

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING
Minutes of Regular Open Meeting

Monday, April 6, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Barbara Brohl, counsel for Qwest Corporation (by telephone)
Walter Eggers, local counsel for Bresnan Communications
Roger Fransen, local counsel for Qwest Corporation
James Hefflin, Complainant (by telephone)
Jason Hendricks, RT Communications, Inc.
Paul Hickey, local counsel for Qwest Corporation
Jeff Hubbard, Qwest Corporation
Jim Jackson, RT Communications, Inc. (by telephone)
Dina Klausen, Ernst & Young (by telephone)
Betty Knapp, Qwest Corporation (by telephone)
Marianne Neal, Qwest Corporation (by telephone)
Lynn Norsworthy, Qwest Corporation (by telephone)
Chris Schifbauer, Rocky Mountain Pipeline System (by telephone)
Lindsay Woznick, local counsel for Rocky Mountain Pipeline System
Liz Zerga, local counsel for RT Communications, Inc.

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

Commission Staff: Laura Arellano, Vicky Hansen, Dave Lucero, Tom Wilson

CONSENT AGENDA ITEMS

- 1. Docket No. 20000-342-EA-09 (Record No. 12047) Application of Rocky Mountain Power to establish an avoided cost methodology for customers that do not qualify for Tariff Schedule 37 – Avoided Cost Purchases from Qualifying Facilities. Commission advisory staff: Victoria Hansen and Thomas Wilson. Commission to consider and act on the following petitions and motions:**
 - a. Interwest Energy Alliance’s Petition for Leave to Intervene (No memo; see Petition filed February 17, 2009.);**
 - b. Petition for Leave to Intervene on Behalf of Questar Gas Management Company (no memo, see Petition filed March 6, 2009.);**
 - c. Wyoming Power Producers Coalition’s Petition for Leave to Intervene (No memo; see Petition filed March 13, 2009.);**
 - d. Wyoming Industrial Energy Consumers’ Petition for Leave to Intervene (No memo; see Petition filed March 13, 2009.);**

- e. **Motion for Admission *Pro Hac Vice* of Thorvald A. Nelson (No memo; see motion filed March 16, 2009.);**
 - f. **Motion for Admission *Pro Hac Vice* of Robert M. Pomeroy, Jr., Mark A. Davidson, and Robyn A. Kashiwa.**
2. **Docket No. 70014-25-TA-09 (Record No. 12103) Petition of Bresnan Broadband of Wyoming, LLC, for confidential treatment of portions of its 2008 Annual Report. Commission to consider and act on the petition.**
 3. **Docket No. 70124-2-TA-08 (Record No. 11928) Request of Sage Telecom, Inc., for confidential treatment of the 2007 Annual Report. Commission to consider and act on Amended Petition for Confidential Treatment of 2007 Annual Report.**
 4. **Docket No. 70124-3-TA-09 (Record No. 12097) Request of Sage Telecom, Inc., for confidential treatment of the 2008 Annual Report. Commission to consider and act on Amended Petition for Confidential Treatment of 2008 Annual Report.**
 5. **Docket No. 74670-2-TA-09 (Record No. 12098) In the matter of Sage Telecom, Inc., request for Confidential Treatment of the 2008 Annual Report. Commission to consider and act on Amended Petition for Confidential Treatment of 2008 Annual Report.**

Chairman Minier introduced the consent agenda and asked if there were any requests to withdraw an item for further considerations. There were no such requests and no comments or questions. Victoria Hansen, Commission Counsel, recommended approval of all the Consent Agenda items by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended, and Commissioner Lewis seconded the motion. Chairman Minier concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 70000-1387-TA-08 (Record No. 11843) Qwest Corporation's 2008 annual ETC certification filing pursuant to PSC Rule Section 514. Commission to consider and act on Qwest's April 1, 2009, request for extension of time to file final audit report of Qwest's federal universal service fund from March 1, 2009, to April 15, 2009.** Barbara Brohl, counsel for Qwest Corporation, said the company is requesting an additional two weeks to file the final report because the information has not yet been completed. Ms. Brohl apologized for the lateness of Qwest's request and said Commission staff was contacted as soon as it was apparent the report would not be completed on time. There were no further comments or questions. Tom Wilson, Commission Advisory Staff (CAS), recommended approval of the extension by Letter Order only, effective immediately, to be signed by Commission counsel. Deputy Chairman Oxley moved to take action as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

