

EXHIBIT 2
DATE 1-26-09
HB 294

HB No. 294

Proposed Amendment from NWE in Consultation
with REC Silicon and Large Customer Group

1. Page 3, line 1.

Following: “,”

Strike: “and”

2. Page 3, line 3.

Following: “affected”

Strike: “.”

Insert: “; and, (3) Natural gas production and gathering assets cost of service shall not be allocated to a customer being served by an alternative natural gas supplier.”

EXHIBIT 2
DATE 1-26-09
HB 294

HOUSE BILL NO. 294
INTRODUCED BY G. MACLAREN

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A NATURAL GAS UTILITY THAT HAS RESTRUCTURED TO ACQUIRE NATURAL GAS PRODUCTION AND GATHERING RESOURCES AND INCLUDE THEM IN THE RATE BASE; ESTABLISHING PROCEDURES FOR THE ACQUISITION AND INCLUSION OF THE RESOURCES IN THE RATE BASE; AMENDING SECTIONS 69-3-1402 AND 69-3-1404, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Statement of purpose.** The purpose of [sections 1 through 4] is to establish procedures for a natural gas utility that has restructured pursuant to this part to acquire rate-based facilities.

NEW SECTION. **Section 2. Acquisition of rate-based facilities.** A natural gas utility that provides its customers with a choice of natural gas suppliers pursuant to 69-3-1403 and that does not own natural gas production and gathering resources on the effective date of this act may acquire those facilities and place them in the rate base as provided in [sections 1 through 4].

NEW SECTION. **Section 3. Application and approval of natural gas production and gathering resources.** (1) A natural gas utility may apply to the commission for approval of a natural gas production and gathering resource that is not yet procured.

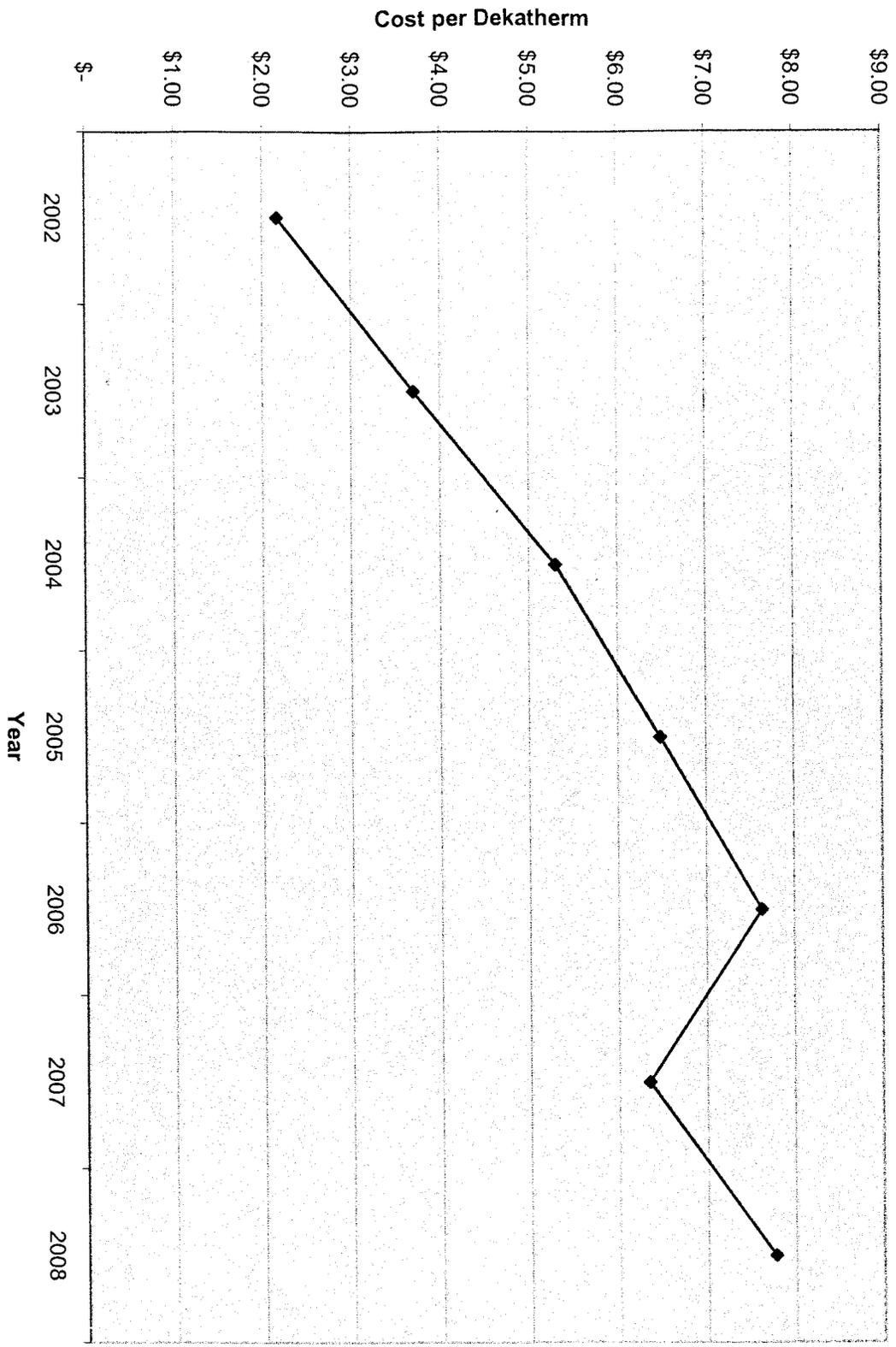
(2) (a) Within 45 days of the natural gas utility's submission of an application under subsection (1), the commission shall determine whether or not the application is adequate and in compliance with the commission's minimum filing requirements.

