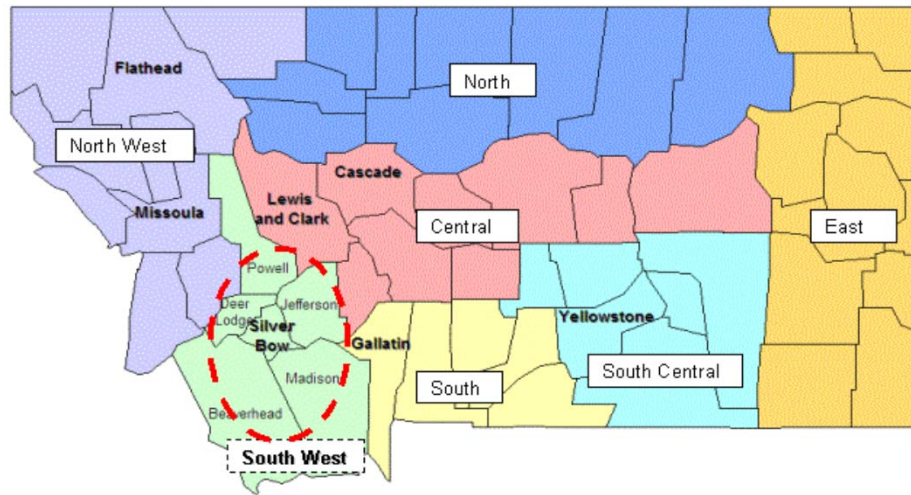


Southwest MT and Silver Bow County



Recent Performance and Outlook Our People, Jobs, and Earnings

Outlook Seminar – February 2, 2011

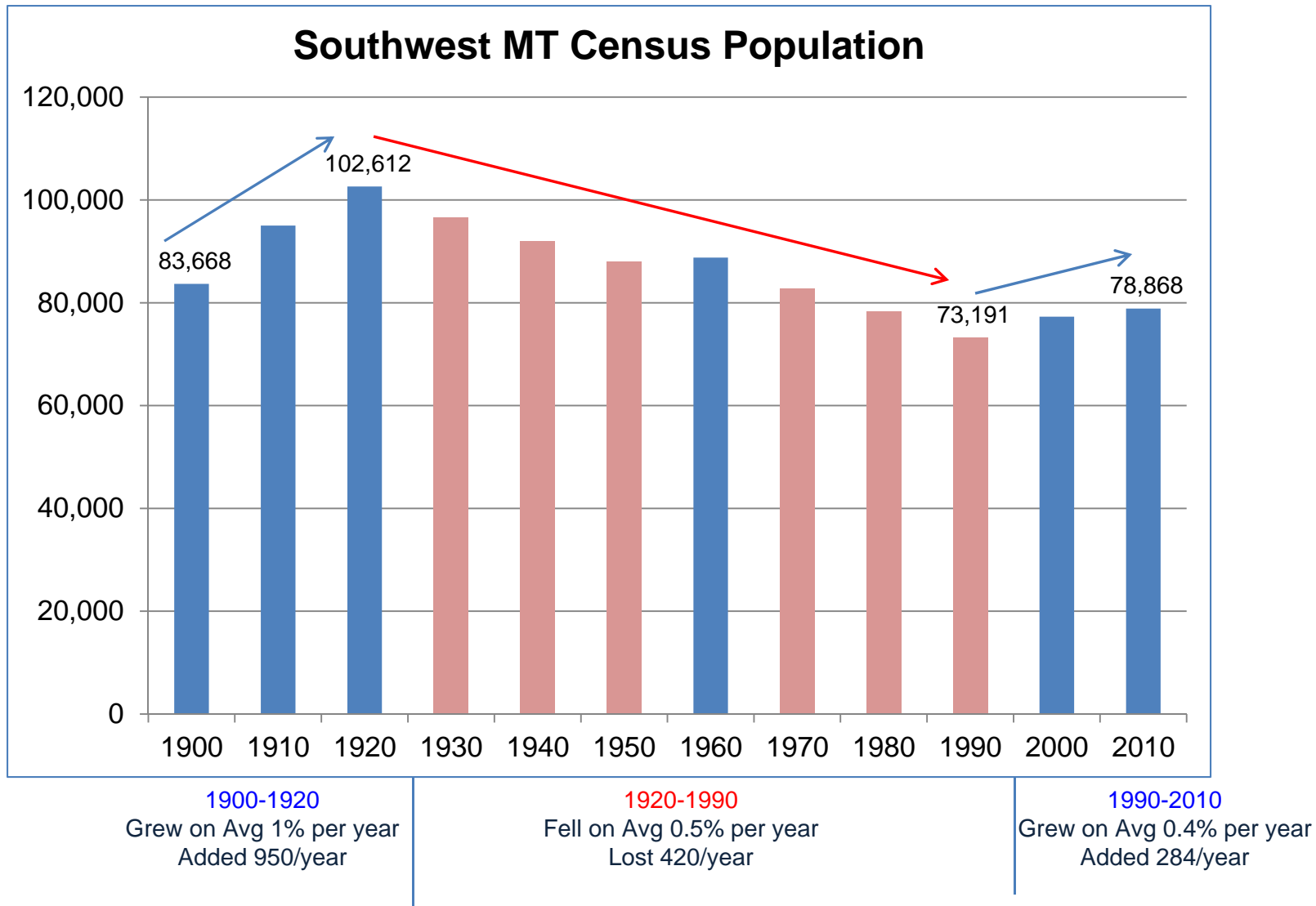
John Kasperick - Economist – Director FP&A
NorthWestern Energy

Our People: Census Population and Demographics...

