

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Monday, April 2, 2007, at 1:30 p.m.

Attendees

Commissioners: Chairman Kathleen A. "Cindy" Lewis, presiding
Deputy Chairman Steve Oxley
Commissioner Mary Byrnes

Rich Cadowaga, Idaho Power Company (by telephone)
Kathy Ellsworth, North Star Utility (by telephone)
Mike Halpin, North Star Utility (by telephone)
Shawn Hawkins, North Star Utility (by telephone)
Steve Keen, Idaho Power Company (by telephone)
Bryan Lee, Frannie Deaver Utilities (by telephone)
Ty Ross, North Star Utility (by telephone)
Brad Vernon, Alpine Development Group (by telephone)
John Wylie, North Star Utility (by telephone)

Commission Staff: Blair Bales, Barbara Iversen, Dave Lucero, Luy Luong, Marci Norby, Art Schmidt, Darrell Zlomke

Office of Consumer Advocate (OCA): Bryce Freeman, Ivan Williams

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket No. 70000-1247-TT-06 (Record No. 10599) Tariff filing of Qwest Corporation for authority to revise Federal Universal Service Fund (USF) and Telephone Assistance Program Tribal Lifeline Credits. Consider authorizing one Commissioner or Hearing Examiner to preside over the public hearing scheduled April 10, 2007.**
- 2. Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meetings of January 3, 9, 16, 18 and 25, 2007.**

Chairman Lewis introduced the consent agenda items and asked if there were any requests to withdraw an item for further consideration. There were no such requests or any questions or comments. Dave Lucero, Commission Counsel, recommended approval of Item 1 with a Special Order authorizing one Commissioner or Hearing Examiner. Deputy Chairman Oxley moved to issue a Special Order as recommended for Item 1, and moved to approve the Open Meeting Minutes as submitted. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 20005-30-ES-07 (Record No. 11093) Application of Idaho Power Company requesting authority to incur up to \$450,000,000 in aggregate principal amount of short-term borrowing at any one time outstanding for the period from April 1, 2007, through April 1, 2014.** Luy Luong, Commission Advisory Staff (CAS), provided a technical memo dated March 28, 2007. Steve Keen, Idaho Power Company, said the request would raise the amount of allowable debt from \$300,000,000 to \$450,000,000 and would primarily be used to meet short-term operating needs and capital expenses. Mr. Keen responded to Commission questions regarding debt to equity ratios and projected company growth. Dave Lucero, Commission Counsel, noted that the company currently does not provide retail utility service in Wyoming. There were no further comments or questions. Mr. Luong recommended approval of the application by Order only, as it is a securities filing with no impact on rates, effective April 1, 2007. Deputy Chairman Oxley moved to approve the application by Order only, effective this date, April 2, 2007. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
2. **Docket No. 30007-81-GP-07 (Record No. 11084) Amended application of Frannie Deaver Utilities for authority to pass on a commodity balancing account decrease of \$0.2108 per Mcf.** Jess Bottom, CAS, provided a technical memo dated March 28, 2007. Bryan Lee, Frannie Deaver Utilities, said the adjustment is due to a decrease in projected gas costs and amortization of the commodity balancing account. Darrell Zlomke, CAS, said the average customer would see a decrease of approximately \$1.69 per month. There were no further comments or questions. Mr. Zlomke recommended approval of the application by Notice and Order, effective for usage on and after April 1, 2007. Deputy Chairman Oxley moved to take action as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
3. **Docket No. 30016-41-GR-06 (Record No. 10400) Amended general rate application of Pinedale Natural Gas, Inc., for authority to establish a revised overall rate of return of 11.5% to reflect changes in the costs of providing natural gas service and increase revenues \$93,000 per annum. Commission to consider issuing a subpoena on its own motion to Colby Drechsel, Associate Director, Wyoming Pipeline Authority.** Chairman Lewis explained the reason for consideration of issuing a subpoena as it is important to understand all the capital opportunities available to Pinedale Natural Gas. Chairman Lewis then moved to issue the subpoena to Mr. Drechsel. Commissioner Byrnes seconded the motion, and Deputy Chairman Oxley concurred.
4. **Docket No. 80021-2-WA-07 (Record No. 11019) Application of North Star Utility for approval of an extension of its certificated area.** Don Biedermann and Ginnie Schofield, CAS, provided a technical memo dated March 29, 2007. Kathy Ellsworth, North Star Utility, said the utility seeks to expand coverage to a new subdivision for residential and commercial development which is contiguous to North Star Utility's current certificated area. Ms. Ellsworth provided further information on plans to provide