(b) If the commission determines that the application is inadequate, the commission shall, within 10 days of the determination, provide written notice to the natural gas utility of the deficiencies.

(3) The commission shall issue an order within 270 days of receipt of an adequate application for approval of an application to lease or acquire an equity interest in natural gas production and gathering resources.

NWE Natural Gas Average Supply Residential Rate

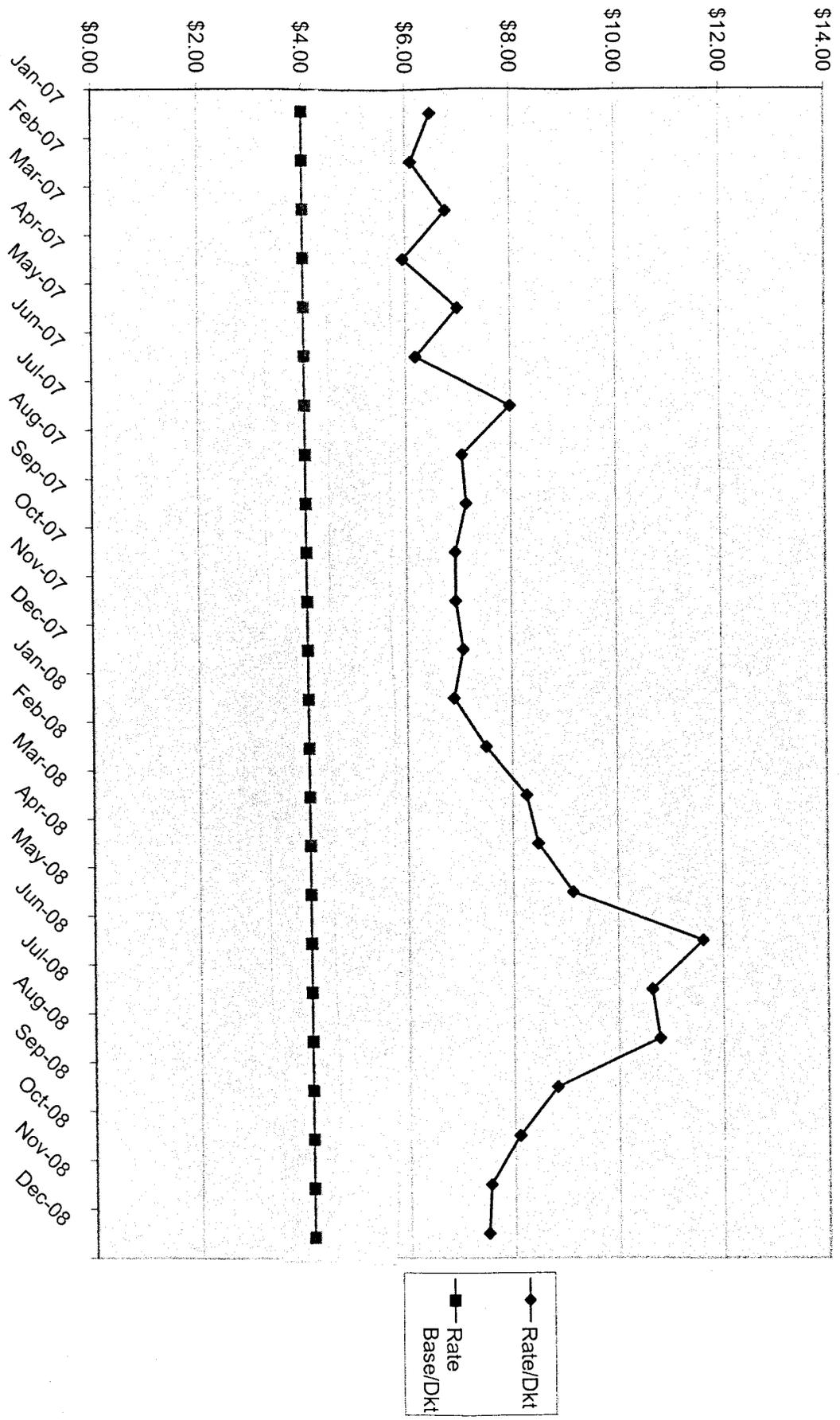
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Submitted by:
NorthWestern Energy
208 N. Montana Ave., Suite 205
Helena, MT 59601
(406) 449-9819

