

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

Friday, December 5, 2008
1: 30 p.m.

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

Commission Staff: Dave Lucero, Chris Petrie, Art Schmidt

REGULAR AGENDA ITEMS

- 1. Docket No. 70104-22-TA-08 (Record No. 11963) Letter Notification of VCI Company to Abandon Service, Relinquish its ETC Designation and Certificate of Public Convenience and Necessity (CPCN) in Wyoming. Commission to reconsider cancellation of VCI's Certificate of Public Convenience and Necessity and other potential action thereon, including suspension of VCI's CPCN.** Dave Lucero, Commission Counsel, said there was some discussion after the previous meeting in which the Commission decided to cancel VCI's CPCN and ETC designation. After further review, Mr. Lucero said it might be more appropriate to suspend the certificate rather than cancel it until VCI has an opportunity to respond to the Commission's requests. There were no further comments or questions. Deputy Chairman Oxley moved to issue a Letter Order, effective immediately, formally accepting VCI's notification, suspending the CPCN and cancelling the ETC designation pending further investigation, directing VCI to provide information concerning the number of customers in Wyoming for each month of 2008, a list of customers for each month with names, addresses and telephone numbers, and copies of any correspondence, written or otherwise, to its customers relating to termination of service in Wyoming. Deputy Chairman Oxley clarified that the motion neither grants nor denies VCI's requests. Commissioner Minier seconded the motion, and Chairman Lewis concurred.

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

Next Open Meeting: Wednesday, December 10, 2008, at 9:00 a.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 19th day of February 2009.

Kathleen A. "Cindy" Lewis, Chairman

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

Wednesday, December 10, 2008
9:00 a.m.

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

Tammi Aberle, Montana-Dakota Utilities (by telephone)
Bruce Asay, local counsel for Montana-Dakota Utilities
Matt Grant, Rocky Mountain Power (by telephone)
Brian Iverson, Black Hills Power (by telephone)
John Kennedy, Questar Gas Company (by telephone)
Dave Mosier, Rocky Mountain Power
Derek Nelson, Wyoming Association of National Gas Utilities
Thor Nelson, Wyoming Industrial Energy Consumers
Jim Spiers, Tri-State Generation/Wyoming Rural Electric Association
Glenn Watkins, Questar Gas Company (by telephone)

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

Commission Staff: Blair Bales, Vicky Hansen, Marci Norby, Chris Petrie

REGULAR AGENDA ITEMS

1. **Docket No. 90000-106-XO-08 (Record No. 11992) In the matter of the Commission's consideration of the "states-must-consider" provisions of the federal Energy Independence and Security Act of 2007 (EISA). Commission to consider and select from various procedural options for compliance with EISA, including but not limited to, rulemaking, a comprehensive (all utilities) hearing, utility specific hearings, and industry specific hearings. Hearing dates may also be established.** Comments were provided by several utility companies and organizations as well as a review of some comments previously submitted at a technical conference held on this subject. Included were discussions of the effects of legislative changes, potential implementation of Integrated Resource Plan (IRP) rules, changes in rate design, resale or recovery of waste energy and activities in other states. The Commissioners chose not to take any action at this meeting, but said they would consider the comments provided and take action at an open meeting to be scheduled at a later date.

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

Next Open Meeting: Thursday, December 11, 2008, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 19th day of February 2009.

Kathleen A. "Cindy" Lewis, Chairman

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

Thursday, December 11, 2008
1:30 p.m.

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

Dax Collins, Vista West Water Company (by telephone)
Karen Ewart, Vista West Water Company (by telephone)
Roger Fransen, local counsel for Vista West Water Company
Paul Lowham, Vista West Water Company

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

Commission Staff: Jess Bottom, Vicky Hansen, Dave Lucero, Luy Luong

CONSENT AGENDA ITEMS

- 1. Docket Nos. 70000-1400-TK-08 and 70021-33-TK-08 (Record No. 11926) Contract filing of Qwest Corporation for authority to enter into an Interconnection Agreement with Sprint Communications Company L.P. Commission to consider and act on contract filing.**
- 2. Docket No. 30018-37-GP-08 (Record No. 11628). In the matter of the application of Lower Valley Energy, Inc. for approval of an overall net general rate case increase of approximately \$27,439 per year for retail propane utility service in Wyoming. Commission to consider issuing final order approving rates.**

Chairman Lewis introduced the consent agenda and asked if there were any requests to withdraw an item for further consideration. Deputy Chairman Oxley asked that Item 2 be removed. There were no further comments or questions. Vicky Hansen, Commission Counsel, recommended Item 1 be approved by Order only, effective immediately. Chairman Lewis moved to take action as recommended. Commissioner Minier seconded the motion, and Deputy Chairman Oxley concurred.