2010 Census Data - U.S. Census Bureau								
	Beaverhead	Deer Lodge	Jefferson	Madison	Powell	Silver Bow	SW MT	MT
Population, 2010	9,246	9,298	11,406	7,691	7,027	34,200	78,868	989,415
Population, percent change, 2000 to 2010	0.5%	-1.3%	13.5%	12.3%	-2.1%	-1.2%	2.0%	9.7%
Population, 2000	9,202	9,417	10,049	6,851	7,180	34,606	77,305	902,195
Persons under 18 years, percent, 2010	20.1%	18.9%	23.1%	17.7%	17.3%	21.0%	20.3%	22.6%
Persons 18-44 years, percent, 2010	32.8%	30.0%	25.0%	25.3%	32.5%	33.4%	30.8%	33.4%
Persons 45-64 years, percent, 2010	30.2%	31.9%	37.8%	36.1%	33.8%	29.2%	32.0%	29.2%
Persons 65 years and over, percent, 2010	16.9%	19.2%	14.1%	21.0%	16.4%	16.4%	16.9%	14.8%
Female persons, percent, 2010	48.8%	47.1%	49.0%	48.0%	38.9%	49.5%	48.0%	49.8%
Sex Ratio (M:F)	104.9	112.3	104.1	108.3	157.1	102.0	108.5	100.8
Median Age 2000	37.6	42.3	40.2	43.4	39.7	38.9	39.8	37.5
Median Age 2010	42.0	46.0	46.2	49.8	45.1	41.3	43.8	39.8
White persons, percent, 2010	94.8%	93.1%	95.5%	96.8%	92.4%	94.4%	94.5%	89.4%
American Indian and Alaska Native persons, percent, 2010	1.4%	3.1%	1.4%	0.5%	4.4%	1.9%	2.0%	6.3%
Persons of Hispanic or Latino origin, percent, 2010	3.7%	2.9%	2.0%	2.4%	1.7%	3.7%	3.1%	2.9%
High school graduates, percent of persons age 25+, 2005-2009	90.7%	84.2%	90.9%	93.3%	88.9%	90.2%	89.8%	90.4%
Bachelor's degree or higher, pct of persons age 25+, 2005-2009	30.3%	18.9%	31.6%	27.5%	18.8%	22.4%	24.4%	27.0%
Homeownership rate, 2005-2009	66.4%	73.6%	87.0%	75.0%	73.3%	66.9%	71.9%	68.9%
Median value of owner-occupied housing units, 2005-2009	\$149,200	\$91,700	\$202,800	\$229,600	\$106,300	\$105,700	\$141,477	\$162,100
Persons below poverty level, percent, 2009	16.2%	17.0%	8.3%	11.6%	20.3%	14.6%	14.3%	15.0%
Persons per household, 2005-2009	2.44	1.91	2.88	2.42	2.35	2.21	2.31	2.49

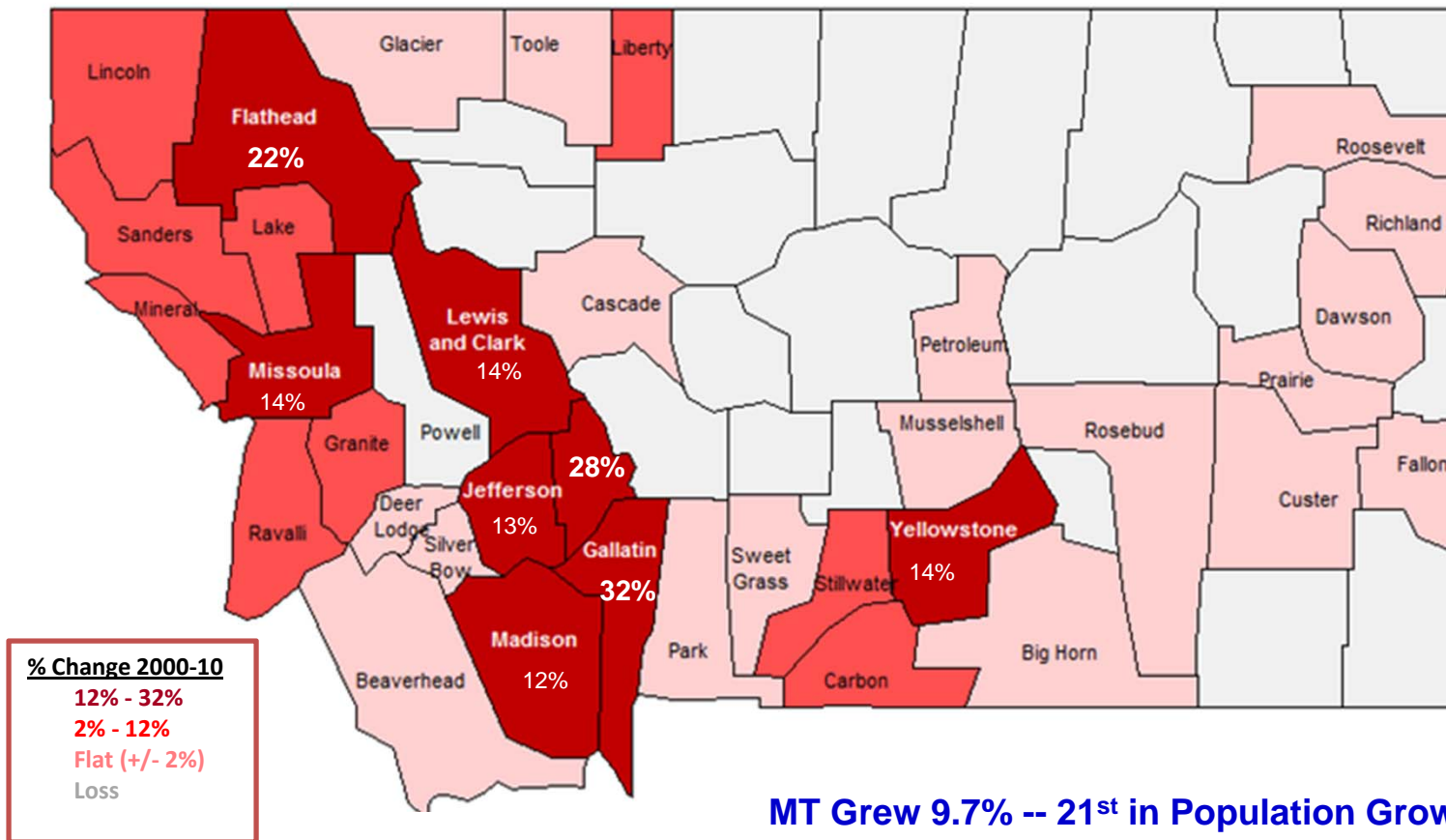


Our People: Census Population and Demographics...



