News Release



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NorthWestern Energy and the National Center for Appropriate Technology Offer Financial Incentives for Solar-Minded Homeowners

Butte, MT. – February 28, 2003 – NorthWestern Energy's electric customers in Montana who are interested in generating their electricity from the sun may be eligible to participate in a demonstration project to turn their dreams into reality.

The National Center for Appropriate Technology (NCAT) is administering two residential solar energy demonstration programs, which are funded by NorthWestern Energy's Universal Systems Benefits (USB) charge paid by the Company's electric customers. The project is designed to add 15 kilowatts of solar electrical generation.

The solar electric demonstration project is in its fourth year and, to date, has installed 45 solar electric generation systems on Montana homes. Successful applicants will receive a financial incentive of \$4.00 per peak watt of manufacturer's capacity rating for the photovoltaic array's direct current, up to a maximum rebate of \$8,000. For example, a 1-kilowatt system would be eligible for a \$4,000 incentive, which would cover about 40 percent of the installed cost of the system.

The second demonstration project is the solar water heater program featuring rebates of \$3,000 per system. The new system serves as a pre-heater to the existing water heaters. While the systems won't supply all hot water needs, they will substantially reduce energy use. System size and energy savings will vary according to family size and hot water usage. NCAT will specify the systems, which will be installed by contractors. The systems include solar collectors, associated plumbing, an additional water take and provide freeze protection allowing them to operate year-round.

Customers who are interested in participating in the program must submit a completed application and must currently receive electricity from NorthWestern Energy in Montana. Eligibility requirements include the installation of photovoltaic array system that must meet

NCAT's minimum specifications as well as meet and pass local and state electrical and building codes. Successful applicants must allow NCAT to inspect their system and sign a net metering agreement with NorthWestern Energy.

All of the solar electric systems must be interconnected to the utility grid. Any excess electricity produced by the system will be fed into the utility grid through a net metering agreement to serve other NorthWestern Energy electric customers. Participants in the solar water heating project must also be active NorthWestern Energy electric customers, but water heaters may be gas or electric. NCAT will install equipment to monitor system performance.

Solar generating systems are easy on the environment. They help reduce reliance on electricity produced by fossil fuels and resulting greenhouse gas emissions. Applications are available by calling or emailing Ray Schott at NCAT, 866-723-8677, rays@ncat.org, or download an application at www.montanagreenpower.com. Completed applications must be submitted to NCAT by April 4, 2003.

About the National Center for Appropriate Technology

NCAT, a national non-profit organization headquartered in Butte, Mont., promotes sustainable technologies and community-based approaches that protect natural resources and assist people in becoming more self-reliant.

About NorthWestern Energy

NorthWestern Energy, as the default supplier, provides electricity supply and transmission services to Montana customers who have not yet chosen a competitive supplier or for whom competitive options do not exist. Regardless of a customer's choice of supplier, NorthWestern Energy continues to provide distribution service to all of its customers at regulated rates. Information about the new default supply rates and the resources regarding energy choice are available at www.northwesternenergy.com/energychoice.