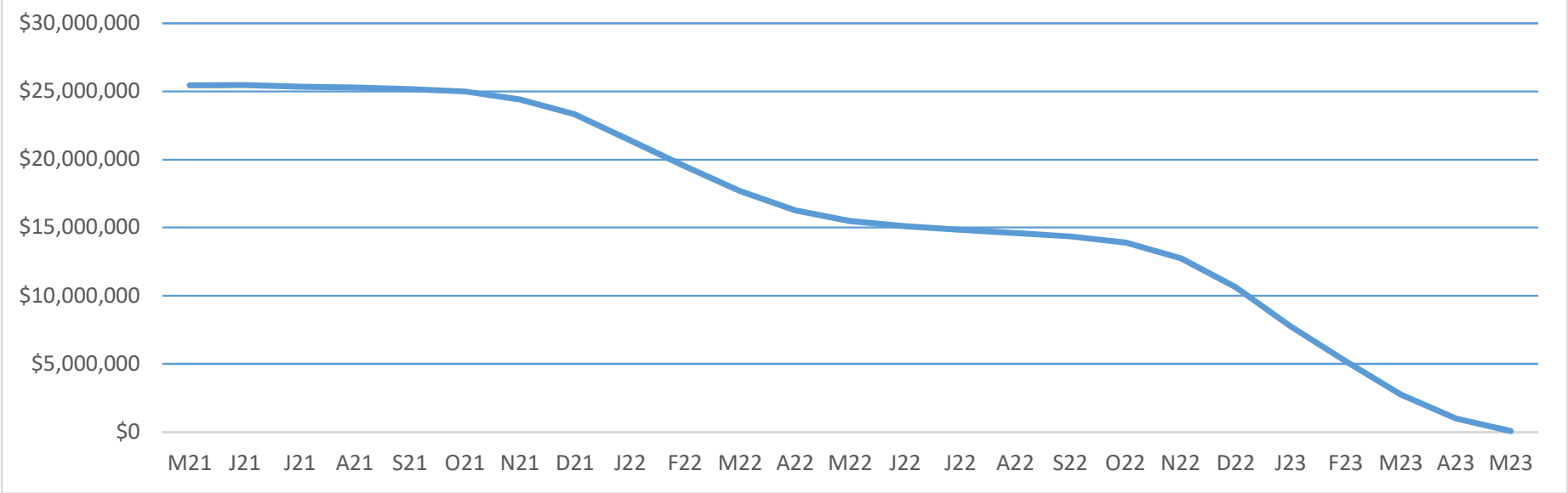


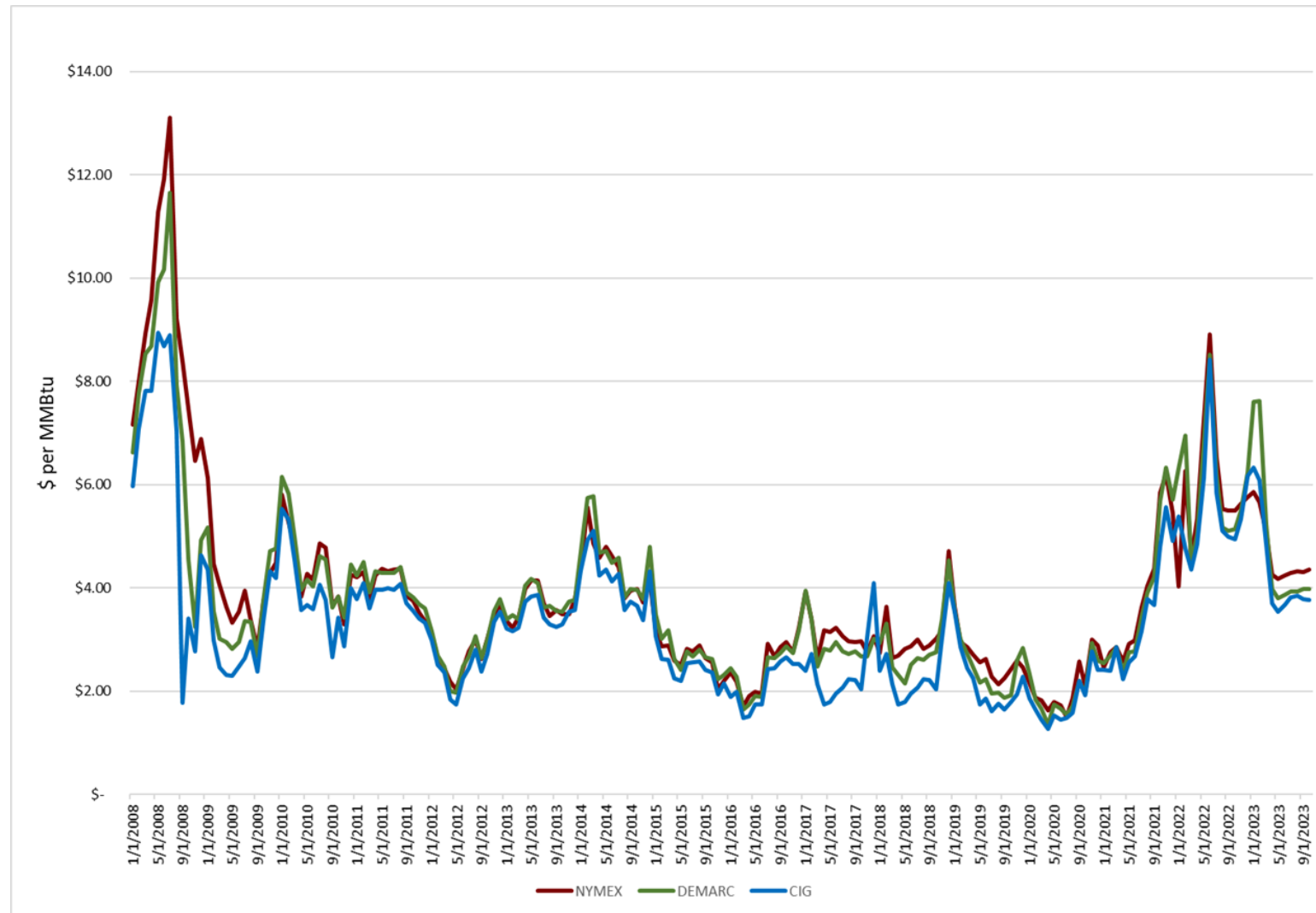
Feb Cold Weather Event Balance





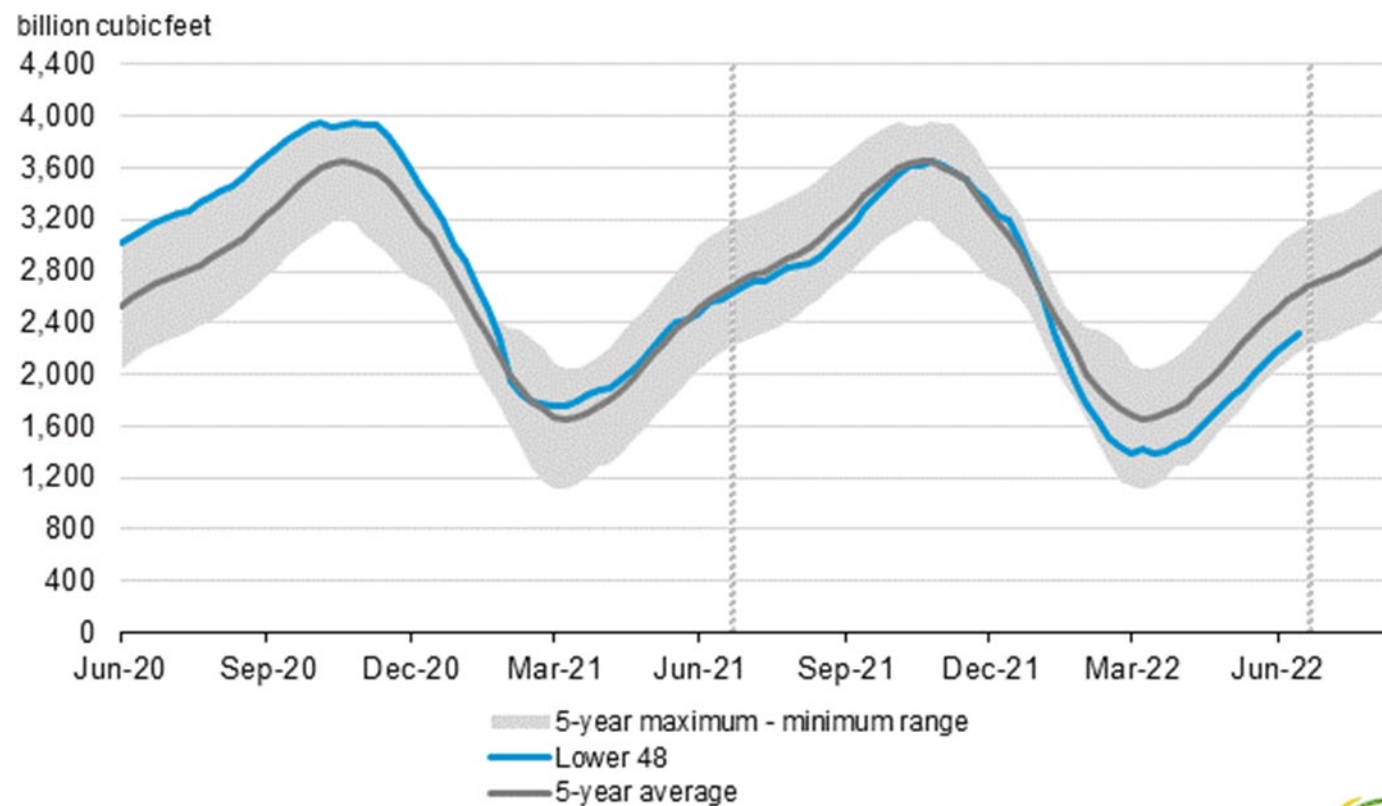
Natural Gas Prices

Historical and Future Prices



EIA Storage Report

Working gas in underground storage compared with the 5-year maximum and minimum



