BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE JOINT	**)**	
APPLICATION OF NORTHWESTERN	**)**	
ENERGY PUBLIC SERVICE	**)**	
CORPORATION, BLACK HILLS	**)**	**Application No. NG-128**
CORPORATION, AND NORTHWESTERN	**)**	
ENERGY GROUP, INC.	**)**	
FOR APPROVAL OF MERGER	**)**	

DIRECT TESTIMONY OF BRIAN B. BIRD

ON BEHALF OF NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION

AND NORTHWESTERN ENERGY GROUP, INC.

IN SUPPORT OF THE JOINT APPLICATION

October 27, 2025

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DIRECT TESTIMONY OF BRIAN B. BIRD

I. WITNESS INFORMATION, PURPOSE OF TESTIMONY AND VISION

Q. PLEASE IDENTIFY YOURSELF, YOUR EMPLOYER, AND YOUR JOB TITLE.

A. My name is Brian B. Bird. I am President and Chief Executive Officer ("CEO") of NorthWestern Energy Public Service Corporation d/b/a NorthWestern Energy ("NorthWestern") and NorthWestern Energy Group, Inc. ("NorthWestern Group").

Q. WHAT WILL YOUR ROLE BE WITHIN THE MERGED ENTITY?

A. I will be the President and CEO of the merged entity. In that capacity, I will be responsible for leading the combined enterprise, ensuring we deliver safe, reliable, and affordable service to customers across all our jurisdictions, and maintaining a strong local presence throughout our combined service territories, including Nebraska. My role will also include engaging directly with regulators, customers, employees, and community stakeholders to ensure this merger delivers on the commitments we are making, as well as the long-term sustainability and value of the combined enterprise.

Q. PLEASE PROVIDE A DESCRIPTION OF YOUR RELEVANT EMPLOYMENT EXPERIENCE AND OTHER PROFESSIONAL QUALIFICATIONS.

A. I have more than 35 years of experience in the utility and financial sectors, including senior leadership roles in finance, strategy, and operations. Since becoming CEO of NorthWestern in 2023, I have led our company through significant industry transformation, including various grid modernization and system resiliency efforts with investments focused on generation development and acquisition. During my tenure as

CEO, NorthWestern has made significant investment into its natural gas utilities through continued expansion to serve new customer loads, ongoing maintenance of our existing pipeline distribution and transmission systems to ensure safe and reliable delivery of natural gas to customers, installation of new technologies, and in acquiring necessary natural gas supply using a proven natural gas purchasing model or by acquiring natural gas storage.

Prior to becoming CEO, I served for almost 2 years as the Chief Operating Officer and 17 years as NorthWestern's Chief Financial Officer ("CFO"). My background includes extensive experience with regulated utilities, finance, and stakeholder engagement. This breadth of experience has prepared me to lead the merged company while ensuring we meet the expectations of our customers, regulators, communities, and investors.

I have Bachelor degrees in both Finance and Accounting and a Master's degree in Finance and hold a Certified Public Accountant certificate.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to provide the Nebraska Public Service Commission ("Commission") (1) an overview of the proposed merger; (2) explain why the combination of NorthWestern Group and Black Hills Corporation ("BHC") is in the public interest and will not adversely affect customers; and (3) outline our shared vision for the future. Throughout our filing, we emphasize three key long-term values related to the merger:

1. **Customer Value** – deliver safe, reliable, and affordable energy solutions that address today's challenges and anticipate tomorrow's needs.

2. **Scale & Stability Value** – enhance financial strength and our ability to access cost-effective capital.
3. **Community & Local Value** – preserve a strong voice and meaningful presence for employees, customers, and communities.

Q. PLEASE PROVIDE A HIGH-LEVEL OVERVIEW OF THE JOINT APPLICATION BEING FILED IN THIS PROCEEDING.

A. On August 18, 2025, NorthWestern Group, BHC, and River Merger Sub Inc.[1] signed an Agreement and Plan of Merger ("Merger Agreement"). The Merger Agreement is provided as Exhibit BBB-1. NorthWestern Group, BHC, and NorthWestern (collectively the "Joint Applicants") request approval of the merger.

Together, we will form a combined holding company structure where NorthWestern Group will become a subsidiary of BHC, which will be rebranded with a new name.[2] In turn, through a stock conversion, NorthWestern Group's shareholders will own approximately 44 percent of the outstanding shares of the merged company. Most importantly, the merger is a merger of equals—not an acquisition—designed to strengthen both companies for the benefit of customers, employees, and communities.

