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Montana Public Service Commission
1701 Prospect Avenue
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Re: Docket No. 2022.09.087 – Big Sky 55+, Butte Watchdogs for Social and Environmental Justice, Climate Smart Missoula, Helena Interfaith Climate Advocates, Honor the Earth, Montana Environmental Information Center, and NW Energy Coalition comments on NorthWestern Energy’s September 17, 2025 response to the Commission’s September 3, 2025 request for information

Commissioners,

Big Sky 55+, Butte Watchdogs for Social and Environmental Justice, Climate Smart Missoula, Helena Interfaith Climate Advocates, Honor the Earth, Montana Environmental Information Center, and NW Energy Coalition appreciate the Commission’s ongoing oversight of NorthWestern Energy’s (NorthWestern) provision of electricity to data centers. We write to address NorthWestern’s inadequate response to the Commission’s request for certain information “[t]o ensure compliance with [statutory] requirements and to inform the Commission’s oversight responsibilities.”¹

In relevant part, the Commission requested that NorthWestern submit “[c]opies of all letters of intent, memoranda of understanding, agreements in principle, term sheets, draft contracts or agreements, and executed contracts and agreements between NorthWestern and any of the entities referenced in the press releases described [in the Commission’s letter].”²

¹ Dkt. No. 2022.09.087, Index #28, Letter from Mont. Pub. Serv. Comm’n, to Charles Lane, Dir. of Regul. Affs., NorthWestern Energy at 3 (Sep. 3, 2025) [hereinafter September 2025 Request].

² *Id.*

NorthWestern responded by identifying letters of intent with three data center developers in Montana: Atlas Power Group LLC (“Atlas”); Sabey Data Center Properties LLC (“Sabey”); and Quantica Infrastructure, LLC (“Quantica”). However, the utility claimed not to “have any memorandums of understanding, agreements in principle, term sheets, or executed contracts with [either Atlas, Sabey, or Quantica].”³

NorthWestern’s response is inadequate and raises two issues that should be addressed by the Commission.

First, NorthWestern has publicly referenced documents that appear responsive to the September 2025 Request but have not been provided to the Commission, including Transmission Service Agreement Studies and Development Agreements.

- Transmission Service Agreement Studies.

NorthWestern has disclosed that it is “doing transmission service agreement studies” for two data centers that are subject to the Commission’s September 2025 Request: Atlas and Sabey.⁴ The information contained within these Transmission Service Agreement Studies falls well within the scope of the Commission’s request for a “detailed explanation of the steps NorthWestern is taking to evaluate or verify whether providing electricity supply service to these entities would adversely impact other NorthWestern customers.”⁵

- Development Agreements.

NorthWestern has disclosed the execution of a signed “development agreement”⁶ with both Sabey and Atlas.⁷ These signed agreements are certainly within the scope of this Commission’s request for copies of all agreements in

³ Dkt. No. 2022.09.087, Index #29, Letter from Charles Lane, Dir. of Regul. Affs., NorthWestern Energy, to Mont. Pub. Serv. Comm’n at 2 (Sep. 17, 2025).

⁴ NorthWestern Energy Grp., Inc., *First Quarter 2025 Earnings Call* at 7 (submitted as Ex. 1).

⁵ September 2025 Request at 3.

⁶ NorthWestern has described its “development agreement” with Sabey as also funding a “System Impact Study and Facility Study.” NorthWestern Energy, *Wells Fargo Energy & Power Symposium Presentation* 29 (Dec. 2025) [hereinafter *Wells Fargo Energy & Power Symposium Presentation*] (submitted as Ex. 2).

⁷ NorthWestern Energy Grp., Inc., *Form 10-K for the Fiscal Year Ended December 31, 2025* at 54 (Feb. 12, 2026) [hereinafter *NorthWestern 2025 10-K*] (submitted as Ex. 3); Press Release, NorthWestern Energy Grp. Inc., NorthWestern Energy Reports 2025 Financial Results (Feb. 11, 2026) [hereinafter NorthWestern Energy Reports 2025 Financial Results] (submitted as Ex. 4).

principle, memoranda of understanding, draft agreements and executed agreements between NorthWestern and Sabey or Atlas.⁸

Second, NorthWestern’s response fails to disclose whether the utility has any “draft contracts or agreements” or “executed agreements” with Sabey, Atlas, or Quantica, despite those categories of documents being expressly referenced in the September 2025 Request.⁹ And yet, in October, NorthWestern noted that it was “working with each of [the] parties [who have signed letters of intent] to execute electric service agreements.”¹⁰ Further, NorthWestern has publicly disclosed the existence of executed “development agreements” with both Sabey and Atlas.¹¹ Based on its public statements, the utility both has “draft contracts or agreements” with Sabey, Atlas, and Quantica, and “executed agreements” with Sabey and Atlas that are responsive to the September 2025 Request but have not been provided to the Commission.

