

# WYOMING PUBLIC SERVICE COMMISSION

## *Open Meeting Minutes*

**Thursday, August 2, 2018**

**1:30 p.m.**

Commissioners: Chairman William F. Russell  
Deputy Chair Kara Brighton Fornstrom

James Webb, President/CEO for Lower Valley Energy, Inc. (by telephone)  
Jon Houglund, CFO for Lower Valley Energy, Inc. (by telephone)  
Vance Witt, Managing Member for Time Clock Solutions, LLC (by telephone)

Commission Staff (CS): Brad Boyles, John Burbridge, Luy Luong, Steve Mink, Jess Bottom, Rachel Meeker, Lori Brand, Kaeci Daniels

### **CONSENT AGENDA**

1. **Undocketed. *Minutes* for review from the Open Meetings on May 17 and June 26, 2018, as prepared by Barbara Tomlinson and Sylvia Sanchez.**
2. **Docket No. 80024-6-WR-18 (Record No. 14990). Application of Nordic Ranches Water, LLC, for approval of a general rate increase of \$200,197.00 per annum; revised Rules and Regulations; and, a Certificate of Public Convenience and Necessity to serve Nordic Ranches Division 14 and surrounding area. Commission to consider issuance of a *Special Order Authorizing One Commissioner and/or Presiding Officer to Conduct Public Hearing*.**
3. **Docket No: 20000-533-EC-18 (Record No. 14954). Complaint filing of VK Clean Energy Partners LLP against Rocky Mountain Power. Commission to consider and act on Rocky Mountain Power's *Unopposed Motion to Amend Procedural Schedule (Motion)*.**
4. **Docket No. 74734-1-TA-18 (Record No. 15014). Registration of Time Clock Solutions, LLC. Commission to consider acceptance of the Registration.**

Deputy Chair Fornstrom moved to approve the *Minutes* in item 1 as prepared. Chairman Russell concurred. Steve Mink, Commission Counsel, recommended granting the *Special Order* for item 2, granting the *Motion* in item 3 and acceptance of the registration in item 4 all by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Chairman Russell seconded the motion.

## REGULAR AGENDA

1. **Docket No. 10012-65-CS-18 (Record No. 15037). Application of Lower Valley Energy, Inc. for authority to borrow up to \$65,000,000. Commission to consider and act on Application.**

Jess Bottom, Commission Staff, provided a technical *Memo* dated July 27, 2018. James Webb, President/CEO for Lower Valley Energy, Inc., advised the Company has been working with Bonneville Power Administration on construction of a new transmission line. Mr. Webb indicated the Company has negotiated a contract to build the line and reimburse Bonneville's project costs including a completion deadline of December 2019 with a "not to exceed" contract with the contractors. After construction of the line is complete, he stated Bonneville would then lease the line from the Company for 40 years, which will allow costs to be recouped. John Burbridge, Commission Counsel, recommended approval of the application by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Chairman Russell seconded the motion.

2. **Docket No. 70256-1-TA-18 (Record No. 15013). Application of Time Clock Solutions, LLC for a Certificate of Public Convenience and Necessity to Provide local exchange telecommunications services in Wyoming. Commission to consider and act on Application and *Petition for Confidential Treatment of Financial Information (Petition)*.**

Rachel Meeker and Kaeci Daniels, Commission Staff, provided a technical *Memo* dated July 27, 2018. Vance Witt, Managing Member for Time Clock Solutions, stated the Company is requesting a CPCN to provide local exchange service in the State. Lori Brand, Commission Counsel, recommended approval of the application and granting the *Petition* both by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Chairman Russell seconded the motion.

Prepared by: Sylvia Sanchez

Date of Next Open Meeting: Tuesday, August 14, 2018

ACCEPTED and APPROVED by the Commission on September 18, 2018

---

Chairman William F. Russell

# **WYOMING PUBLIC SERVICE COMMISSION**

Minutes of Regular Open Meeting  
Tuesday, August 14, 2018  
1:30 p.m.