We are not seeking to change the existing regulatory oversight of NorthWestern's Nebraska operations, nor are we seeking to change rates. As our witnesses discuss and reaffirm in their testimonies, local management and operations presence and collaborative decision-making will remain in Nebraska. This is consistent

[1] The River Merger Sub Inc. is a holding company created by BHC that will become NorthWestern Group after the closing. The Direct Testimony of Marne M. Jones also sponsors a post-merger organizational chart.
[2] There are no current plans to re-name or re-brand the operating companies of BHC or NorthWestern Group after the merger.

with our approach today, and the Commission will continue to exercise authority over NorthWestern's rates and service.

Q. PLEASE IDENTIFY THE OTHER WITNESSES SUBMITTING TESTIMONY IN THIS PROCEEDING AND SUMMARIZE THE TOPICS THEY WILL DISCUSS.

A. The witnesses who are filing testimony in support of the Joint Application are listed below, with a summary of their testimony in this proceeding.

Witness and Current Title	New Position	Summary of Testimony
Brian Bird, President and CEO of NorthWestern and NorthWestern Group	President and CEO	Presents an overview of the merger and requested approvals showing value to be created for customers. Explains why NorthWestern and BHC are natural partners and that the transaction satisfies the Commission's standard. Summarizes the regulatory process and timeline anticipated for merger approval and closing.
Marne Jones, Senior Vice President and Chief Utility Officer, Black Hills Corporation and Black Hills Nebraska Gas LLC	Chief Operating Officer	Introduces BHC and Black Hills Natural Gas, its Nebraska operating company subsidiary, and their approach to serving customers. Supports why the merger is in the public interest and will not adversely affect customers. Affirms BHC's commitment to Nebraska and driving customer value.
Crystal Lail, CFO, NorthWestern and NorthWestern Group	Chief Financial Officer	Explains the financial terms of the Merger Agreement and their impact on financial health. Discusses transaction and other accounting treatments, cost allocation approach and expected updates.
Kimberly Nooney, Senior Vice President and CFO, Black Hills Corporation	Chief Integration Officer	Supports the process and objectives for integrating the two companies from the objective of the Chief Integration Officer.
Thomas Stevens, Vice President, Treasurer, Black Hills Corporation		Provides an overview of BHC's financial structure and financing philosophy. Explains how the BHC financing model supports financial integrity, and that it will not adversely affect South Dakota customers.

Kevin Jarosz, Vice President of Nebraska and Iowa Gas		Describes the operations of BHC's natural gas operations in Nebraska and how service is expected to continue as is after the merger.

II. OVERVIEW OF THE NORTHWESTERN GROUP AND BHC

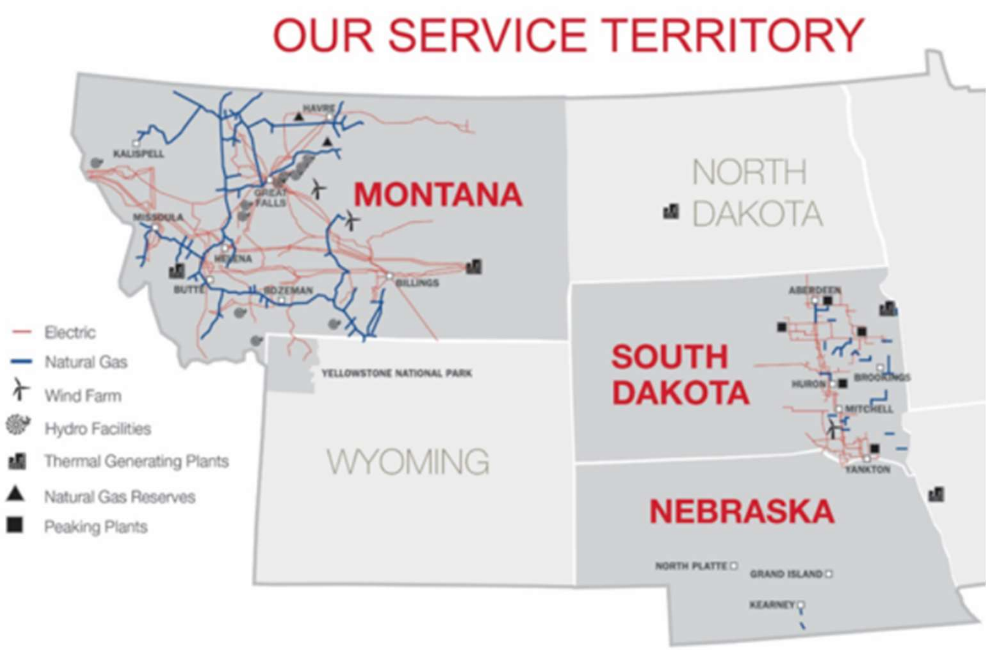
Q. Please provide a brief history of NorthWestern Group and its utility operations in Nebraska.