Source: U.S. Energy Information Administration



Note: The shaded area indicates the range between the historical minimum and maximum values for the weekly series from 2017 through 2021. The dashed vertical lines indicate current and year-ago weekly periods.

Why have prices moderated?

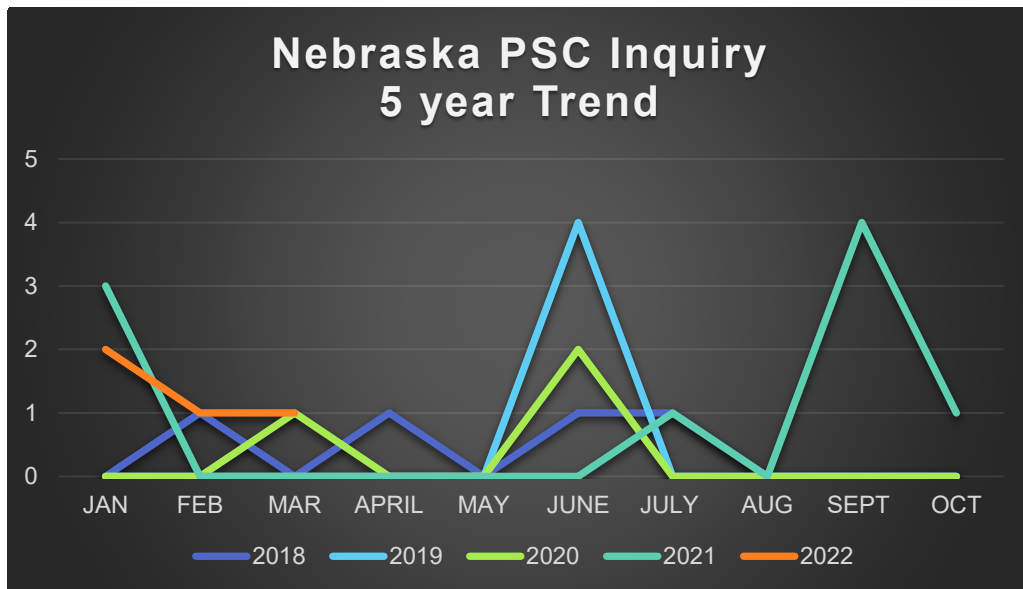
- Freeport LNG had an explosion in early June that is reducing LNG exports.
- While storage balances are below historical averages, injections have recently been higher than expected.
- Less natural gas has been needed for electric generation as weather has been cooler and wetter in the western United States.



