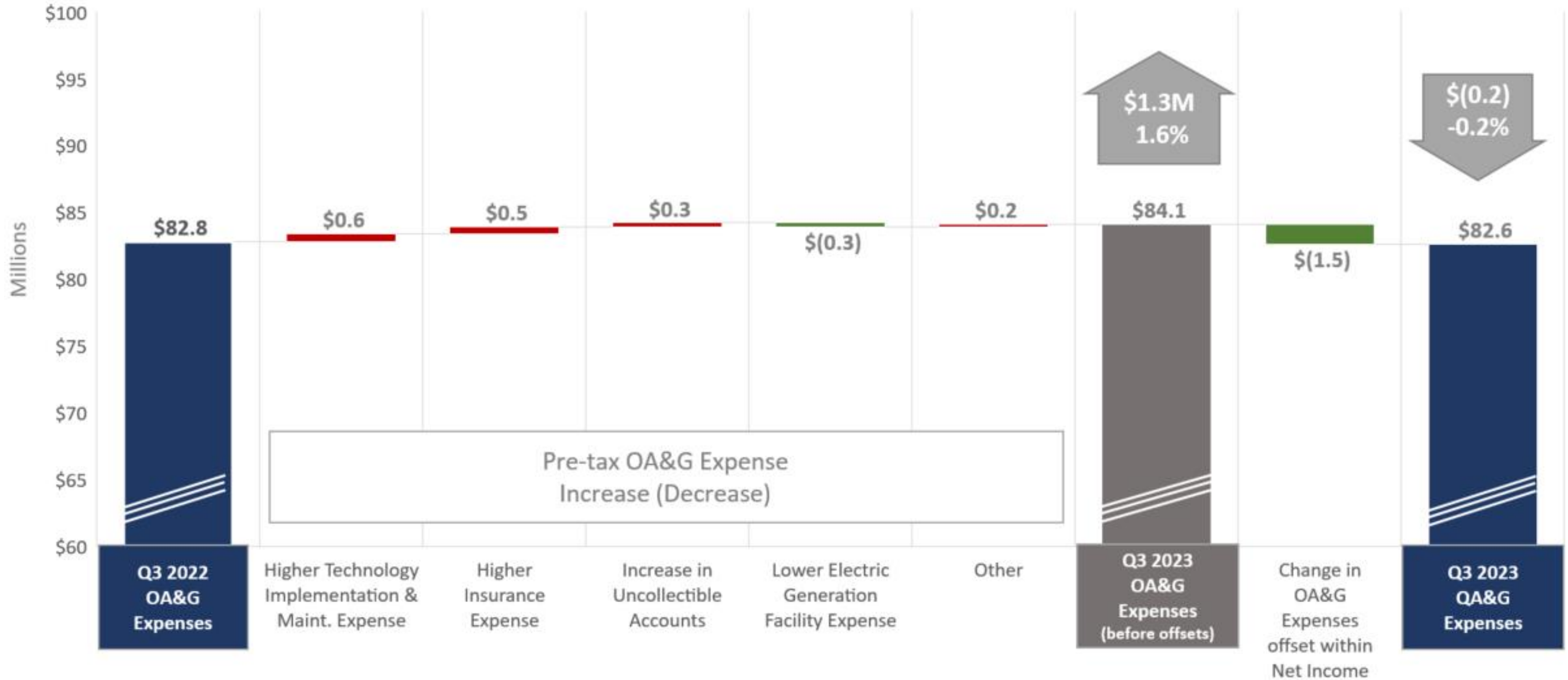
$8.5 Million or 3.8% increase in Utility Margin due to items that impact Net Income.

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

Appendix

Q3 2023 OA&G Expense Bridge

Pre-tax Millions



($millions, except EPS)	↑	↑	↑	↑	↑	↑	↑	↑
OA&G Inc. (Dec.)	$0.6	$0.5	$0.3	($0.3)	$0.2	**$1.3**	($1.5)	**($0.2)**
After-Tax	$0.4	$0.4	$0.2	($0.2)	$0.1	**$0.9**	($1.1)	**($0.2)**
Diluted EPS	$0.01	$0.01	$0.00	$0.00	$0.00	**$0.02**	($0.02)	**$0.00**

$1.3 Million or 1.6% increase in Operating, Administrative, and General Expenses due to items that impact Net Income.

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

Q3 2023 Tax Reconciliation

(in millions)	Three Months Ended September 30,				
	2023		2022		Variance
Income Before Income Taxes	**$31.0**		**$27.1**		**$3.9**
Income tax calculated at federal statutory rate	6.5	21.0%	5.7	21.0%	0.8
Permanent or flow through adjustments:					
State income taxes, net of federal provisions	0.1	0.4%	0.1	0.5%	-
Flow - through repairs deductions	(4.2)	(13.5%)	(3.4)	(12.4%)	(0.8)
Production tax credits	(1.3)	(4.1%)	(1.7)	(6.2%)	0.4
Amortization of excess deferred income taxes	(0.3)	(1.0%)	(0.2)	(0.9%)	(0.1)
Income tax return to accrual adjustment	0.4	1.3%	(0.9)	(3.4%)	1.3
Plant and depreciation flow-through items	0.4	1.2%	0.3	1.0%	0.1
Other, net	0.1	0.2%	(0.1)	(0.5%)	0.2
Sub-total	(4.8)	(15.5%)	(5.9)	(21.9%)	1.1
Income Tax Expense	**$ 1.7**	**5.5%**	**$ (0.2)**	**(0.9%)**	**$ 1.9**

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Q3 2023 GAAP to Non-GAAP Earnings