A. NorthWestern Group's heritage harkens back to November 1923 when NorthWestern Public Service Company ("NWPS") was incorporated in Delaware. Union Power & Light Company, located in Omaha, sold its four utility properties to three business partners who created NWPS. Union Power & Light sold its properties located in Columbus and North Platte, Nebraska and Aberdeen and Clark, South Dakota. The four utilities were a combination of electric and natural gas providers. Divisional headquarters were established in Columbus, North Platte, and Aberdeen. Over the ensuing years, NWPS expanded its electric and natural gas service territories through a number of acquisitions throughout Nebraska and South Dakota.

The 1940s marked the end of NWPS as an electric provider in Nebraska when a policy decision was made to shift to publicly owned electric utilities and the eventual formation of the Nebraska Public Power System ("NPSS") in 1940. NPSS then moved to buyout all of the private electric utilities in Nebraska. After a prolonged legal fight, NWPS took payment for its electric system and purchased the natural gas operations in Kearney, Grand Island, and North Platte. NWPS was the last privately owned electric utility to operate in Nebraska when the South Dakota electric system was disconnected from Nebraska[3] on December 29, 1949.

Today, NorthWestern Group delivers safe, reliable and innovative energy solutions. NorthWestern Group's operating utilities build, maintain, and operate electric and natural gas systems in Montana, South Dakota, Nebraska, and Yellowstone National Park, as reflected in Figure 1 below.

Figure 1: NorthWestern Group's Service Territory



We provide electricity and natural gas services to over 800,000 customers across Montana, South Dakota, and Nebraska, including electric service to 337 communities and natural gas service to 202 communities. Within Nebraska, NorthWestern's 33 employees serve 43,300 natural gas customers in the four communities of North Platte,

[3] The history of NWPS as an electric provider in NE is found in "Light Across the Prairie" by Bill Beck published in 1989 by NWPS.

Kearney, Grand Island, and the Village of Alda. In Nebraska, we own and operate critical natural gas distribution systems that include a total of 830 miles of natural gas pipeline. Over the past century, we have successfully navigated periods of restructuring and transition while remaining a strong, locally based utility.

Both NorthWestern and Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy ("BH Nebraska Gas") provide natural gas utility services in Kearney, Nebraska. Each utility's rates, tariffs, and distribution systems are independent from the other and will continue to be so post-merger for the foreseeable future. NorthWestern does not anticipate any material changes in its workforce, operations, or office locations—including the availability of walk-in customer locations—once the merger receives all of the necessary regulatory approvals. As discussed in the direct testimonies of Ms. Nooney and Mr. Jarosz, post-merger, the combined company will evaluate changes, if any, to our operations in Nebraska. Therefore, for now, our customers will continue to be served by NorthWestern in the same manner as they are today. The same will hold true for BH Nebraska Gas's customers.

Q. HAS NORTHWESTERN GROUP SUCCESSFULLY MANAGED PAST MERGERS, ACQUISITIONS, AND/OR CORPORATE RESTRUCTURINGS?

A. Yes. NorthWestern Group and its operating utilities have a proven track record for successfully managing and integrating prior acquisitions and corporate restructurings that have received the appropriate state regulatory commission approvals.

Recently, NorthWestern Corporation, the Montana utility, successfully acquired Montana natural gas assets previously owned by Hope Utilities and the community of Winifred after receiving the necessary regulatory approvals from the Montana Public Service Commission.

In 2024, after receiving approval from all three of our state regulatory commissions—Nebraska, South Dakota and Montana—NorthWestern successfully restructured to a holding company structure that created separate subsidiary utility operating companies for its combined South Dakota/Nebraska utilities and its Montana utility. This new structure established a parent company, NorthWestern Group, known as the holding company. The combined Nebraska/South Dakota operating utilities are located within the NorthWestern Energy Public Service Corporation subsidiary, and the Montana operating utility is under the NorthWestern Corporation subsidiary. NorthWestern Group's corporate structure is included as Exhibit BBB-2. This structure provides protection for our Nebraska customers with legal and financial separation from our other utility subsidiary.

Additionally, from 2010 to 2013, NorthWestern Corporation successfully acquired natural gas production assets from third parties in Montana. These assets (Battle Creek, NFR, and Devon) have provided valuable natural gas supply to our Core natural gas customers in Montana.

In 2014, NorthWestern Corporation acquired 11 hydroelectric facilities from PPL Montana, adding more than 400 MW of clean, hydro generation to our Montana supply portfolio.

Finally, in 2002 NorthWestern Corporation successfully acquired the transmission and distribution assets of The Montana Power Company after receiving the required regulatory approvals.

Q. PLEASE BRIEFLY INTRODUCE BHC.

A. As Joint Applicants' witness, Marne Jones explains in more detail, BHC has a 140-year history as an electric and natural gas provider serving about 1.35 million customers across eight states. Like NorthWestern Group, BHC is primarily in the regulated utility business, with both electric and natural gas operations. BHC shares our focus on safe, reliable, and affordable service, and has past experience successfully integrating other utilities. BHC brings a strong balance sheet, complementary operational expertise, and a proven culture of safety and reliability.

