

BACKGROUND

2. NorthWestern and its direct and indirect energy subsidiaries comprise one of the largest providers of electricity and natural gas to customers in the upper Midwest and Northwest regions of the United States throughout Montana, South Dakota, and Nebraska.

3. On September 14, 2003, NorthWestern filed a voluntary petition for relief in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), and thereby commenced its reorganization proceedings pursuant to chapter 11 of the Bankruptcy Code.

4. The Bankruptcy Court confirmed the *Debtor's Second Amended and Restated Plan of Reorganization Under Chapter 11 of the Bankruptcy Code*, dated August 18, 2004 [Docket No. 2020] (the "Plan"), by order dated October 19, 2004 [Docket No. 2238] (the "Confirmation Order"). The Confirmation Order was affirmed on appeal by the United States District Court for the District of Delaware on September 29, 2006. The Plan went effective on November 1, 2004.

5. NorthWestern's Plan has been substantially consummated and, with the recent resolution of the last of the motions pending concerning the Chapter 11 Case before the Bankruptcy Court, all motions, contested matters, and adversary proceedings in the Chapter 11 Case have been finally resolved. There are no remaining outstanding matters in the Chapter 11 Case that require the Bankruptcy Court's supervision or oversight. Accordingly, it is appropriate at this time for a final decree to be entered and the Chapter 11 Case closed.

RELIEF REQUESTED

6. NorthWestern hereby requests entry of the Proposed Order substantially in the form annexed hereto as “Exhibit A” which, among other things, provides for the following relief, pursuant to Sections 105, 350 and 554 of the Bankruptcy Code, Bankruptcy Rules 3022, 6004(h) and 7062 and Local Rules 2002-1(f)(ix) and 5009-1, including:

- a. Directs the entry of a final decree closing the Chapter 11 Case;
- b. Directs NorthWestern to pay all outstanding statutory fees owed to the Office of the United States Trustee (the “U.S. Trustee”), if any, on or before the tenth business day following NorthWestern’s receipt of a final invoice from the U.S. Trustee and, in the event the statutory fees are not paid in accordance with the Proposed Order, the U.S. Trustee shall have the right to reopen the Chapter 11 Case to seek compliance with the Proposed Order;
- c. Authorizes NorthWestern, in the exercise of its reasonable business judgment, to abandon and/or destroy any and all documents relating to the Chapter 11 Case within its possession or control, except as may be required by applicable non-bankruptcy law;
- d. Provides that Kurtzman Carson Consultants LLC, upon completion of its obligations in accordance with Local Rule 2002-1(f)(ix), shall have no further obligations to the Bankruptcy Court, NorthWestern or any party in interest with respect to the Chapter 11 Case;
- e. Provides that NorthWestern, together with its agents, including its counsel, shall not be liable for any acts or omissions in implementing the Proposed Order as it may be granted, provided such actions or omissions are in good faith, absent gross negligence or willful misconduct;
- f. Provides that to the extent any additional claims are filed in the Chapter 11 Case, any such claims, all of which are after the bar date established by this Court, shall be deemed to be disallowed for all purposes; and
- g. Provides that the Proposed Order shall be immediately effective upon its entry without any stay of its effectiveness.

LEGAL BASIS FOR RELIEF

7. Section 350(a) of the Bankruptcy Code provides in relevant part: “After an estate is fully administered and the court has discharged the trustee, the court shall close the case.” 11 U.S.C. § 350(a). Bankruptcy Rules 3022, 6004(h) and 7062 implements this provision of the Bankruptcy Code and provides: “After an estate is fully administered in a chapter 11 reorganization case, the court, on its own motion or on motion of a party in interest, shall enter a final decree closing the case.” Fed. R. Bankr. P. 3022. Further, Section 105(a) of the Bankruptcy Code provides, in relevant part, that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a).

8. Pursuant to Local Rule 5009-1(a), “[u]pon written motion, a party in interest may seek the entry of a final decree at any time after the confirmed plan has been substantially consummated provided that all required fees due under 28 U.S.C. § 1930 have been paid.” Section 1101(2) of the Bankruptcy Code defines “substantial consummation” as:

- a. transfer of all or substantially all of the property proposed by the plan to be transferred;
- b. assumption by the debtor or by the successor to the debtor under the plan of the business or of the management of all or substantially all of the property dealt with by the plan; and
- c. commencement of distribution under the plan.