service and future infrastructure growth plans. Chairman Lewis pointed out that rules, regulations and financial information were not filed with the application as required, and Blair Bales, Commission Counsel, said this would not be a problem as long as they were filed in a timely manner. There were no further comments or questions. Ms. Bales recommended approval of the application by Order only, effective immediately, and further recommended requiring the company submit its income statement and balance sheet by April 16, that construction reports be provided according to Rule 229, and that tariffs be submitted prior to commencement of operations. Deputy Chairman Oxley moved to grant the application as recommended by Order only but requested the tariffs clarify where service is or is not available in the newly annexed area. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

A full audio transcript is available upon request.

Next Open Meeting: Monday, April 9, 2007, at 2:30 p. m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 18th day of May 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Monday, April 9, 2007, at 2:30 p.m.

Attendees

Commissioners: Chairman Kathleen A. "Cindy" Lewis, presiding
Deputy Chairman Steve Oxley
Commissioner Mary Byrnes

Bud Becker, Source Gas, LLC (by telephone)
Roger Fransen, counsel for Source Gas, LLC

Commission Staff: Blair Bales, Mike Korber, Dave Lucero, Luy Luong,
Barbara Taylor-Iversen, Darrell Zlomke

Office of Consumer Advocate (OCA): Denise Parrish

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- Docket No. 70082-3-TA-07 (Record No. 11108) Request of Regal Diversified, Inc., D/B/A Regal Telephone Company, Inc., for authority to cancel its Certificate of Public Convenience and Necessity to do business in Wyoming.**
- Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meetings of:**

January 26, 2007	February 8, 2007
January 30, 2007	February 13, 2007
February 6, 2007	February 15, 2007

Chairman Lewis introduced the consent agenda items and asked if there were any requests to withdraw an item for further consideration. There were no such requests or any questions or comments. Barbara Taylor-Iversen, Commission Advisory Staff (CAS), recommended approval of Item 1 by Order only, effective immediately. Deputy Chairman Oxley moved to approve Item 1 as recommended and further moved to approve the Open Meeting Minutes as submitted. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEM

- Docket No. 30022-84-GA-06 (Record No. 10806) Joint application of Source Gas, LLC, Source Gas Distribution, LLC, Kinder Morgan, Inc., and KM Retail Utility Holdco, LLC, for approval of a transfer of utility assets and certificate authority from Kinder Morgan, Inc., to Source Gas Distribution, LLC, and reorganization of**

Source Gas Distribution, LLC, as a wholly-owned subsidiary of Source Gas, LLC. Consider and act on compliance filing of Source Gas, LLC, submitting customer information for Commission approval pursuant to its March 14, 2007, Order on an expedited review basis. Bud Becker, Source Gas, LLC, said this is the second filing of customer educational materials—a letter which will be sent to shippers in Colorado and Wyoming to inform them of the transaction and the new company name. Mr. Becker said copies were provided to the OCA for review, and that office did provide some comments. There were no further comments or questions. Dave Lucero, Commission Counsel, recommended approval of the material by Order only. Deputy Chairman Oxley moved to approve the material by Letter Order only. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

Commissioner Byrnes commented that the new Choice Gas Program materials did not include any information on the company name change. Mr. Becker said it was decided to continue using the Kinder Morgan name until completion of the selection process to avoid confusion. He said the new name and contact information will be provided to customers in packets to be mailed in mid-May. Copies of this information will be given to the OCA for review prior to mailing. Denise Parrish, OCA, said her office has already been provided copies of advertising materials by Source Gas, LLC, for review.

A full audio transcript is available upon request.

Next Open Meeting: Friday, April 13, 2007, at 10:00 a.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 18th day of May 2007.

Kathleen A. “Cindy” Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Friday, April 13, 2007, at 10:00 a.m.