Q. WHY IS BHC A GOOD PARTNER WITH NORTHWESTERN GROUP?

A. BHC is more than a good partner– it is a natural partner. We share the same core values and mission: serving customers and communities safely, reliably, and affordably and BHC complements our strengths with additional scale, financial stability, and operational expertise. Importantly, BHC and NorthWestern Group share deep roots as utility providers with utility operations spanning well over a century and are committed to maintaining Nebraska's influence within the combined company. Together, we will be more resilient in facing industry transformation, market and geopolitical volatility, and extreme weather events by gaining more efficient access to capital, and greater capacity to invest in generation, distribution and transmission infrastructure to meet our customers' growing needs.

III. OVERVIEW OF MERGER

Q. WHAT IS THE VISION FOR THE MERGED COMPANY?

A. Our vision is to keep doing what we do well—providing safe and reliable service to customers at just and reasonable rates—while doing better where we can by providing incremental benefits to customers. On a combined basis, we will have added scale that will make us a financially stronger, more resilient utility that delivers long-term value to customers, employees, and our communities. We are "Better Together."

We will be able to reduce costs in ways we cannot do alone which will be extremely helpful in a rising cost environment. We will identify best practices to improve our service in a cost-effective manner. Scale will also enable us to have influence with vendors that the larger utilities enjoy today, which will in turn allow us to procure goods and services at lower costs than we can attain today. We will be able to combine our financial positions to have more flexibility in how we finance our business and should lead to lower costs ultimately.

Lastly, both utilities are active and invested in the communities we serve. We are a part of our communities and will maintain local presence to ensure our customers continue to be provided the safe, reliable, and affordable service they receive today. Together, we will be better equipped to meet the challenges of a rising cost environment and rapidly changing energy landscape.

Q. WHAT AREAS OF ALIGNMENT AND SHARED VALUES EXIST BETWEEN THE TWO COMPANIES THAT MAKE THE MERGER WORTHWHILE FOR CUSTOMERS AND THE COMPANIES?

A. Both companies share a commitment to safety, reliability, integrity, and customer service and we are both known for having a highly skilled workforce providing local responsiveness and operational excellence. Both companies have a strong reliability focus in their operations. NorthWestern Group and BHC similarly share cultural alignment through investments in our customers, communities, and employees. We are deeply embedded in the communities we serve and have strong commitments to philanthropy, volunteerism, and civic engagement. We encourage our employees to be similarly engaged. Operationally, both companies' strong commitment to process improvements and cost optimization allows for continued cost effective investment in infrastructure to serve customer growth and enhance reliability, both of which benefit customers.

Q. WILL THIS MERGER ADVANCE THE LONG-TERM INTERESTS OF NEBRASKA CUSTOMERS AND COMMUNITIES?

A. Yes. First, and foremost, the merger will not adversely affect the utility's ability to serve its customers. The Commission's oversight authority will not change, and customers will see no disruption or impacts to service. They will continue to be served by NorthWestern in Nebraska.

Second, we expect the merger will provide the following key long-term values that I mentioned earlier in my testimony:

- **Customer Value** - deliver safe, reliable, and affordable energy solutions that address today's challenges and anticipate tomorrow's needs.
- **Scale and Stability Value** - enhance financial strength and our ability to access cost-effective capital.
- **Community Value** - preserve a strong voice and meaningful presence for employees, customers, and communities.

Q. PLEASE SUMMARIZE AT A HIGH LEVEL HOW THE MERGER IS STRUCTURED.

A. As mentioned previously, this is a merger of equals. This merger is a partnership that strengthens each of our companies and provides value to our customers, employees, and the communities we serve. NorthWestern strongly believes in its mission to create value for customers, communities, and employees by providing safe, reliable, and affordable energy solutions. Post-merger, this will continue as BHC embraces similar values in aiming to provide customers with safe, reliable, and cost-effective services while supporting community growth and development. This merger provides both utilities the ability and strength to navigate a time of rapid industry transformation and volatility to the benefit of all stakeholders, especially customers.

Q. HOW WILL STOCK OWNERSHIP OF THE NEW PARENT COMPANY CHANGE AS A RESULT OF THE MERGER?

A. NorthWestern Group shareholders will receive a fixed exchange rate of 0.98 shares of BHC for each share of NorthWestern Group that they own at the closing of the transaction. BHC's shareholders will continue to own the same number of shares that they hold immediately prior to the closing of the transaction. This exchange ratio was established by an arm's length transaction between the two companies.

Upon completion of the merger, BHC's shareholders will own approximately 56 percent of the combined company while NorthWestern Group's shareholders will own approximately 44 percent on a fully diluted basis. Crystal Lail's testimony addresses the financial structure of the transaction.