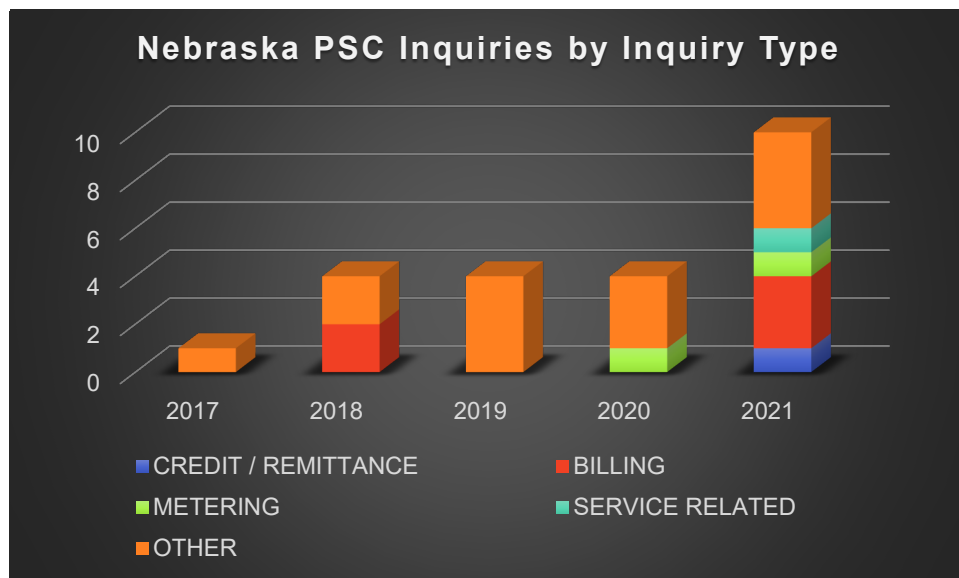
NEBRASKA PSC QUARTERLY REPORT

1ST QUARTER

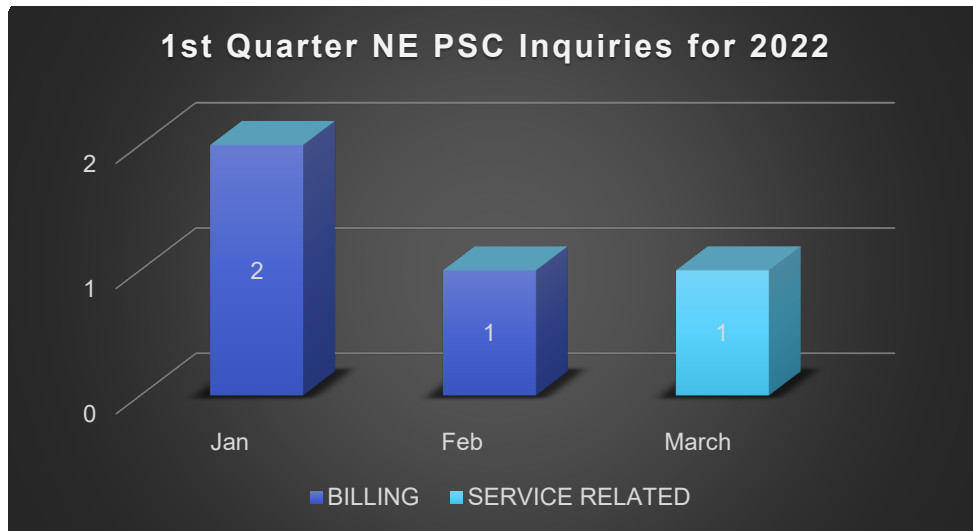
January 2022 – March 2022



4 inquiries received in 1st quarter compared to 3 in the 1st quarter 2021



Inquiry Details



- Billing
 - An increase in natural gas prices & colder weather resulted in monthly bills & budget billing increases
- Service Related
 - Wait time in the Contact Center to speak to a live agent.

Opportunities & Improvements

NorthWestern Energy has identified areas of opportunities to continue improving our Customer Experience for our customers

- NorthWestern Energy has joined other utilities across the nation committing to a 'Call to Action' from the White House. This Call to Action is in response to the anticipated higher energy costs this winter and the significant amount of un-distributed assistance dollars available to help customers with heating costs.
 - **Identify Eligible Recipients:** we are partnering with assistance agencies in determining eligible customers
 - **Directly Screen and Notify Potentially Eligible Recipients**
 - **Expedite Assistance to Vulnerable Households:**
 - **No Shutoffs for Customers Applying for Financial Hardship Assistance**
- Developed additional communication to assist customers with understanding the reason why customers are seeing higher bills this winter and communicate where customers can seek energy assistance to assist with the higher bills.
 - Created an additional bill insert and flier to be distributed to walk in office to assist with High Bill inquiries



UNDERSTANDING YOUR WINTER ENERGY BILLS

This winter, our Nebraska customers may be receiving higher bills. This is due to three main factors:

1. Higher natural gas prices – Natural gas prices are higher this winter than last winter. Gas prices have nearly doubled from January 2021 to January 2022. For the last several years, we've enjoyed incredibly low natural gas prices. This year, prices are 77% higher than the 10-year average, due to lower supply and increased demand. NorthWestern Energy buys natural gas on the market, and, therefore, we have little control over gas prices. To help manage price impacts, a significant amount of winter heating natural gas is purchased by NorthWestern during the summer to take advantage of lower prices.

The market price of natural gas is reflected in the Purchase Gas Commodity on your bill. The monthly service rate, which covers the cost of the pipes and other infrastructure required to deliver natural gas to homes and businesses, is unchanged.

2. Colder weather – According to the National Weather Service, January 2022 was colder than last winter. When it's colder outside, it takes more natural gas to heat our homes, so your natural gas usage is likely higher than it was this time last year. Higher usage results in higher bills.

3. Impacts from the cold weather in February 2021 – The extremely widespread frigid winter weather in February 2021 caused energy demand to skyrocket. Natural gas prices during

last February's cold spell were much higher than normal. NorthWestern Energy worked with the Nebraska Public Service Commission to spread this price increase out over two years to make the financial impact to our customers more manageable. Customers are paying an additional 28 cents per therm in their Purchase Gas Commodity cost to cover the additional natural gas costs incurred during that extreme weather event.

Learn more at NorthWesternEnergy.com/heretohelp.

**NorthWestern
Energy**
Delivering a Bright Future

HELP IS AVAILABLE

If you're concerned about your ability to pay your energy bill, reach out to us right away. There are programs that may be able to help.