Item 2 was introduced for consideration by Chairman Lewis. Deputy Chairman Oxley reminded staff that recommendations should not be included in the staff memo. He asked if the company has satisfied staff concerns and if the recommendation is to approve the increase as set out in the interim Order. Jess Bottom, Commission Advisory Staff (CAS), responded that all questions have been answered and recommended the previously-authorized rates be approved on a final basis. Deputy Chairman Oxley moved to approve

the rates as recommended by Order only, effective immediately. Commissioner Minier seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 80007-28-WP-08 (Record No. 11734) Amended application of Vista West Water Company (Vista West) for authority to pass on a wholesale water cost increase from the City of Casper of \$0.08 per 1,000 gallons of water purchased. Commission to consider and act on application.** Luy Luong, CAS, provided a technical memo dated December 9, 2008. Roger Fransen, local counsel for Vista West, explained the request is to pass on an increase imposed by the City of Casper on January 1, 2008. Mr. Fransen said the requested increase has been adjusted using the calculation approved in the last rate case for water loss adjustments. Amy Zamora, OCA, expressed a concern that the company is exceeding its authorized rate of return and recommended this application be denied. Dave Lucero, Commission Counsel, said Vista West has indicated it will be filing a general rate case which may be the proper venue to address any overearnings issues. There were no further comments or questions. Mr. Lucero recommended approval of the application by Notice and Order, effective immediately, for usage on and after December 11, 2008, with direction to file a general rate case included in the Order. Deputy Chairman Oxley moved to take action as recommended including direction to Vista West to file a general rate case no later than January 30, 2009. Commissioner Minier seconded the motion, and Chairman Lewis concurred.

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

Next Open Meeting: Tuesday, December 16, 2008, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 19th day of February 2009.

Kathleen A. "Cindy" Lewis, Chairman

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

Tuesday, December 16, 2008
1:30 p.m.

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

Tammi Aberle, Montana-Dakota Utilities Co. (by telephone)
Bruce Asay, local counsel for Montana-Dakota Utilities Co.
Barbara Brohl, counsel for Qwest Corporation (by telephone)
Rick Brown, Powder River Energy Corporation (by telephone)
Kenna Hagan, Cheyenne Light, Fuel and Power (by telephone)
Jason Hendricks, RT Communications
Jeff Hubbard, Qwest Corporation
Brian Iverson, counsel for Cheyenne Light, Fuel and Power and Black Hills Power (by telephone)
Cory Jackson, counsel for TCT
Chris Kilpatrick, Cheyenne Light, Fuel and Power (by telephone)
Rita Mulkern, Montana-Dakota Utilities Co. (by telephone)
Jim Roberts, Embarq (by telephone)
Mark Stege, Cheyenne Light, Fuel and Power
John Sundahl, local counsel for Cheyenne Light, Fuel and Power and for Black Hills Power
Mike Williams, Qwest Corporation (by telephone)

Office of Consumer Advocate (OCA): Ivan Williams

Commission Staff: Blair Bales, Don Biedermann, Dave Lucero, Luy Luong, Steve Mink, Marci Norby, Art Schmidt, Barbara Taylor-Iversen, Tom Wilson

CONSENT AGENDA ITEMS

- 1. Docket No. 20004-78-ET-08 (Record No. 11994) Tariff filing of Montana Dakota Utilities Co. for authority to revise its electric tariffs to comply with Commission Rule Section 241 regarding consumer interest rates on deposits. Commission to consider and act on tariff change application.**