Q. WHAT CHANGES WILL OCCUR WITH THE BOARD OF DIRECTORS?

A. The board will consist of 11 directors - 6 directors designated by BHC and 5 directors designated by NorthWestern Group. For NorthWestern Group's designated directors, myself and Linda Sullivan, the current Chair of NorthWestern Group's board of directors, will serve as two of the five designated directors. For BHC's designated directors, Steven Mills, the current Chair of the BHC's board of directors, will be on the new board and serve as the Chair. The remaining board members for each company will be identified upon closing of the transaction.

This balanced approach to establishing a new board of directors reflects the partnership I described earlier in my testimony. It also provides for each company to designate directors who are familiar with each company's current business and allows them to bring that perspective to the merged company. This structure also promotes continuity and collaboration.

Q. WHAT CHANGES IN EXECUTIVE LEADERSHIP WILL OCCUR BECAUSE OF THE MERGER?

A. As noted above, I will serve as CEO. Marne Jones (of BHC) will be the Chief Operating Officer, Crystal Lail (of NorthWestern Group) will serve as the Chief Financial Officer, and Kimberly Nooney (of BHC) will serve as the Chief Integration Officer. This combination reflects the partnership between us and allows the executive leadership to reflect the strengths and capabilities of both companies while promoting continuity. Additional executives will be named closer to closing.

IV. RATIONALE FOR THE MERGER

Q. WHEN AND WHY DID THE COMPANIES DECIDE TO MERGE?

A. After months of strategic discussions, the boards of both companies unanimously approved the Merger Agreement in August 2025. The merger was driven by a shared vision to create a premier regional regulated public utility holding company that is capable of meeting the demands of a rapidly evolving energy landscape creating value for customers and communities.

Q. WHAT WERE SOME OF THE KEY FACTORS THAT LED TO MERGER?

A. Scale, shared values, and financial and operational strength for the future are some of the key factors leading us to the decision of the two companies to merge. The industry is undergoing disruption and volatility, including physical and cybersecurity challenges, extreme weather events, wildfires, rising costs, and inflation. In these situations, with a merger of equals, scale is important and helps ensure resilience and efficiency. This stability for the combined company will help to stabilize customer rates while improving funding opportunities for long-term improvements.

Second, NorthWestern Group and BHC share similar values. Both companies set high standards for safety, reliability, customer service, and community commitment. Similarly, both companies aligned in their dedication to keeping operations local, respecting the communities they serve, and emphasizing long-term planning for the customers they serve.

Finally, a merger provides financial and operational strength for the future. The combined company will have greater access to cost-effective capital. That access will enable us to better invest in resiliency for our generation, transmission and distribution systems; and enhances our ability to maintain high reliability; and our ability to respond to extreme weather and supply chain challenges.

Q. HOW DOES THIS COMBINATION COMPARE TO OTHER UTILITY TRANSACTIONS NATIONALLY?

A. The main difference between this transaction and other recent transactions involving public utilities is this is a merger, not an acquisition. Unlike many recent transactions where one company is acquiring the other, this is a merger of utility equals. An acquisition by another party who is not a utility does not provide the scale and all the benefits that scale brings to the transaction. Interestingly, recent merger and acquisition trends have involved private equity deals. Private equity deals are essentially a sale of the company and thus a change of owners and often do not seek the same end goals relating to scale that will be achieved in this merger of two experienced utility companies.

Unlike an acquisition such as those noted previously, this merger is a combination of two companies which will be stronger and more resilient to withstand challenges—financially and operationally than would be the case with an acquisition. A merger of the two companies creates a larger single company that can take advantage of size as has been previously noted. The combined company here will be uniquely situated to capture the benefits of a combined larger scale with this utility-utility merger of equals.

Q. WHAT FACTORS ARE DRIVING THIS CHANGE IN THE UTILITY LANDSCAPE?

A. The utility industry is undergoing a period of rapid transformation and expansion, driven by technological innovation, evolving regulatory frameworks, the transition to cleaner energy sources, greater demands being placed on natural gas supplies and pipeline capacity, landowner resistance to utility infrastructure crossings, more restrictive permitting conditions at the state and local government levels, and increased customer and stakeholder expectations. This transformation is unlike anything we have seen in decades.

Load demands from data centers, artificial intelligence, and electrification are growing at unprecedented rates. At the same time, utilities are faced with significant extensions of normal supply chain timelines, and, at times, supply chain disruption. In addition, resource transitions and renewable growth are driving transmission and resource adequacy challenges. These factors, combined with inflation and geopolitical pressure, are creating extremely volatile and challenging crosscurrents that utilities must navigate. For smaller companies and enterprises, these challenges can be compounded by lack of scale. Scale is a stabilizing force for both customers and the corporate enterprise in terms of infrastructure and purchasing power. In turn, market trends are driving widespread consolidation across the energy and utility sector.