- **The Emergency Rental Assistance*** program has funds available to assist eligible renter households that are unable to pay past-due and/or future rent, energy and utility bills due to the COVID-19 pandemic, subject to income qualifications. Learn more at coronavirus.nebraska.gov/EmergencyRentalAssistanceProgram

- **The Low Income Home Energy Assistance Program* (LIHEAP)** helps low income households stay safe and healthy by providing financial assistance to offset the costs of heating and cooling. Learn more at dhhs.ne.gov/Pages/Energy-Assistance.aspx
- **The Department of Health and Human Services** administers and manages eligibility for Medicaid and Economic Assistance programs through ACCESSNebraska. Learn more at dhhs.ne.gov/pages/accessnebraska.aspx

My Energy Account

Sign up for a My Energy Account at NorthWesternEnergy.com/create-manage-account. You can track your energy use, make payment arrangements to pay your outstanding balance in installments, and more.

**Program qualifications may apply.*

- Increased attraction for Work from Home agents to hire additional Call Center representatives to assist with wait times.
 - Gas Emergency ASA – 0:12
 - Hired an additional 13 CSR's
 - Work from home attraction
 - Home Based Agents

Roadmap / Forecast

Increase in Natural Gas prices, we are watching this closely and plan to present proactive communication to our customers.

Continue to increase Self-service customer interactions so our front line is available to assist with complex questions and concerns.

We have added PayPal as a payment option for our customers.

Customer Advantage, Phase I development is in progress and we will have a Go Live in August 2022. Phase II will go live in December 2022.

Real-time payment processing between Paymentus, our electronic Billing and Payment provider and Northwestern Energy, customers & Northwestern Energy will see payment applied when customers make their payment.

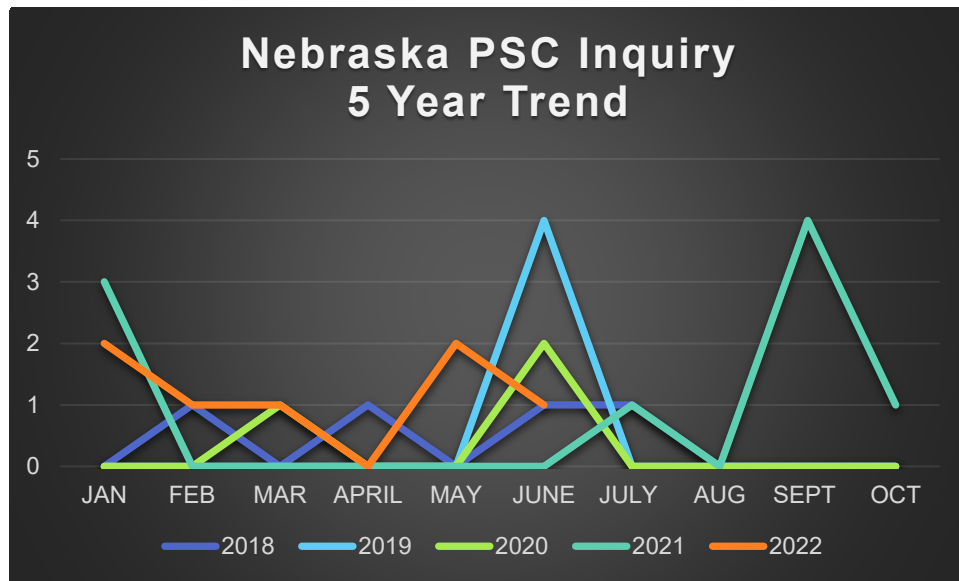
Feedback

What would you like to see?