2. **Docket No. 50050-14-PT-09 (Record No. 12051) Application of Rocky Mountain Pipeline System LLC (RMPS) for authority to change tariff on less than thirty days notice to more fairly allocate overages and shortages, to address transmix handling, to decrease transmix charge from \$0.0526 per barrel to \$0.03 per barrel, and to cancel security surcharge. Commission to consider and act on application, Petition for Confidential Treatment of Rocky Mountain Pipeline System LLC's Responses to the PSC's First Set of Data Requests, and Petition for Confidential Treatment of Shipper List.** Jess Bottom, CAS, provided a technical memo dated March 31, 2009. Lindsay Woznick, local counsel for RMPS, reviewed the requested changes and said there have been no objections expressed by the affected shippers. Vicky Hansen, Commission Counsel, said the public notice period expired with no protests or interventions filed. There were no further comments or questions. Ms. Hansen recommended approval of the application and petitions by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

3. **Docket No. 70015-65-TC-08 (Record No. 11966) Complaint filing by James Hefflin against RT Communications, Inc., (RT) requesting a formal hearing regarding easement placement and direction for RT Communications to comply with Wyoming Statutes and PSC rules. Commission to consider and act on RT Communication's Motion Requesting Commission Determine and Enter an Order that it Lacks Authority to Award Relief Requested in the Above Captioned Complaint and Finding as a Matter of Law That Complaint's Remaining Claims Do Not State a Claim Upon Which Relief May Be Granted.** Liz Zerga, local counsel for RT Communications, reviewed Mr. Hefflin's complaint, the account history and RT's reasons for filing the above motion. Mr. Hefflin said he brought the complaint in an effort to have the Commission order RT to comply with the rules and laws of the State of Wyoming. He explained his desire to have RT negotiate an easement on his property for the service requested and his feelings that RT has taken retaliatory action against him as a result of his request. Deputy Chairman Oxley pointed out that the Commission has no ability under Wyoming law to enforce eminent domain laws. After some discussion of the issues involved, Deputy Chairman Oxley moved for discussion purposes that the Commission grant in part and deny in part RT's motion, that is, to grant RT's request where the Commission has no power to interpret or enforce statutes, particularly eminent domain and everything which flows from it. Deputy Chairman Oxley said this would still allow denial of the motion insofar as an amended complaint might allege sufficient facts grounded in issues of safety or quality of service which could be heard by the Commission. Chairman Minier suggested a limit of 30 days to file an amended application, and Deputy Chairman Oxley also recommended the Order clarify the Commission's inability to award monetary damages. Deputy Chairman Oxley then renewed his motion with the discussed changes, and Commissioner Lewis seconded the motion. Chairman Minier concurred. Chairman Minier moved to issue a separate Order which would clarify the Commission rules in this type of proceeding. Deputy Chairman Oxley seconded the motion, and Commissioner Lewis concurred.

A full audio transcript of the meeting is available upon request.

Next Regular Open Meeting: Thursday, April 9, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 28th day of July 2009.

Alan B. Minier, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING
Minutes of Regular Open Meeting

Thursday, April 9, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Mark Hughes, Powder River Energy Corporation (by telephone)
Curtis Mock, Powder River Energy Corporation (by telephone)
Allison Roberts, Powder River Energy Corporation (by telephone)

Commission Staff: Jess Bottom, Luy Luong, Steve Mink

CONSENT AGENDA ITEMS

- 1. Docket Nos. 70000-1413-TK-09 and 70048-12-TK-09 (Record No. 12067) Contract filing of Qwest Corporation for authority to enter into an Unbundled Network Elements, Ancillary Services and Resale Interconnection Agreement with DSLnet Communications, LLC. Commission to consider and act on contract filing.** Chairman Minier introduced the consent agenda item. There were no questions or comments on the item. Luy Luong, Commission Advisory Staff (CAS), recommended approval by Order only, effective immediately. Deputy Chairman Oxley moved to take the recommended action. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

REGULAR AGENDA ITEMS

- 1. Docket No. 10014-109-CT-09 (Record No. 12069) Application of Powder River Energy Corporation (PRECorp) for authority to pass through an increase from Basin Electric Power Cooperative in the wholesale cost for the Green Tag rate tariff. Commission to consider and act on application.** Jess Bottom, provided a technical memo dated April 7, 2009. Allison Roberts of PRECorp said the increase is a direct pass through of the cost of green tags and is part of an optional program offered to customers. Ms. Roberts said all customers were notified by mail of the proposed change and were instructed to call PRECorp if they wished to cancel the program. Steve Mink, Commission Counsel, said public notice was issued and expired without protests or comments. There were no further comments or questions. Mr. Bottom recommended approval of the application by Order only, effective immediately, as public notice has already been provided, with the tariff to be effective April 10, 2009. Deputy Chairman Oxley moved to take action as recommended, and Commissioner Lewis seconded the motion. Chairman Minier concurred.