- 2. Docket No. 30013-211-GT-08 (Record No. 11998) Tariff filing of Montana Dakota Utilities Co. for authority to revise its gas service tariffs to comply with Commission Rule Section 241 regarding consumer interest rates on deposits. Commission to consider and act on tariff change application.**

3. **Docket Nos. 70000-1404-TK-08 and 70054-7-TK-08 (Record No. 11953) Contract filing of Qwest Corporation for authority to enter into an Unbundled Network Elements, Ancillary Services and Resale Interconnection Agreement with QuantumShift Communications, Inc., d/b/a vCom Solutions. Commission to consider and act on contract filing.**
4. **Docket No. 70114-23-TK-08 and 70014-24-TK-08 (Record No. 11923) Contract filing of TCT West, Inc., for authority to enter into a Traffic Exchange (Interconnection) Agreement with Bresnan Broadband, LLC. Commission to consider and act on contract filing.**
5. **Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meetings of September 3 and 10, 2008.**

Chairman Lewis introduced the consent agenda and asked if there were any requests to remove any item for further consideration. There were no such requests nor any further comments or questions. Marci Norby, Commission Advisory Staff (CAS), recommended approval of Items 1, 2 and 4 with a Letter Order to be signed by the attorney, effective immediately, and also recommended approval of Item 3 by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended by staff and to approve the open meeting minutes as submitted. Commissioner Minier seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 20004-77-EP-08 (Record No. 11991) Application of Montana-Dakota Utilities Co. (MDU) for authority to pass on an electric cost adjustment increase of \$0.00691 per Kwh for all customer classes. Commission to consider and act on application.** Tom Wilson, CAS, provided a technical memo dated December 11, 2008. Rita Mulkern of MDU said the application reflects the annual adjustment for 2009 and includes a petition for confidential treatment of Exhibit 2. Ms. Mulkern said the increase is due to increased costs of power and under-recovery of costs from November 2007 through October 2008. She said the average residential customer would experience an increase of approximately \$5.00 per month. Mr. Wilson said the agenda notice did not contain the petition for confidential treatment, and he asked if approval could be provided provisionally until the next open meeting. There were no further comments or questions. Mr. Wilson recommended approval of the application by Notice and Order, effective immediately. Deputy Chairman Oxley moved to take action as recommended and amended his motion to include an effective usage date of January 1, 2009. Commissioner Minier seconded the motion, and Chairman Lewis concurred. Deputy Chairman Oxley then moved to grant confidential status to Exhibit 2 and requested the petition be placed on the next open meeting agenda to allow public notice of the petition. Commissioner Minier seconded the motion, and Chairman Lewis concurred.
2. **Docket Nos. 10014-105-EA-08 and 20004-76-EA-08 (Record No. 11957) Joint application of Montana-Dakota Utilities Co. (MDU), a division of MDU Resources**

Group, Inc., and Powder River Energy Corporation (PRECorp) for the provision of electric service to Marathon Oil Company by PRECorp in MDU's service territory under a Memorandum of Understanding between the parties. Commission to consider and act on joint application. Luy Luong, CAS, provided a technical memo dated December 8, 2008. Bruce Asay, local counsel for MDU, said the agreement would allow PRECorp to provide service to coal bed methane gas wells which are in MDU's territory but located some distance from any MDU facility. Since PRECorp can provide service most expeditiously and less expensively, an agreement was reached for PRECorp to serve Marathon Oil until such time as MDU has facilities closer to the customer. There were no further comments or questions. Dave Lucero, Commission Counsel, recommended approval of the application and agreement by Letter Order, effective immediately, to be signed by Commission counsel. Deputy Chairman Oxley moved to approve the joint application as recommended. Commissioner Minier seconded the motion, and Chairman Lewis concurred.