Q. HOW DO NORTHWESTERN'S NEBRASKA OPERATIONS FIT INTO THE IMPORTANCE OF THE OVERALL MERGER STRATEGY?

A. Nebraska operations will continue to play a key role in the combined company. With BH Nebraska Gas being the largest natural gas utility in the state today, after the merger, the combined operations in Nebraska will continue to be important to the combined company. Our commitment to Nebraska and preserving Nebraska's influence is important–as reflected by the joint decision appointing myself and the other identified executives, on the executive leadership team of the new combined company. Also, the affirmative steps taken to jointly ensure continuity of our Nebraska operations post-merger support Nebraska's important role in the combined company.

V. THE MERGER WILL STRENGTHEN NEBRASKA OPERATIONS FOR THE FUTURE

Q. WILL THERE BE ANY IMMEDIATE CHANGES TO THE SERVICE NORTHWESTERN DELIVERS TO OUR NEBRASKA CUSTOMERS?

A. No. As within all jurisdictions served by Joint Applicants, we do not expect any material changes across our footprint in how we operate our local public utilities. We anticipate that the high level of service experienced by customers today will continue post-merger. Given that the merger is occurring at the NorthWestern Group level, we expect to maintain the status quo for service after the merger at the local operating company level. In fact, for the foreseeable future, we will still be doing business in Nebraska as NorthWestern Energy, regardless of the BHC name change.

Q. HOW WILL THE MERGER STRENGTHEN NORTHWESTERN'S ABILITY TO CONTINUE TO MEET FUTURE CHALLENGES IN NEBRASKA WITH AN EVOLVING LANDSCAPE?

A. The combined company will have an enterprise value of $15.4 billion and serve 2.1 million customers across eight states. This doubling of scale provides the holding company with greater access to capital at potentially lower costs. Ms. Lail's testimony discusses these issues in greater detail. Through this scale, the combined company and its operating company subsidiaries will have greater access to resources. For example, the combined companies will have a larger pool of crews and resources to respond to emergency situations and restoration after extreme weather events. Scale also provides us with more purchasing power with vendors resulting in quicker procurement response time and lower prices for the goods and services that flow through to customer rates. Also, being able to learn from one another's best practices and combining complementary systems is likely to improve operational efficiency and service delivery. Ms. Nooney provides an overview of how we will evaluate these opportunities through the process of integrating the two companies in her direct testimony.

VI. THE MERGER MEETS NEBRASKA'S LEGAL STANDARD

Q. WHAT IS YOUR UNDERSTANDING OF NEBRASKA'S STANDARD OF REVIEW FOR APPROVAL OF A MERGER LIKE THIS?

A. I understand that the Commission reviews merger applications to ensure that the merger does not adversely affect the utility's ability to serve its customers.

Q. WILL NORTHWESTERN'S SERVICE TO ITS CUSTOMERS BE ADVERSELY IMPACTED BECAUSE OF THE MERGER?

A. No. Customer rates will not increase as a result of the merger. After the merger, the merged company will not seek any costs directly related to the transaction, like attorneys' fees and banker fees, in rates. Additionally, as this is a stock transaction, there is no acquisition premium or associated financing that will be recovered from customers. Ms. Lail discusses these matters in greater detail. After the merger, the

Nebraska utility will remain a public utility subject to Commission oversight. Customers will continue to receive the same strong customer service they receive from NorthWestern today. Put simply, the merger will not adversely affect customers and does not expose customers to any operational or business-related risks or directly related costs.

Q. WHY IS THE MERGER IN THE PUBLIC INTEREST?

A. The merger is in the public interest for all the reasons stated above, namely that customers will not be adversely affected from the transaction and the Nebraska utility will remain a public utility subject to Commission oversight. Because of these things, the Nebraska utility must continue to provide adequate services to customers at just and reasonable rates. These services will be provided by the existing systems, operated by the local Nebraska employees, and under the same tariffs and rates. Whether pre- or post-merger, service will continue to be safe and reliable at just and reasonable rates. We do not anticipate our customers' services to change because of the merger.

Q. WILL THE MERGER AFFECT THE ECONOMIC DEVELOPMENT FUNDING RATE MECHANISM APPROVED IN NORTHWESTERN'S MOST RECENT RATE REVIEW?

A. No. As I stated previously, NorthWestern's base rates and tariffs will remain the same post-merger. The economic development surcharge negotiated between the cities and NorthWestern that was included in the settlement agreement approved by the Commission in Docket NG-122, remains intact until such time as NorthWestern files for a new rate review.