A full audio transcript of the meeting is available upon request.

Next Regular Open Meeting: Tuesday, April 14, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 28th day of July 2009.

Alan B. Minier, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING
Minutes of Regular Open Meeting

Thursday, April 16, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Tammie Aberle, Montana-Dakota Utilities Co. (by telephone)
Chris Kilpatrick, Cheyenne Light, Fuel and Power (by telephone)
Mark Stege, Cheyenne Light, Fuel and Power
John Sundahl, local counsel for Cheyenne Light, Fuel and Power

Commission Staff: Blair Bales, Don Biedermann, Michelle Bohanan,
Dave Lucero, Steve Mink, Chris Petrie, Art Schmidt, Barbara Taylor-
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CONSENT AGENDA ITEMS

- 1. Docket No. 80023-1-WA-09 (Record No. 12025) Application of Bennor Water, LLC, for a certificate of public convenience and necessity to provide water utility service within the Bennor Estates subdivision located in Campbell County, Wyoming. Commission to consider and act on the Petition for Leave to Intervene filed by Bennor Improvement and Service District.**
- 2. Docket No. 70000-1412-TK-09 (Record No. 12065) Contract filing of Qwest Corporation for authority to enter into a Type 2 Wireless Interconnection Agreement with NE Colorado Cellular, Inc.**
- 3. Docket No. 70000-1414-TK-09 (Record No. 12070) Contract filing of Qwest Corporation for an amendment to its Type 2 Wireless Collocation Interconnection Agreement with NE Colorado Cellular, Inc. Commission to consider and act on contract filing.**
- 4. Docket Nos. 70000-1416-TK-09 and 70114-24-TK-09 (Record No. 12072) Contract filing of Qwest Corporation for authority to enter into a Single Point of Presence (SPOP) in the LATA amendment to the Interconnection Agreement with Bresnan Broadband of Wyoming, LLC. Commission to consider and act on contract filing.**
- 5. Undocketed. Open Meeting minutes for review by the Commission for the Regular Open Meeting of January 15, 2009.**

Chairman Minier introduced the consent agenda items. There were no comments, questions or requests to withdraw an item for further consideration. Dave Lucero,

Commission Counsel, recommended issuing an Order granting the petition in Item 1, and he recommended approval of Items 2, 3 and 4 by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred. Deputy Chairman Oxley then moved to approve the minutes in Item 5. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 20003-102-EP-08 (Record No. 12017) Application of Cheyenne Light, Fuel and Power (Cheyenne Light) to extend the voluntary renewable energy rider tariff. Commission to receive information on past and projected program revenue and expenses and to consider such action as may be in the public interest.** Michelle Bohanan, Commission Advisory Staff (CAS), provided a technical memo dated February 26, 2009. Chris Kilpatrick, counsel for Cheyenne Light, said the company would like to continue the program, which currently has 48 customers. In response to Commission concerns, he said administrative costs have been high as a result of program start-up, but he said the belief is these will stabilize very shortly. There were no further comments or questions. Deputy Chairman Oxley moved that the reporting requirement to the Commission be changed from quarterly to annually to help lower administrative costs. After a short discussion, Commissioner Lewis seconded the motion, and Chairman Minier concurred.
2. **Docket No. 30005-127-GP-09 (Record No. 12100) Application of Cheyenne Light, Fuel and Power Company for authority to pass on a wholesale gas cost decrease of \$0.7003 per Dth for firm and interruptible rate classes beginning May 1, 2009. Commission to consider and act on the company's application and Petition for Confidential Treatment.** Michelle Bohanan, CAS, provided a technical memo dated April 7, 2009. Chris Kilpatrick, counsel for Cheyenne Light, said the request is due to a credit balance in its commodity balancing account and decreased commodity costs. There were no further comments or questions. Ms. Bohanan recommended approval of the application by Notice and Order, effective immediately, and approval of the Petition for Confidential Treatment by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended, and Commissioner Lewis seconded the motion. Chairman Minier concurred.
3. **Docket No. 30013-215-GT-09 (Record No. 12102) Application of Montana-Dakota Utilities Co. (MDU) for approval of a conservation tracking adjustment. Commission to consider and act on application.** Don Biedermann, CAS, provided a technical memo dated April 8, 2009. Tammie Aberle of MDU said the application is to recover program costs incurred from March 1, 2008, through February 28, 2009. She said participation in the energy conservation and rebate programs is encouraged through advertising in bill inserts, MDU's website and at home shows. Ms. Aberle said a few radio and television advertisements are also included in the costs. Mr. Biedermann said a comparison of data for this year and last year indicates a slight overall increase in program participation. There were no further comments or questions. Steve Mink,

Commission Counsel, recommended approval of the adjustment by Notice and Order, effective immediately, for service on or after May 1, 2009. Deputy Chairman Oxley moved to take action as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

A full audio transcript of the meeting is available upon request.