3. **Docket No. 70000-1399-TA-08 (Record No. 11920) Application of Qwest Corporation (Qwest) for continued waivers of certain requirements of the Telecommunications Quality of Service Rules and request for confidential treatment under Rule 120. Commission to consider and act on application and request for confidential treatment.** Luy Luong, CAS, provided a technical memo dated December 12, 2008. Barbara Brohl of Qwest said the application is for a continued waiver through December 31, 2011, of certain service quality standards on wholesale services. Ms. Brohl said the current application is consistent with waiver requests previously approved by the Commission. Discussion followed on the actual standards requirements in the Commission Rules, standards levels in other states and whether or not adjustments should be made to the requirements in Wyoming. Commissioner Minier then moved to approve the waiver requests for a period not to exceed one year with the expectation that Qwest will provide reports each six months on actual levels met and will provide all information necessary for any potential rulemaking to adjust the standards. Deputy Chairman Oxley seconded the motion, and Chairman Lewis concurred. Deputy Chairman Oxley moved to approve Qwest's petition for confidential treatment. Commissioner Minier seconded the motion, and Chairman Lewis concurred.
4. **Docket No. 30005-122-GP-08 (Record No. 11986) Application of Cheyenne Light, Fuel and Power (Cheyenne Light) for authority to pass on a wholesale gas decrease of \$0.9343 per decatherm for firm rate classes and interruptible rate classes beginning January 1, 2009. Commission to consider and act on the application and petition for confidential treatment of information.** Barbara Taylor-Iversen, CAS, provided a technical memo dated December 8, 2008. Chris Kilpatrick, Cheyenne Light, said the requested decrease is due to lower projected gas costs for January and a credit to the commodity balancing account. John Sundahl, local counsel for Cheyenne Light, requested approval of the petition for confidential treatment of certain schedules in the application as they contain proprietary information regarding gas price contracts. There were no further comments or questions. Steve Mink, Commission Counsel, recommended approval of the petition for confidential treatment and of the application by Notice and Order, effective immediately, for usage on and after January 1, 2009. Deputy

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

- 5. Docket Nos. 20002-70-EA-08 and 20003-94-EA-08 (Record No. 11600) Filing of Cheyenne Light, Fuel & Power (CLFP) and Black Hills Power (BHP) of its Integrated Resource Plan (IRP) for 2008. Commission to consider staff review of the IRP.** Marci Norby, CAS, provided a summary of staff suggestions including (1) a discussion of the IRP process and involvement of the public in that process; (2) a report of planning and process changes from IRP to IRP -- what has changed, variables which have changed, implementation and results from the last IRP. The Commissioners commented they would like to see more public involvement in the planning process and inclusion of more demand-side management (DSM) programs. There were no further comments or questions. Deputy Chairman Oxley moved that the minutes reflect that the companies and Commission staff will [i] discuss their ideas on how IRP planning should go forward, and [ii] provide a report on DSM programs and report to the Commission by April 30, 2009, with recommendations staff and the companies may have with regard to formalizing the IRP process. Commissioner Minier seconded the motion, and Chairman Lewis concurred.
- 6. Docket No. 20002-72-ET-08 (Record No. 11942) Application of Black Hills Power for approval of Net Metering Service and Qualifying Small Power Production or Cogeneration Facilities. Commission to consider and act on request for authority to adopt tariffs.** Don Biedermann, CAS, provided a technical memo dated December 8, 2008. Kenna Hagan of Black Hills Power said two separate tariffs were submitted, one for net metering and one for small power production and cogeneration facilities, which were modeled on the Cheyenne Light, Fuel and Power and Montana-Dakota Utilities Co. tariffs. Mr. Biedermann pointed out that the avoided costs calculation in the tariffs will be updated through rate cases rather than periodically. There were no further comments or questions. Mr. Biedermann recommended approval of the tariffs by Notice and Order, effective immediately. Deputy Chairman Oxley moved to approve the tariffs as recommended, and Commissioner Minier seconded the motion. Chairman Lewis concurred.
- 7. Docket No. 70009-316-TT-08 (Record No. 11791) Application of United Telephone Company of the West-Wyoming, dba Embarq, for authority to increase the federal universal service fund (FUSF) debit applied to charges assessed for local service access lines, and to increase associated rates for consumer and business bundled packages. Commission to consider and act upon request for waiver of Commission Rule 500(p)(ii).** Tom Wilson, CAS, provided a technical memo dated December 10, 2008. Jim Roberts, Embarq, said the changes requested in Embarq's bill format, which would make the Wyoming USF a separate line item, will take approximately one year to accomplish in the company's bill printing system. Although not stated in the request, Mr. Roberts said the company is asking for approval of the waiver for 12 months. Mr. Roberts said the explanation portion on the current bill shows the federal and state amounts separately, but he said to make it a completely separate line item requires much more time. At the Commission's request, Mr. Roberts said he would request modification