Our People: Census Population and Demographics...

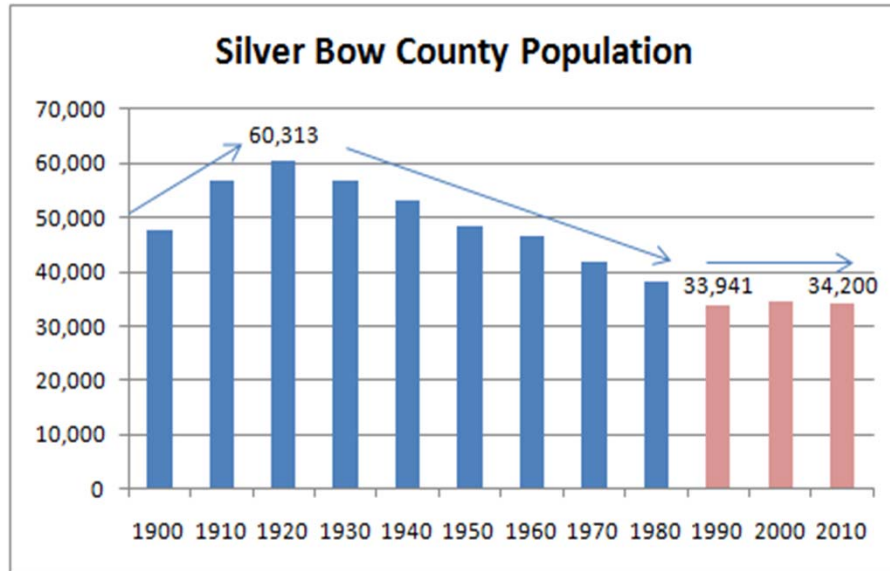
POPULATION CHANGE 2000 - 2010



MT Grew 9.7% -- 21st in Population Growth
Growth Centered in Western MT
39 of MT's 56 Counties either lost or had "flat" Population
between 2000 and 2010

Our People: Census Population and Demographics...

Silver Bow County

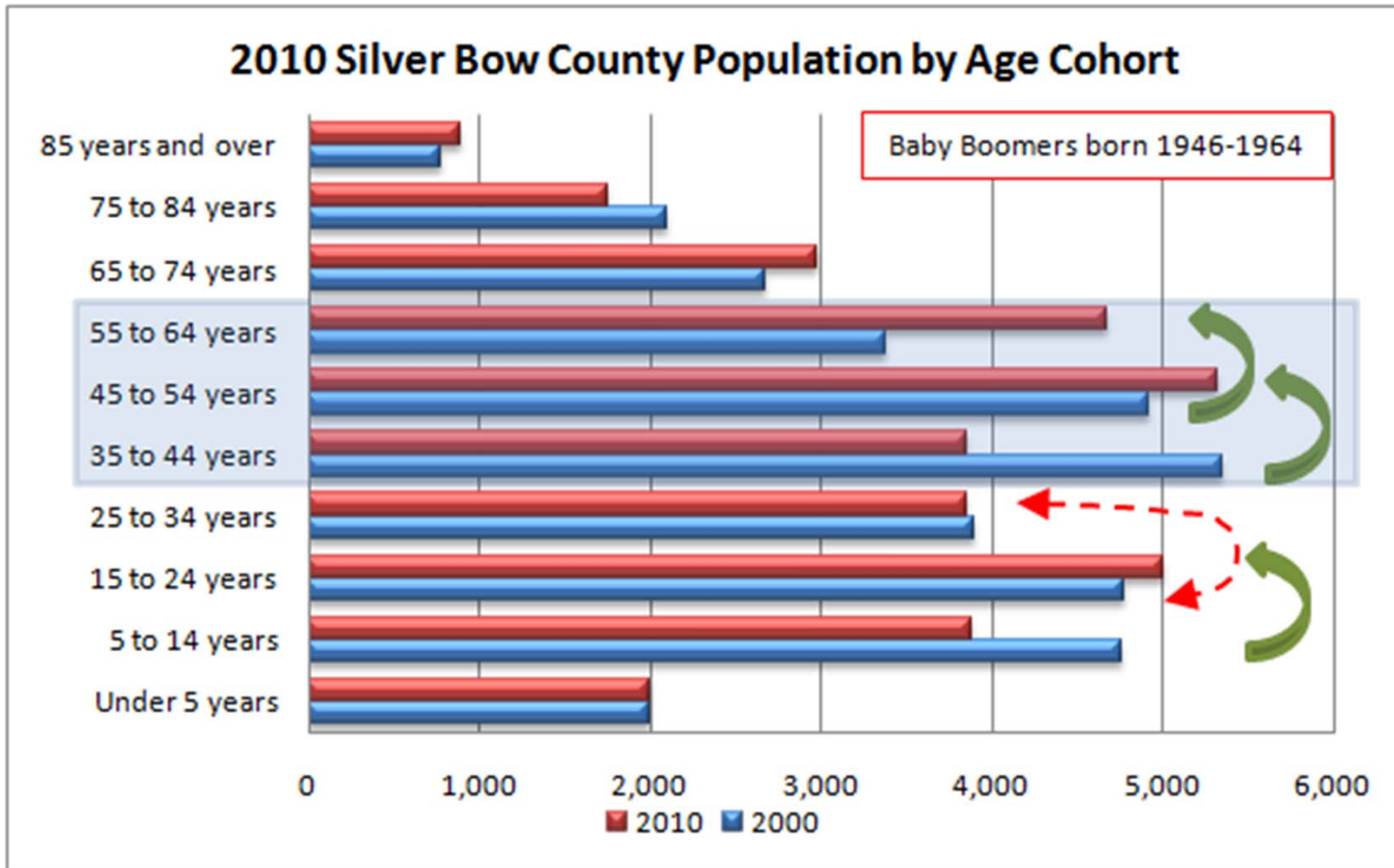


Silver Bow County - Population Census Comparison

	2000	2010	Change	% Chg
Total population	34,606	34,200	-406	-1.2%
Under 5 years	2,001	1,997	-4	-0.2%
5 to 14 years	4,757	3,876	-881	-18.5%
15 to 24 years	4,772	5,004	232	4.9%
25 to 34 years	3,891	3,858	-33	-0.8%
35 to 44 years	5,346	3,856	-1,490	-27.9%
45 to 54 years	4,918	5,317	399	8.1%
55 to 64 years	3,376	4,678	1,302	38.6%
65 to 74 years	2,677	2,974	297	11.1%
75 to 84 years	2,095	1,755	-340	-16.2%
85 years and over	773	885	112	14.5%
Median Age	38.9	41.3		