11 U.S.C. § 1101(2); Nordhoff Invs., Inc. v. Zenith Elecs. Corp., 258 F.3d 180, 185 (3d Cir. 2001).

9. The Advisory Committee Note to Bankruptcy Rules 3022, 6004(h) and 7062 lists six factors to be considered in determining whether to close a chapter 11 case:

- a. Whether the order confirming the plan has become final;

- b. Whether deposits required by the plan have been distributed;
- c. Whether property proposed by the plan to be transferred has been transferred;
- d. Whether the debtor or the successor of the debtor under the plan has assumed the business or the management of the property dealt with by the plan;
- e. Whether payments under the plan have commenced; and
- f. Whether all motions, contested matters, and adversary proceedings have been finally resolved.

See Fed. R. Bank. P. 3022, Advisory Committee Note (1991); see also, e.g., Ericson v. IDC Services, Inc. (In re IDC Services, Inc.), No. 93 B 45992, 1998 U.S. Dist. LEXIS 13449 at *9-10 (S.D.N.Y. Aug. 28, 1998) (endorsing consideration of six factors as “more complete and flexible standard” and affirming order closing chapter 11 case).

10. NorthWestern believes that there will be no need or occasion for it, or any party in interest, to seek any other or further relief from this Court, however NorthWestern reserves all of its rights in this regard consistent with applicable law. Substantial consummation has occurred in this case. The Plan has become effective pursuant to its terms. The property required to be transferred under the Plan has been transferred and dealt with by NorthWestern pursuant to the terms of the Plan. All claims have been resolved and anticipated distributions have been made. All adversary proceedings have been settled and/or resolved and NorthWestern has paid, or will pay when due, any fees owing under 28 U.S.C. § 1930. No other motions, pleadings or adversary proceedings remain pending before the Court. NorthWestern’s Chapter 11 Case has been fully administered and, accordingly, may be appropriately closed at this time.

11. Based on the foregoing, NorthWestern respectfully submits that the Proposed Order, with its final decree, should be entered to close the Chapter 11 Case.

12. Moreover, the Bankruptcy Code authorizes the requested disposition of NorthWestern's records concerning the Chapter 11 Case. Section 554 of the Bankruptcy Code authorizes a trustee to abandon estate property that is of inconsequential value and/or burdensome to the estate. 11 U.S.C. § 554 states, in relevant part, "[a]fter notice and a hearing, the trustee may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate." At the conclusion of the Chapter 11 Case, NorthWestern has in its possession voluminous records relating to the Chapter 11 Case, including correspondence and other files maintained in connection with claims, adversary proceedings and various other matters (collectively, the "Documents"). NorthWestern believes that the Documents are no longer necessary for the administration of NorthWestern's estate and are of no value to the estate, and thus should be abandoned, in NorthWestern's discretion and subject to any applicable non-bankruptcy law, consistent with Section 554 of the Bankruptcy Code.

13. Pursuant to the *Order Establishing Deadlines for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof*, entered October 10, 2003 [Docket No. 197] (the "Bar Date Order"), the Bankruptcy Court established January 15, 2004 as the general bar date and April 15, 2004 as the governmental bar date (collectively, the "Bar Dates"). Although more than five years have passed since the Bar Dates, it is possible that parties may file proofs of claim or otherwise assert claims against NorthWestern before or even after the closing of the Chapter 11 Case. However, the terms of the Bar Date Order fixing the deadline for filing claims "bars" these late-filed claims; thus, the closing of the Chapter 11 Case will not inappropriately impede any such filings. Accordingly, the Proposed Order provides that it will be unnecessary

for NorthWestern to file any objection to any claim, by any party in interest, that may be filed after the Bar Dates and that any such claim shall be, and is, disallowed for all purposes.

14. By the Motion, NorthWestern also seeks the waiver of any stay that may be applicable, to enable the Proposed Order, if granted, to become immediately effective upon being entered on the Bankruptcy Court's docket. The entry of final decree and closure of the Chapter 11 Case during the current calendar year will allow NorthWestern to avoid incurring additional quarterly fees, after the current quarter, to the U.S. Trustee.

