

WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting
Tuesday, December 6, 2016
1:30 p.m.

Commissioners: Chairman Alan B. Minier
Deputy Chairman William F. Russell
Commissioner Kara Brighton

Commission Staff (CS): John Burbridge, Michelle Bohanan, Marci Norby,
Kara Seveland, Morgan Fish, Jess Bottom, Dave Walker, Lori Brand,
Luy Luong, Katie Koski, Rachel Meeker and Tom Wilson

CONSENT AGENDA

1. **Docket No. 20000-503-ET-16 (Record No. 14555). Tariff filing of Rocky Mountain Power (RMP) pursuant to revised Commission Rules and Regulations effective March 21, 2016. Commission to consider and act on *Petition for Confidential Treatment (Petition)*.**
2. **Docket No. 10014-175-CT-16 (Record No. 14561). Tariff filing of Powder River Energy Corporation to revise its rules and regulations pertaining to deposits. Commission to consider issuance of a *Special Order Authorizing One Commissioner and/or Presiding Officer to Conduct Public Hearing*.**
3. **Docket Nos. 70000-1638-TK-16 and 70203-26-TK-16 (Record No. 14591). Contract filing of Qwest Corporation d/b/a CenturyLink QC (CenturyLink) to amend the Local Services Platform (CLSP) Agreement between CenturyLink and Metropolitan Telecommunications of Wyoming, Inc. Commission to consider acceptance of the Agreement for filing. Luy Luong, CS, provided a technical *Memo* dated November 30, 2016.**
4. **Docket No: 20000-502-EA-16 (Record No. 14544). Application of Rocky Mountain Power for approval to adjust the Category 2 and 3 Demand-Side Management surcharge rate in Electric Service Schedule 191, Customer Efficiency Service Charge. Commission to consider and act on Wyoming Industrial Energy Consumers' *Motion for Application for Admission of Pro Hac Vice of Robert M. Pomeroy, Jr. (Motion)*.**

Chairman Minier introduced the consent items. For Item #1, John Burbridge, Commission Counsel, recommended granting the *Petition*, by *Order* only, effective immediately. For Item #2, he recommended issuance of a *Special Order* by *Order* only, effective immediately. For Item #3, he recommended acceptance of the Agreement for filing and for Item #4, granting the *Motion*, by *Order* only, all effective immediately. Deputy Chairman Russell moved to act as recommended. Commissioner Brighton seconded the motion and Chairman Minier concurred.

REGULAR AGENDA

1. **Docket No. 90090-11-XO-16 (Record No. 14578). Interest rate calculation according to Commission Rule Chapter 1, Section 2(a)(xv) for January 1, 2017, through December 31, 2017. Commission to establish interest rate for 2017.** Rachel Meeker, CS, provided a technical *Memo* dated November 29, 2016. John Burbridge, Commission Counsel, commented the Commission Staff *Memo* is self-explanatory and said the 2017 interest rate is calculated at 2.02%, which is .27% higher than the 2016 interest rate of 1.75%. The 2017 interest rate will be effective January 1 through December 31, 2017. There were no questions or comments. Burbridge recommended approval of the Commission established interest rate for the period as noted by *Order* only, effective immediately. Deputy Chairman Russell moved to act as recommended. Commissioner Brighton seconded the motion and Chairman Minier concurred.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Thursday, December 13, 2016

ACCEPTED and APPROVED by the Commission on February 14, 2017.

Chairman Alan B. Minier

WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting
Tuesday, December 13, 2016
9:30 a.m.