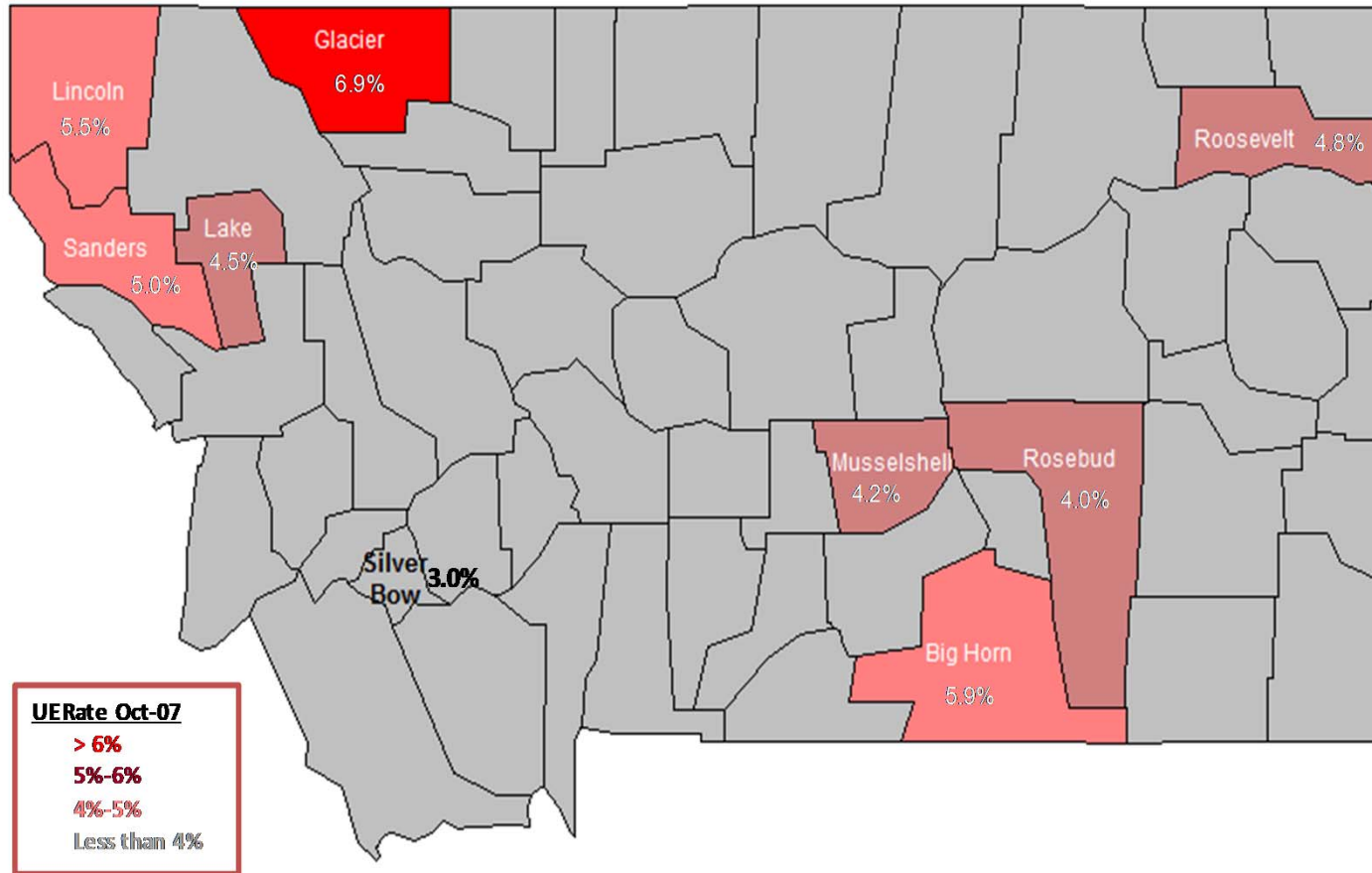
Our People: Census Population and Demographics...

Silver Bow County



Our Jobs: Labor Force, Employment, and Unemployment...