	Three Months Ended September 30,											
	GAAP	Non-GAAP Adjustments			Non GAAP	Non-GAAP Variance		Non GAAP	Non-GAAP Adjustments			GAAP
			(1)							(1)		
(in millions)	Three Months Ended Sept. 30, **2023**	Unfavorable Weather	Move Pension Expense to OG&A (disaggregated with ASU 2017-07)	Non-employee Deferred Compensation	Three Months Ended Sept. 30, **2023**	**Variance** $	%	Three Months Ended Sept. 30, **2022**	Non-employee Deferred Compensation	Move Pension Expense to OG&A (disaggregated with ASU 2017-07)	Favorable Weather	Three Months Ended Sept. 30, **2022**
Revenues	$321.1	0.9			$322.0	($11.0)	-3.3%	$333.0			(2.1)	$335.1
Fuel, supply & dir. tx	88.9				88.9	(20.1)	-18.4%	109.0				109.0
Utility Margin (2)	**232.2**	**0.9**	**-**	**-**	**233.1**	**9.1**	**4.1%**	**224.0**	**-**	**-**	**(2.1)**	**226.1**
Op. Expenses												
OG&A Expense	82.6		-	0.6	83.2	1.5	1.8%	81.7	0.6	(1.7)		82.8
Prop. & other taxes	41.8				41.8	(4.7)	-10.1%	46.5				46.5
Depreciation	52.2				52.2	3.6	7.4%	48.6				48.6
Total Op. Exp.	**176.6**	**-**	**-**	**0.6**	**177.2**	**0.4**	**0.2%**	**176.8**	**0.6**	**(1.7)**	**-**	**177.9**
Op. Income	**55.6**	**0.9**	**-**	**(0.6)**	**55.9**	**8.7**	**18.4%**	**47.2**	**(0.6)**	**1.7**	**(2.1)**	**48.2**
Interest expense	(28.7)				(28.7)	(3.4)	-13.4%	(25.3)				(25.3)
Other (Exp.) Inc., net	4.1		-	0.6	4.7	1.6	51.6%	3.1	0.6	(1.7)		4.2
Pretax Income	**31.0**	**0.9**	**-**	**-**	**31.9**	**6.9**	**27.6%**	**25.0**	**-**	**-**	**(2.1)**	**27.1**
Income tax	(1.7)	(0.2)	-	-	(1.9)	(2.7)	-324.8%	0.8	-	-	0.5	0.3
Net Income	**$29.3**	**0.7**	**-**	**-**	**$30.0**	**$4.2**	**16.3%**	**$25.8**	**-**	**-**	**(1.6)**	**$27.4**
ETR	5.5%	25.3%	-	-	6.0%			-3.3%	-	-	25.3%	-0.9%
Diluted Shares	60.5				60.5	3.9	6.9%	56.6				56.6
Diluted EPS	**$0.48**	0.01	-	-	$0.49	$0.05	11.4%	$0.44	-	-	(0.03)	**$0.47**

The adjusted non-GAAP measures presented in the table are being shown to 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 "Explaining Utility Margin" for additional disclosure.

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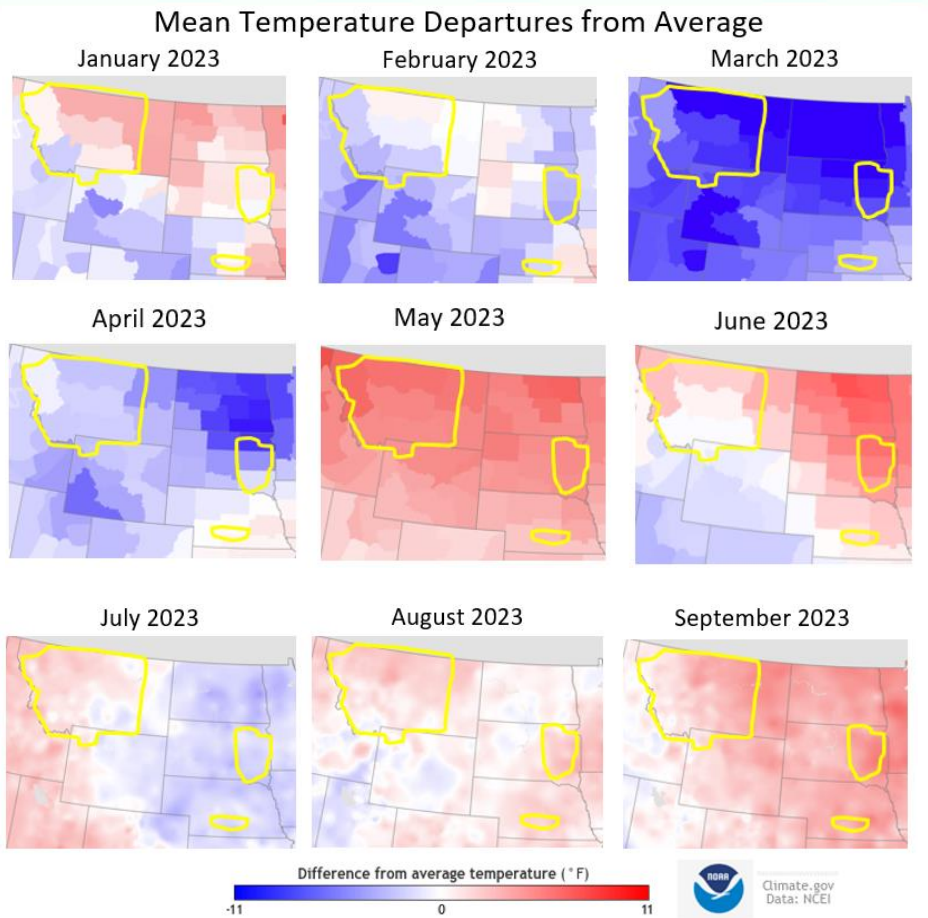
Weather and Hydro Conditions