Commissioners: Chairman Alan B. Minier
Deputy Chairman William F. Russell
Commissioner Kara Brighton

Chris Kilpatrick, Director of Resource Planning, Black Hills Power
Marne Jones, Director of Regulatory, Black Hills Power
Kyra Simmons, Financial Manager, Black Hills Power
Jason Hartman, Director of Generation Project Engineering, Black Hills
Power
Jason Keil, Manager of Regulatory, Black Hills Power
Todd Brink, Associate General Counsel, Black Hills Power
David Ryan, Director of Finance, Black Hills Power (by telephone)
Deb Bisgaard, Corporate Accounting Principal, Black Hills Power (by
telephone)

Commission Staff (CS): Morgan Fish, Katie Koski, Marci Norby, Perry
McCollom, Kara Seveland, Melisa Mizel, Michelle Bohanan, John
Burbridge, and Chris Petrie

REGULAR AGENDA

- 1. Docket Nos. 20002-84-ET-12 and 20003-123-ET-12 (Record Nos. 13336 and 13337). Applications of Cheyenne Light, Fuel and Power Company and Black Hills Power, Inc. for authority to establish the Cheyenne Prairie Generating Station (CPGS) rider tariff and current recovery of construction financing costs. Commission to consider and act on *Final CPGS Rate Rider Compliance Filing with True-Up Schedules and CPGS Rider Refund Plan*, including authorization of customer refunds on an interim basis.**

Michelle Bohanan, CS, provided a technical *Memo* dated November 30, 2016. Mr. Todd Brink, Associate General Counsel, explained the Application seeking approval of an interim refund plan. The company currently has about \$800,000.00 to refund Cheyenne Light customers and about \$50,000.00 for Black Hills customers. Mr. Brink explained that the company is in the process of developing a Go Forward Policy regarding the application of accruals to capital projects. Mr. Brink stated that the company would be collaborating with staff regarding the development and application of the policy to the CPGS Rider. Upon completion of the policy, the company will then file a Final Refund Plan for consideration by the Commission. Mr. Chris Kilpatrick, Director Resource Planning, provided an overview of the history regarding the CPGS Rider.

Mr. Jason Keil, Manager Regulatory, stated that the company filed the Interim Refund Plan last week for Cheyenne Light and Black Hills Power with updated models for each docket including interest through December. Mr. Keil explained that Black Hills Power proposes refunding Black Hills customers approximately \$54,000.00 with about \$5,000.00 to the

residential class, \$7,000.00 to the small general service class and \$42,000.00 to large general industrial contract service class and \$192.00 to the lighting class. Mr. Keil stated that the company proposes refunding on a per kilowatt basis using January and February 2016 actual billed volumes for the denominator, calculated at the rates filed by the company the previous week. The company will file a new plan when the exact refund amounts are known. Mr. Keil explained that Cheyenne Light would also have a refund period of January 2017 with a per kilowatt basis with the exception of the Industrial Contract Service (ICS) class. Cheyenne Light has anticipated refunds totaling \$828,000.00 with \$224,000.00 to the residential class, \$19,000.00 to the commercial class, \$183,000.00 to the secondary general class, \$106,000.00 to the primary general class, \$288,000.00 to the ICS class, and \$8,000.00 to the lighting class. The approximate refund calculation for customers 620 is \$159,000.00, 621 is \$99,000.00, and 622 is \$30,000.00. Mr. Keil noted that if there is a balance in the balancing account at the end of the refund period, the company would like to run another refund in May if the amount is above the 10% threshold or run the amount through the PCA filing in February if it is below the 10% threshold. Mr. Keil responding to a question from Deputy Chair Russell advised that there is not a new accrual policy but it will be included in the final plan filing. The company will prioritize the final refund plan and will attempt to complete it within a 3-6 month period.

Mr. Jason Hartman, Director Generation Project Engineering, responding to Michelle Bohanan, CS, discussed the process concerning a surplus of pipes. The pipes are designed in a three dimensional model with precise dimensions fabricated in a shop. A gas pipeline is not designed in a three-dimensional fashion but rather follows the contour of the land. Because of the difference in accuracy there is more uncertainty regarding how much pipe is needed in the field. The surplus pipe after construction of the pipeline was approximately 15 tons. The company attempted to return the surplus pipe to the supplier but was unable to do so. The quote to salvage the pipe was for \$80 a ton, totaling about \$1200.00 with a minimum cost of \$2000.00 to move the pipe. Consequently, the decision was made to store the pipe in a field. Another gas pipeline contractor was able to remove the pipe from the field, where it was a hazard, and use it to qualify welders.