Pre-Recession Unemployment Rates – October 2007



Pre-Recession October 2007

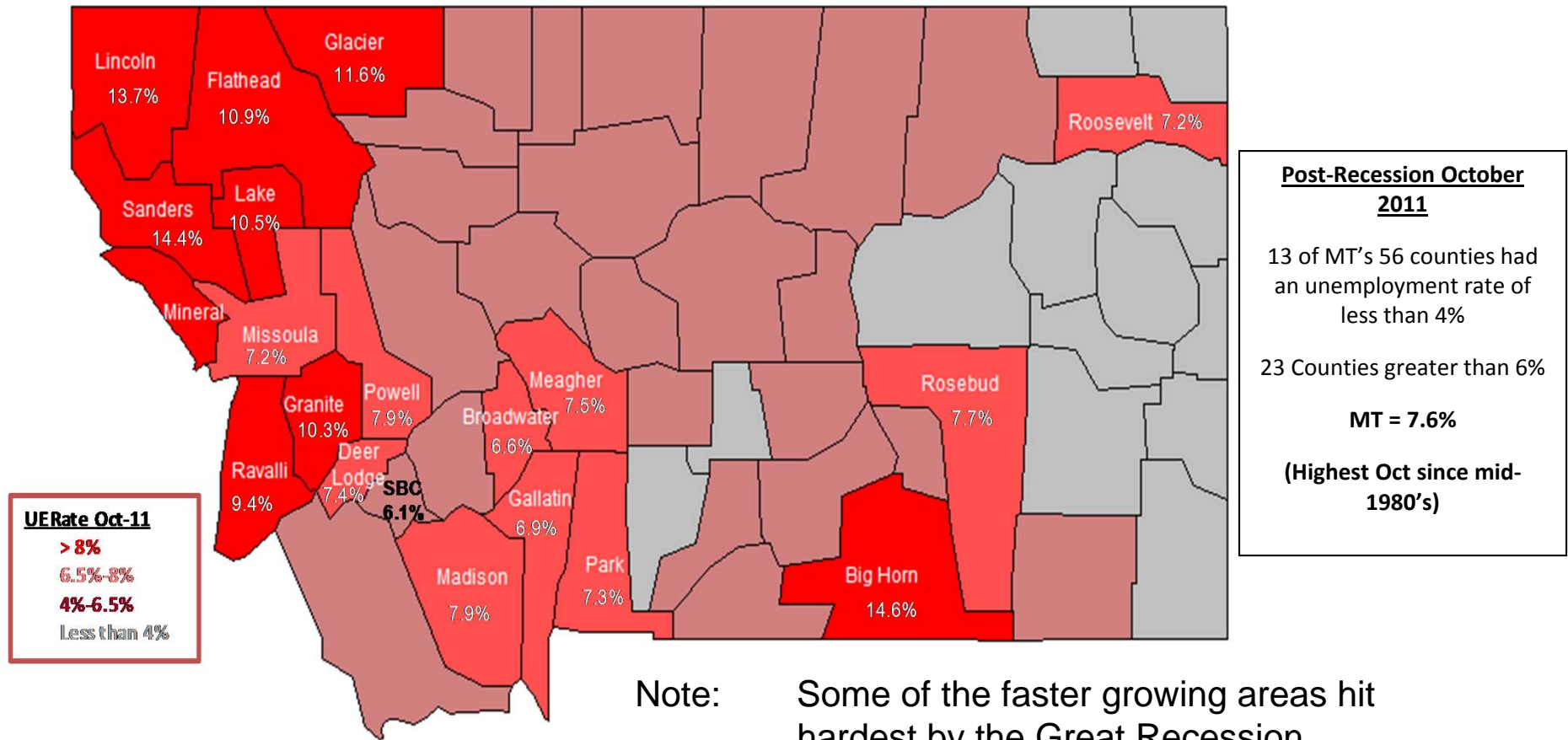
48 of MT's 56 counties had an unemployment rate of less than 4%

1 County greater than 6%

MT = 3.5%

Our Jobs: Labor Force, Employment, and Unemployment...

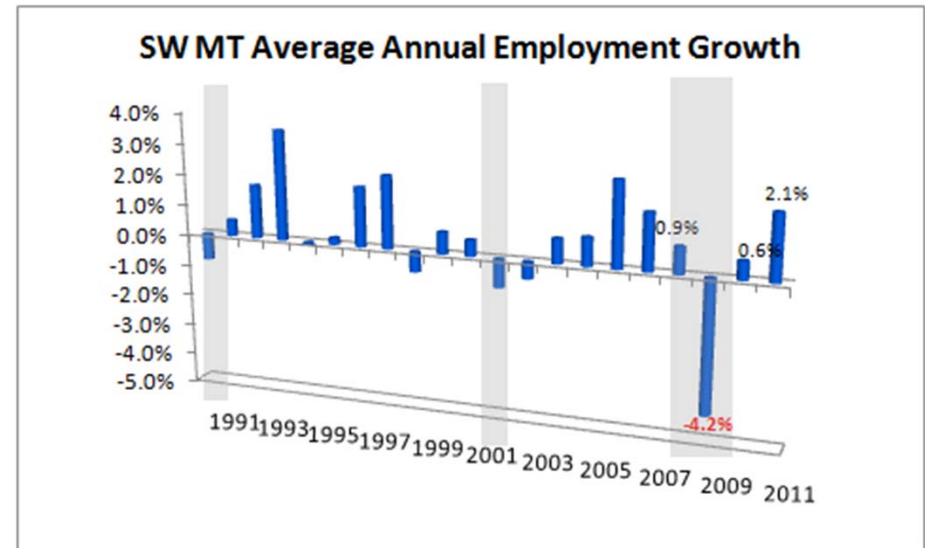
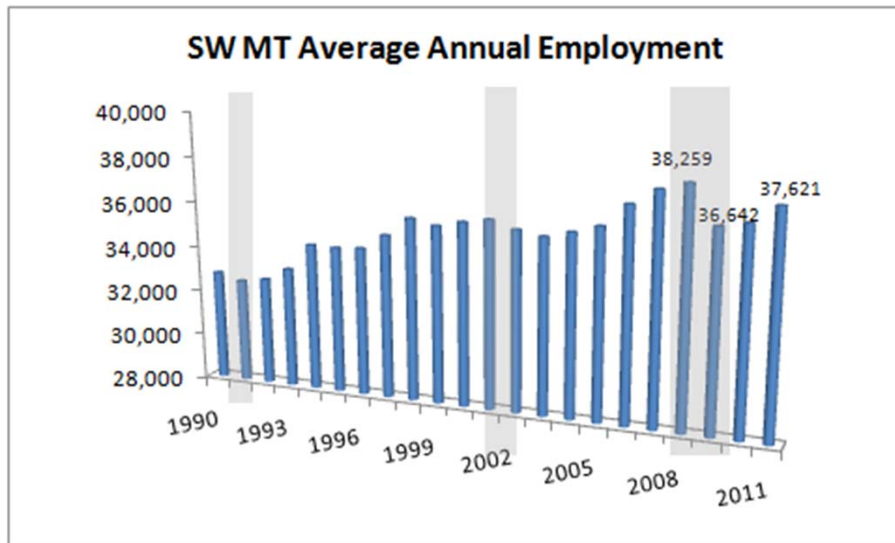
Post-Recession Unemployment Rates – October 2011



Number of Unemployed in MT increased by over 20,000

Our Jobs: Labor Force, Employment, and Unemployment...