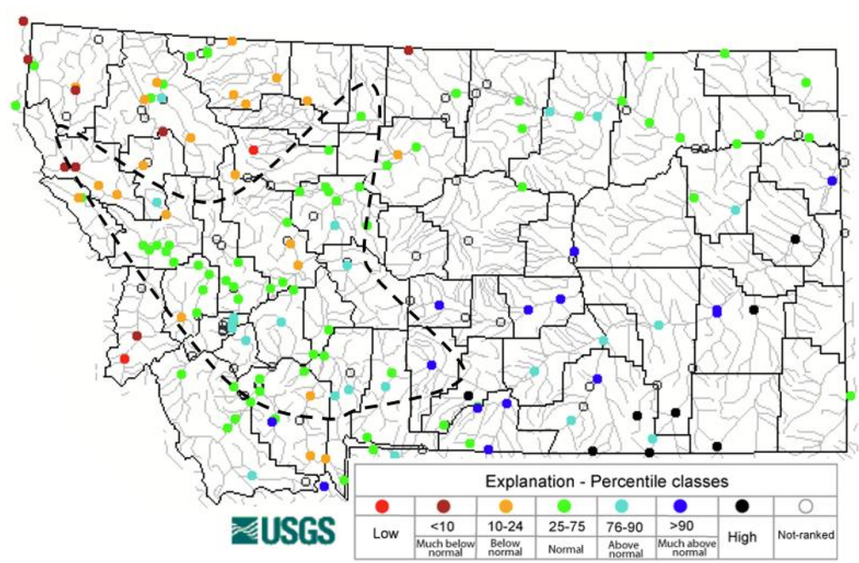


For Q3 – we estimated a $0.9 million pre-tax detriment as compared to normal and a $3.0 million detriment as compared to Q3 2022.
YTD – we estimated a $0.9 million pre-tax detriment as compared to normal and a $3.6 million detriment as compared to 2022 YTD Q3.

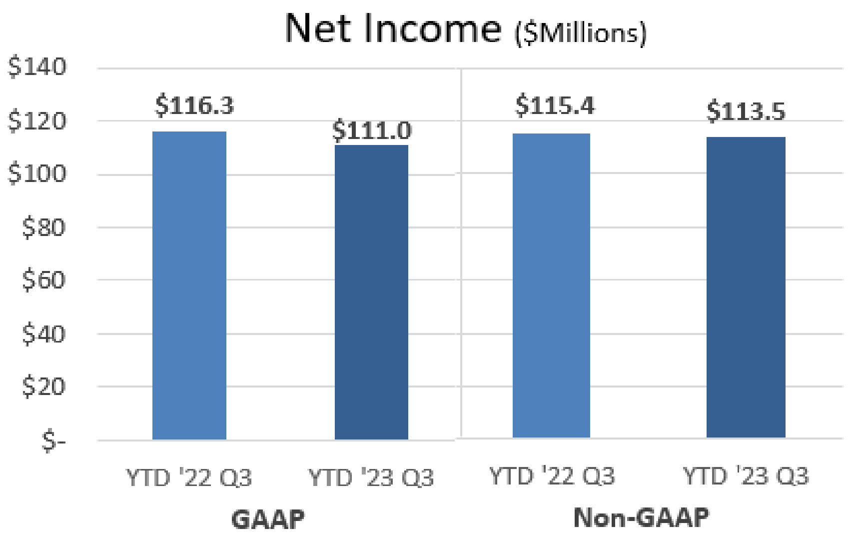
Snow water equivalents generally in line with the 30-year medians.

(Missouri, Madison & Clark Fork Rivers and West Rosebud Creek basins)

Real-Time Streamflows versus 30-Year Normal

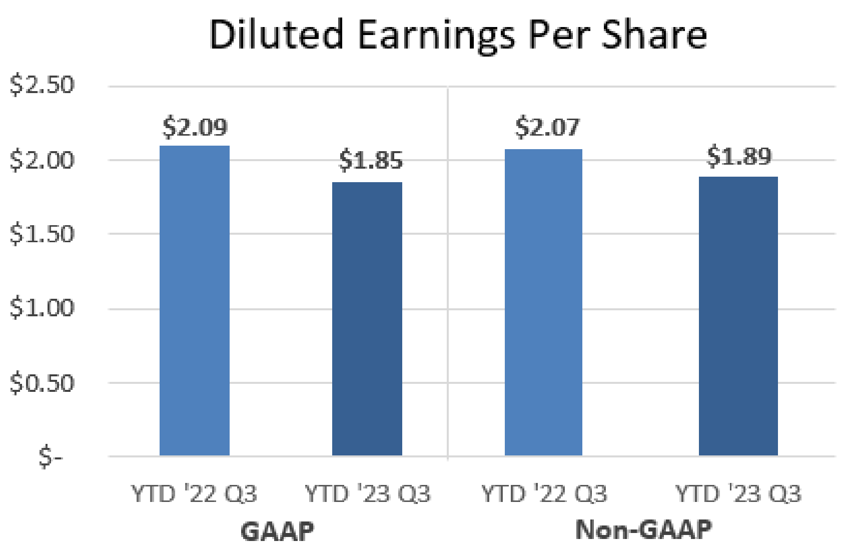


Year-to-Date 2023 Financial Results
(through Q3)



Year-to-Date Net Income vs Prior Period

- **GAAP: ↓ $5.3 Million (or 4.6%)**
- Non-GAAP*: ↓ $1.9 Million (or 1.6%)



Year-to-Date EPS vs Prior Period

- **GAAP: ↓ $0.24 (or 11.5%)**
- Non-GAAP*: ↓ $0.18 (or 8.7%)

*See slide 63 and *"Non-GAAP Financial Measures"* slide in the appendix for additional detail on this measure.