of the current explanation to reflect “state” universal service fund rather than simply “universal service fund.” There were no further comments or questions. Mr. Wilson recommended approval of the petition for the requested 12-month period by Letter Order, effective immediately, to be signed by Commission counsel. Deputy Chairman Oxley moved to take action as recommended. Commissioner Minier seconded the motion, and Chairman Lewis concurred.

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

Next Open Meeting: Thursday, December 18, 2008, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 24th day of February 2009.

Kathleen A. “Cindy” Lewis, Chairman

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

Thursday, December 18, 2008
4:15 p.m.

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

Eric Nelson, SourceGas Distribution, LLC
Helen Wells, SourceGas Distribution, LLC

Office of Consumer Advocate (OCA): David McMullian

Commission Staff: Chris Petrie

AGENDA ITEMS

1. **Docket No. 30022-107-GI-08 (Record No. 11610) Investigation, upon the Commission’s own motion, of the billing practices and procedures of SourceGas Distribution, LLC, (SourceGas) and the impact on its customers.** Representatives of SourceGas requested an emergency open meeting to apprise the Commission of a billing problem affecting its customers. Helen Wells, Director of Customer Service, explained that scheduled quarterly reviews of the budget billing accounts have not been taking place. She said this will probably result in much higher true-up adjustments at the end of the annual cycle than would normally occur if adjustments were made on a quarterly basis. Ms. Wells provided suggestions to evaluate and correct the situation, but the Commissioners expressed their preference to take no action until more detailed information and possible resolutions have been provided. Chairman Lewis moved to request a report from SourceGas be provided at an open meeting on January 15 and further moved that a general waiver of the company’s tariff on budget billing be provided to allow time for the review and report. Commissioner Minier seconded the motion, and Deputy Chairman Oxley concurred. Deputy Chairman Oxley added that confirmation of the Commission’s emergency action is required within 48 hours, and this was scheduled for a publicly-noticed open meeting on Friday, December 19, 2009, at 3:30 p.m.

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

Next Regular Open Meeting: Tuesday, December 30, 2008, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 26th day of May 2009.

Alan B. Minier, Chairman*

*Participated at open meeting as Commissioner; appointed as Chairman on March 5, 2009.

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

Friday, December 19, 2008
3:30 p.m.

Commissioners: Kathleen A. “Cindy” Lewis, Chairman, presiding
Deputy Chairman Steve Oxley
Commissioner Al Minier

Dale Cottam, local counsel for Accenture
Eric Nelson, counsel for SourceGas Distribution, LLC
Helen Wells, SourceGas Distribution, LLC

Office of Consumer Advocate (OCA): David McMullian, Kimber
Wichmann

Commission Staff: Shirley McCown, Christopher Petrie, David Piroutek

REGULAR AGENDA ITEMS

1. **Docket No. 30022-107-GI-08 (Record No. 11610) Investigation, upon the Commission’s own motion, of the billing practices and procedures of SourceGas Distribution, LLC, and the impact on its customers.** Christopher Petrie, Commission Secretary and Chief Counsel, recapped the reasons for, and results of, an emergency open meeting that was held December 18, 2008. Due to a recent discovery by SourceGas regarding billing issues, SourceGas is directed to report to the Commission on January 2 and 15, 2009, and provide all steps being taken to cure the new billing problems. The Commission reconfirmed the action taken by it at the December 18, 2008, emergency open meeting.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, December 30, 2008, at 1:30 p.m.

Prepared by: Angie Elliott

ACCEPTED and APPROVED by the Commission on the 20th day of February, 2009.

Kathleen A. “Cindy” Lewis, Chairman

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

Tuesday, December 30, 2008
1:30 p.m.

