

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

**IN THE MATTER OF A JOINT)
APPLICATION OF NORTHWESTERN)
CORPORATION AND NORTHWESTERN)
ENERGY PUBLIC SERVICE CORPORATION,) **Docket NG-121**
SIOUX FALLS, SOUTH DAKOTA, SEEKING)
AUTHORITY TO ISSUE SECURITIES AND)
TRANSFER ITS NEBRASKA)
CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY)**

NorthWestern Corporation and NorthWestern Energy Public Service Corporation (“NorthWestern” or “Applicant”), of Sioux Falls, South Dakota, jointly submit this Application to the Nebraska Public Service Commission (“Commission”) pursuant to Nebraska Revised Statutes § 66-1827, 1828 and § 75-148. In support, Applicant sets forth the following facts and circumstances justifying the granting of this Application:

1. Applicant's exact legal name is NorthWestern Energy Public Service Corporation, with its principal place of business located at 3010 West 69th Street, Sioux Falls, South Dakota, 57108. Applicant is a corporation, incorporated on May 30, 2023 under the laws of the State of South Dakota, and a wholly-owned subsidiary of NorthWestern Corporation. As of the date of this Application, Applicant is a shell company without any assets, liabilities or operations.
2. NorthWestern Corporation currently is a common carrier and a jurisdictional utility as described in Nebraska Revised Statutes § 66-1827 and § 75-148 and is engaged in the generation, transmission, distribution, purchase and sale of electric power and the transmission and distribution of natural gas in Montana and South Dakota and the transmission and distribution of natural gas in Nebraska.

3. Effective January 1, 2024, as part of a planned internal holding company restructuring previously approved by this Commission, NorthWestern Corporation will transfer the assets, liabilities, and operations associated with its public utility operations in South Dakota and Nebraska to Applicant. Immediately thereafter and also effective January 1, 2024, NorthWestern Corporation will contribute its equity ownership of Applicant to NorthWestern Energy Group, Inc. The result of that restructuring is that Applicant will become a wholly-owned subsidiary of NorthWestern Energy Group, Inc., and also will become a jurisdictional utility, as described in Nebraska Revised Statute § 66-1802-13, engaged in the transmission and distribution of natural gas in Nebraska.

4. The name, title and address of the persons to whom notice and correspondence with regard to this Application shall be addressed are as follows:

Pamela A. Bonrud
Director – Government and Regulatory Affairs
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Emilie Ng
Treasurer
NorthWestern Energy
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Shannon Heim
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Request for Approval to Issue Securities

5. NorthWestern intends to issue securities and use the proceeds from those securities to support its state-regulated capital expenditures and acquisitions of state-regulated assets, the refunding and repayment of its outstanding obligations, and for other general corporate purposes.

6. NorthWestern seeks an order from the Commission for authority to issue, as NorthWestern determines necessary, over a period of approximately two years, starting on January 1, 2024, through and including January 30, 2026, the types of securities listed below, not to exceed in the aggregate \$350 million:

- Secured debt securities, not to exceed \$150 million (“**Secured Debt Securities**”), including, without limitation, one or more new series of First Mortgage Bonds to be issued under NorthWestern’s General Mortgage Indenture and Deed of Trust, dated as of August 1, 1993, as amended and supplemented, or other secured debt securities;
- Unsecured debt securities, not to exceed \$200 million, including, without limitation, subordinated or unsubordinated unsecured debentures, debt securities, notes, or other evidences of unsecured indebtedness (“**Unsecured Debt Securities**”).

7. NorthWestern seeks authority to issue the requested Secured Debt Securities, or Unsecured Debt Securities (collectively, the “**Securities**”) in the amounts noted above by

methods approved by the Federal Energy Regulatory Commission, which may include methods other than competitive bidding and negotiated offers. See 18 C.F.R.

§ 34.2(a)(3)(iii).

8. NorthWestern requests that the Commission issue a single order to authorize the relief it seeks through this petition. NorthWestern requests the flexibility to issue the Securities in one or more public offerings, private placements, direct placements, agency transactions, or any combination of these methods of issuance, so long as NorthWestern determines the applicable method is in its, its customers, and its stockholders best interests.