Attendees

Commissioners: Chairman Kathleen A. "Cindy" Lewis, presiding
Deputy Chairman Steve Oxley
Commissioner Mary Byrnes

Paul Hickey, counsel for Qwest Corporation
Mike McBride, Lower Valley Energy, Inc. (by telephone)
Jim Webb, Lower Valley Energy, Inc. (by telephone)

Commission Staff: Blair Bales, Mike Korber (as Staff and as WUSF Manager), Dave Lucero, Luy Luong, Chris Petrie, Barbara Taylor-Iversen, Darrell Zlomke

Office of Consumer Advocate (OCA): David McMullian, Denise Parrish, Ivan Williams

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket Nos. 70000-1308-TK-07 and 70022-28-TK-07 (Record No. 11069) Petition of Qwest Corporation for approval of a Triennial Review Order and Triennial Review Remand Order Interconnection Agreement with Ionex Communication North Inc. (f/k/a Advanced Communications Group and Firstel, Inc.)**
- 2. Docket No. 74604-4-TA-06 (Record No: 10857) Application of Yak Communications, Inc., for approval of a transfer of control to Yaktastic, Inc. Commission to consider Yak Communications' Motion for Leave to Withdraw Application.**
- 3. Docket No. 20000-264-EA-06 (Record No. 10960) Application of Rocky Mountain Power for authority to establish a demand-side management program in Wyoming, establish DSM tariffs, and increase rates to fund DSM. Consider issuing a Special Order Authorizing One Commissioner and/or Hearing Examiner to conduct Public Hearing.**

Chairman Lewis introduced the consent agenda and asked if there were any requests to withdraw an item for further consideration. There were no such requests. Chris Petrie, Commission Counsel, provided the following recommendations: Item 1, approve by Order only effective immediately; Item 2, grant motion with an Order only; and, Item 3, issue an Order authorizing one Commissioner and/or Hearing Examiner. Deputy

Chairman Oxley moved to take action as recommended by staff. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

- 1. Docket No. 10012-48-CK-07 (Record No. 11074) Filing by Lower Valley Energy, Inc., of the Full Service Power Sales Agreement between Lower Valley Energy, Inc., and Bonneville Power Administration and separate Petition for Confidential Treatment of Documents. Commission to consider accepting contract for placement in file and separate petition for confidential treatment of documents submitted by Lower Valley.** Darrell Zlomke, Commission Advisory Staff (CAS), provided a technical memo dated April 11, 2007. Mike McBride, Lower Valley Energy, said the request for confidential treatment of the contracts is due to their proprietary nature and their terms, particularly since Lower Valley Energy is not a direct party to two of the contracts. In response to Commission questions, Chris Petrie, Commission Counsel, said contracts of this sort are not generally of great interest to the public but added that confidential treatment would not prevent potential future intervenors in a rate case from obtaining pertinent information for review if approved by the Commission. There were no further questions or comments. Mr. Petrie recommended the Commission grant the request for confidential treatment of the three contracts with an Order which would specifically describe the avenues for interested parties to contest the confidential status. Blair Bales, Commission Counsel, also recommended a Letter Order be issued and that the contracts be placed in the Commission's confidential files with no ratemaking implications. Deputy Chairman Oxley moved to [i] grant each of the three contracts confidential treatment under Section 120 of the Commission's Rules, [ii] the text of the Letter Order specifically state the availability of a contest under Section 120(d) and [iii] that it remind parties Section 120(e) puts the burden of proof to maintain confidentiality on the company. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
- 2. Docket No. 10012-49-CK-07 (Record No. 11075) Contract filing by Lower Valley Energy, Inc., for authority to file a Reasonable Portion Participation Agreement with Snake River Power Association and Public Utility District No. 2 of Grant County and separate Petition for Confidential Treatment of Documents. Commission to consider accepting contract for placement in file and separate petition for confidential treatment of documents submitted by Lower Valley.** Darrell Zlomke, CAS, provided a technical memo dated April 11, 2007. This item was addressed and disposed of as described with respect to Item 1 above.
- 3. Docket No. 10012-50-CK-07 (Record No. 11081) Contract filing by Lower Valley Energy, Inc., for authority to file an Agreement for Power Marketing Services between Snake River Power Association and Public Utility District No. 2 of Grant County and separate Petition for Confidential Treatment of Documents. Commission to consider accepting contract for placement in file and separate petition for confidential treatment of documents submitted by Lower Valley.** Darrell Zlomke, CAS, provided a technical memo dated April 10, 2007. This item was addressed and disposed of as described with respect to Item 1 above.