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

Bruce Asay, local counsel for Montana Dakota Utilities Co.
Jeff Baumgardner, Rocky Mountain Power (by telephone)
Richard Brewer, SourceGas Distribution, LLC (by telephone)
Dale Cottam, local counsel for Accenture
Becky Eberle, Rocky Mountain Power (by telephone)
Kenna Hagan, Black Hills Power (by telephone)
Chris Kilpatrick, Black Hills Power (by telephone)
Jan Kirsch, Black Hills Power (by telephone)
William Meckling, SourceGas Distribution, LLC (by telephone)
Dave Mosier, Rocky Mountain Power
Rita Mulkern, Montana-Dakota Utilities Co. (by telephone)
Eric Nelsen, SourceGas Distribution, LLC (by telephone)
O'Kelley Pearson, local counsel for SourceGas Distribution, LLC
Jim Roberts, Embarq (by telephone)
Daniel Solander, Rocky Mountain Power (by telephone)
John Sundahl, local counsel for Cheyenne Light, Fuel and Power
Judy Vialpando, SourceGas Distribution, LLC (by telephone)
Helen Wells, SourceGas Distribution, LLC (by telephone)

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

Commission Staff: Don Biedermann, Jess Bottom, Angie Elliott, Victoria
Hansen, Chris Petrie, Barbara Taylor-Iversen, Tom Wilson

CONSENT AGENDA ITEMS

- 1. Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meetings of August 25, 2008, and September 15 and 18, 2008.**
- 2. Docket No. 90000-104-XI-08 (Record No. 11698) Commission's investigation, on its own motion, into the quality and reliability of telecommunications services provided by telecommunications companies providing service in the state of Wyoming. Commission to consider and potentially act on OCA's Request to Provide Confidential Information to OCA-Retained Consultant.**

Deputy Chairman Oxley introduced the consent agenda items. Commissioner Minier moved to accept the open meeting minutes as submitted, and Deputy Chairman Oxley seconded the motion. Consent Agenda Item 2 was introduced, and there were no requests to withdraw the item for further consideration. Chris Petrie, Chief Counsel, recommended the Commission authorize a letter order, signed by Commission counsel, be issued to approve the OCA request. Commissioner Minier moved to act as recommended, and Deputy Chairman Oxley seconded the motion.

REGULAR AGENDA ITEMS

- 1. Docket No. 20000-339-ET-08 (Record 12006) Application of Rocky Mountain Power (RMP) for authority to modify the Low Income Weatherization Tariff Schedule 118-4 to allow distribution provision of energy efficiency measures and educational material. Commission to consider and act on request.** Don Biedermann, Commission Advisory Staff (CAS), provided a technical memo dated December 15, 2008. Dave Mosier of RMP said the application is to implement part of the demand-side management programs which go into effect on January 1, 2009. He said RMP was working with qualified weatherization agencies in Wyoming to provide reimbursement for permanent weatherization measures for low-income residents. However, the primary agency decided not to participate in the program, and RMP is now proposing to provide direct distribution of weatherization and energy efficiency materials such as CFL kits to customers. Becky Eberly of RMP said financial accountability will be maintained, and she said a sample of customers will be contacted to see if the kits were installed and, if so, where. She said a report will be provided which includes an analysis of cost effectiveness of the program. There were no further comments or questions. Mr. Biedermann recommended approval of the application by Notice and Order, effective immediately. Commissioner Minier moved to take action as recommended, and Deputy Chairman Oxley seconded the motion.
- 2. Docket No. 20004-75-ER-08 (Record No. 11857). The application of Montana-Dakota Utilities Co. (MDU), a division of MDU Resources Group, Inc., for a general rate increase in its Wyoming electric utility service rates of \$756,788 per annum. Commission to establish procedural schedule.** Bruce Asay, local counsel for MDU, said all parties were invited to participate in developing the proposed schedule; however, Mr. Ted Lapis did not respond to attempts by MDU, the OCA or Commission staff to contact him. There were no further comments or questions. Steve Mink, Commission Counsel, recommended approval of the proposed procedural schedule with the modification that the public comment hearing be held on or about March 17 in Sheridan. Deputy Chairman Oxley requested the hearing of April 7 begin at 9:00 a.m. instead of the proposed 2:00 p.m. Commissioner Minier moved to accept the schedule with the modifications suggested, and Deputy Chairman Oxley concurred.
- 3. Docket No. 30013-212-GP-08 (Record No. 12004) Application of Montana-Dakota Utilities Co. (MDU) for authority to pass on a wholesale gas cost increase of \$0.985 per Dekatherm and \$0.987 per Dekatherm for Optional Seasonal Customers. Commission to consider and act on application and petition/request for confidential**