15. Bankruptcy Rules 6004(h) and 7062 provide for a stay of the effectiveness of certain orders. In the event such rules may be applicable here, NorthWestern requests that the Court exercise its discretion to waive any such stay, including to permit the entry of the Proposed Order, pursuant to Bankruptcy Rule 1001. See FED. R. BANKR. P. 1001 ("These rules shall be construed to secure the just, speedy, and inexpensive determination of every case and proceeding."). The waiver of any stay of the effectiveness of the order approving the Motion, if granted by the Bankruptcy Court, is necessary and appropriate to facilitate the closure of the Chapter 11 Case during the calendar quarter to avoid any additional fees to the U.S. Trustee. For these reasons, if the Court grants the Motion, it is in the best interest of NorthWestern that the Order not be stayed.

FINAL REPORT

16. Pursuant to Local Rule 5009-1(c), NorthWestern will file a final report and account in the form prescribed by the U.S. Trustee on or before fourteen (14) days prior to the hearing on this Motion, scheduled to be held on February 21, 2012 at 2:00 p.m. (Prevailing Eastern Time).

NOTICE

17. Notice of the Motion (the “Notice”), substantially in the form annexed hereto as “Exhibit B,” has been provided to: (i) the U.S. Trustee; (ii) counsel for the Plan Committee; (iii) the Internal Revenue Service; (iv) all persons who have requested notice in this Chapter 11 Case pursuant to Bankruptcy Rule 2002; and (v) all other parties in interest in this Chapter 11 Case as reflected on the books and records of the claims and noticing agent for the Chapter 11 Case.¹ In light of the nature of the relief requested herein, NorthWestern submits that no other or further notice is required.

PRIOR RELIEF

18. No previous motion for the relief requested herein has been made to this or any other court, except as described above.


¹ The Notice also states that a copy of the Motion is available free of charge through the Internet at <http://www.kccllc.net/northwestern> and may be obtained upon written request to NorthWestern’s counsel.

WHEREFORE, NorthWestern respectfully requests the entry of the Proposed Order, substantially in the form annexed as **Exhibit A**, approving the Motion and granting NorthWestern such other and further relief as is just and proper.

Dated: Wilmington, Delaware
February 2, 2012

Respectfully submitted,

GREENBERG TRAURIG, LLP

By: 
Victoria Watson Counihan (No. 3488)
Dennis A. Meloro (No. 4435)
The Nemours Building
1007 North Orange Street, Suite 1200
Wilmington, DE 19801
Telephone: (302) 661-7000
counihanv@gtlaw.com
melorod@gtlaw.com

- and -

**CURTIS, MALLET-PREVOST,
COLT & MOSLE LLP**

Steven J. Reisman
Jerrold L. Bregman
101 Park Avenue
New York, NY 10178
Telephone: (212) 696-6000

*Co-Counsel for NorthWestern Corporation,
Reorganized Debtor*

EXHIBIT A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	:	
	:	Case No. 03-12872 (KJC)
NORTHWESTERN CORPORATION,	:	
	:	
Reorganized Debtor.	:	Ref. Docket No. ____
	:	

**ORDER ENTERING A FINAL DECREE CLOSING THE CHAPTER 11
CASE AND GRANTING CERTAIN RELATED RELIEF, PURSUANT TO
SECTIONS 105, 350 AND 554 OF THE BANKRUPTCY CODE, BANKRUPTCY
RULES 3022, 6004 AND 7062 AND LOCAL RULES 2002 AND 5009**

Upon consideration of the *Motion of NorthWestern Corporation for an Order, Entering a Final Decree Closing the Chapter 11 Case and Granting Certain Related Relief, Pursuant to Sections 105, 350 and 554 of the Bankruptcy Code, Bankruptcy Rules 3022, 6004 and 7062 and Local Rules 2002 and 5009* [Docket No. ____] (the "Motion"),¹ and a hearing on the Motion having been scheduled before this Court on February 21, 2012 at 2:00 p.m. (Eastern time) (the "Hearing") to consider the relief requested in the Motion; and the Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having considered the statements of counsel on the record of any Hearing and the filings of the parties in connection with the Motion; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the Plan has been substantially consummated; and upon the record of the Hearing; and after due deliberation, and good and sufficient cause appearing therefor,

¹ Capitalized terms used but not defined herein shall have the meanings assigned to them in the Motion.