- 4. Docket No. 90072-27-XO-27 (Record No. 11122) Funding Requirement and Proposed Assessment Factor for the July 2007-2008 Fiscal Year of the Wyoming Universal Service Fund (WUSF). Commission to consider a request by the Office of Consumer Advocate for a copy of the WUSF Manager's confidential report.** Ivan Williams, counsel for the OCA, said a formal intervention has been filed as the OCA believes it is entitled to receive the information in the WUSF report even though it has been deemed confidential under the Commission's Rules. Mr. Williams said the OCA would be willing to abide by any non-disclosure terms set by the Commission regarding the data in the report, its exhibits and any source data provided. Paul Hickey, counsel for Qwest, requested a copy of the report with the same privileges given to the OCA. Mike Korber, WUSF Manager, said the report and its attached exhibits have been provided to the OCA on a voluntary basis in the past and has no objections to formalizing the exchange of information. He added that each individual local exchange carrier receives the data and confidential exhibits particular to that company but not for other companies. There were no further comments or questions. Deputy Chairman Oxley moved that an Order be issued allowing the OCA to be given copies of the confidential report with all attached exhibits and, rather than giving the OCA copies of the underlying source data, that they be allowed to view all of the information and make copies as needed, informing the Commission in writing what materials have been copied to allow tracking of access to the data. Deputy Chairman Oxley requested the Order admonish the OCA to observe confidentiality and that receipts under signature of the OCA counsel be provided for all documentation reproduced. In addition, he clarified this does not mean this highly sensitive material would be available to all of companies who provided information. Any such request to obtain another company's material would have to be made formally by counsel for the requesting party, and a public hearing would have to be held. . Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
- 5. Docket No. 70000-1317-TA-07 (Record No. 11104) Request by Qwest Corporation for a waiver of its 2007 Annual TSLRIC inputs filing.** Paul Hickey, counsel for Qwest Corporation, said the current Commission rules require the company to file inputs for the study by April 1. He said Qwest requests a waiver in recognition of the new Telecommunications Act which will become effective July 1 and which repeals the requirement for filing a TSLRIC study to support all of the company's service prices. There were no further comments or questions. Mike Korber, CAS, recommended granting the petition by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
- 6. Docket No. 90000-97-XO-07 (Record No. 11134) Proposed adoption of Chapter 5, Section 513, of the Commission's Procedural Rules and Special Regulations regarding the designation of telecommunications carriers for eligibility for federal Universal Service Funds.** Chris Petrie, Commission Counsel, said the proposed Rule has received permission to proceed from the Governor's office. He said the next step is to issue an Order commencing rulemaking proceedings, and a docket number has already been assigned in anticipation of the Order. There were no further comments or questions.

Deputy Chairman Oxley moved to proceed with an Order. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

A full audio transcript is available upon request.

Next Open Meeting: Wednesday, April 18, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 28th day of June 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Wednesday, April 18, 2007, at 1:30 p.m.

Attendees

Commissioners: Chairman Kathleen A. "Cindy" Lewis, presiding
Deputy Chairman Steve Oxley
Commissioner Mary Byrnes

Letty Friesen, SBC Long Distance, LLC (by telephone)

Commission Staff: Blair Bales, Dave Lucero, Luy Luong, Barbara Taylor-Iversen

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket Nos. 70009-284-TK-07 and 70033-23-TK-07 (Record No. 11077) Contract filing of United Telephone Company of the West, d/b/a Embarq, and 1-800-Reconex, Inc., d/b/a U.S. Tel, for authority to enter into a Wireline Interconnection Agreement.**
- 2. Docket Nos. 70000-1312-TK-07 and 70027-67-TK-07 (Record No. 11083) Contract filing of Qwest Corporation for authority to enter into an amendment to the Wireline Interconnection Agreement with MCImetro Access Transmission Services, LLC.**

Chairman Lewis introduced the consent agenda and asked if there were any requests to withdraw an item for further consideration. There were no such requests or any further comments or questions. Blair Bales, Commission Counsel, recommended both Items 1 and 2 be approved by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended by staff. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

- 1. Docket No. 70110-10-TA-07 (Record No. 11080) Application of SBC Long Distance, LLC, d/b/a SBC Long Distance, d/b/a AT&T Long Distance, for authority to cancel its Certificate of Public Convenience and Necessity to provide local exchange telecommunications services and to withdraw its Wyoming tariffs.** Barbara Taylor-Iversen, Commission Advisory Staff, provided a technical memo dated April 10, 2007. Letty Friesen, SBC Long Distance, said the company is requesting the cancellation of its certificate of public convenience and necessity as it is not offering any services in Wyoming under this particular certificate, and the company's toll customers in Wyoming

are being provided service under another affiliate's certificate. Ms. Friesen said the customers were not provided notice of the request to cancel as it was felt this would cause confusion and perhaps lead customers to believe service was being withdrawn in Wyoming. Ms. Friesen also said new tariffs for the affiliate interexchange certificate could be provided to avoid any confusion over what services are being provided. There were no further comments or questions. Ms. Taylor-Iversen recommended approval of the authority to cancel by Notice and Order, effective immediately. Deputy Chairman Oxley moved to grant the application to cancel the certificate issued in Docket No. 70110 by Notice and Order, effective immediately, and to relieve SBC Long Distance of any requirement to provide notice directly to the affected customers. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