treatment of Exhibit 3 (a), pp. 1, 2 and 3. Jess Bottom, CAS, provided a technical memo dated December 16, 2008. Rita Mulkern of MDU said the request is due to an increase in the market price of gas and an increase in pipeline charges. Ms. Mulkern said the change would not increase the company's rate of return, and she also requested approval of the petition for confidential treatment of Exhibit 3 to the application. There were no further comments or questions. Mr. Bottom recommended approval of the application by Notice and Order, effective immediately, for usage on and after January 1, 2009. Commissioner Minier moved to approve the application as recommended, and Deputy Chairman Oxley seconded the motion. A separate motion was entered by Commissioner Minier to approve the petition for confidential treatment, and Deputy Chairman Oxley seconded that motion.

4. **Docket No. 70104-22-TA-08 (Record No. 11963) In the Matter of the Letter Notification and Request of VCI Company (VCI) for Authority to Cancel its Certificate of Public Convenience and Necessity to provide Local Exchange Service in the State of Wyoming and to relinquish its Eligible Telecommunications Carrier (ETC) Designation in Wyoming.**
 - a. **Commission to consider and potentially act on VCI Company's Motion to Quash Subpoena filed December 19, 2008.**
 - b. **Commission to determine whether VCI or its officers or employees have failed, omitted or neglected to obey, observe or comply with any lawful direction or order of the Commission, including, without limitation, its Letter Order issued on December 5, 2008, directing VCI to file certain information with the Commission by December 19, 2008. The Commission will review all such matters and determine whether it should take action against VCI to compel compliance. The Commission may take any action it is authorized in the public interest to take.**

Chris Petrie, Commission Chief Counsel, said the above motion was delivered by Mr. Rosenthal of Hathaway and Kunz Law Firm, and Mr. Petrie said the firm was made aware of this proceeding if it wished to participate. Mr. Petrie reviewed the motion, saying VCI objects on two points: (1) the subpoena subjects VCI to undue burden, and (2) the Wyoming PSC has no jurisdiction to issue the subpoena. Mr. Petrie outlined the state and federal statutes which provide the Commission authority to request information from VCI and why the Commission is requesting the information. He said the information being requested—number of customers served in Wyoming, identity of the customers, and any correspondence from VCI to its customers regarding termination of service—is part of normal business records. Barbara Taylor-Iversen, CAS, added that she has confirmed with the Universal Service Administrative Company (USAC) a requirement that such records be maintained for seven years for audit purposes. Mr. Petrie said the information is being requested due to possible discrepancies in reports from VCI to the PSC and USAC, and to determine any potential harm done to VCI's customers in Wyoming. There were no further comments or questions regarding the Motion to Quash. Mr. Petrie recommended the motion be denied. Commissioner Minier moved to deny the motion, and Deputy Chairman Oxley seconded the motion and requested information be included in the denial explaining the ease of complying with the

subpoena and the necessity of keeping the records. Mr. Petrie then outlined several options available for prosecution in civil and criminal courts for failure of VCI to comply with statutes and Commission orders. After some discussion, Mr. Petrie recommended the matter be referred to the county prosecuting attorney in Cheyenne and that, in preparation, Commission staff prepare an explanatory packet of information including all pertinent facts surrounding the letter order and VCI's failure to comply with the order. In addition, he recommended inquiring whether the Attorney General's office would prefer to handle the matter on behalf of the Commission or allow Commission staff to proceed with authority from the Attorney General's office. Commissioner Minier moved to take action as recommended, and Deputy Chairman Oxley seconded the motion.