THE COURT HEREBY ORDERS, ADJUDGES, AND DECREES THAT:

1. Pursuant to Sections 105, 350 and 554 of the Bankruptcy Code, Bankruptcy Rules 3022, 6004(h) and 7062 and Local Rules 2002-1(f)(ix) and 5009-1, the Motion is granted and the Chapter 11 Case of NorthWestern Corporation, Case No. 03-12872 (KJC), is hereby closed.
2. NorthWestern hereby is authorized, pursuant to Section 554 of the Bankruptcy Code, in the exercise of its reasonable business judgment, to abandon and/or destroy any and all documents relating to the Chapter 11 Case within its possession or control, except as may be required by applicable non-bankruptcy law
3. It is not necessary for NorthWestern to respond or otherwise object to any claims, including tax claims or related motions, that may be filed in the Chapter 11 Case after the date hereof, and any and all such claims are automatically deemed disallowed for all purposes.
4. Pursuant to Local Rule 2002-1(f)(ix) and in accordance with the Instructions and Guidelines of the Office of the Clerk for the United States Bankruptcy Court for the District of Delaware (the "Clerk of Court"), within thirty (30) days of entry of this Order, Kurtzman Carson Consultants LLC ("Kurtzman") shall forward the following documents to the Clerk of the Court:
 - a. an updated list of creditors in .txt format;
 - b. an updated Fed. R. Bankr. P. 2002 notice list in .txt format;
 - c. a final claims register in both alphabetical and numerical order in paper and PDR format; and
 - d. all original proofs of claim.

5. Upon Kurtzman's delivery of the items listed in paragraph 5 above, Kurtzman shall have no further obligations to the Court, NorthWestern or any party in interest with respect to the Chapter 11 Case.

6. Upon entry of this Order or as soon as practicable thereafter, Kurtzman shall close the post office box dedicated to receiving mail in the Chapter 11 Case.

7. Should Kurtzman receive any mail after entry of this Order, Kurtzman will collect and forward such mail on a monthly basis to Debtor's counsel at the following address:

CURTIS, MALLET-PREVOST,
COLT & MOSLE LLP
Attn: Steven J. Reisman, Esq.
Jerrold L. Bregman, Esq.
101 Park Avenue
New York, NY 10178-0061

Claims and any other mail received after entry of this Order will not be processed by Kurtzman.

8. Northwestern, together with its agents, including its counsel, shall not be liable for any acts or omissions in implementing this Order, provided such actions or omissions are in good faith and absent gross negligence or willful misconduct.

9. NorthWestern shall pay all outstanding statutory fees owed to the Office of the United States Trustee (the "U.S. Trustee"), if any, on or before the tenth business day following NorthWestern's receipt of a final invoice from the U.S. Trustee. In the event that the statutory fees are not paid in accordance with this Order, the U.S. Trustee shall have the right to reopen the Chapter 11 Case to seek compliance with this Order.

10. Notwithstanding any stay that might be applicable to this Order, this Order shall be effective and enforceable immediately upon entry hereof.

11. If there is any inconsistency between the terms of this Order and the Motion or any other order in the Chapter 11 Case, the terms of this Order shall control.

12. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: February __, 2012

THE HONORABLE KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	:	Case No. 03-12872 (KJC)
NORTHWESTERN CORPORATION,	:	Hearing Date: Feb. 21, 2012 at 2:00 p.m. (ET)
Reorganized Debtor.	:	Objection Deadline: Feb. 14, 2012 at 4:00 p.m. (ET)

**NOTICE OF HEARING ON MOTION OF NORTHWESTERN CORPORATION
FOR AN ORDER ENTERING A FINAL DECREE CLOSING THE
CHAPTER 11 CASE AND GRANTING CERTAIN RELATED RELIEF, PURSUANT
TO SECTIONS 105, 350 AND 554 OF THE BANKRUPTCY CODE,
BANKRUPTCY RULES 3022, 6004 AND 7062 AND LOCAL RULES 2002 AND 5009**