A full audio transcript is available upon request.

Next Open Meeting: Friday, April 20, 2007, at 1:20 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 28th day of June 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Friday, April 20, 2007, at 1:20 p.m.

Attendees

Commissioners: Chairman Kathleen A. "Cindy" Lewis, presiding
Deputy Chairman Steve Oxley
Commissioner Mary Byrnes

Jeff Hubbard, Qwest Corporation

Commission Staff: Chris Petrie

REGULAR AGENDA ITEMS

- 1. Docket No. 70000-1269-TC-06 (Record No. 10744) Complaint of Karen King Against Qwest Corporation Requesting a Formal Hearing on the Alleged Problems with her Telecommunications Service. Commission to consider and rule on Qwest's Motion to Strike Chart of Issues and Ms. King's Response to Motion to Strike Chart of Issues.** Chris Petrie, Commission Counsel, said all parties were notified of this agenda item. He said he was informed Ms. King was traveling and might not be available. Mr. Petrie recommended approval of the motion as the chart of issues relates to the public comment portions of the proceedings which are not part of the complaint proceedings. Mr. Petrie clarified this would mean excluding the chart from consideration in the complaint docket and not physical removal from the file. There were no further comments or questions. Commissioner Byrnes moved to grant by Order the part of the motion requesting the Commission not consider the chart of issues in the complaint proceedings but that the chart not be physically stricken from the record. Chairman Lewis seconded the motion. Deputy Chairman Oxley did not vote as he has not previously been a participant in these proceedings.

A full audio transcript is available upon request.

Next Open Meeting: Wednesday, April 25, 2007, at 10:00 a.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 28th day of June 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Wednesday, April 25, 2007, at 10:00 a.m.

Attendees

Commissioners: Chairman Kathleen A. "Cindy" Lewis, presiding
Deputy Chairman Steve Oxley

Jed Henthorne, Energy West Wyoming (by telephone)
Rita Mulkern, Montana-Dakota Utilities Company (by telephone)
Brad Samuels, Energy West Wyoming (by telephone)
Jeff Umphlett, Big Horn Rural Electric Company (by telephone)

Office of Consumer Advocate (OCA): Ivan Williams, Amy Zamora

Commission Staff: Blair Bales, Don Biedermann, Mike Korber, Dave Lucero, Luy Luong, Chris Petrie, Barbara Taylor-Iversen

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket No. 70000-1318-TK-07 (Record No. 11116) Filing by Qwest Corporation for authority to submit a confidential telecommunications services agreement.**
- 2. Docket No. 70000-1316-TK-07 (Record No. 11102) Filing by Qwest Corporation for authority to submit a confidential telecommunications services agreement.**
- 3. Docket Nos. 70000-1313-TK-07 and 70071-19-TK-07 (Record No. 11094) Contract filing of Qwest Corporation for authority to enter into an arbitrated agreement for terms and conditions for an Unbundled Network Elements, Ancillary Services and Resale Interconnection Agreement with DIECA Communications, Inc., d/b/a Covad Communications Company.**
- 4. Docket Nos. 70000-1314-TK-07 and 70071-20-TK-07 (Record No. 11095). Contract filing of Qwest Corporation for authority to enter into a line splitting amendment to the interconnection agreement with Dieca Communications, Inc., d/b/a Covad Communications Company.**

Chairman Lewis introduced the consent agenda and asked if there were any requests to withdraw an item for further consideration. There were no such requests or any further comments or questions. Mike Korber, Commission advisory staff (CAS), provided the following recommendations: Items 1 and 2, placement of the contracts into the Commission's confidential files with no ratemaking determinations; Item 3, approval of the agreement with an Order only, effective immediately; and Item 4, approval of the

amendment with an Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended by staff, and Chairman Lewis seconded the motion.

