BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the joint)	Application No. NG-0037
application of NorthWestern)	
Corporation, D/B/A NorthWestern)	
Energy, Sioux Falls, South)	
Dakota; Babcock & Brown)	
Infrastructure Limited, BBI US)	PLANNING CONFERENCE ORDER,
Holdings Pty Ltd., Sydney NSW)	NOTICE OF HEARING, AND
2000, Australia; BBI US)	INTERVENTIONS GRANTED
Holdings II Corp. and BBI)	
Glacier Corp., San Francisco,)	
California for approval of)	
proposed change of control of)	
NorthWestern Corporation.)	Entered: July 18, 2006

BY THE COMMISSION:

On June 7, 2006, NorthWestern Corporation, d/b/a Northwestern Energy ("NorthWestern") and Babcock & Brown Infrastructure Limited ("BBIL"), BBI US Holdings Pty Ltd. ("Holdings Pty"), BBI US Holdings II Corp. ("Holdings II) and BBI Glacier Corp. ("Glacier") (collectively the "BBI Companies" and together with NorthWestern the "Applicants"), filed an Application in the above-captioned proceeding for approval of the proposed change of control of NorthWestern as more fully described in the Application on file with the Commission. Public notice of the Application appeared in The Daily Record on June 9, 2006.

Petitions for Intervention

The deadline for filing a protest or petition for formal intervention was July 10, 2006. The Public Advocate timely filed a petition for formal intervention and Kinder Morgan, Inc. timely filed a petition for informal intervention.

The Commission being fully advised in the premises finds that the respective petitions of the Public Advocate and Kinder Morgan, Inc., should be granted.

Planning Conference

In order to process this filing, a planning conference was held in this matter on July 14, 2006, at 10:00 a.m. CDT in the Commission Library, 300 The Atrium, 1200 N Street, Lincoln, Nebraska. The following persons were present at the conference: for NorthWestern, Pam Bonrud, and Mark Fahleson and Troy Kirk of Rembolt Ludtke on their behalf; for BBI, Doug Law of Blackwell

Sanders Peper Martin, for the Public Advocate, Roger Cox and Jack Schultz; and for the Commission, Commissioner Jerry Vap, Commissioner Lowell Johnson, Laura Demman, and Nichole Underhill.

As a result of the planning conference, several issues were decided. Therefore, this order serves to memorialize those decisions and to provide a timeline for proceeding in this docket.

Deadlines

Deadlines for various events were established and are set forth in Appendix A.

Service

The official service list for this proceeding is set forth in Appendix B of this order. All persons are responsible for updating their own list.

Assumptions regarding time of receipt: The Commission will assume that documents served in the following manner were received by the following dates:

Method of Service

In person or by agent Regular mail, certified mail, or Registered mail

Date of Receipt

Date of filing Three days after mailing

Method of Service

Date of Receipt

Facsimile sent before 3:00 p.m. CDT on a business day

Date facsimile sent

E-mail sent before 3:00 p.m. CDT on a business day

Date E-mail sent

Documents sent by facsimile or e-mail shall also be filed with a paper copy via mail.

Parties are encouraged to engage in negotiations; however, the conduct of negotiations does not relieve the parties of their obligation to meet filing deadlines.

Discovery

Requests: Discovery requests or Commission staff information requests shall be served upon all Formal Intervenors on the service list.

Answers: Answers to discovery requests should be made as soon as possible, and no later than ten (10) business days from the date of receipt. All answers shall be served upon the propounding party, the Public Advocate and the Commission. Upon written request, one copy of answers to discovery requests shall be provided to other formal intervening parties.

Scope of Discovery: The scope of discovery in this proceeding shall be limited to information relevant to the application filing.

Objections and Motions to Compel Discovery: Unless the Commission determines that an oral argument is necessary, discovery disputes will be resolved based on the written pleadings, any sworn affidavits attached thereto, and materials, if any, provided for in camera inspection. A party seeking a motion to compel must demonstrate that it has in good faith conferred or attempted to confer with the non-responsive party in an effort to secure disclosure without Commission action. Material that is the subject of a successful motion to compel shall be supplied within three business days of receipt of the order granting the motion to compel, or such other date as ordered by the Commission.

<u>Depositions</u>: Depositions may be taken pursuant to the Nebraska Supreme Court Discovery Rules. Depositions shall be taken at a time and place agreed upon by the parties, but in accordance with the deadlines set forth in Appendix A. With permission of the Commission, depositions will be admissible at hearing.

<u>Work Papers</u>: Work papers of other Formal Intervenors or Commission must be presented at the same time testimony is due.

All filed comments and exhibits must be numbered.

Prefiled Testimony - Intervenor Comments - Applicant's Response

Service of Prefiled Testimony: Prefiled testimony from the parties on the service list is not required. However, Formal Intervenors must file testimony on or before the deadline set forth on Appendix A if their formal positions are to be included into the formal record created for this proceeding.