9. NorthWestern may issue the Securities in accordance with the competitive bidding or negotiated offer requirements set forth in 18 C.F.R. §§ 34.2(a)(1) and 34.2(a)(2). However, depending on market conditions and other relevant factors, NorthWestern may also issue the Securities outside of those requirements as permitted by 18 C.F.R. § 34.2(a)(3)(iii). NorthWestern will base its determination as to the proper method of issuance principally upon the terms and conditions of the financing available to it, as guided by discussions with potential underwriters, agents, and/or purchasers, and the advice of its financial executive team, investment banking firm, and financial advisors.

10. The proposed issuance of the Securities serves NorthWestern's corporate purpose and is compatible with the public interest. The proposed issuance is necessary, appropriate for and consistent with the proper performance by NorthWestern of service as a public utility, will not impair its ability to perform this service, and is reasonably necessary and appropriate for such purposes.

11. No approval of any federal or state governmental commission, for issuance of the securities proposed to be assumed by NorthWestern, is required except for the approval of this

Commission and the South Dakota Public Utilities Commission. A companion Application was filed with the South Dakota Public Utilities Commission.

Request to Transfer Certificate of Public Convenience and Necessity

12. As summarized in paragraph 3 above, this Commission previously approved (Order Granting Application NG-114, entered July 26, 2022, the “**Order**”) a planned internal holding company restructuring, pursuant to which (a) NorthWestern Corporation will transfer its public utility operations in Nebraska to a new entity, effective January 1, 2024, and (b) such new entity will become (i) a wholly-owned subsidiary of NorthWestern Energy Group, Inc. and (ii) a jurisdictional utility, as described in Nebraska Revised Statute § 66-1802-13, engaged in the transmission and distribution of natural gas in Nebraska.

13. In NorthWestern Corporation’s application (Application NG-114) in connection with the Order, NorthWestern Corporation referred to the new entity as “NorthWestern Energy Prairies Corporation,” and the Order approved the transfer of NorthWestern Corporation’s certificate of public convenience and necessity to NorthWestern Energy Prairies Corporation.

14. NorthWestern Corporation intends to implement the corporate restructuring approved in the Order effective January 1, 2024. However, NorthWestern Corporation has opted to name the new entity “NorthWestern Energy Public Service Corporation” (which is the Applicant here) instead of NorthWestern Energy Prairies Corporation. Thus, NorthWestern Corporation intends to implement the corporate restructuring with Applicant instead of an entity named NorthWestern Energy Prairies Corporation (which does not exist). Accordingly, as part of the corporate restructuring approved by the Commission in

the Order, Applicant proposes that it be allowed to receive NorthWestern Corporation d/b/a NorthWestern Energy's certificate of public convenience and necessity and become a jurisdictional utility, as described in Nebraska Revised Statute § 66-1802-13, engaged in the transmission and distribution of natural gas in Nebraska.

WHEREFORE, Applicant respectfully requests that the Commission enter an order approving this Application and authorizing NorthWestern to issue up to \$350 million in Securities and become a jurisdictional utility, as described in Nebraska Revised Statute § 66-1802-13, engaged in the transmission and distribution of natural gas in Nebraska, via a transfer of NorthWestern Corporation d/b/a NorthWestern Energy's certificate of public convenience and necessity as part of the corporate restructuring approved in the Order previously entered by the Commission.

Dated this 31st day of October, 2023.

NORTHWESTERN ENERGY PUBLIC
SERVICE CORPORATION

By:

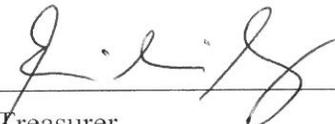


Treasurer

BEFORE THE PUBLIC SERVICE COMMISSION OF
THE STATE OF NEBRASKA

STATE OF SOUTH DAKOTA)
COUNTY OF LINCOLN) SS:

I, Emilie Ng, being duly sworn, do hereby depose and say that I am the Treasurer for NorthWestern Energy Public Service Corporation, Applicant in the foregoing Application; that I have read such Application; and that the facts set forth therein are true and correct to the best of my knowledge, information, and belief.


Treasurer

Subscribed and sworn to before me this 31st day of October, 2023.


Chelsey Wilson
Notary Public

