

Electricity Supply

Res. Deferred Supply for 12/10/13 – 01/10/14 = $-\$.52$

Rates are adjusted for the difference between the amount billed to customers and the amount NorthWestern pays during the year. In other words, this adjustment on your bill corrects over- and under-collections of electricity supply cost. The over or under recovery exists because of the difference between estimated and actual expenses, and estimated and actual customer loads.

The difference is accumulated as a deferred balance. At the end of the year, the balance is amortized over the succeeding year. NorthWestern does not earn a profit on this amount. In the example bill, the amount did not change between December and January.