Commissioners: Chairman William Russell  
Deputy Chair Kara Brighton Fornstrom  
Commissioner Robin Sessions Cooley

Jeff Bumgarner, Vice President of Member Services and Executive Director, Powder River Energy Corporation (PRECorp or Cooperative)

Mark Allison, Control Systems Supervisor, PRECorp

Brenden Bowden, Service Tech Group Leader, PRECorp

Jeff Umphlett, General Manager, Big Horn Rural Electric Cooperative (by telephone)

Dale Cottam, Bailey Stock Harmon Cottam & Lopez, Counsel for Nordic Ranches Water, LLC (by telephone)

Ron Lopez, Bailey Stock Harmon Cottam & Lopez, Counsel for Nordic Ranches Water, LLC

Elizabeth Missel, Treasurer, Nordic Ranches Utilities' LLC (by telephone)

Tanya DeJournett, Water Operator, Nordic Ranches Water, LLC (by telephone)

Gay Edwards, Nordic Ranches Water, LLC (by telephone)

Jacob Edwards, Water Operator - In Training, Nordic Ranches Water, LLC (by telephone)

Mark Pepper, Consultant for Nordic Ranches Water, LLC (by telephone)

Office of Consumer Advocate (OCA): Christopher Leger, Belinda Kolb

Commission Staff (CS): Katie Koski, Nathan Brennan, Steve Mink, Rachel Meeker, John Burbridge, Jess Bottom, Kara Seveland, and Luy Luong

## **CONSENT AGENDA**

1. **Undocketed. Minutes for review from the Open Meeting on June 28, 2018, as prepared by Sylvia Sanchez.**
2. **Docket No. 70096-40-TA-17 (Record No. 14713). Petition for confidential treatment of Advanced Communications Technology, Inc. Commission to consider and act on request to designate pages 3–11 of Advanced Communication Technology, Inc.'s 2016 Annual report as confidential pursuant to Commission Rule Chapter 2, Section 30 as requested in *Advanced Communication Technology, Inc.'s Petition for Confidential Treatment of Select Pages of its 2016 Annual Report and Request for Confidential Treatment of Similar Information in Future Annual Reports (Petition)*. Nathan Brennan, CS, provided a technical attached *Memo* dated August 9, 2018.**

3. **Docket Nos. 70009-484-TK-18 and 70235-6-TK-18 (Record No. 15005). Contract filing of United Telephone Company of the West d/b/a CenturyLink of the West for authority to enter into an Interconnection Agreement with Onvoy, LLC. Commission to consider and act on Agreement.** Rachel Meeker, CS, provided a technical *Memo* dated August 1, 2018.
4. **Docket No. 30003-74-GK-17 (Record No. 14813). Contract filing of Black Hills Energy, a division of Cheyenne Light, Fuel and Power Company, of its gas purchase contracts for the year ending May 31, 2018. Commission to consider and act on the Company's *Petition for Confidential Treatment of Contract. (Petition).***
5. **Docket No. 70215-8-TT-18 (Record No. 15067). Tariff filing of Big River Telephone Company, LLC to revise Access Tariffs in compliance with FCC 11-161. Commission to consider and act on Application.** Rachel Meeker and Nathan Brennan, CS, provided a technical *Memo* dated August 8, 2018.

Chairman Russell introduced the consent items. For Item #1, Deputy Chair Fornstrom moved to approve the minutes as prepared. Commissioner Cooley seconded the motion and Chairman Russell concurred. For Item # 2, John Burbridge, Commission Counsel, recommended granting the *Petition* with respect to the 2016 annual report only, and denying the *Request for Confidential Treatment of Similar Information in Future Annual Reports*. For Item #3, he recommended approval of the Agreement. For Item #4, he recommended granting the *Petition*. For Item #5, he recommended approval of the Application, all of the items by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

### **REGULAR AGENDA**

1. **Docket No. 10014-189-CT-18 (Record No. 14930). Tariff filing of Powder River Energy Corporation to revise its Rules and Regulations pertaining to meter testing and verification. Commission to consider and act on tariff filing.** Morgan Fish, CS, provided a technical *Memo* dated June 6, 2018. Jeff Bumgarner, PRECorp's Vice President of Member Services and Executive Director, summarized the Application and provided details. He said the revisions will remove meter field audits, ensure calibration through testing, remove all references to tools and equipment no longer used, as well as extraneous information. Mr. Bumgarner said the effort is no longer warranted because of the low incidence of errors and a planned meter replacement project, which is expected to be completed by end of 2019. Once the project is complete, the Cooperative plans to realign the registers. Mark Allison, PRECorp's Control Systems Supervisor, responded to the Deputy Chair that the decline in errors is because inventory has been cleared of bad endpoints that were causing issues. Mr. Bumgarner said replacing the old meters will identify other issues, as well. He said the Cooperative will use any discrepancy in readings to adjust members' bills accordingly. There were no further questions. John Burbridge, Commission Counsel, recommended approval of the Application by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