5. **Docket No. 30022-107-GI-08 (Record No. 11610) In the matter of the investigation, upon the Commission's own motion, of the billing practices and procedures of SourceGas Distribution, LLC, (SourceGas) and the impact on its customers. Commission to receive report of events surrounding disconnection of service to Account No. 696014 on December 11, 2008, from representatives of SourceGas and Commission Advisory Staff, and consider action necessary in the public interest, including but not limited to scheduling of further proceedings and referral for penalty proceedings.** Chris Petrie, Commission Chief Counsel, said this complaint was brought to his attention by Commission Complaints staff as being in possible violation of the rules regarding disconnections. Dale Cottam, local counsel for Accenture, was provided a copy of the information with the reminder that customer data is confidential. Mr. Petrie said it appears the disconnection may have been made while the customer was actively seeking assistance through the LIEAP (Low Income Energy Assistance Program), during a period of such a nature to endanger health due to extreme weather, and by being performed on a day on which the service could not be reconnected. Helen Wells of SourceGas reviewed the activity between its customer service provider, Accenture, and the customer. Ms. Wells said it is the company's belief the customer was not fully informed of the ability to make payment arrangements nor was she informed of the consequences of taking no action. She added that the customer has been contacted, has had service reconnected and has received an apology from SourceGas. Ms. Wells said SourceGas will continue to work with Accenture to ensure this type of situation does not re-occur and that Accenture is aware of the rules regarding disconnections. There were no further comments or questions. Mr. Petrie suggested a report be provided showing how many accounts have been terminated since November 1, 2008, how many have been reconnected and under what circumstances the reconnections were performed. Commissioner Minier moved to issue a Letter Order setting out the information requested from the company, and Deputy Chairman Oxley seconded the motion.

6. **Docket No. 20003-102-ET-08 (Record No. 12017) Application of Cheyenne Light, Fuel and Power Company (Cheyenne Light) for approval to extend a voluntary renewable energy rider in its service areas in the state of Wyoming. Commission to consider and potentially act on application to extend Voluntary Renewable Energy Rider Tariff.** Michelle Bohanan, CAS, provided a technical memo dated December 24, 2008. Chris Kilpatrick of Cheyenne Light said the current authorization expires on December 31, and the company would like to extend the rider for an indefinite period.

Mr. Kilpatrick said participation has increased approximately 20% over the past year, and he said reports would be submitted to the Commission every six months to determine whether the program should be continued. There were no further comments or questions. Steve Mink, Commission Counsel, recommended approval of the application by Notice and Order, effective immediately, with the notice to provide sufficient time for a full review of the application due to the lateness of the filing. Commissioner Minier moved to take action as recommended, and Deputy Chairman Oxley seconded the motion.

- 7. Docket No. 90000-105-XO-08 (Record No. 11930) The proposed adoption of Chapter 2, Sections 238 and 252; Chapter 3, Section 325; Chapter 4, Section 420; Chapter 6, Section 616; and Chapter 9, Section 901(k), (l), (m), (n) and (o); of the Commission Procedural Rules and Special Regulations. Commission to consider:**
- a. Publication of a Revised Notice of Intent;**
 - b. Vacating January 5, 2008, comment filing deadline and January 13 hearing; and,**
 - c. Rescheduling comment filing deadline and date.**

Chris Petrie said it was brought to staff's attention that the published Notice of Intent did not include citations of the statutes pursuant to which the Commission has authority to issue the subject rules. Mr. Petrie said such citations are required under the Administrative Procedures Act, and failure to provide the citations could cause a serious flaw in the rulemaking process. Bruce Asay, representing the Wyoming Telecommunications Association, said re-issuing the notice would be a good time to remove telecommunications companies from inclusion in the proposed Section 238 changes as such inclusion duplicates the requirements in Section 500 of the rules. Mr. Petrie said staff would review the proposed rules to make sure there is no duplication of requirements or confusion. There were no further comments or questions. Commissioner Minier moved to vacate the current schedule and reissue the Notice of Intent. Deputy Chairman Oxley seconded the motion.

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

Next Regular Open Meeting: Wednesday, January 7, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the _____ day of May 2009.

Alan B. Minier, Chairman¹

¹Participated at open meeting as Commissioner; appointed as Chairman on March 5, 2009.