02/22/2022

Bowen Greenwood CLERK OF THE SUPREME COURT STATE OF MONTANA

Case Number: DA 22-0064

DECLARATION OF DAVID SCHLISSEL

I, David Schlissel, declare pursuant to Mont. Code Ann. § 1-6-105:

- 1. I have degrees in engineering and law from MIT and Stanford and have presented expert analysis of electric utilities for four decades. I have studied the economics and operations of Colstrip Power Plant (Colstrip) and the western electricity grid over the past decade during which time I have prepared several expert reports.
- 2. Sonja Nowakowski cites the unplanned outage of Colstrip Unit 4 from 2013-2014 to argue that if another unplanned outage occurred, ratepayers "could likely pay increased rates" for replacement power. Ms. Nowakowski omits that Montana ratepayers did not pay anything for the replacement power in 2013-2014. As an expert in that proceeding, I know the Montana PSC required Northwestern shareholders to pay for the replacement power because the company acted imprudently.
- 3. Colstrip Unit 4 suffered another unplanned outage for nearly 80 days during summer peak energy demand in 2018. Utilities purchased replacement power which again utility shareholders were required to pay, not ratepayers due to the PSC's determination that NorthWestern's actions were imprudent. The unplanned outages in 2013-2014 and 2018 demonstrate that in the extremely unlikely event that stopping mining in AM4 would cause an unplanned outage, it is highly unlikely that there would be any impact to public energy supplies or costs.
- 4. The Rosebud Mine has significant excess production capacity. The mine produced 13 million tons in 2008 and over 8 million tons in 2019. <a href="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq=A&pin="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq="https://www.eia.gov/coal/data/browser/#/mine/2401747/?freq="https://www.eia.gov/coal/data/browser/#/mine/data/browser/#/mine/data/browser/#/mine/data/browser/#/mine/data/browser/#/mine/data/browser/#/

I declare under penalty of perjury under the laws of Montana that the

foregoing is true and correct. Dated this 18th day of February 2022 in Seattle, WA.

David Schlissel

Februar 18,2022

CERTIFICATE OF SERVICE

I, Shiloh Silvan Hernandez, hereby certify that I have served true and accurate copies of the foregoing Other - Other to the following on 02-22-2022:

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Dated: 02-22-2022