2. **Docket No. 10019-65-CT-17 (Record No. 14760). Application of Big Horn Rural Electric Company for approval to update its tariffs. Commission to consider and act on Application.** Kara Seveland, CS, provided a technical *Memo* dated July 20, 2018. Jeff Umphlett, Big Horn's General Manager, explained this filing will bring Big Horn into compliance with the Commission's recently revised rules and regulations. There were no questions. John Burbridge, Commission Counsel, recommended approval of the Application by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.
3. **Docket No. 80024-4-WT-16 (Record No. 14567). Tariff filing of Nordic Ranches Water, LLC pursuant to revised Commission Rules and Regulations, effective March 21, 2016. Commission to consider and act on tariff filing.** Luy Luong, CS, provided a technical *Memo* dated August 8, 2018. Dale Cottam, Counsel for Nordic Ranches Water, explained this filing is to bring the Nordic Ranches Water into compliance with Commission Rules and said the Company worked with Commission Staff to address concerns. The tariffs are being changed to reflect current operations. He pointed out that there is no fire suppression capability and these issues will be handled in the rate case, but for now the language regarding fire suppression will be maintained. There were no questions. Katie Koski, Commission Counsel, recommended approval of the Application by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.
4. **Docket No. 80024-6-WR-18 (Record No. 14990). Application of Nordic Ranches Water, LLC (NRW), for approval of a general rate increase of \$200,197.00 per annum; revised Rules and Regulations; and, a Certificate of Public Convenience and Necessity to serve Nordic Ranches Division 14 and surrounding area. Commission to consider and act on NRW's request for interim rates.** Nathan Brennan and Luy Luong, CS, provided a technical *Memo* dated August 10, 2018. Dale Cottam, Counsel for Nordic Ranches Water, provided a brief background on this Application. The request was previously tabled to allow the Company time to review costs in the revenue requirement model, and attempt to find savings and confirm critical needs for the short term. A supplemental filing was submitted following that review. Since then, the Company has held two customer information meetings in Star Valley with good attendance and broad discussion. He said most expressed concerns about the significance of the rate increase and reduction in the allowable amount of gallons. Some customers were surprised there were no reserves and that none had been built up over the years. Going forward, Mr. Cottam warned there will need to be robust discussion about this subject. In addition, he said Belinda Kolb, OCA's Senior Analyst, conducted an audit of the Company, provided suggestions, and helped reduce the rate request. He said no significant cost savings were found in the process, however, the Company has decided to defer certain expenses and the collecting of the total amount of needed reserves. He also said Nordic Ranches Water is providing the Commission with notice that the owners may need to borrow additional funds and wanted to make sure the Commission is fully informed. Commissioner Cooley asked about potential issues Commission Staff raised with Exhibit 41, Line 7, which shows a reduction in overage per connection and if it should it be an increase instead. Mr. Cottam said it is a mistake and the engineer will correct this information. Mr. Cottam also clarified details about the professional fees, noting they will be separated out of the rate case. He

further noted that replacement reserves are tied to long term assets and the eventual need to replace those assets. Noting how the Company's cost model works, he said the goal is to try to bring margin after reserves to zero. He confirmed to Deputy Chair Fornstrom that the issue of Division 14 was given no consideration in this supplemental filing. He said the Company could not collect from Division 14 until well after the rate case has been resolved. Mr. Cottam said the utility tried to reduce the rate further, but there is concern about delaying reserve collections and it cannot set rates below \$85.00 at this time. He said the biggest difference between the two recommendations is the reserve account because in order to make the system healthy, it is necessary.

Deputy Chair Fornstrom and Commission Staff discussed the amount of professional fees and what is reasonable. There was disagreement about whether they belong in the general rate case or the interim rate relief. Mr. Cottam explained the Company will not be looking to increase these expenses, stating professionals will have to be efficient and some invoices may have to be paid out of ordinary fees.

Elizabeth Missel, Nordic Ranches Utilities' representative, expressed concern on behalf of customers that funding is unclear and the numbers are confusing, noting rates will more than double. She said it is clear the utility needs an increase, but \$85.00 is too much without going through the full discovery process and said there is likely to be additional loans and financing in the meantime.

Belinda Kolb, OCA, commented the request is within the range of reasonable outcomes and OCA does not object to the rate request. She provided an overview of the audit she conducted for OCA, stating she spent time with the financial information, looked at necessary adjustments, met with Company witnesses, and examine documentation. She also attended customer meetings. There were no further questions.