The Commission should take the following action to remedy these two issues:

1. Require NorthWestern to submit the Sabey Development Agreement and the Atlas Development Agreement to the Commission as responsive to the September 2025 Request.
2. Require NorthWestern to provide a detailed explanation of the information contained in the Transmission Service Agreement Studies.
3. Require NorthWestern to clarify whether the utility has any draft contracts, draft agreements, or executed agreements (like the referenced development agreements) with Sabey, Atlas, or Quantica and, to the extent any such documents exist, order NorthWestern to submit such documents to the Commission as responsive to the September 2025 Request.
4. Inform NorthWestern that its obligation to provide documents responsive to the September 2025 Request is ongoing and requires the utility to supplement response if and when additional responsive documents are identified.

We encourage the Commission to expand the scope of documents that NorthWestern must provide to ensure the Commission is fully informed and able to carry out its oversight obligations. The Commission’s September 2025 Request was limited to only those documents “between NorthWestern and *any of the entities*

⁸ September 2025 Request at 3.

⁹ *Id.*

¹⁰ Press Release, NorthWestern Energy Grp. Inc., NorthWestern Energy Reports Third Quarter 2025 Financial Results 3 (Oct. 29, 2025) (submitted as Ex. 5).

¹¹ Ex. 3, *NorthWestern 2025 10-K* at 54.

*referenced in the press releases described [in the Commission’s letter].*¹² The Commission should expand the scope of the September 2025 Request to any data center developer in Montana.

NorthWestern has publicly disclosed that it is in talks with at least eleven entities relating to data center development in Montana, in addition to Sabey, Atlas, and Quantica.¹³ NorthWestern has a five-part process for evaluating data centers in Montana, described as follows: (1) data center request, (2) high-level assessment, (3) contractual estimate, (4) completed contract, and (5) construction.¹⁴ NorthWestern has indicated that both Atlas and Sabey are in the “contractual estimate” stage, while Quantica is at the “letter of intent” stage. As of February 12, 2026, NorthWestern has also disclosed that there are six entities at the “data center request” stage and five other entities at the “high-level assessment” stage, at least some of whom are in Montana.¹⁵

As part of its oversight efforts, the Commission should require NorthWestern to identify the eleven entities that are currently working through the utility’s five-part process for development in Montana, as well as any other data center developers that are seeking electricity supply service from NorthWestern in Montana. Further, the Commission should expand the scope of its prior request for documents from NorthWestern to include copies of all letters of intent, memoranda of understanding, agreements in principle, term sheets, draft contracts or agreements, and executed contracts and agreements between NorthWestern and any of the entities engaged in the utility’s five-part process in Montana.

Finally, the Commission should require NorthWestern to publicly disclose the cost of any transmission studies it has conducted or is conducting, if any, for large load data centers in Montana and whether those costs are currently being subsidized by its existing rate base. This request would fall within the “detailed explanation of the steps NorthWestern is taking to evaluate or verify whether providing electricity supply service to these entities would adversely impact other NorthWestern customers.”¹⁶

¹² September 2025 Request at 3 (emphasis added).

¹³ NorthWestern Energy, *2025 Year-End Earnings Webinar* at 19 (Feb. 12, 2026) (submitted as Ex. 6).

¹⁴ *Id.*

¹⁵ *Id.* (describing NorthWestern’s data center process in Montana and South Dakota); *see also* Ex. 2, *Wells Fargo Energy & Power Symposium* at 29 (identifying in December 2025, seven entities at the “data center request” stage and seven entities at the “high-level assessment” stage in Montana and South Dakota).

¹⁶ September 2025 Request at 3.

We appreciate the Commission's ongoing efforts to ensure that NorthWestern complies with the Commission's binding regulatory directives along with the requirements imposed by Montana law. As the state agency empowered with broad, statutory authority to supervise, regulate, and control public utilities, we urge you to demand more transparency from NorthWestern regarding its electricity supply service to data centers.



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*On behalf of Big Sky 55+, Butte
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