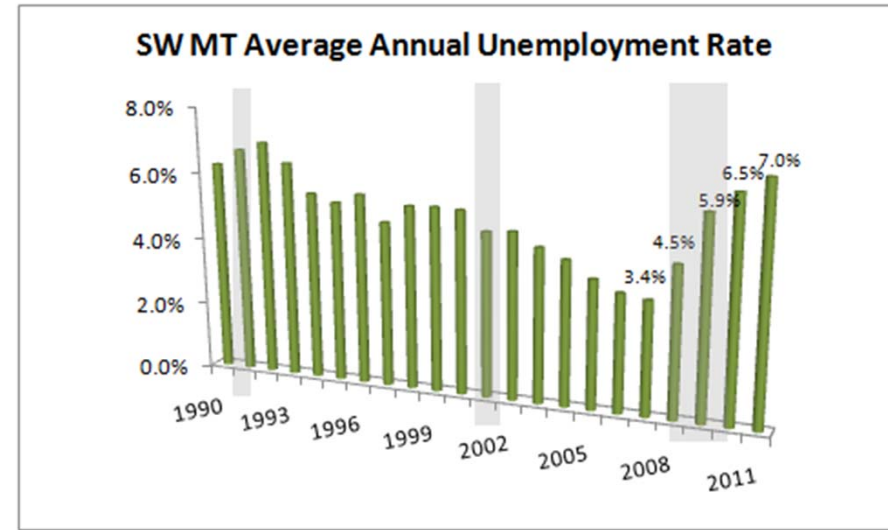
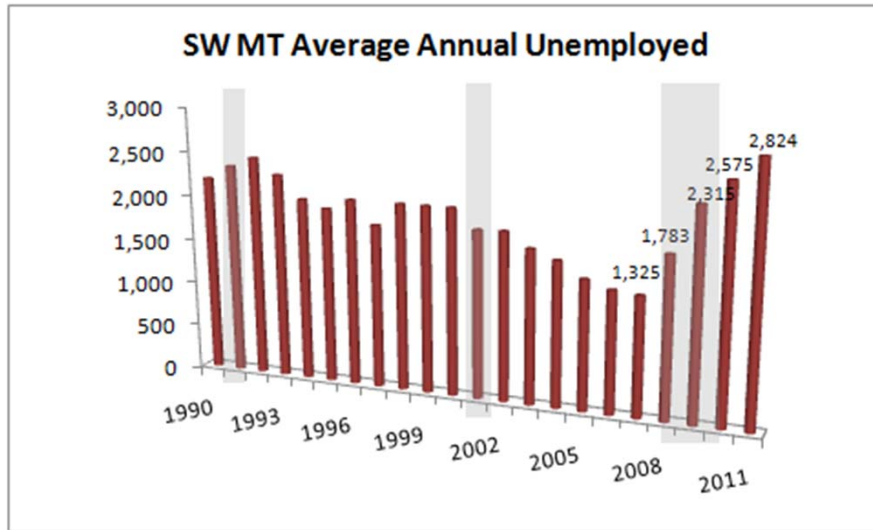
SW MT Annual Average



Average Annual Employment							
	Beaverhead	Deer Lodge	Jefferson	Madison	Powell	Silver Bow	SW MT
2007	4,902	3,722	5,679	4,327	2,507	16,798	37,935
2008	4,939	3,607	5,743	4,375	2,555	17,040	38,259
2009	4,888	3,625	5,634	3,928	2,462	16,105	36,642
2010	4,866	3,724	5,655	3,615	2,519	16,479	36,858
2011	5,031	3,852	5,832	3,424	2,609	16,874	37,621
2007-10	-0.7%	0.1%	-0.4%	-16.5%	0.5%	-1.9%	-2.8%
2010-11	3.4%	3.4%	3.1%	-5.3%	3.6%	2.4%	2.1%

Our Jobs: Labor Force, Employment, and Unemployment...