Next Regular Open Meeting: Monday, April 20, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 28th day of July 2009.

Alan B. Minier, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING
Minutes of Regular Open Meeting

Monday, April 20, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Rich Brewer, SourceGas Distribution, LLC
William Meckling, SourceGas Distribution, LLC
Eric Nelsen, SourceGas Distribution, LLC
Kelley Pearson, local counsel for SourceGas Distribution, LLC
Dave Schropfer, *pro se* Complainant
Judy Vialpando, SourceGas Distribution, LLC

Office of Consumer Advocate (OCA): Bryce Freeman

Commission Staff: Blair Bales, Dave Lucero, Shirley McCown, Steve Mink

CONSENT AGENDA ITEMS

1. **Docket No. 70000-1418-TK-09 (Record No. 12112). Contract filing of Qwest Corporation of a Qwest Local Service Platform (QLSP) agreement with Greenfly Networks, Inc., doing business as Clearly Communications, Inc. Commission to consider and act on contract filing.**

2. **Docket No. 70000-1420-TK-09 (Record No. 12116). Contract filing of Qwest Corporation of a Qwest Local Service Platform (QLSP) agreement with NorthStar Telecom, Inc. Commission to consider and act on contract filing.**

Chairman Minier introduced the consent agenda items. There were no comments, questions or requests to withdraw an item for further consideration. Blair Bales, Commission Counsel, recommended issuing letters of acknowledgement for both items and placement of the contracts in the Commission files. Deputy Chairman Oxley moved to take action as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 30022-130-GC-9 (Record No. 12053) Complaint filing by David W. Schropfer against SourceGas Distribution, LLC, (SourceGas) requesting a formal hearing regarding billing and collection procedures. Commission to consider and act on the company's Motion to Dismiss.** Eric Nelsen, counsel for SourceGas, said the

motion reflects the company's opinion that the complaint should be dismissed because SourceGas' actions followed the procedures set forth in its approved tariffs; and he noted that service to Mr. Schropfer was never actually interrupted. However, as a result of this complaint, SourceGas is revising its disconnection notice to provide a telephone number customers may use to verify payment receipt. Mr. Schropfer said the existing procedures do not allow sufficient time for a customer response, particularly if the customer is out of town when the bill or delinquency notice are mailed. He said there were also problems in the processing of his payment which resulted in the disconnection notice. The Commission expressed its desire to create a complete record with evidence from all parties before making any decision, but said it was not prepared to conduct a full hearing at this time. Chairman Minier moved to table this matter and request the parties discuss the issues amongst themselves. Commissioner Lewis seconded the motion for discussion purposes, and Deputy Chairman Oxley concurred. After further discussion, Chairman Minier moved to issue an Order denying the Motion to Dismiss and directing the parties to discuss the matter further and submit a report of their progress to the Commission. The Chairman said the report could, if the parties wished, be a joint letter to the Commission and should be provided by Wednesday, May 20, 2009, at which time further action would be determined. Deputy Chairman Oxley seconded the motion, and Commissioner Lewis concurred.

A full audio transcript of the meeting is available upon request.

Next Regular Open Meeting: Tuesday, April 21, 2009, at 10:00 a.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 28th day of July 2009.

Alan B. Minier, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING
Minutes of Regular Open Meeting

Tuesday, April 21, 2009
10:00 a.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Mary L. Anderson, Beartooth Electric Cooperative, Inc.
Shannon Anderson, Power River Basin Resource Council
Pam Murrell, Member, Beartooth Electric Cooperative, Inc. (by telephone)
Ron Roodell, Beartooth Electric Cooperative, Inc.
Deb Thomas, Member, Beartooth Electric Cooperative, Inc. (by telephone)

Office of Consumer Advocate (OCA): Bryce Freeman, Kimber Wichmann

Commission Staff: Blair Bales, Meridith Bell, Don Biedermann, Michelle Bohanan, Dave Lucero, Marci Norby, David Walker