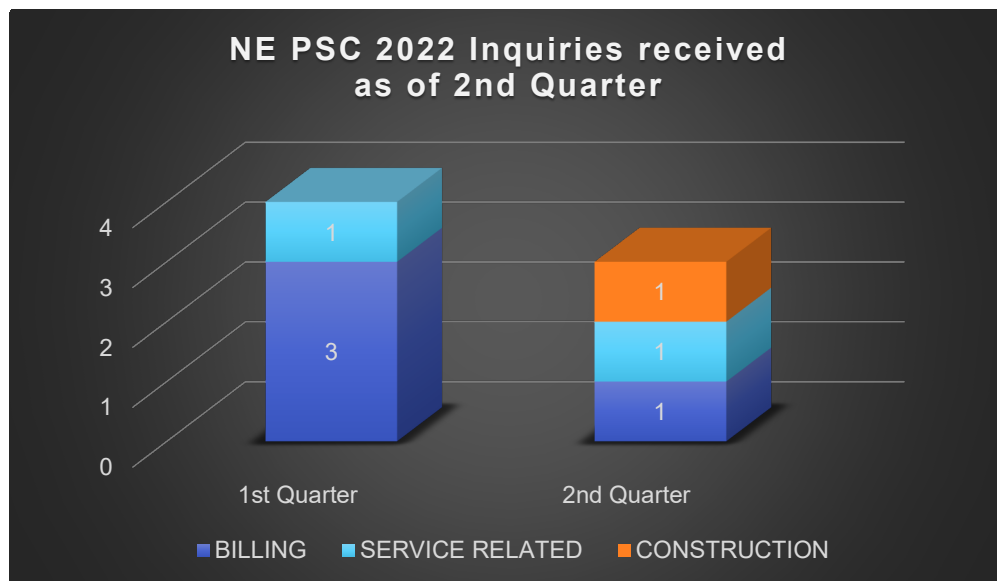


NEBRASKA PSC QUARTERLY REPORT

2ND QUARTER April 2022 – June 2022



As of the 2nd Quarter 2022, we have received 7 PSC Inquiries



3 Inquiries received for the 2nd Quarter

Inquiry Details

- Billing
 - Customer questioning the *City Approved Economic Development Surcharge* on the billing statement.
 - The NPSC asked us to break it out as a line-item on customer bills when they approved our last rate review settlement agreement with the cities. Economic development helps add more customers to the natural gas system. Adding more customers to the system benefits all customers, whether they live in the city limits or not. That is also why this cost is passed to all customers and not just those in the city limits. The same would apply for Kearney, North Platte and Alda addresses.
- Service Related
 - Customer attempted to contact Northwestern Energy to advise no return envelope was received with bill statement, due to hold time the customer was not able to reach Northwestern Energy.
 - Contacted customer and resolved concerns, customer did receive return envelope with months billing statement.
- Construction
 - Concrete damage during meter move
 - Northwestern Energy has completed repairs for customer

Opportunities & Improvements

NorthWestern Energy has identified areas of opportunities to continue improving our Customer Experience for our customers

- IVR Improvements
 - Disallowance of the proceeding 1 for English on a Callback
 - Corrected Spanish IVR asking for zip code instead of area code
 - Updated IVR to say “Dos” or press 2 instead of “Two” – if it does not recognize “Dos” it defaults to English
 - Auto Callback fix in place
 - Forced Play – Mitigate background noise in initial message “I cannot understand your response”
- Continue to enhance Home Based Agent program
 - Hired 24 additional CSR’s in 2022
 - 13 - 1st quarter (training completed)
 - 11 - 2nd quarter (in training)

Roadmap / Forecast

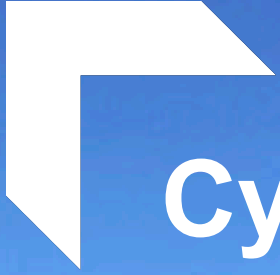
Continue to increase Self-service customer interactions so our front line is available to assist with complex questions and concerns.

Genesys Optimization Project – With one of the primary focus' being Service Level improvements

My Energy Account will transition to Customer Advantage upgrade -- go live is projected for August 2022 this will roll out in 2 phases. Phase 1 will include Multifactor Authentication and Real Time Payment processing insight.

Feedback

What would you like to see?