John Burbridge, Commission Counsel, recommended approval of an interim refund to Cheyenne Light customers in the total amount of \$828,351.00 and an interim refund to Black Hills Power customers in the total amount of \$53,684.00 as described in more detail here today by the company. In addition, he requested the Commission order Black Hills Energy to work with staff to resolve all remaining issues associated with the Cheyenne Prairie Generating Station including but not limited to the accruals and in-service dates, by *Order* only, effective immediately. Deputy Chairman Russell moved to act as recommended. Commissioner Brighton seconded the motion and Chairman Minier concurred.

Prepared by: Sylvia Sanchez

Date of Next Open Meeting: Tuesday, December 20, 2016

ACCEPTED and APPROVED by the Commission on April 18, 2017.

Chairman William F. Russell

WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting
Tuesday, December 20, 2016
1:30 p.m.

Commissioners: Chairman Alan B. Minier
Deputy Chairman William F. Russell
Commissioner Kara Brighton

Ryan Schilreff, General Manager, Wyrulec Company (by telephone)
Travis Jacobson, Regulatory Analysis Manager, Montana-Dakota Utilities Co. (MDU) (by telephone)
Mark Stege, Vice President of Customer Service, Black Hills Energy (BHE)
Jane Montoya, Senior Manager of Customer Operations, BHE
Heather McDowell, Associate General Counsel, BHE
Steve Rocheleau, Director of Regulatory Group, BHE
Marne Jones, Director of Regulatory Services, Black Hills Power (BHP) (by telephone)
Dan Tinney, Gas Operations Manager, BHE (by telephone)
Todd Brink, Associate General Counsel, BHE (by telephone)
Jodi Culp, Vice President Gas Operations, Black Hills Corporation (BHC) (by telephone)
Mike Siemek, Manager Gas Load Control, BHC (by telephone)
Jerrad Hammer, Director of Rates and Regulatory, Black Hills Gas Distribution, LLC (by telephone)

Office of Consumer Advocate (OCA): Denise Parrish and Belinda Kolb

Commission Staff (CS): Lori Brand, Morgan Fish, Katie Koski, Marci Norby, John Burbridge, Chris Petrie, Steve Mink, Tom Wilson, Kara Seveland, Rachel Meeker and Luy Luong

REGULAR AGENDA

- 1. Docket No. 10016-65-CA-16 (Record No. 14595). Amended Application of Wyrulec Company for authority to revise its avoided cost tariffs. Commission to consider and act on Amended Application.** Marci Norby, CS, provided a technical *Memo* dated December 8, 2016. Ryan Schilreff, General Manager, Wyrulec, explained the Company is requesting to update its avoided cost rate, effective January 1, 2017, due to a wholesale rate increase from Tri-State Generation and Transmission. There were no questions or comments. Lori Brand, Commission Counsel, recommended approval of the Amended Application for use on and after January 1, 2017 by *Notice and Order*, effective immediately. Deputy Chairman Russell moved to act as recommended. Commissioner Brighton seconded the motion and Chairman Minier concurred.
- 2. Docket No. 20004-122-EA-16 (Record No. 14607). Application of Montana-Dakota Utilities Co. requesting a variance of Section 2 of its Power Supply Cost Adjustment pursuant to its Rate 50. Commission to consider and act on application.** Marci Norby, CS, provided a technical *Memo* dated December 4, 2016. Travis Jacobson, MDU's

Regulatory Affairs Manager, explained this application is for a variance to its Power Supply Cost Adjustment (PSCA) Rate Schedule 50, Section 2, effective January 1, 2017, due to the pending general rate case, Docket No. 20004-117-ER-16. He said the Company is requesting to continue to charge current rates until the Commission acts on the pending general rate case. Jacobson said MDU will update and implement the PSCA consistent with the approved Rate 50 Schedule and concurrently with the new approved rates resulting from action in the pending general rate case. This delay of implementation would reduce the number of rate changes for customers. There were no questions or comments. John Burbridge, Commission Counsel, recommended approval of the application effective on and after January 1, 2017 by *Notice and Order*, effective immediately. Deputy Chairman Russell moved to act as recommended. Commissioner Brighton seconded the motion and Chairman Minier concurred.