REGULAR AGENDA ITEMS

- 1. Docket No. 10017-15-CR-08 (Record No. 11914) Amended Application of Beartooth Electric Cooperative, Inc., (Beartooth) for a general rate increase to its Wyoming customers of \$255,873 per annum. Commission to consider and act on amended application.** Michelle Bohanan, Don Biedermann and Dave Walker, Commission Advisory Staff (CAS), provided a technical memo dated April 17, 2009. Ron Roodell, General Manager of Beartooth, testified and responded to questions regarding construction and financial impacts of the Highwood generation plant. Mary Anderson, Director of Finance and Accounting, provided information and responded to questions on rate structures, classes of service and requested changes to the rates. Shannon Anderson of the Powder River Basin Resource Council expressed her group's concerns for the financial future of the company and the lack of transparency between the cooperative and its members. Deb Thomas, a Beartooth member, expressed similar concerns and her belief the cooperative should research the possibility of using more alternative energy. Following these comments, Ms. Bohanan reviewed the requested changes as outlined in the technical memo. In conclusion, the Commission determined there were five issues to address:

The first was whether or not to include expenses for the unfinished Highwood generation plant project in the rates for Wyoming customers. Due to the "used and useful" requirement in W.S. § 37-2-119, Ms. Bohanan and Dave Lucero, Commission Counsel, recommended excluding these expenses from the Wyoming rate base at this time. Deputy

Chairman Oxley moved to accept the staff recommendation. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

On the second issue, Ms. Bohanan recommended accepting the company's proposal to increase its equity percentage by 4% to a level of 40% and for an overall rate of return on rate base of 7.51%. She said this would support the company's operating requirements for capital credit rotation and support its bond rating. Deputy Chairman Oxley moved to accept this recommendation, and Commissioner Lewis seconded the motion. Chairman Minier concurred.

Don Biedermann, CAS, then recommended that Beartooth be instructed to develop a set of rules and regulations applicable to Wyoming customers which conform to Commission rules. He suggested a period of six months be allowed from the date of the issuance of this order and that the proposed rules and regulations be filed as a separate application. Deputy Chairman Oxley moved to accept this recommendation. Chairman Minier seconded the motion, and Commissioner Lewis concurred.

Regarding quality of service, Dave Walker, CAS, recommended Beartooth be required to provide the Commission with [i] its four-year work plan, [ii] semi-annual reports for three years reviewing the upgrades, regrades, and system modifications completed since the last report and [iii] service outage information. He said the reports would allow Commission staff to work with Beartooth to address quality of service problems in Wyoming. Dave Lucero, Commission Counsel, said such reports could be submitted as part of this docket, and he said the docket would not need to remain open unless it was determined further action was needed. Deputy Chairman Oxley moved to require compliance filings in this docket as described by Mr. Walker. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

Ms. Bohanan recommended the company submit a modified rate design structure to reflect a band of 99%-100% of the cost of service for each class. After some discussion, Deputy Chairman Oxley moved to instruct Beartooth to submit rates for each class which [i] reflect a band between 98%-102% of the class revenue responsibility for each class; [ii] exclude the Highwood generation facility costs; [iii] and move to a 40% equity level. The company would be directed to inform the Commission of any problems generated as a result. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

Since Beartooth indicated it does not have a pass-on tariff for commodity costs, Deputy Chairman Oxley moved to request the filing of such a tariff as soon as possible. Commissioner Lewis seconded the motion, and Chairman Minier concurred. Commissioner Lewis entered a motion to request Beartooth file compliance tariffs to reflect the Commission decisions and the company's proposed rates. Deputy Chairman Oxley seconded the motion, and Chairman Minier concurred.

A full audio transcript of the meeting is available upon request.

Next Regular Open Meeting: Friday, April 24, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 28th day of July 2009.

Alan B. Minier, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING
Minutes of Regular Open Meeting

Friday, April 24, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley

Doug Bennion, Rocky Mountain Power
Jennifer Byde, counsel for Questar Gas Company (by telephone)
Heide Caswell, Rocky Mountain Power
Kevin Degenstein, Energy West Wyoming (by telephone)
Al Harms, consultant to Energy West Wyoming (by telephone)
Joshua Jones, Rocky Mountain Power
John Kennedy, Questar Gas Company (by telephone)
Barrie McKay, Questar Gas Company (by telephone)
Kelly Mendenhall, Questar Gas Company (by telephone)
Dave Mosier, Rocky Mountain Power
Brad Samuels, Energy West Wyoming (by telephone)
Daniel Solander, counsel for Rocky Mountain Power (by telephone)

Commission Staff: Blair Bales, Dave Lucero, Luy Luong, Steve Mink,
Marci Norby, David Piroutek

CONSENT AGENDA ITEMS

1. **Docket No. 70000-1415-TK-09 (Record No. 12071) Contract filing of Qwest Corporation for authority to enter into Single Point Presence (SPOP) in the LATA amendment to the interconnection agreement with NE Colorado Cellular Inc. Commission to consider and act on contract filing.** Chairman Minier introduced the Consent Agenda item. There were no comments, questions or requests to withdraw the item for further consideration. Luy Luong, Commission Advisory Staff (CAS), recommended approval of the item by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended, and Chairman Minier seconded the motion.