Appendix

Year-to-Date Financial Results

(through Q3)

(in millions except per share amounts)	Nine Months Ended September 30,			
	2023	2022	Variance	% Variance
Operating Revenues [(1)]	$ 1,066.1	$ 1,052.6	$ 13.5	1.3%
Fuel, purchased supply & direct transmission expense (exclusive of depreciation and depletion)	322.0	339.0	(17.0)	(5%)
Utility Margin [(2)]	**744.1**	**713.6**	**30.5**	**4.3%**
Operating Expenses				
Operating and maintenance	163.9	160.8	3.1	1.9%
Administrative and general	94.1	87.0	7.1	8.2%
Property and other taxes	131.0	140.2	(9.2)	(6.6%)
Depreciation and depletion	157.8	145.7	12.1	8.3%
Total Operating Expenses	**546.8**	**533.7**	**13.1**	**2.5%**
Operating Income	**197.3**	**179.9**	**17.4**	**9.7%**
Interest expense	(85.1)	(73.1)	(12.0)	(16.4%)
Other income, net	12.9	11.8	1.1	9.3%
Income Before Taxes	**125.1**	**118.6**	**6.5**	**5.5%**
Income tax benefit (expense)	(14.1)	(2.3)	(11.8)	513.0%
Net Income	**$ 111.0**	**$ 116.3**	**$ (5.3)**	**(4.6%)**
Effective Tax Rate	11.3%	1.9%	9.4%	
Diluted Average Shares Outstanding	60.0	55.5	4.5	8.2%
Diluted Earnings Per Share	$ 1.85	$ 2.09	$ (0.24)	(11.5%)
Dividends Paid per Common Share	$ 1.92	$ 1.89	$ 0.03	1.6%

(1) Decrease in revenues is primarily related to pass-through supply costs and non-cash regulatory amortizations.
(2) Utility Margin is a non-GAAP Measure See appendix slide titled "Explaining Utility Margin" for additional disclosure.

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Utility Margin

(YTD thru 3rd Quarter)

(dollars in millions)

	Nine Months Ended September 30,			
	2023	2022	Variance	
Electric	$ 606.1	$ 576.5	$ 29.6	5.1%
Natural Gas	138.0	137.0	1.0	0.7%
Total Utility Margin (1)	**$ 744.1**	**$ 713.5**	**$ 30.6**	**4.3%**

Increase in utility margin due to the following factors:

$ 23.4	Montana interim rates
8.3	Lower non-recoverable Montana electric supply costs
4.8	Montana property tax tracker collections
2.0	Higher electric retail volumes
1.8	Higher Montana natural gas transportation
(1.0)	Lower natural gas retail volumes
(1.0)	Lower transmission revenue (market conditions & lower transmission rates)
(1.1)	Other
$ 37.2	**Change in Utility Margin Impacting Net Income**
$ (7.7)	Lower property taxes recovered in revenue, offset in property & other tax expense
(1.4)	Lower operating expenses recovered in revenue, offset in O&M expense
(0.6)	Lower natural gas production taxes recovered in revenue, offset in property & other taxes
3.1	Higher revenue from lower production tax credits, offset in income tax expense
$ (6.6)	**Change in Utility Margin Offset Within Net Income**
$ 30.6	**Increase in Utility Margin**

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

Operating Expenses
(YTD thru 3rd Quarter)

(dollars in millions)

	Nine Months Ended September 30,			
	2023	2022	Variance	
Operating & maintenance	$ 163.9	$ 160.8	$ 3.1	1.9%
Administrative & general	94.1	87.0	7.1	8.2%
Property and other taxes	131.0	140.2	(9.2)	(6.6)%
Depreciation and depletion	157.8	145.7	12.1	8.3%
Operating Expenses	**$ 546.8**	**$ 533.7**	**$ 13.1**	**2.5%**

$10.2

Increase in operating expenses due to the following factors:

$ 12.1	Higher depreciation due to plant additions
7.5	Higher labor and benefits [(1)]
2.9	Higher expenses at our electric generation facilities
1.5	Higher insurance expense
1.4	Increase in uncollectible accounts
0.6	Higher cost of materials
0.2	Higher technology implementation and maintenance expenses
(0.9)	Lower other state and local tax expense
0.9	Other miscellaneous
$ 26.2	**Change in Operating Expense Items Impacting Net Income**
$ (7.7)	Lower property taxes recovered in trackers, offset in revenue
(3.2)	Lower pension and other postretirement benefits, offset in other income
(1.4)	Lower operating and maintenance expenses recovered in trackers, offset in revenue
(0.6)	Lower natural gas production taxes recovered in trackers, offset in revenue
(0.2)	Lower non-employee directors deferred compensation, offset in other income
$ (13.1)	**Change in Operating Expense Items Offset Within Net Income**
$ 13.1	**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.

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Operating to Net Income

(YTD thru 3rd Quarter)

(dollars in millions)

	Nine Months Ended September 30,			
	2023	2022	Variance	
Operating Income	**$ 197.3**	**$ 179.9**	**$ 17.4**	**9.7%**
Interest expense	(85.1)	(73.1)	(12.0)	(16.4)%
Other income, net	12.9	11.8	1.1	9.3%
Income Before Taxes	**125.1**	**118.6**	**6.5**	**5.5%**
Income tax expense	(14.1)	(2.3)	(11.8)	(513.0)%
Net Income	**$ 111.0**	**$ 116.3**	**$ (5.3)**	**(4.6)%**

$12.0 million increase in interest expenses was primarily due to higher borrowings and interest rates, partly offset by higher capitalization of AFUDC.