Deputy Chair Fornstrom moved to approve interim rates as requested by the Company, by *Order* only, effective immediately. Commissioner Cooley seconded the motion and Chairman Russell concurred.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Thursday, August 16, 2018

ACCEPTED and APPROVED by the Commission on September 27, 2018.

---

Chairman William F. Russell

# **WYOMING PUBLIC SERVICE COMMISSION**

Minutes of Regular Open Meeting  
Thursday, August 16, 2018  
1:30 p.m.

Commissioners: Chairman William Russell  
Deputy Chair Kara Brighton Fornstrom  
Commissioner Robin Sessions Cooley

Bruce Asay, Associated Legal, LLC, Counsel for Montana-Dakota Utilities,  
Inc. (MDU)  
Tamie Aberle, Director Regulatory Affairs, MDU (by telephone)  
Stephanie Bosch, Regulatory Manager, MDU (by telephone)

Commission Staff (CS): Steve Mink and Michelle Bohanan

## **REGULAR AGENDA**

1. **Docket No. 30013-336-GT-18 (Record No. 15001). Tariff filing of Montana-Dakota Utilities Co. for authority to establish two new heating zones 291 and 292. Commission to consider and act on tariff filing.** Michelle Bohanan, CS, provided a technical *Memo* dated August 9, 2018. Stephanie Bosch, MDU's Regulatory Manager, explained the filing and provided details. This filing establishes two new zones in the Buffalo/Sheridan area with a corresponding modification to the thermal zone tariff. MDU has appropriated new samplers to better track gas quality and heating values. Tamie Aberle, MDU's Director of Regulatory, said this would not affect gas being delivered. She said MDU will file a request to establish a Wobbe index when 12 months of data has been collected. Following that, MDU will provide the tariff in a compliance filing. There were no questions. Deputy Chair Fornstrom commended the Company for its work on this issue. Steve Mink, Commission Counsel, recommended approval of the Application by *Notice and Order*, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Thursday, August 23, 2018

ACCEPTED and APPROVED by the Commission on September 27, 2018.

---

Chairman William F. Russell

# WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting  
Tuesday, August 23, 2018  
1:30 p.m.

Commissioners: Chairman William Russell  
Deputy Chair Kara Brighton Fornstrom  
Commissioner Robin Sessions Cooley

Matthew C. Willie, Attorney for Bridger Valley Electric Association, Inc.,  
(by telephone)

Commission Staff (CS): Katie Koski, Luy Luong, Nathan Brennan, James  
Branscomb, Chris Petrie

## CONSENT AGENDA

- 1 Docket No: 30022-313-GA-18 (Record No. 15000). Application of Black Hills Gas Distribution LLC d/b/a Black Hills Energy for a Certificate of Public Convenience and Necessity to construct and operate a high pressure gas transmission pipeline and related facilities in Converse and Natrona Counties. Commission to consider issuance of a *Special Order Authorizing One Commissioner and/or Presiding Officer to Conduct Public Hearing*.**
- 2. Docket No. 70009-487-TT-18 (Record No. 15033). Tariff Filing of United Telephone Company of the West d/b/a CenturyLink of the West for authority to make revisions to its General Exchange Price Schedule Tariff to Reflect the WUSF and FUSF Credits Applied to Customer Bills for Fiscal Year 2018 to 2019. Commission to consider and act on Application.**

Katie Koski, Commission Counsel, recommended issuance of the *Special Order* for Item 1 and acceptance of the filing for Item 2, both by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

## REGULAR AGENDA

- 1. Docket 10013-53-CS-18 (Record No. 15061). Application of Bridger Valley Electric Association, Inc. for authority to guarantee payment of certain promissory notes issued by Deseret Generation and Transmission Co-operative to National Rural Utilities Cooperative Finance Corporation in the principle amounts of \$10,000,000.00 and \$40,000,000.00, respectively. Commission to consider issuance of an *Order* continuing this matter beyond 30 days for good cause, pursuant to Wyo. Stat. § 37-6-104.**



Katie Koski, Commission Counsel, advised the Company has been working with staff on some issues and are requesting a continuance of this matter. Matthew Willie, Attorney for Bridger Valley Electric Association, stated the Company is in agreement with an open-ended continuance. Ms. Koski recommended the issuance of an *Order* continuing this matter beyond 30 days pursuant to Wyoming Statute for good cause shown. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

Prepared by: Sylvia Sanchez

Date of Next Open Meeting: Tuesday, August 28, 2018

ACCEPTED and APPROVED by the Commission on September 18, 2018.

---

Chairman William F. Russell