Q. WILL THERE BE ANY BENEFITS TO NEBRASKA CUSTOMERS?

A. Yes, if the merger is approved, we anticipate benefits to accrue to Nebraska customers over the long-term. I have already highlighted many of these benefits that we expect like scale and stability, enhanced reliability and resiliency, and shared values related to community and local presence. The merger will preserve NorthWestern's ability to provide safe, reliable, and affordable service to customers. It will allow us to invest more aggressively to meet customer needs while helping to mitigate rate impacts from an affordability perspective, through reduced asks in rate reviews and a slower pace of rate increases. This merger will result in rate stability for customers over the long term as compared to NorthWestern's stand-alone plan.

Q. PLEASE ELABORATE ON HOW THIS MERGER WOULD RESULT IN MORE MODERATE RATE REVIEWS FOR NEBRASKA CUSTOMERS.

A. With the efficiencies and resulting savings achieved from the merger, customers should have long-term rate stability from the merger. In addition, these savings are expected to help reduce the cost of service by offsetting other cost increases such as those driven by inflation, customer growth, and/or market changes. The lower cost of service could result in more moderate test year revenue requirement increases, allowing these savings to flow through to customers. The utility might even be able to delay filing rate reviews if these merger savings are enough to offset the rising costs of service and investments.

Q. HOW DOES THE INCREASED FINANCIAL STRENGTH AND STABILITY OF THE COMBINED COMPANY BENEFIT NEBRASKA CUSTOMERS?

A. We anticipate that the increased financial strength of the combined company will benefit Nebraska customers through enhanced financial strength and credit profile and greater flexibility to invest in critical infrastructure. A stronger balance sheet allows for a public utility to absorb changes in financial conditions. Ms. Lail discusses these issues in greater detail in her testimony.

Q. EARLIER YOU MENTIONED BHC AND NORTHWESTERN HAVE STRONG RELIABILITY TRACK RECORDS. HOW WILL THIS MERGER ENHANCE RELIABILITY FOR NEBRASKA CUSTOMERS?

A. As I already discussed, both companies operate utilities with reliable systems with customers experiencing very few interruptions to service. While both companies are already reliable, the merger will enhance reliability in Nebraska in a few ways. First, the merger will provide enhanced access to cost-effective capital, which will in turn allow the combined utility to more cost-effectively fund investments aimed at enhancing reliability. Also, if customers experience outages from unforeseen events, we will have opportunities for improvement through combined resources. Ms. Jones discuss BHC's reliability track record in her direct testimonies.

Q. ARE THERE ANY EXAMPLES OF HOW SCALE, SHARED RESOURCES, AND EXPERTISE MIGHT IMPROVE OVERALL SERVICE?

A. There are several examples. Shared resources and expertise can improve resiliency by better enabling us to deploy new technologies more effectively. Technology is continually advancing, and we are always looking for ways to provide and manage our services better and more efficiently. Through deployment of new technologies, we can learn from each other and lean on the expertise within each other's companies to continue to improve. As discussed above, benefits of scale can dampen supply chain disruptions that could impact resiliency through our ability to share resources and purchase materials in advance. Finally, we will have more people to solve problems and capture opportunities for the benefit of customers.

VII. PRESERVING NEBRASKA CONTROL AND CULTURE

Q. HOW WILL THE COMBINED ENTITY CONTINUE TO PRIORITIZE SAFETY AND RELIABILITY IN NEBRASKA?

A. The combination is designed to enhance—not compromise—safety and reliability across Nebraska. Both companies have long-standing reputations for dependable service and share a deep cultural commitment to operational excellence, safety, and customer care. The merger will also create a utility with greater resources to invest in critical infrastructure to continue providing the same, if not a better, standard of service to Nebraska customers as compared to what they receive today from NorthWestern on a standalone basis. With a combined enterprise value of $15.4 billion, the merged company will have improved access to capital, to support natural gas distribution system hardening, and technology upgrades to support reliability.

Q. HOW DOES THIS MERGER RESPECT AND PRESERVE LOCAL MANAGEMENT, CULTURE, AND DECISION-MAKING TRADITION THAT IS IMPORTANT TO SERVING CUSTOMERS?

A. A well-run utility must respond to the needs of its customers. Understanding customer needs depends on us having shared experience with our customers as members of our communities. Both NorthWestern Group and BHC have established records of understanding the local and state economies. Each company has personal and professional relationships with community and governmental leaders. NorthWestern Group and BHC believe being present locally leads to better customer service.

NorthWestern's Nebraska operations will continue to be based in Nebraska, overseen by the Commission, and led by Nebraska-based management. Local employees will continue to serve customers directly. Community giving and engagement will remain a priority, reflecting what Nebraskans expect from their utility. This approach is also consistent with how BHC manages its local operations across its eight state-territory today.

Finally, NorthWestern Group values input from stakeholders and our strategic decisions should not be made in a vacuum and should be informed by their perspectives. I understand that BHC supports these approaches to our customers and communities.