REGULAR AGENDA ITEMS

1. **Docket No. 30011-50-GP-07 (Record No. 11132) Energy West Wyoming request for Commission authority to pass on a net wholesale gas increase of \$0.4165 per Mcf through its commodity balancing account.** Luy Luong, Commission advisory staff (CAS), provided a technical memo dated April 20, 2007. Brad Samuels, Energy West Wyoming, said the request is for an annual purchased gas cost adjustment which would be in effect for the next 12 months unless an out-of-period adjustment is required. Mr. Samuels said the company is currently engaged in an RFP process for the next winter and will be storing gas throughout the summer months under the existing contracts. Ivan Williams, OCA, said his office is an intervenor in a prior pass-on docket and intends to intervene in this docket as well. Mr. Williams said there are questions regarding incentive award provisions and the inclusion of non-operating losses in calculations, but the OCA does believe interim approval would be appropriate. Mr. Luong made a verbal correction on Page 2 of the technical memo, saying the date should be April 30, 2008. Mr. Luong also said the average customer would see an increase of approximately 5.12% per month. There were no further comments or questions. Chris Petrie, Commission counsel, recommended approval of the pass-on by Notice and Order allowing implementation on an interim basis for usage on and after May 1, 2007. Deputy Chairman Oxley moved to accept the recommendation, and Chairman Lewis seconded the motion.

2. **Docket No. 10019-36-CR-07 (Record No. 11124) Big Horn Rural Electric Company request for authority to implement Phase IV of its previously approved four-phase General Rate Plan.** Don Biedermann and Luy Luong, CAS, provided a technical memo dated April 19, 2007. Jeff Umphlett, Big Horn Rural Electric Company, said this request continues implementation of the rate plan approved in 2003 designed to equalize the rate classes. The changes are revenue neutral with an increase in residential class charges and a decrease for commercial customers. Mr. Biedermann said the tariffs were properly submitted to reflect the changes. There were no further comments or questions. Mr. Biedermann recommended approval of the request by Notice and Order, effective for usage on and after July 1, 2007. Deputy Chairman Oxley moved to take action as recommended by staff, and Chairman Lewis seconded the motion.

3. **Docket No. 30013-187-GT-07 (Record No. 11073) Application of Montana-Dakota Utilities Company (MDU) for authority to revise its tariff to eliminate the incentive award from the Rate 88 tariff.** Don Biedermann, CAS, provided a technical memo dated April 18, 2007. Rita Mulkern, MDU, said this application removes the incentive award provision from their tariff. Ms. Mulkern said it was MDU's belief that the provision for award incentives is in the public interest and does comply with statutes, but removal of the language will address concerns raised by the OCA. Ms. Mulkern said MDU has not requested an incentive adjustment since 2002, and she believes MDU can file for such an adjustment if conditions warrant at a later time. Ivan Williams, OCA, said his office is supportive of withdrawing the incentive award language from the tariff.

There were no further comments or questions. Mr. Biedermann recommended approval of the application by Order only, effective immediately. Deputy Chairman Oxley moved to grant the application by Order only, effective immediately. Chairman Lewis seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Friday, April 27, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 28th day of June 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Friday, April 27, 2007, at 1:30 p.m.

Attendees

Commissioners: Chairman Kathleen A. "Cindy" Lewis, presiding
Deputy Chairman Steve Oxley

Danny Eyre, Bridger Valley Electric Association (by telephone)
Dave Mosier, Rocky Mountain Power
Rita Mulkern, Montana-Dakota Utilities Company (by telephone)

Commission Staff: Blair Bales, Don Biedermann, Jess Bottom, Mike Korber, Dave Lucero, Luy Luong, Marci Norby, Chris Petrie, David Piroutek, Barbara Taylor-Iversen

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket Nos. 70000-1315-TK-07 and 70071-21-TK-07 (Record No. 11096) Contract filing of Qwest Corporation for authority to enter into a survival of certain agreements with Dieca Communications, Inc., d/b/a Covad Communications Company.**
- 2. Docket No. 20003-88-ET-06 (Record No. 10763) Amended tariff filing of Cheyenne Light, Fuel and Power Company for authority to revise its Electric Rates, Electric Cost Adjustment Tariff, and Docket No. 30005-111-GT-07 (Record No. 11023) Application of Cheyenne Light, Fuel and Power Company for authority to revise its Gas Cost Adjustment Rules and Regulations. Commission to consider issuing a Special Order Authorizing One Commissioner and/or Hearing Examiner to preside at the consolidated hearing in the above matters commencing May 10, 2007.**

Chairman Lewis introduced the consent agenda items and asked if there were any requests to remove an item for further consideration. There were no such requests or any further comments or questions. Barbara Taylor-Iversen recommended approval of Item 1 with an Order only, effective immediately, and recommended issuing the Special Order set out in Item 2. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis seconded the motion.

