

In The News

A daily publication featuring excerpts of stories about NorthWestern Energy and other topics of interest

Wednesday, November 22, 2017 Closing Dow Jones Averages

Dow Jones Industrials	23,526.18	- 64.65
Nasdaq	6,867.36	+ 4.88
Transportation	9,626.66	+ 11.94
Utilities	757.73	- 0.24
Crude Oil Futures		
NYSE Volume	3,734,476,000	
NorthWestern Energy	62.00	- 0.13
NorthWestern Energy Traded	215,291	
Other Stocks to Watch:		
Avista	51.69	+ 0.14
Black Hills Power & Light	57.97	- 0.23
Idaho Power	96.36	- 1.28
Montana Dakota Utilities	26.87	- 0.02
Otter Tail Corp.	46.45	- 0.50
Xcel Energy	50.53	- 0.08

A big hydro project in Big Sky country ... A pumped hydro project in southcentral Montana could provide electric utilities in the Pacific Northwest with a US billion-dollar, 400-megawatt facility that mimics both a battery and a fast-start natural gas-fired plant. The Gordon Butte pumped storage project received its 50-year operating license from the Federal Energy Regulatory Commission (FERC) in December 2016. The project holds a water right issued by the state of Montana to withdraw water from a nearby stream to fill the project reservoirs, and replace water lost to evaporation and seepage. With a FERC license in hand, Gordon Butte is in search of a customer for its pumped hydro capacity. According to Carl Borgquist, president and CEO of Bozeman, Montana-based Absaroka Energy, an engineering contract with a design-construction firm is almost complete. But the project is by no means assured. For one thing, two 40-year-old coal-fired units at the Colstrip power plant in southeastern Montana would need to close as expected in 2022. The closure was agreed to in 2016 by Allentown, Penn.-based Talen Energy and Seattle-based Puget Sound Energy—which own and operate the two units—and environmental groups that sued over air emissions from the 2,094 MW plant. [IEEE Spectrum, 11/22]

Drew Callaghan: Want to help coal miners? Plan for the future ... Announcing its plans to eliminate rules reducing carbon pollution from power plants, the Trump administration framed the repeal as necessary to prevent the demise of the coal industry and its miners. Predictably, environmentalists refuted this rationale, but they aren't alone. Robert Murray, CEO of coal giant Murray Energy Corporation, is on record saying Trump "can't bring (coal jobs) back." Coal executives recognize market forces, not laws, are driving coal to the margins. Ignoring that reality only deepens the harm to working people in coal country. Far from the "War on Coal" alleged by Trump appointees, a government war supporting coal has been waged for many years, including subsidies that add up to about \$1 billion annually. Below-market fees charged for extracting coal from publicly-owned land in Montana and Wyoming by themselves constitute a gift to coal corporations comparable to all federal support for renewable energy. Even so, coal produced only about 15 percent of all energy in the U.S. last year and the coal industry has faced declining market share and a string of bankruptcies and loss of market share over the past decade. Low prices for natural gas, reductions in demand from abroad, and technological improvements are eroding coal's market. Researchers from Columbia University found public health and environmental protections instituted under President Obama account for just 3 to 5 percent of coal's declining sales. In Colstrip, Montana, where over half of the working-age adults are employed in the coal industry, outside utilities are shutting down coal-fired power plants. These shutdowns leave locals a shrinking window in which to build other businesses or flee the community. Coal states across the country face a similar future, and while heel-dragging may help coal company owners maximize their profit in the short term, it does nothing for coal miners and their families. A new strategy for these places is needed. Declining domestic demand no longer can be replaced by foreign buyers like China, which is leading the world in adding solar and wind capacity and is eliminating coal plants. [Tucson.com, Drew Callaghan editorial, 11/22]

Oil prices gain as fall in U.S. crude supply feeds bets for OPEC output-cut extension ... Oil prices climbed Wednesday as a weekly decline in U.S. crude supplies backed expectations that OPEC will decide to extend its output-cut deal when it meets with other major producers next week. The U.S.

Energy Information Administration on Wednesday said crude supplies fell by 1.9 million barrels for the week ended Nov. 17. January West Texas Intermediate crude climbed 92 cents, or 1.6%, to \$57.75 a barrel on the New York Mercantile Exchange. January Brent rose 40 cents, or 0.6%, to \$62.97 a barrel on the ICE Futures Europe exchange. Gasoline stockpiles were unchanged last week, while distillate stockpiles edged up by 300,000 barrels, according to the EIA. On Nymex, December gasoline fell 0.2% to \$1.769 a gallon, while December heating oil was nearly flat at \$1.936 a gallon. Meanwhile, December natural gas traded at \$2.985 per million British thermal units, down 1.1%. Prices continued to trade lower after the EIA reported Wednesday that domestic supplies of natural gas fell by 46 billion cubic feet for the week ended Nov. 17. That was below the fall of 54 billion forecast by analysts surveyed by S&P Global Platts. The data were released a day early because of Thursday's Thanksgiving holiday. [MarketWatch, 11/22]

FERC, pipelines and climate change: revolution in progress ... The Federal Energy Regulatory Commission is updating an environmental review to tally greenhouse gas emissions from the Sabal Trail pipeline project, which would slice through Alabama, Georgia and Florida. Some FERC-watchers say the agency's work, while muted in the near term, could set the stage for more expansive climate reviews in the future. [EEI, 11/22]

Coal sector eyeing Trump action on infrastructure, domestic steel protection ... This week, President Donald Trump said the administration will soon pivot back to his plans to improve U.S. infrastructure, which could offer another boost to domestic coal producers. So far, much of the administration's policy efforts have been aimed at coal production generally or coal used for energy generation in the U.S. [EEI, 11/22]

Corporate tax reform will create jobs but may not boost wages ... A majority of North American CFOs (54.2 percent) say they support the passage of the Tax Cuts and Jobs Act, which passed the House last week, while 20.8 percent oppose it. Regardless of support, CFOs seem to be confident that the bill's reforms will have a positive impact on U.S. economic conditions. [EEI, 11/22]

NERC CEO resigns ... Gerry Cauley has resigned as CEO of the North American Electric Reliability Corp. roughly one week after he was arrested and charged with misdemeanor battery and family violence. NERC's board of trustees accepted Cauley's resignation yesterday, according to a late day news release. [EEI, 11/22]

Dominion Energy partners to provide 'energy oases' in Puerto Rico ... Dominion Energy announced Tuesday morning that the company is shipping donated solar panels to communities in Puerto Rico still lacking power after Hurricane Maria. The 50 kilowatts of solar panels, donated by Strata Solar, will be installed at schools and churches to serve as temporary "Energy Oases." They hope to create 15 microgrids that will let community members do laundry and charge devices. [EEI, 11/22]

Westar, Great Plains Energy shareholders OK merger ... Shareholders of Westar Energy and Great Plains Energy, the parent company of Kansas City Power & Light, overwhelmingly approved the proposals necessary for the merger between the two companies. More than 90 percent of the shares voted at each company approved the transaction. [EEI, 11/22]

The power of thanks ... We often take time to express our thanks during this season and gratitude has benefits you can enjoy all year. Gratitude is linked to positive emotions that support happiness, resilience, trust, social connections, and creativity. Use a gratitude journal to make a brief note each day about something you are thankful for. Or, simply say "thank you" to a person [Wellness Program, 11/22]

The daily *In The News* will not be published on Thursday or Friday in observance of Thanksgiving. Delivery will resume on Monday, Nov. 27.



What are you thankful for?

To receive any of the full articles, please contact Pattie Kingston, Corporate Communications.

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