$1.1 million increase in other income, net was primarily due to the prior year CREP penalty and higher capitalization of AFUDC, partly offset by an increase in the non-service component of pension expense

$11.8 million increase in income tax expense was primarily due to higher pre-tax income, a reduction to previously claimed alternative minimum tax credit, lower plant and depreciation flow-through items and an accrual adjustment to an income tax return.

Year-to-Date Tax Reconciliation (through Q3)

(in millions)	Nine Months Ended September 30,				
	2023		2022		Variance
Income Before Income Taxes	**$125.1**		**$118.6**		**$6.5**
Income tax calculated at federal statutory rate	26.3	21.0%	24.9	21.0%	1.4
Permanent or flow through adjustments:					
State income taxes, net of federal provisions	1.4	1.1%	1.0	0.8%	0.4
Flow - through repairs deductions	(11.7)	(9.4%)	(13.5)	(11.4%)	1.8
Production tax credits	(5.6)	(4.5%)	(8.1)	(6.8%)	2.5
Amortization of excess deferred income tax (DIT)	(1.4)	(1.1%)	(0.8)	(0.7%)	(0.6)
Reduction to previously claimed alternative minimimum tax credit	3.2	2.5%	-	-	3.2
Plant and depreciation flow-through items	1.2	1.0%	0.4	0.3%	0.8
Income tax return to accrual adjustment	0.4	0.3%	(0.9)	(0.8%)	1.3
Share-based compensation	0.4	0.3%	(0.3)	(0.2%)	0.7
Other, net	(0.1)	0.1%	(0.4)	(0.3%)	0.3
Sub-total	(12.2)	(9.7%)	(22.6)	(19.1%)	10.4
Income Tax Expense	**$ 14.1**	**11.3%**	**$ 2.3**	**1.9%**	**$ 11.8**

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Appendix

Year-to-Date GAAP to Non-GAAP Earnings (through Q3)

(in millions)	GAAP Nine Months Ended Sep. 30, 2023	Non-GAAP Adjustments Favorable Weather	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 Add Back Reduction related to Previously Claimed AMT Credit	Non GAAP Nine Months Ended Sep. 30, 2023	Non-GAAP Variance Variance $	Non-GAAP Variance Variance %	Non GAAP Nine Months Ended Sep. 30, 2022	Non-GAAP Adjustments Community Renewable Energy Project Penalty (not tax deductible)	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	GAAP Nine Months Ended Sep. 30, 2022
Revenues	$1,066.1	(0.9)	-	-	-	$1,065.2	$17.1	1.6%	$1,048.1	-	-	-	(4.5)	$1,052.6
Fuel, supply & dir. tx	322.0	-	-	-	-	322.0	(17.0)	-5.0%	339.0	-	-	-	-	339.0
Utility Margin (2)	**744.1**	**(0.9)**	**-**	**-**	**-**	**743.2**	**34.1**	**4.8%**	**709.1**	**-**	**-**	**-**	**(4.5)**	**713.6**
Op. Expenses														
OG&A Expense	258.0	-	(0.8)	0.7	-	257.9	13.6	5.6%	244.3	-	0.5	(4.0)	-	247.8
Prop. & other taxes	131.0	-	-	-	-	131.0	(9.2)	-6.6%	140.2	-	-	-	-	140.2
Depreciation	157.8	-	-	-	-	157.8	12.1	8.3%	145.7	-	-	-	-	145.7
Total Op. Exp.	**546.8**	**-**	**(0.8)**	**0.7**	**-**	**546.7**	**16.5**	**3.1%**	**530.2**	**-**	**0.5**	**(4.0)**	**-**	**533.7**
Op. Income	**197.3**	**(0.9)**	**0.8**	**(0.7)**	**-**	**196.5**	**17.6**	**9.8%**	**178.9**	**-**	**(0.5)**	**4.0**	**(4.5)**	**179.9**
Interest expense	(85.1)	-	-	-	-	(85.1)	(12.0)	-16.4%	(73.1)	-	-	-	-	(73.1)
Other (Exp.) Inc., net	12.9	-	(0.8)	0.7	-	12.8	2.0	18.6%	10.8	2.5	0.5	(4.0)	-	11.8
Pretax Income	**125.1**	**(0.9)**	**-**	**-**	**-**	**124.2**	**7.6**	**6.5%**	**116.6**	**2.5**	**-**	**-**	**(4.5)**	**118.6**
Income tax	(14.1)	0.2	-	-	3.2	(10.7)	(9.5)	-817.9%	(1.2)	-	-	-	1.1	(2.3)
Net Income	**$111.0**	**(0.7)**	**-**	**-**	**3.2**	**$113.5**	**($1.9)**	**-1.6%**	**$115.4**	**2.5**	**-**	**-**	**(3.4)**	**$116.3**
ETR	11.3%	25.3%	-	-	-	8.6%			1.0%	0.0%	-	-	25.3%	1.9%
Diluted Shares	60.0					60.0	4.5	8.1%	55.5					55.5
Diluted EPS	**$1.85**	(0.01)	-	-	0.05	$1.89	($0.18)	-8.7%	2.07	0.04	-	-	(0.06)	**$2.09**

The adjusted non-GAAP measures presented in the table are being shown to 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 "Explaining Utility Margin" for additional disclosure.