REGULAR AGENDA ITEMS

1. **Docket No. 30011-61-GP-09 (Record No. 12105) Application of Energy West Wyoming for authority to pass on a net wholesale gas cost decrease of \$2.7558 per Mcf. Commission to consider and act on application.** Marci Norby, CAS, provided a technical memo dated April 16, 2009. Brad Samuels of Energy West Wyoming said the application would provide a decrease to all customer classes and is mostly due to lower wholesale gas costs and over-recovery of gas costs in the commodity balancing account. Mr. Samuels said the tariff filed with this application is correct, but the tariff currently

being used is in error. He said this has been discussed with Commission staff in an effort to seek resolution of the resulting overcharges. Ms. Norby said she felt a refund should be required but that it should be considered separately from this docket. Ms. Norby also said it might be more appropriate for Energy West Wyoming to adjust its charges more than once a year to help avoid overcollection in the commodity balancing account. There were no further comments or questions. Ms. Norby recommended approval of the application by Notice and Order, effective immediately, for service on and after May 1, 2009. She also recommended the company file a report on the commodity balancing account to determine if more frequent adjustments are needed. Deputy Chairman Oxley moved to take action as recommended, and Chairman Minier seconded the motion.

2. **Docket No. 30011-58-GA-08 (Record No. 11878) Application of Energy West Wyoming, a division of Energy West Incorporated, to file an allocated cost of service study for the period ending March 31, 2008. Commission to consider and act on application.** Marci Norby, CAS, provided a technical memo dated March 6, 2009. Brad Samuels, Energy West Wyoming, said the application is the result of the stipulation approved in the last general rate case where it agreed to do a cost of service study using actual company data rather than surrogate data. Mr. Samuels said the company has worked with Commission and OCA staff in the design of rate classes, and additional rate design modifications would be made prior to the next rate case, particularly in the area of energy conservation. There were no further comments or questions. Ms. Norby recommended the Commission accept the cost of service study for filing with a Letter Order signed by Commission Counsel. Ms. Norby said she would also recommend Energy West Wyoming continue to use company-specific cost data and to include evidence or a discussion of energy efficiency or conservation measures in the next rate case. Deputy Chairman Oxley moved to take action as recommended, and Chairman Minier seconded the motion.
3. **Docket No. 30010-97-GP-09 (Record No. 12123) Application of Questar Gas Company (Questar) for an adjustment to its commodity balancing account by means of a special one-time refund. Commission to consider and act on application.** Marci Norby, CAS, provided a technical memo dated April 21, 2009. John Kennedy of Questar said the company is requesting approval of a one-time refund to customers due to accumulation of a significant overcollection in the commodity balancing account. Mr. Kennedy said approximately \$1.3 million would be credited to customer bills in May for an average decrease of \$33 each. In response to Commission questions, Mr. Kennedy added that checks would be mailed to those who are no longer customers and for whom Questar has addresses. There were no further comments or questions. Ms. Norby recommended approval of the application by Notice and Order, effective immediately. Deputy Chairman Oxley moved to approve the application as recommended, and Chairman Minier seconded the motion.
4. **Docket No. 20000-330-ET-08 (Record No. 11774) Application by Rocky Mountain Power (RMP) for authority to revise the Network Performance Standards for Revised Baselines Rule 26. Commission to consider and act on application.** Luy Luong and Dave Piroutek, CAS, provided a technical memo dated April 21, 2009. Heide

Caswell of RMP said the company worked with Commission staff to develop interruption cause types which align themselves to engineered solutions for future investment so that the greatest improvement will be seen. Ms. Caswell said the performance standards will be tighter and more aggressive but will apply to a more limited range of incidents. Doug Bennion and Joshua Jones of RMP provided additional technical details on the proposed changes. Mr. Piroutek said this application addresses several concerns raised in the prior application submitted in October 2008. He said the changes provide the Commission additional oversight into how RMP handles system restoration and maintenance and provides for addition inspections and reports. There were no further comments or questions. Mr. Piroutek recommended approval of the application by Notice and Order, effective immediately, as public notice has not been provided for this amended application. Deputy Chairman Oxley moved to take action as recommended, and Chairman Minier seconded the motion.