Q. HOW WILL NORTHWESTERN MAINTAIN PHYSICAL PRESENCE AND LOCAL MANAGEMENT IN NEBRASKA?

A. Post-merger it is expected that there will continue to be a strong local presence in Nebraska directing the day-to-day utility operations of the NorthWestern Nebraska utility. We intend that our communities and customers will continue to be served by those field employees serving them today. We do not anticipate material changes in our workforce due to the merger. Our local offices will continue to be staffed by Nebraskans. We are committed to having an active presence in our Nebraska communities.

Q. HOW WILL THE COMBINED COMPANY APPROACH CHARITABLE GIVING, COMMUNITY ENGAGEMENT, AND LOCAL ECONOMIC DEVELOPMENT IN NEBRASKA AFTER THE MERGER CLOSES?

A. I do not anticipate changes overall to charitable giving, community engagement, and local economic development in Nebraska after the closing. Both companies have a strong commitment to charitable giving, community engagement, and local development in their respective service territories. We will continue to empower employees to engage with and support their communities through active volunteering and provide stakeholder-funded donations to make the "Good Life" of Nebraska better.

Q. WHY SHOULD NEBRASKANS AND THE COMMISSION TRUST THAT THE STATE AND LOCAL OPERATING COMPANY WILL CONTINUE TO HAVE INFLUENCE AND ACCOUNTABILITY WITHIN THE LARGER COMPANY?

A. First, the combined company will be comprised of two utilities that have served this state for well over 100 years. Over the past century, we made the commitment to earn the trust of our collective customers, communities, regulators, and policy leaders. This commitment does not change with the merger.

Second, the Nebraska utility will continue to be run by Nebraskans. These are your neighbors, friends, and family. They understand Nebraska and what Nebraskans value. NorthWestern remains a separate operating utility under the combined company and retains their operational presence in the Nebraska communities we currently serve. NorthWestern's local operations will not be diminished by this merger. In fact, our operational influence, presence, and accountability will remain as strong as it is today. The same is true for BHC and its separate operating utility, as discussed by Mr. Jarosz.

VIII. REGULATORY APPROVALS AND TIMING

Q. WHAT IS THE EXPECTED TIMING TO CLOSE THE MERGER?

A. Based upon rules and precedent in each state where we are seeking approval, we expect to close the merger upon receipt of our final required approval. We expect that to occur within 12 – 15 months of the merger announcement date of August 19, 2025.

Q. CAN YOU PROVIDE A HIGH-LEVEL OVERVIEW OF THE REGULATORY FILINGS REQUIRED FOR THIS TRANSACTION?

A. We are seeking approval from this Commission, the Montana Public Service Commission, and the South Dakota Public Utilities Commission. In addition, approvals will be required from the Federal Energy Regulatory Commission, the Federal Communications Commission, the Securities and Exchange Commission, and federal review under the Hart-Scott-Rodino Act.

Q. WHAT IS THE ANTICIPATED TIMELINE FOR OBTAINING REGULATORY APPROVALS AND CLOSING?

A. The figure below provides a high-level overview of our anticipated timeline for gaining regulatory approvals and closing.

Figure 2: Merger Regulatory Approvals & Closing Timeline

Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026
Aug. 19 Transaction Announcement	File Regulatory Applications / Regulatory Approval Process: FERC, SEC, DOJ, MPSC, NPSC, SDPUC				
	File Joint Proxy Statement				
			Black Hills & NorthWestern Shareholder Meetings		
	Develop Transition & Integration Implementation Plans				
					Receive Required Approvals
					Close Merger

Q. WHAT TIMING FOR A DECISION ARE YOU ANTICIPATING OR REQUESTING FROM THIS COMMISSION?

A. We are requesting that the Commission issue its decision on this Joint Application in time to support a closing within 12 to 15 months from the time of the announcement on August 19, 2025, consistent with other jurisdictions.

IX. CONCLUSION

Q. TO CONCLUDE, WHY SHOULD THE COMMISSION APPROVE THIS MERGER?

A. This merger makes two strong companies stronger, in a way that directly benefits customers and communities. This merger will not adversely affect customers through increased rates and is anticipated to provide long-term rate stability. Through and after the merger, customers will continue to have safe, reliable, and affordable service from a combined utility that provides scale, additional resources, and resiliency to meet the challenges of the future.

Q. WHAT APPROVALS ARE THE JOINT APPLICANTS ASKING THE COMMISSION TO GRANT IN THIS PROCEEDING?

A. Joint Applicants ask the Commission to approve the merger, finding that the merger is in the public interest and satisfies standard established by Nebraska precedent, which requires a showing that the merger will not adversely affect NorthWestern's ability to serve its Nebraska customers.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

VERIFICATION

This Direct Testimony of Brian B. Bird is true and accurate to the best of my knowledge, information, and belief.

/s/ Brian B. Bird
Brian B. Bird