REGULAR AGENDA ITEMS

- 1. Docket No. 20000-269-ET-07 (Record 11100) Rocky Mountain Power request for authority to modify its Blue Sky tariff.** Don Biedermann, Commission advisory staff (CAS), provided a technical memo dated April 19, 2007. Dave Mosier, Rocky Mountain

Power, said the request is to modify tariff Schedules 70 and 72 of the Blue Sky Program as a result of Commitment 23 of the MidAmerican purchase stipulation. Mr. Mosier provided a brief overview of the changes, which include an expanded list of renewable resource technologies, and he verified the costs of the program will not be included in customer rates at any time. Mr. Mosier responded to Commission questions regarding projects in Wyoming, applicability to federal requirements and types of projects anticipated. There were no further comments or questions. Mr. Biedermann recommended approval of the application by Notice and Order, effective immediately. Deputy Chairman Oxley moved to approve the tariff by Notice and Order, effective immediately, and Chairman Lewis seconded the motion.

2. **Docket No. 30013-188-GP-07 (Record No. 11135) Montana Dakota Utilities Co. (MDU) request for authority to pass on a wholesale gas cost decrease of \$1.532 per decatherm, and for confidential treatment of certain supporting documents.** Jess Bottom, CAS, provided a technical memo dated April 24, 2007. Rita Mulkern of MDU said the request is for the May purchased gas cost adjustment which is an overall decrease resulting from a decrease in market commodity costs, a slight decrease in pipeline costs, and an increase in the surcharge adjustment. Ms. Mulkern said the change will not affect MDU's rate of return and complies with Rules 249 and 250. Mr. Bottom said there was some concern regarding the company's rate of return, but he is working with MDU staff to resolve questions. There were no further comments or questions. Mr. Bottom recommended interim approval of the pass-on by Notice and Order, effective for usage on and after May 1, 2007. Blair Bales, Commission Counsel, further recommended approval of the petition for confidential treatment of the supporting documents. Deputy Chairman Oxley moved to grant the request on an interim basis by Notice and Order, effective for usage on and after May 1, 2007, and that the request for confidential treatment under provisions of Section 120 of the Rules be granted. Chairman Lewis seconded the motion.

3. **Docket No. 10013-36-CA-07 (Record No. 11016) Application of Bridger Valley Electric Association, Inc., for authority to adopt a tariff establishing an electric service moratorium in the Eden/Farson area. Consider and act on filing.** Marci Norby and Dave Piroutek, CAS, provided a technical memo dated April 25, 2007. Danny Eyre, Bridger Valley Electric, said the application is the result of a meeting last November with the Commission where the moratorium and steps being taken to remedy the situation were discussed. Mr. Eyre responded to Commission questions about public notice of the moratorium, continuing efforts to obtain permits for the new distribution lines and monthly reporting to the Commission. There were no further comments or questions. Ms. Norby recommended approval of the application with a Notice and Order, effective immediately, with the following requirements: (1) language that the moratorium shall not extend past October 1, 2007, without Commission approval; (2) a requirement that a compliance tariff be filed within five business days reflecting this language; (3) the company be ordered to file monthly reports due on the last business day of the month which include at least the progress made in resolving the problem, financial status of the project, statistics on formal service requests, any service requests honored, and loading on the existing system; (4) a requirement to file with the Commission all consumer letters

and notices regarding consumer meetings in the area which have been sent as well as future notices or letters; (5) when the service moratorium is lifted, the company file an application with the Commission to formally end the moratorium; and (6) a direction to post information on the company website providing details on the moratorium. Ms. Norby further recommended that, if the company expects not to be able to meet the October 1, 2007, deadline to energize the new lines, it must file an application with the Commission to extend the moratorium. Chairman Lewis moved to accept staff recommendations with the addition of requiring the monthly report be postmarked within five working days of the end of the previous month. Deputy Chairman Oxley seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Monday, May 7, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 28th day of June 2007.

Kathleen A. "Cindy" Lewis, Chairman