A full audio transcript of the meeting is available upon request.

Next Regular Open Meeting: Tuesday, April 28, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 30th day of July 2009.

Alan B. Minier, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING
Minutes of Regular Open Meeting

Tuesday, April 28, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley

Bruce Griswold, Rocky Mountain Power (by telephone)
Lisa Hickey, counsel for Interwest Energy Alliance (by telephone)
Aaron Lively, Rocky Mountain Power (by telephone)
Dave Mosier, Rocky Mountain Power
Kathy Ramsey, Rocky Mountain Power (by telephone)
Rhonda Rasmussen, Rocky Mountain Power (by telephone)

Commission Staff: Blair Bales, Don Biedermann

REGULAR AGENDA ITEMS

- 1. Docket No. 20000-343-ET-09 (Record No. 12064) Application of Rocky Mountain Power (RMP) for authority to revise its Blue Sky tariff. Commission to consider and act on application.** Don Biedermann, Commission Advisory Staff (CAS), provided a technical memo dated April 21, 2009. Dave Mosier, RMP, said the application requests housekeeping changes and proposes a bulk purchase option in Schedule 72 which would allow multi-year purchases. Aaron Lively and Rhonda Rasmussen of RMP provided further detail and responded to questions regarding inclusion of commercial customers in the Blue Sky tariff. There were no further comments or questions. Mr. Biedermann recommended approval of the application with the inclusion of the commercial class schedules 28 and 33, effective immediately, by Order only. Deputy Chairman Oxley moved to approve the tariff as recommended, and Chairman Minier seconded the motion. Mr. Mosier said the company would make the applicable changes and file corrected tariffs.

A full audio transcript of the meeting is available upon request.

Next Regular Open Meeting: Thursday, April 30, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 30th day of July 2009.

Alan B. Minier, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING
Minutes of Regular Open Meeting

Thursday, April 30, 2009
8:00 a.m. and 10:00 a.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Bruce Asay, counsel for Pinedale Natural Gas, Inc.
Barbara Brohl, counsel for Qwest Corporation
Deena Clausen, Ernst & Young, LLP
Jason Hendricks, Range Family of Telcos
Paul Hickey, local counsel for Qwest Corporation
Jeff Hubbard, Qwest Corporation
Betty Knapp, Qwest Corporation
Gilmer Mickey, Pinedale Natural Gas, Inc.
Rita Mulkern, Montana-Dakota Utilities Co. (by telephone)
Liz Zerga, counsel for Range Family of Telcos

Office of Consumer Advocate (OCA): Bryce Freeman, David McMullian,
Kimber Wichmann, Ivan Williams, Amy Zamora

Commission Staff: Blair Bales, Michelle Bohanan, Vicky Hansen, Dave
Lucero, Steve Mink, Marci Norby, Chris Petrie, Art Schmidt, Tom Wilson

8:00 a.m.

REGULAR AGENDA ITEMS

1. **Docket No. 70000-1387-TA-08 (Record No. 11843) Qwest Corporation's 2008 annual ETC certification filing pursuant to PSC Rule Section 514. Commission to consider and act on April 15, 2009, Auditor's Report of Qwest's federal universal service fund.** Paul Hickey, local counsel for Qwest, provided a brief summary of the Audit Report. He stated a review of past FUSF tariff filing dockets revealed a timing difference between the receipt of FUSF support and its disbursement to customers. Mr. Hickey referenced the Commission Order issued in September 1999, where each year Qwest is required to base its annual tariff filing which applies FUSF bill credits to the previous year's FUSF receipts. He claimed the accumulation of FUSF was a timing difference. Deena Clausen, Executive Director of Assurance and Advisory Business Services with Ernst & Young, LLP, summarized the audit stating this was not a compliance audit where the auditor would create the procedures and render an opinion. She stated since this was considered an agreed upon procedure audit, she could not offer an opinion on the results and added there were no procedures in this audit to determine the affect of the FUSF accrual on the WUSF. Ivan Williams, OCA Senior Counsel, stated he generally concurs with Qwest's responses and supports closing this docket. He

also stated, if the Commission decided to open another docket to investigate further, the OCA would participate. After further discussion between Qwest, OCA, Commission Staff (Staff) and the Commission, Tom Wilson (Staff), recommended the Commission: [i] close this docket and open another docket to investigate the nature of the described lag and accumulation of FUSF; [ii] consider the audit report more fully under a new docket; and, [iii] send the Audit Report to the Universal Service Administrative Company along with Qwest's response. Deputy Chairman Oxley moved to take action as recommended, Commissioner Lewis seconded the motion and Chairman Minier concurred.