PLEASE TAKE NOTICE that NorthWestern Corporation (“NorthWestern”), the reorganized debtor in the above-captioned bankruptcy case (the “Chapter 11 Case”), filed the *Motion of NorthWestern Corporation for an Order Entering a Final Decree Closing the Chapter 11 Case and Granting Certain Related Relief, Pursuant to Sections 105, 350 and 554 of the Bankruptcy Code, Bankruptcy Rules 3022, 6004 and 7062 and Local Rules 2002 and 5009* (the “Motion”).¹ A copy of the Motion is available free of charge through the Internet at <http://www.kcellc.net/northwestern> or by sending your written request to NorthWestern’s counsel, Curtis, Mallet-Prevost, Colt & Mosle LLP, Attn: Steven J. Reisman and Jerrold L. Bregman, by U.S. Mail to: 101 Park Avenue, New York, New York 10178-0061; or by e-mail to: sreisman@curtis.com and jbregman@curtis.com.

PLEASE TAKE FURTHER NOTICE that a hearing on the Motion is scheduled to be held on **February 21, 2012, at 2:00 p.m. (Prevailing Eastern Time)** before The Honorable Kevin J. Carey, United States Bankruptcy Court for the District of Delaware, 5th Floor, 824 North Market Street, Wilmington, Delaware 19801; however, the hearing may be cancelled if there is no objection to the Motion filed and served as provided herein, and the date and time of the hearing on the Motion may be changed with no further notice except as reflected on the docket of the Chapter 11 Case. Objections to the Motion, if any, must be filed on or before **February 14, 2012, at 4:00 p.m. (Prevailing Eastern Time)** (the “**Objection Deadline**”) with the United States Bankruptcy Court for the District of Delaware, 5th Floor, 824 North Market Street, Wilmington, Delaware 19801. At the same time, you must also serve a copy of the Objection upon the undersigned counsel so that your response is *received* on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE that if the Motion is granted, the proposed order for the Motion, which is annexed as “**Exhibit A**” to the Motion, would, among other things: (1) enter a final decree closing the Chapter 11 Case; (2) require NorthWestern to pay all outstanding statutory fees owing to the U.S. Trustee, if any, on or before the tenth business day following

¹ Capitalized terms used but not defined herein shall have the meanings assigned to them in the Motion.

NorthWestern's receipt of a final invoice from the U.S. Trustee and, in the event the statutory fees are not paid in accordance with the Proposed Order, provide the U.S. Trustee the right to reopen the Chapter 11 Case to seek compliance with the Proposed Order; (3) authorize NorthWestern, in the exercise of its reasonable business judgment, to abandon and/or destroy any and all documents relating to the Chapter 11 Case except as may be required by applicable non-bankruptcy law; (4) discharge Kurtzman Carson Consultants LLC, upon completion of its obligations in accordance with Local Rule 2002-1(f)(ix), as claims and noticing agent; (5) release NorthWestern, together with its agents, including its counsel, from any liability for any acts or omissions in implementing the Proposed Order taken in good faith, absent gross negligence or willful misconduct; (6) automatically disallow any additional claims that may be filed in the Chapter 11 Case; and (7) decree that the Proposed Order, upon being entered by the Bankruptcy Court, shall be immediately effective and final in accordance with its terms.

PLEASE TAKE FURTHER NOTICE that if you do not file an objection to the Motion by the Objection Deadline, the Bankruptcy Court may grant the Motion without further notice and without holding a hearing on the Motion.

Dated: Wilmington, Delaware
February 2, 2012

GREENBERG TRAUERIG, LLP



Victoria Watson Coughlin (No. 3488)
Dennis A. Meloro (No. 4435)
The Nemours Building
1007 North Orange Street, Suite 1200
Wilmington, Delaware 19801
Telephone: (302) 661-7000
coughlinv@gtlaw.com
melorod@gtlaw.com

- and -

**CURTIS, MALLET-PREVOST,
COLT & MOSLE LLP**

Steven J. Reisman
Jerrold L. Bregman
101 Park Avenue
New York, NY 10178-0061
Telephone: (212) 696-6000

*Co-Counsel for NorthWestern Corporation,
Reorganized Debtor*