Cyber Security Update for Nebraska Public Service Commission

NorthWestern Energy

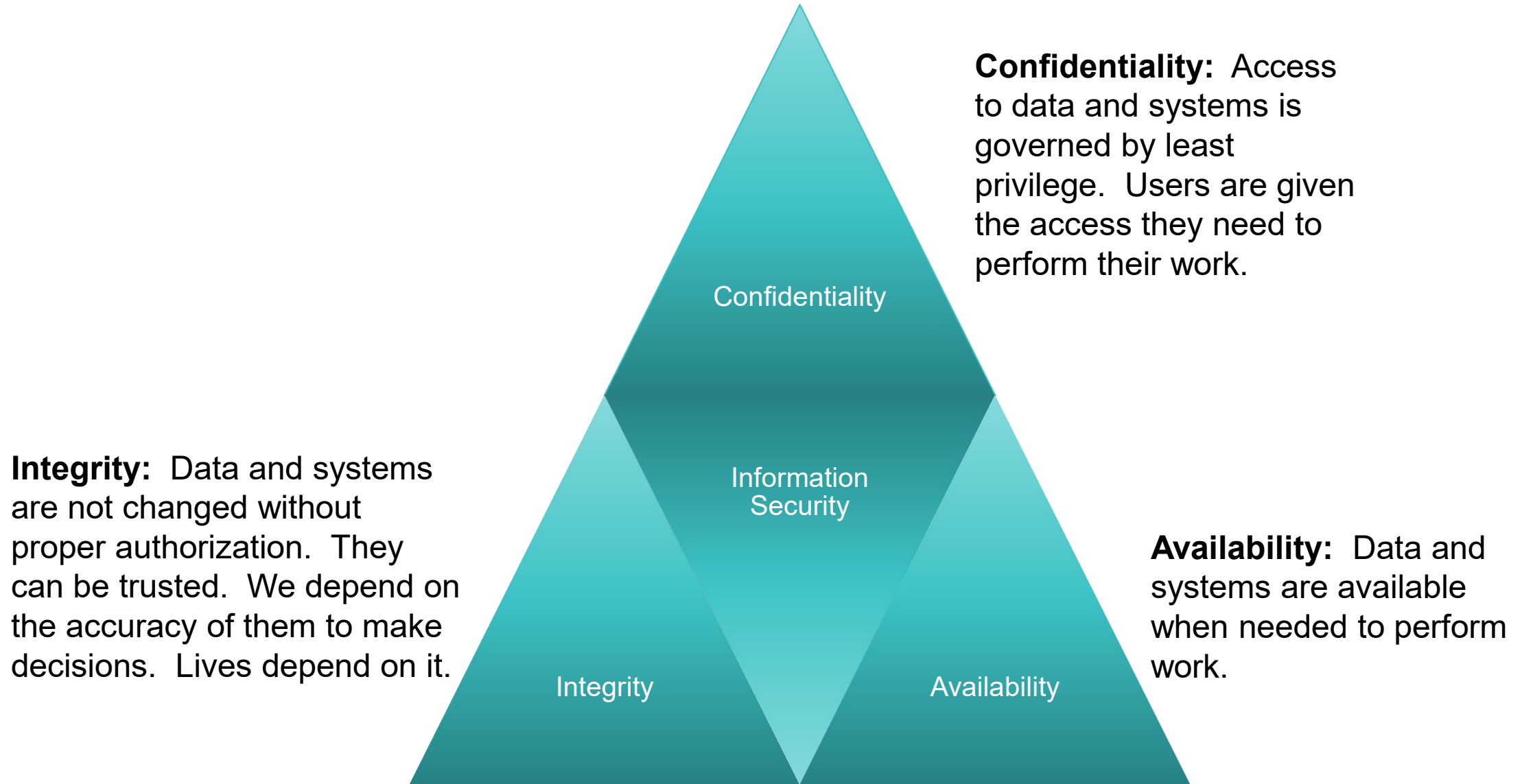
July 2022

Agenda

- Cyber Security Program
- Threat Hunting
- Incident Response and Disaster Recovery
- User Education