2. **Docket No. 30013-216-GP-09 (Record No. 12118) Application of Montana-Dakota Utilities Co. (MDU) for authority to pass on a wholesale gas cost decrease of \$0.416 per Dth for residential, firm general service and interruptible customers and a wholesale gas cost decrease of \$0.421 per Dth for optional seasonal customers. Commission to consider and act on company's application and associated petition for confidential treatment of Exhibit 3(a) pursuant to Commission Rule Section 120.** Jess Bottom, Commission Advisory Staff (CAS), provided a technical memo dated April 16, 2009. Rita Mulkern of MDU stated this application is for the May purchase gas cost adjustment which is a decrease of \$0.416 per Dth for all customers except for firm seasonal customers who will see a decrease of \$0.421 per Dth. Ms. Mulkern stated the reason for the continued decrease is a decrease in commodity costs, the economic downturn, low crude oil prices and storage levels above average compared to last year. There were no further comments or questions. Marci Norby, CAS, recommended approval of the application by Notice and Order, for usage on and after May 1, 2009, and approval of the Petition for Confidential Treatment, effective immediately. Deputy Chairman Oxley moved to take action as recommended, Commissioner Lewis seconded the motion and Chairman Minier concurred.

10:00 a.m.

3. **Docket No. 30016-57-GP-09 (Record No. 12082) Application of Pinedale Natural Gas, Inc., for authority to pass on a wholesale gas cost decrease of \$2.72 per Dth through its Commodity Balancing Account. Commission to consider and potentially act on the Company's application.** Michelle Bohanan, CAS, provided a technical memo dated April 23, 2009. Bruce Asay, counsel for Pinedale Natural Gas, Inc., explained the history of the gas processing fee and its addition into the Commodity Balancing Account. He argued the Company is entitled to recover this cost and the cost is appropriate under Commission Rule 249. Mr. Asay stated that, since the Commission approved a \$0.28 per Dth processing fee in Sub 53, the fee is therefore appropriate; and in the public interest for usage on and after October 31, 2008. He advanced the argument that the Company could not increase its rates to collect the processing fee until after October 31, 2008, but could, after that date, collect the fee back to 2007, because the Company incurred these costs in 2007. Ms. Bohanan stated Staff believed the processing fee should not be included in the CBA based on the Commission's findings in Sub 53 that the increase should become effective for usage on and after October 31, 2008. She referenced the open meeting audio recording wherein Technical Staff made it clear that its recommendation included costs going forward only. There were no further comments

or questions. Ms. Bohanan recommended [i] the Company remove the processing fee from the CBA and recalculate and refile the CBA by 4:00 p.m. on May 7, 2009; [ii] approval of the Staff's calculated rates with a CBA credit, effective for usage on and after April 30, 2009, with the Company being directed to file tariffs which reflect that rate by 4:00 p.m. on May 7, 2009; [iii] the Company follow its tariffs and file future pass-on applications no later than 15 business days prior to the requested effective date; [iv] the Company respond to Staff data requests by the response date requested; and [v] the Company file its normalized earnings statements within 15 calendar days from the order issue date. Commissioner Lewis moved to take action as recommended, Deputy Chairman Oxley seconded the motion and Chairman Minier concurred.

4. **Docket No. 30016-56-GA-09 (Record No. 12022) Filing of Pinedale Natural Gas, Inc., of a depreciation study. Commission to consider the filing, including the adequacy of the depreciation study, and take such action as the public interest requires.** Bruce Asay, counsel for Pinedale Natural Gas, Inc., explained the filing of the depreciation study, stating it was filed under the docket that required the filing and is being filed as a compliance filing. Mr. Asay objected to having it filed in a separate docket. Ms. Blair Bales, Commission Counsel, indicated the depreciation study was not meant to be a compliance filing. Ms. Marci Norby stated the analysis presented by the Company had lacked important information that required further examination. Mr. Norby recommended the Commission dismiss the current filing and require the Company to file a subsequent depreciation study under a separate docket by April 30, 2010. Deputy Chairman Oxley moved to take action as recommended, Commissioner Lewis seconded the motion and Chairman Minier concurred.

A full audio transcript of the meeting is available upon request.

Next Regular Open Meeting: Tuesday, May 5, 2009, at 1:30 p.m.

Prepared by: Angie Elliott

ACCEPTED and APPROVED by the Commission on the 4th day of September 2009.

Alan B. Minier, Chairman