Prehearing and Technical Conference

The Commission anticipates that a technical conference will be held in this matter the date set forth in Exhibit A. Issues such as prehearing and settlement opportunity hearing procedures, and other necessary discussion items will be addressed at that time.

Hearing Fee and Accommodations

A hearing fee of one hundred twenty-five dollars (\$125.00) for each half-day of each hearing will be charged to the Applicants payable upon billing from the Executive Director of the Public Service Commission (Neb. Rev. Stat. § 75-128, Cum. Supp. 2002).

If auxiliary aids or reasonable accommodations are needed for attendance at the meeting, please call the Commission at (402) 471-3101. For people with hearing/speech impairments, please call the Commission at (402) 471-0213 (TDD) or the Nebraska Relay System at (800) 833-7352 (TDD) or (800) 833-0920 (Voice). Advance notice of at least seven days is needed when requesting an interpreter.

ORDER

IT IS THEREFORE ORDERED by the Commission in the above-captioned matter that the Public Advocate's Petition for Formal Intervention and Kinder Morgan, Inc.'s Petition for Informal Intervention are granted.

IT IS FURTHER ORDERED that the deadlines and requirements established in this order and attached hereto are hereby adopted.

Application No. NG-0037

Page 5

IT IS FURTHER ORDERED that a Technical and Prehearing Conference will be held on September 20, 2006, at 10:00 a.m. CDT in the Commission Library, 300 The Atrium, 1200 N Street, Lincoln, Nebraska.

IT IS FURTHER ORDERED that a Hearing will be held on September 27, 2006, at 10:00 a.m. CDT in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln, Nebraska.

MADE AND ENTERED at Lincoln, Nebraska, this 18th day of July, 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

ATTEST:

Executive Director

//s// Lowell C. Johnson //s// Frank E. Landis

Exhibit A

PROCEDURAL SCHEDULE

DAY	DATE	EVENT
Tuesday	June 7	Joint Application Filed
Tuesday	June 7	Protective Order Filed
Wednesday	June 9	Notice of Application Order Published - The Daily Record
Tuesday	June 13	Commission Order Adopting Protective Order Issued
Friday	June 16	Applicants' Testimony In Support of Application Filed
Friday	June 16	Discovery on Applicants' Testimony Begins
Tuesday	June 20	Notice of Planning Conference on July 14th Order Issued
Monday	July 10	Intervention Deadline
Wednesday	July 12	Planning Conference Held
Tuesday	On or before July 18	Planning Conference Order Issued
Tuesday	On or before July 18	Order on Interventions
Friday	August 18	Discovery on Applicants' Testimony Ends
Thursday	August 31	Testimony (if any) of Intervenors filed
Friday	September 1	Discovery on Intervenor Testimony begins
Friday	September 15	Discovery on Intervenor Testimony Ends
Monday	September 18	Rebuttal Testimony (if any) of Applicants Filed

Wednesday	September 20	Prehearing and Technical Conference
Wednesday	September 27	Hearing
Wednesday	September 27	Optional Trial Briefs Filed
Friday	October 13	Optional Briefs Filed w/ attached Proposed Orders Filed

Exhibit B

SERVICE LIST

Mark A. Fahleson Troy S. Kirk REMBOLT LUDTKE LLP 1201 Lincoln Mall, Suite 102 Lincoln, NE 68508

Patrick Corcoran NORTHWESTERN ENERGY 40 E. Broadway Butte, MT 59701

Nancy Zajac
BABCOCK & BROWN LP
1 Dag Hammarskjold Plaza
885 Second Avenue
New York, NY 10017

Roger P. Cox HARDING, SHULTZ & DOWNS 800 Lincoln Square 121 South 13th Street Lincoln, NE 68508

Bentley W. Breland Vice President, Certificates and Rates KINDER MORGAN, INC. 370 Van Gordon Street Lakewood, CO 80228-8304

Bud Becker
Assistant General Counsel
KINDER MORGAN, INC.
370 Van Gordon Street
Lakewood, CO 80228-8304

Thomas J. Knapp Michael J. Young NORTHWESTERN CORPORATION 125 S. Dakota Avenue Sioux Falls, SD 57104

Pamela A. Bonrud NORTHWESTERN ENERGY 125 S. Dakota Avenue Sioux Falls, SD 57104

William M. Cordiano BABCOCK & BROWN LP 2 Sound View Drive Greenwich, CT 06830

Nichole Underhill Staff Attorney NE PUBLIC SERVICE COMMISSION 300 the Atrium Building 1200 N Street Lincoln, NE 68508

Stephen M. Bruckner FRASER, STRYKER, MEUSEY, OLSON BOYER & BLOCH, P.C. 500 Energy Plaza 409 South 17th Street Omaha, NE 68102-2663

Douglas J. Law
BLACKWELL SANDERS PEPER
MARTIN, LLP
1620 Dodge Street, Suite 2100
Omaha, NE 68102