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Cash Flow
(through Q3)

(dollars in millions)	Nine Months Ending September 30, 2023	2022
Operating Activities		
Net Income	$ 111.0	$ 116.3
Non-Cash adjustments to net income	141.1	132.5
Changes in working capital	194.5	72.3
Other non-current assets & liabilities	(19.6)	(11.8)
Cash provided by Operating Activities	**427.0**	**309.3**
Cash used in Investing Activities	**(411.0)**	**(387.3)**
Cash provided by Financing Activities	**(16.8)**	**87.9**

	2023	2022
Cash provided by Operating Activities	**$ 427.0**	**$ 309.3**
Less: Changes in working capital	194.5	72.3
Funds from Operations	**$ 232.5**	**$ 237.0**
PP&E additions	407.2	386.4
Capital expenditures included in trade accounts payable	43.4	26.2
Total Capital Investment	**$ 450.6**	**$ 412.6**

Cash from Operating Activities increased by $117.7 million driven primarily by a $101.6 million increase in collection of energy supply costs from customers and Montana interim rates.

Funds from Operations decreased by $4.5 million over prior period.

Net Under-Collected Supply Costs
(in millions)

	Beginning (Jan. 1)	Ending (Sept. 30)	Inflow
2022	$99.1	$101.9	**$(2.8)**
2023	$115.4	$16.6	**$98.8**
2023 Improvement (less outflow)			**$101.6**

Financing Activities in 2023

Equity Issuances in 2023
- Issued remaining $73.6 million of common stock under our At-the-Market program in Q2 & Q3.

Debt financing in 2023
- Issued $239 million, 5.57% coupon, 10 year Montana FMBs priced in Q1
- Issued $31 million, 5.57% coupon, 10 year South Dakota FMB's priced in Q1
- Issued $30 million, 5.42% coupon, 10 year, South Dakota FMBs in Q2
- Refinanced $144.7 million, 3.88% coupon, 5 year Pollution Control Revenue Refunding Bonds in Q2

Financing plans (targeting a FFO to Debt ratio > 14%) are expected maintain our current credit ratings and are subject to change.

Balance Sheet

(dollars in millions)	As of September 30, 2023		As of December 31, 2022	
Cash and cash equivalents	$	5.1	$	8.5
Restricted cash		16.5		14.0
Accounts receivable, net		148.0		245.0
Inventories		119.1		107.4
Other current assets		69.6		164.1
Goodwill		357.6		357.6
PP&E and other non-current assets		6,713.6		6,421.4
Total Assets	**$**	**7,429.5**	**$**	**7,317.8**
Payables		119.3		201.5
Other current liabilities		347.0		271.7
Total debt & capital leases		2,654.0		2,630.8
Other non-current liabilities		1,568.7		1,548.6
Shareholders' equity		2,740.4		2,665.2
Total Liabilities and Equity	**$**	**7,429.5**	**$**	**7,317.8**
Capitalization:				
Total Debt & Capital Leases		2,654.0		2,630.8
Less: Basin Creek Capital Lease		(9.6)		(11.9)
Shareholders' Equity		2,740.4		2,665.2
Total Capitalization	**$**	**5,384.8**	**$**	**5,284.1**
Ratio of Debt to Total Capitalization		**49.1%**		**49.6%**

Debt to Total Capitalization slightly below our targeted 50% - 55% range.

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Quarterly PCCAM Impacts

Pre-tax Millions

First full year recorded in Q3

	Q1	Q2	Q3	Q4	Full Year
'17/'18 Tracker			$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)	($1.6)	($5.5)
2022 (Expense) Benefit	**($0.8)**	**($0.8)**	**($3.9)**	**($1.6)**	**($7.1)**
	Q1	**Q2**	**Q3**	**Q4**	**Year-to-Date**
'22/'23 Tracker	$0.5	$2.0			$2.5
'23/'24 Tracker			$0.1		$0.1
2023 (Expense) Benefit	**$0.5**	**$2.0**	**$0.1**	**$0.0**	**$2.6**
Year-over-Year Variance	***$1.3***	***$2.8***	***$4.0***		***$8.1***

In 2017, the Montana legislature revised the statute regarding our recovery of electric supply costs. In response, the MPSC approved a new design for our electric tracker in 2018, effective July 1, 2017. The revised electric tracker, or PCCAM established a baseline of power supply costs and tracks the differences between the actual costs and revenues. Variances in supply costs above or below the baseline are allocated 90% to customers and 10% to shareholders, with an annual adjustment. From July 2017 to May 2019, the PCCAM also included a "deadband" which required us to absorb the variances within +/- $4.1 million from the base, with 90% of the variance above or below the deadband collected from or refunded to customers. In 2019, the Montana legislature revised the statute effective May 7, 2019, prohibiting a deadband, allowing 100% recovery of QF purchases, and maintaining the 90% / 10% sharing ratio for other purchases.

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.

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Non-GAAP Financial Measures (1 of 5)

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.

Appendix Non-GAAP Utility Margin Reconciliation (2 of 5)

Reconciliation of Gross Margin to Utility Margin for quarter ending December 31,

	Electric		Natural Gas		Total	
	2022	2021	2022	2021	2022	2021
(in millions)						
Reconciliation of gross margin to utility margin						
Operating Revenues	$ 299.1	$ 253.2	$ 126.1	$ 94.1	$ 425.2	$ 347.3
Less: Fuel, purchased supply and direct transmission expense (exclusive of depreciation and depletion shown separately below)	93.5	76.0	59.5	38.4	153.0	114.4
Less: Operating & maintenance expense	46.6	34.4	14.0	14.6	60.6	49.0
Less: Property and other tax expense	40.6	26.8	11.7	8.3	52.3	35.1
Less: Depreciation and depletion expense	41.1	38.7	8.2	7.8	49.3	46.5
Gross Margin	**77.3**	**77.3**	**32.7**	**25.0**	**110.0**	**102.3**
Plus: Operating & maintenance expense	46.6	34.4	14.0	14.6	60.6	49.0
Plus: Property and other tax expense	40.6	26.8	11.7	8.3	52.3	35.1
Plus: Depreciation and depletion	41.1	38.7	8.2	7.8	49.3	46.5
Utility Margin (1)	**$ 205.6**	**$ 177.2**	**$ 66.6**	**$ 55.7**	**$ 272.2**	**$ 232.9**