SW MT Annual Average

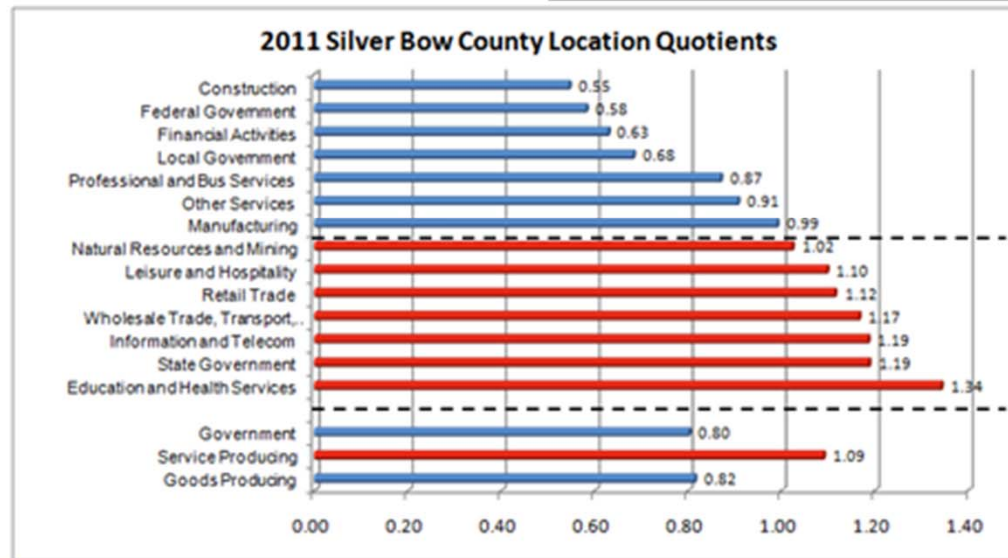
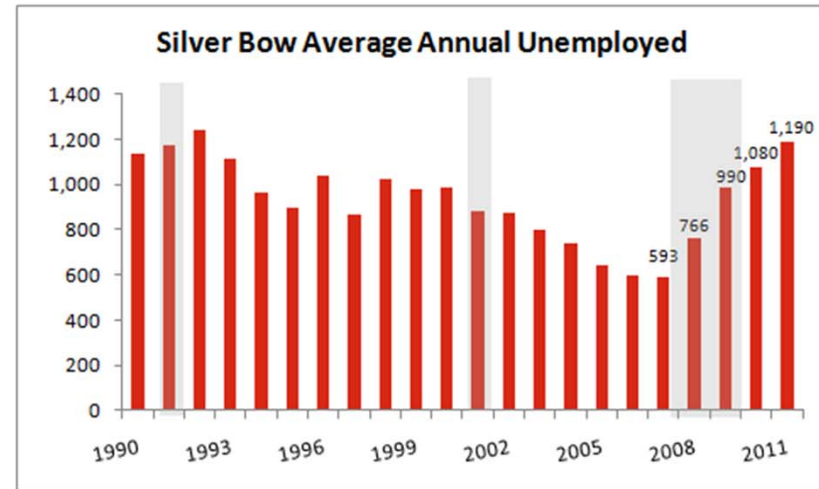
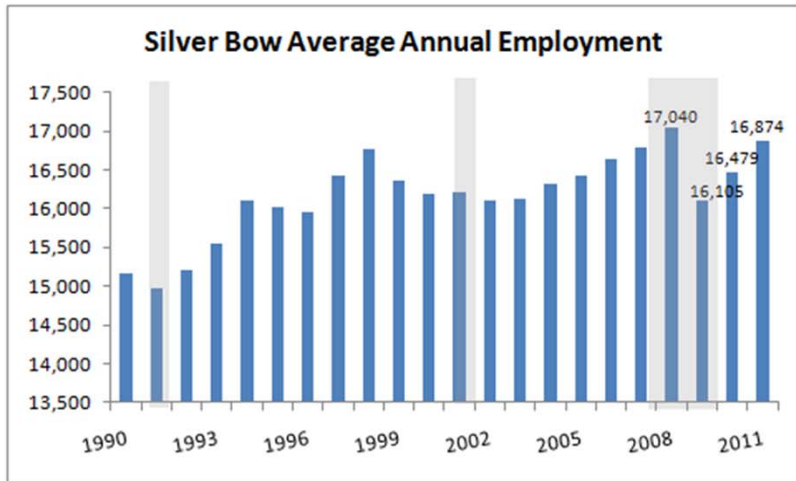


Average Annual Unemployment							
	Beaverhead	Deer Lodge	Jefferson	Madison	Powell	Silver Bow	SW MT
2007	132	175	172	120	133	593	1,325
2008	186	227	245	171	188	766	1,783
2009	235	272	350	243	225	990	2,315
2010	292	313	348	295	247	1,080	2,575
2011	323	347	376	312	276	1,190	2,824
2007-10	160	138	176	175	114	487	1,250
2010-11	31	34	28	17	29	110	249

Average Annual Unemployment Rate								
	Beaverhead	Jefferson	Silver Bow	Madison	Deer Lodge	Powell	SW MT	MT
2007	2.6%	2.9%	3.4%	2.7%	4.5%	5.0%	3.4%	3.3%
2010	5.7%	5.8%	6.2%	7.5%	7.8%	8.9%	6.5%	7.2%
2011	6.0%	6.1%	6.6%	8.3%	8.3%	9.6%	7.0%	7.5%

Our Jobs: Labor Force, Employment, and Unemployment...

Silver Bow County



Our Jobs: Labor Force, Employment, and Unemployment...

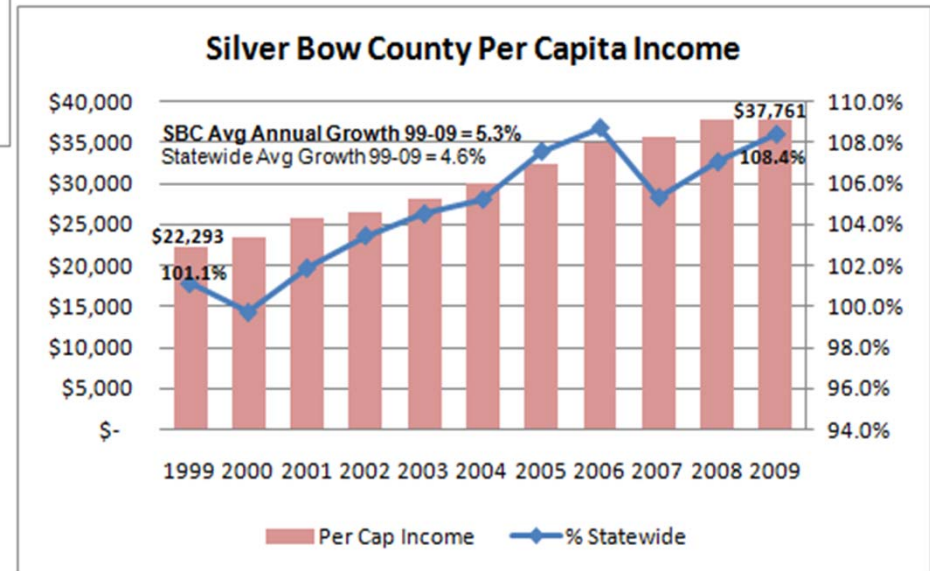
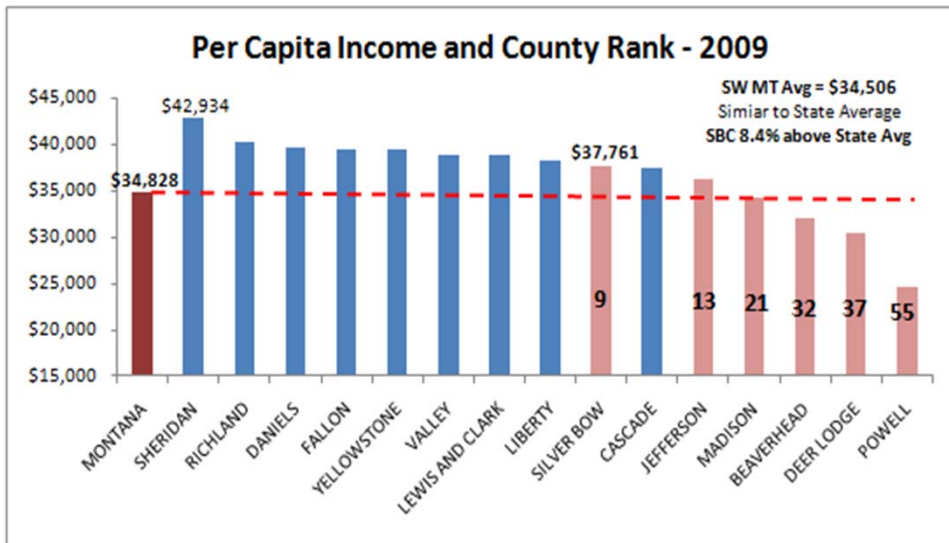
Silver Bow County