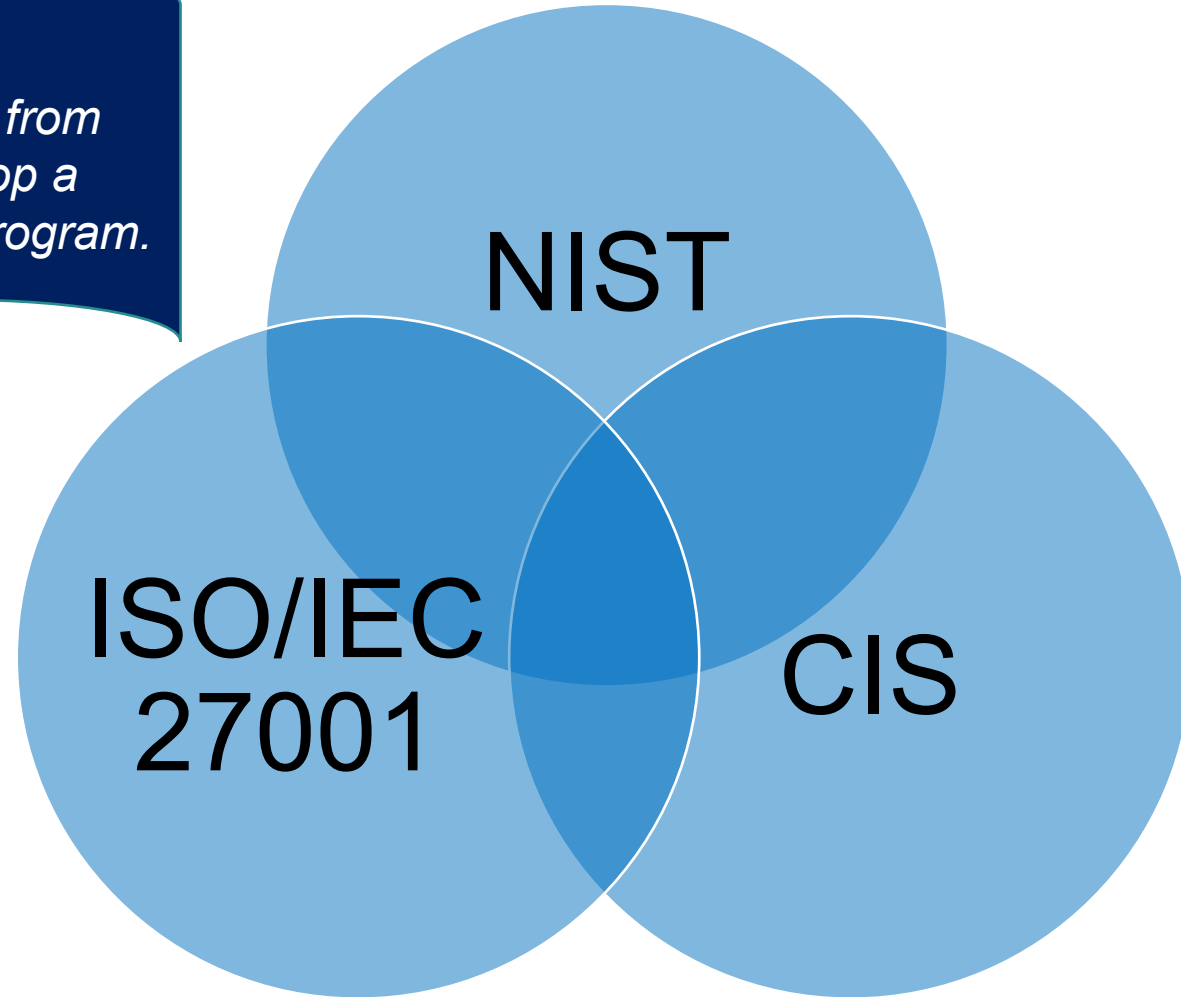


The Cyber Security CIA Triad



Cyber Security Frameworks – Going to the Buffet Table

Leveraging the best practices from several frameworks to develop a comprehensive cyber security program.



Defense in Depth

- Layers of Security
- Additional Layers of Authentication for Sensitive Systems
- Vendor Risk Assessments for Cloud Solutions
- PEN Studies (Internal and External)
- Compliance (DOT)
- Leveraging Artificial Intelligence
 - What is normal?
 - Challenging Identity



Network Segmentation

- Micro-Domain Expansion – Repeatable and Secure
 - SCADA and Industrial Control Systems (IT/OT)
 - Generation
 - Cloud Segmentation
- Digital Platforms – Operational but Secure
 - Analytics
 - Workforce Management
 - Third Party Risk - Potential Contractor Segmentation
 - Integration of Everything



Identity Management

- Multi-Factor Authentication and the goodness which goes with it
 - Foundational for What's Next?
 - Supports Cyber Insurance Requirements
 - Enables single sign on – on premise, hybrid and cloud
 - Stronger passwords changed less often
- Mobility
- WFH – The Edge has moved and it is not moving back

Identity Management is the new “edge” in the work from home and mobility scenario.



Threat Hunting Team

- Leverages the best and brightest talent
- Research and monitor threats across the globe, regardless of industry, which could impact NorthWestern Energy
- Proactively use tools and leverage artificial intelligence to scan and detect anomalies throughout the network
- Constantly scan for vulnerabilities and assign remediation
- Focus on isolation and recovery tools (i.e. Ransomware)



"The five most efficient cyber defenders are: Anticipation, Education, Detection, Reaction and Resilience. Do remember: "Cybersecurity is much more than an IT topic." Stéphane Nappo, Global Head Information Security for Société Générale International Banking

Log4j

- At the end of 2020 there was SolarWinds – not to be outdone, the end of 2021 delivered Log4j
 - Relatively obscure open source logging tool imbedded in countless systems
 - Method of attack is morphing – on it's 5th or 6th variant
 - Sustained vigilance is critical
 - Patching systems is critical
 - Isolation of systems is critical – accomplished with network segmentation in place
 - Remediation through cyclic continuous vulnerability scanning/patching/scanning

Common Vulnerability Score:

SolarWinds: 8.8

Log4j: 10.0 – Highest Available



"This vulnerability is one of the most serious that I've seen in my entire career, if not the most serious," **Jen Easterly, director of the US Cybersecurity and Infrastructure Security**

Incident Response and Disaster Recovery

- Plan reviewed and updated annually
 - Decision making flow chart
 - Clear escalation path
 - Executive Team/Legal/Risk
 - Board of Directors
 - Weaves directly into Continuity of Operations Plan
 - Specific system recovery addressed



The plan is exercised with real and/or table top scenarios throughout the year. In 2021 GridX was an exercise using the plan. The plan was used for Log4j.

User Education

- The average total cost of a data breach is now \$4.24m, a 10% increase in average total cost of a breach from 2020 to 2021. (IBM)
 - A cyberattack occurs every 39 seconds. (Clark School at the University of Maryland)
 - Nearly nine in 10 (86%) organizations believe they have been targeted by a nation-state threat actor, according to a new [study](#). ([Trellix](#) and the [Center for Strategic and International Studies](#))
 - Human error is the primary cause of cybersecurity breaches, accounting for 95% of all data breaches. (Deloitte)
- Mandatory Cyber Security Awareness Training
 - Phishing Simulations
 - Culture





Questions?