Reconciliation of Gross Margin to Utility Margin Twelve Months Ending December 31,

	Electric		Natural Gas		Total	
	2022	2021	2022	2021	2022	2021
(in millions)						
Reconciliation of gross margin to utility margin						
Operating Revenues	$1,106.5	$1,052.2	$ 371.3	$ 320.1	$1,477.8	$1,372.3
Less: Fuel, purchased supply and direct transmission expense (exclusive of depreciation and depletion shown separately below)	324.4	294.8	167.6	130.7	492.0	425.5
Less: Operating & maintenance expense	167.8	156.4	53.6	51.9	221.4	208.3
Less: Property and other tax expense	149.8	134.9	42.7	38.5	192.5	173.4
Less: Depreciation and depletion expense	162.4	154.6	32.6	32.8	195.0	187.4
Gross Margin	**302.1**	**311.5**	**74.8**	**66.2**	**376.9**	**377.7**
Plus: Operating & maintenance expense	167.8	156.4	53.6	51.9	221.4	208.3
Plus: Property and other tax expense	149.8	134.9	42.7	38.5	192.5	173.4
Plus: Depreciation and depletion	162.4	154.6	32.6	32.8	195.0	187.4
Utility Margin (1)	**$ 782.1**	**$ 757.4**	**$ 203.7**	**$ 189.4**	**$ 985.8**	**$ 946.8**

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

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.

Appendix

Non-GAAP Utility Margin Reconciliation (3 of 5)

Reconciliation of Gross Margin to Utility Margin for Quarter Ending September 30,

	Electric		Natural Gas		Total	
	2023	2022	2023	2022	2023	2022
(in millions)						
Reconciliation of gross margin to utility margin						
Operating Revenues	$ 280.0	$ 292.3	$ 41.1	$ 42.8	$ 321.1	$ 335.1
Less: Fuel, purchased supply and direct transmission expense (exclusive of depreciation and depletion shown	78.0	95.6	10.9	13.3	88.9	108.9
Less: Operating & maintenance expense	40.0	40.9	13.3	13.8	53.3	54.7
Less: Property and other tax expense	33.7	36.4	9.6	10.1	43.3	46.5
Less: Depreciation and depletion expense	43.3	40.7	8.9	7.9	52.2	48.6
Gross Margin	**85.0**	**78.7**	**(1.6)**	**(2.3)**	**83.4**	**76.4**
Plus: Operating & maintenance expense	40.0	40.9	13.3	13.8	53.3	54.7
Plus: Property and other tax expense	33.7	36.4	9.6	10.1	43.3	46.5
Plus: Depreciation and depletion	43.3	40.7	8.9	7.9	52.2	48.6
Utility Margin *(1)*	**$ 202.0**	**$ 196.7**	**$ 30.2**	**$ 29.5**	**$ 232.2**	**$ 226.2**

Reconciliation of Gross Margin to Utility Margin Nine Months Ending September 30,

	Electric		Natural Gas		Total	
	2023	2022	2023	2022	2023	2022
(in millions)						
Reconciliation of gross margin to utility margin						
Operating Revenues	$ 804.6	$ 807.4	$ 261.5	$ 245.1	$1,066.1	$1,052.5
Less: Fuel, purchased supply and direct transmission expense (exclusive of depreciation and depletion shown	198.5	230.9	123.5	108.1	322.0	339.0
Less: Operating & maintenance expense	123.8	121.2	40.2	39.6	164.0	160.8
Less: Property and other tax expense	103.0	109.2	29.6	31.0	132.6	140.2
Less: Depreciation and depletion expense	130.5	121.3	27.3	24.4	157.8	145.7
Gross Margin	**248.8**	**224.8**	**40.9**	**42.0**	**289.7**	**266.8**
Plus: Operating & maintenance expense	123.8	121.2	40.2	39.6	164.0	160.8
Plus: Property and other tax expense	103.0	109.2	29.6	31.0	132.6	140.2
Plus: Depreciation and depletion	130.5	121.3	27.3	24.4	157.8	145.7
Utility Margin *(1)*	**$ 606.1**	**$ 576.5**	**$ 138.0**	**$ 137.0**	**$ 744.1**	**$ 713.5**

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

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.

Non-GAAP Earnings (4 of 5)

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

Pre-Tax Adjustments ($ Millions)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Reported GAAP Pre-Tax Income	**$ 108.3**	**$ 110.4**	**$ 181.2**	**$ 156.5**	**$ 176.1**	**$ 178.3**	**$ 182.2**	**$ 144.2**	**$ 190.2**	**$ 182.4**
Non-GAAP Adjustments to Pre-Tax Income:										
Weather	(3.7)	(1.3)	13.2	15.2	(3.4)	(1.3)	(7.3)	9.8	1.1	(8.9)
Lost revenue recovery related to prior periods	(1.0)	-	-	(14.2)	-	-	-	-	-	-
Remove hydro acquisition transaction costs	6.3	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	**$ 109.8**	**$ 115.8**	**$ 179.7**	**$ 169.7**	**$ 172.7**	**$ 168.9**	**$ 174.9**	**$ 163.9**	**$ 184.4**	**$ 176.0**