	Employed	Annual Growth			
	2011	2001-05	2005-08	2008-10	2010-11
Natural Resources and Mining	417	21.8%	0.2%	-2.0%	4.0%
Construction	375	2.4%	4.3%	-8.2%	-5.8%
Manufacturing	597	4.1%	0.6%	0.5%	-0.3%
Goods Producing	1,389	7.5%	1.6%	-2.8%	-0.6%
Wholesale Trade, Transport, Utilities	1,242	2.2%	0.2%	-5.8%	5.0%
Retail Trade	2,170	-2.0%	3.7%	-2.8%	1.0%
Information	314	-3.6%	0.3%	-5.5%	4.0%
Financial Activities	455	4.7%	1.8%	-6.0%	1.8%
Professional and Bus Services	1,261	2.1%	3.7%	-12.0%	-1.5%
Education and Health Services	3,145	5.0%	1.7%	2.1%	4.4%
Leisure and Hospitality	2,154	0.3%	4.7%	-3.7%	-0.4%
Other Services	526	0.3%	2.2%	-4.6%	2.3%
Service Producing	11,267	1.4%	2.7%	-3.5%	2.0%
Federal Government	279	-2.5%	1.4%	-4.0%	1.5%
State Government	1,000	5.9%	-2.2%	11.9%	-3.9%
Local Government	1,259	-0.3%	-0.2%	0.4%	0.9%
Government	2,538	1.5%	-0.7%	4.2%	-1.0%
Total Covered	15,194	2.0%	2.1%	-2.2%	1.2%

	2008-10	2010-11
	Natural Resources and Mining	(16)
Construction	(71)	(23)
Manufacturing	6	(2)
Goods Producing	(81)	(9)
Wholesale Trade, Transport, Utilities	(145)	59
Retail Trade	(126)	21
Information	(35)	12
Financial Activities	(57)	8
Professional and Bus Services	(348)	(19)
Education and Health Services	126	132
Leisure and Hospitality	(166)	(8)
Other Services	(49)	12
Service Producing	(800)	217
Federal Government	(23)	4
State Government	221	(41)
Local Government	10	11
Government	208	(26)
Total Change	(673)	380

Our Earnings: Income and Wages...

SW MT and Silver Bow County Per Capita Income



Our Earnings: Income and Wages...

Silver Bow County Average Annual Wages

2010 Average Annual Pay by Industry - Silver Bow County and Montana					
	SBC	MT	% State	Loc Quo	Industry
Natural Resources and Mining	93,220	56,721	164.3%	1.02	Goods
Wholesale Trade, Transport, Utilities	61,217	44,838	136.5%	1.17	Services
Federal Government	57,012	57,117	99.8%	0.58	Govt
Manufacturing	49,840	42,697	116.7%	0.99	Goods
Information	49,192	41,696	118.0%	1.19	Services
State Government	43,595	41,303	105.5%	1.19	Govt
Professional and Bus Services	42,365	39,151	108.2%	0.87	Services
Local Government	39,158	33,898	115.5%	0.68	Govt
Construction	38,994	40,893	95.4%	0.55	Goods
Financial Activities	37,057	43,732	84.7%	0.63	Services
Education and Health Services	32,018	37,085	86.3%	1.34	Services
Retail Trade	23,326	24,193	96.4%	1.12	Services
Other Services	21,401	23,825	89.8%	0.91	Services
Leisure and Hospitality	12,817	14,481	88.5%	1.10	Services
<i>Goods Producing</i>	<i>57,432</i>	<i>45,019</i>	<i>127.6%</i>	<i>0.82</i>	
<i>Government</i>	<i>42,874</i>	<i>39,682</i>	<i>108.0%</i>	<i>0.80</i>	
<i>Service Producing</i>	<i>31,084</i>	<i>31,163</i>	<i>99.7%</i>	<i>1.09</i>	
Total Covered All Industries	35,722	34,595	103.3%		

Outlook...

Slow Growth and Recovery Continues

Silver Bow County Outlook - Annual Averages

	Historic Actuals					Outlook			
	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total Employment	16,798	17,040	16,105	16,479	16,874	17,093	17,332	17,627	17,944
Employment Growth	0.9%	1.4%	-5.5%	2.3%	2.4%	1.3%	1.4%	1.7%	1.8%
Job Change	156	242	(935)	374	395	219	239	295	317
Unemployment	593	766	990	1,080	1,190	1,125	1,090	1,025	990
Unemployment Rate	3.4%	4.3%	5.8%	6.2%	6.6%	6.2%	5.9%	5.5%	5.2%
Annual Wage	\$ 33,434	\$34,506	\$35,564	\$35,722	\$36,615	\$37,347	\$38,281	\$39,429	\$40,809
Wage Growth	5.6%	3.2%	3.1%	0.4%	2.5%	2.0%	2.5%	3.0%	3.5%