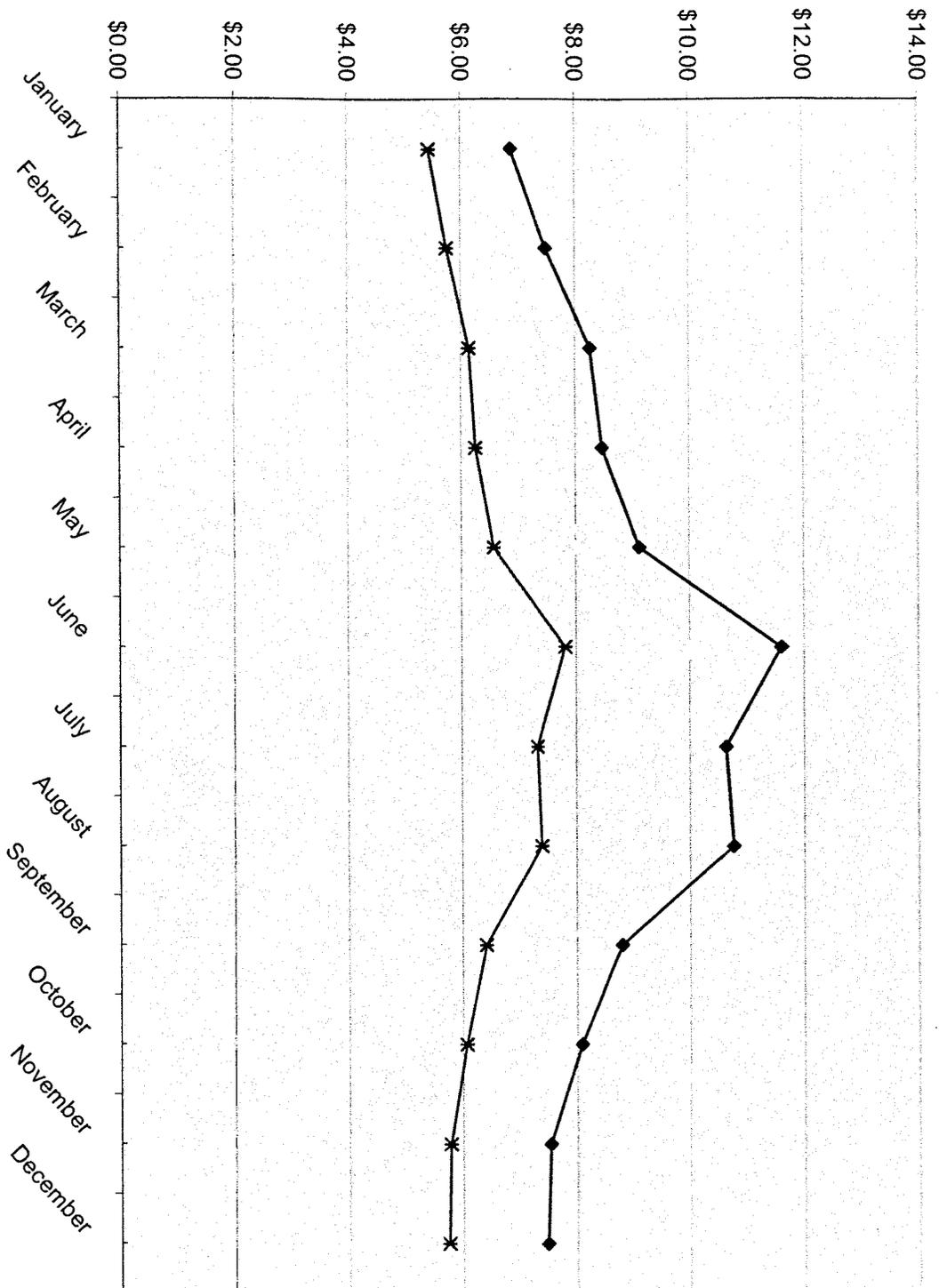
NWE Natural Gas Residential Rate by Month for 2007 - 2008

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2008 Natural Gas Actual vs Estimated Rate Base



◆ Actual 2008 Gas Price (\$/Dkt)
 * 2008 Gas Price If 20% of Gas Supply Rate Based at \$4.00/Dkt
 * 2008 Gas Price If 50% of Gas Supply Rate Based at \$6.00/Dkt

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