Tax Adjustments to Non-GAAP Items ($ Millio	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GAAP Net Income	**$ 94.0**	**$ 120.7**	**$ 151.2**	**$ 164.2**	**$ 162.7**	**$ 197.0**	**$ 202.1**	**$ 155.2**	**$ 186.8**	**$ 183.0**
Non-GAAP Adjustments Taxed at 38.5% ('12-'17) and 25.3% ('18-currrent):										
Weather	(2.3)	(0.8)	8.1	9.3	(2.1)	(1.0)	(5.5)	7.3	0.8	(6.6)
Lost revenue recovery related to prior periods	(0.6)	-	-	(8.7)	-	-	-	-	-	-
Remove hydro acquisition transaction costs	3.9	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										
Non-GAAP Net Income	**$ 94.9**	**$ 105.5**	**$ 150.3**	**$ 159.8**	**$ 160.6**	**$ 170.1**	**$ 173.8**	**$ 169.9**	**$ 182.4**	**$ 178.9**

Non-GAAP Diluted Earnings Per Share	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Diluted Average Shares (Millions)	*38.2*	*40.4*	*47.6*	*48.5*	*48.7*	*50.2*	*50.8*	*50.7*	*51.9*	*56.3*
Reported GAAP Diluted earnings per share	**$ 2.46**	**$ 2.99**	**$ 3.17**	**$ 3.39**	**$ 3.34**	**$ 3.92**	**$ 3.98**	**$ 3.06**	**$ 3.60**	**$ 3.25**
Non-GAAP Adjustments:										
Weather	(0.05)	(0.02)	0.17	0.19	(0.04)	(0.02)	(0.11)	0.14	0.01	(0.11)
Lost revenue recovery related to prior periods	(0.02)	-	-	(0.18)	-	-	-	-	-	-
Remove hydro acquisition transaction costs	0.11	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)	0.04
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	-	-	-	-	-	-	-	-	-	-
Unplanned Equity Dilution from Hydro transaction	-	0.08	-	-	-	-	-	-	-	-
Non-GAAP Diluted Earnings Per Share	**$ 2.50**	**$ 2.68**	**$ 3.15**	**$ 3.30**	**$ 3.30**	**$ 3.39**	**$ 3.42**	**$ 3.35**	**$ 3.51**	**$ 3.18**

Appendix

Non-GAAP Ratios and Metrics (5 of 5)

Use of Non-GAAP Financial Measures - Dividend Payout Ratio to GAAP and Non-GAAP diluted EPS

(per share)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Dividend per Share	$ 1.52	$ 1.60	$ 1.92	$ 2.00	$ 2.10	$ 2.20	$ 2.30	$ 2.40	$ 2.48	$ 2.52
Reported GAAP diluted EPS	$ 2.46	$ 2.99	$ 3.17	$ 3.39	$ 3.34	$ 3.92	$ 3.98	$ 3.06	$ 3.60	$ 3.25
Dividend Payout Ratio - GAAP diluted EPS	61.8%	53.5%	60.6%	59.0%	62.9%	56.1%	57.8%	78.4%	68.9%	77.5%
Reported Non-GAAP diluted EPS	$ 2.50	$ 2.68	$ 3.15	$ 3.30	$ 3.30	$ 3.39	$ 3.42	$ 3.35	$ 3.51	$ 3.18
Dividend Payout Ratio - Non-GAAP diluted EPS	60.8%	59.7%	61.0%	60.6%	63.6%	64.9%	67.3%	71.6%	70.7%	79.2%

Use of Non-GAAP Financial Measures - Return on Average Equity for GAAP and Non-GAAP Earnings

(per share)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GAAP Net Income ($M's)	$ 94.0	$ 120.7	$ 151.2	$ 164.2	$ 162.7	$ 197.0	$ 202.1	$ 155.2	$ 186.8	$ 183.0
Average Quarterly Equity ($M's)	$ 991.1	$ 1,119.3	$ 1,520.2	$ 1,632.3	$ 1,720.4	$ 1,875.7	$ 1,998.8	$ 2,056.9	$ 2,186.8	$ 2,467.8
Return On Average Equity (ROAE) - GAAP Earnings	9.5%	10.8%	9.9%	10.1%	9.5%	10.5%	10.1%	7.5%	8.5%	7.4%
Reported Non-GAAP diluted EPS	$ 2.50	$ 2.68	$ 3.15	$ 3.30	$ 3.30	$ 3.39	$ 3.42	$ 3.35	$ 3.51	$ 3.18
Average Diluted Shares (M)	$ 38.2	$ 39.3	$ 47.6	$ 48.5	$ 48.7	$ 50.2	$ 50.8	$ 50.7	$ 51.9	$ 56.3
Calculated Non-GAAP Adjusted Net Income ($M's)	$ 94.9	$ 105.3	$ 150.3	$ 160.2	$ 160.6	$ 170.8	$ 174.3	$ 170.4	$ 182.4	$ 178.9
Return on Average Equity (ROAE) - Non-GAAP Earnings	9.6%	9.4%	9.9%	9.8%	9.3%	9.1%	8.7%	8.3%	8.3%	7.3%

The data presented in this presentation includes financial information prepared in accordance with GAAP, as well as other Non-GAAP financial measures such as Utility Margin (Revenues less Fuel, purchased supply and direct transmission expense (exclusive of depreciation and depletion)), Free Cash Flows (Cash flows from operations less maintenance capex and dividends) and Net Debt (Total debt less capital leases), 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 exclude (or include) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP. The presentation of Utility Margin, Free Cash Flows and Net Debt is intended to supplement investors' understanding of our operating performance. 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. Net Debt is used by our company to determine whether we are properly levered to our Total Capitalization (Net Debt plus Equity). Our Gross Margin, Free Cash Flows and Net Debt measures may not be comparable to other companies' similarly labeled measures. Furthermore, these measures are not intended to replace measures as determined in accordance with GAAP as an indicator of operating performance.

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