3. **Docket Nos. 30022-255-GA-15 and 30023-1-GA-15 (Record No. 14204): Joint Application of SourceGas Distribution LLC, SourceGas LLC, SourceGas Holdings LLC, and Black Hills Utility Holdings, Inc. for all Necessary Authorizations and Approvals for Black Hills Utility Holdings, Inc. to Acquire SourceGas Holdings LLC. Commission to receive report from representatives of Black Hills Corporation regarding the integration of SourceGas Distribution services and operations. Topics are expected to include general integration, billing system conversion, operations updates, and gas supply/load control. The Commission shall take such action as the public interest may require in light of information received.** Jerrad Hammer, BHGD's Director of Rates and Regulatory, stated this is a continuation from July 2016 and introduced the Company representatives. Hammer introduced Mark Stege, BHE's Vice President of Customer Service, who continued the presentation.

Stege said teams were tasked with combining all resources, people, and systems in 2015. He said 2016 was a year of systems integration. In February, Black Hills undertook to integrate payroll and financial software. Following this integration, employees were paid, and a financial statement produced. Arkansas was converted first and was completed in July (160,000 customers). Following Arkansas, the rest of the SourceGas states were converted. Starting on October 26, 2016, 550 million records were integrated. He said the first batch of bills were issued two days later. Stege said there were 83,000 Wyoming legacy SourceGas customers integrated, totaling 127,000 Wyoming Black Hills customers. Black Hills was expecting a spike in calls and that occurred. He said every SourceGas representative was trained on CIS Plus and Black Hills legacy systems, as well the electric side of the business. Conversely, Black Hills representatives were trained on the new tariffs and the ChoiceGas program. To facilitate training initiatives, all collection activity was postponed until after November 2016. Citing statistics for the first day, Stege said they were all worse, but as expected. On December 1, 2016, 1.2 million customers were migrated seamlessly to a common platform, Genesis Interaction Voice Response (IVR). He said the benefits of this migration are Spanish (IVR), quick route to payment options, a simpler menu, real time account balances, call back virtual hold (if more than two minutes.), and the ability to make changes to the program because Black Hills now owns it. Several days later, calls were received about intermittent telephone problems. Black Hills contacted CenturyLink, its provider and discovered it was having technical problems with a trunk coming from Houston. CenturyLink ultimately resolved the issue. He said following this Black Hills began work on a shared service agreement with Verizon, thus engaging a second carrier to prevent a recurrence of the issue. He further commented the

current level of customer service has now returned to near normal rates. He provided information about how customers are utilizing the new platform and noted that, in general, customer expectations are changing. Because of this, Stege said that Black Hills will launch a customer service optimization project in 2017. Some of the initiatives will include start/stop service, improved IVR, auto and e-bill, and converting analytic data into actionable information. He said there is a 4% annual increase in electronic payments and corresponding 3% decrease in mail-in payments with 55% of customers paying electronically, 36% through the mail and less than 5% through walk in centers. Deputy Chairman Russell asked if the conversion was done in-house and Stege responded it was.

Marne Jones, BHP's Director of Regulatory Services, provided an overview of the regulatory team integration. She said Black Hills brought over all legacy SourceGas regulatory personnel in February 2016, but reporting structure teams and process consolidation was not integrated until August 2016. Jones commented that Wyoming's lead for electric is Jason Keil and for gas, Jerrad Hammer, until the role is filled.

Jane Montoya, BHE's Operations Manager, provided an operations update noting automated dispatch systems, referred to as Click software, was converted on October 31, 2016 following training to process orders. Montoya noted the Click software is all currently on Black Hills systems and going well. She said the Company is working on consolidation of Operations Management procedures, operator qualifications, mapping and more updates will be forthcoming in 2017. Montoya stated appliance sales were discontinued in Wyoming on November 1, 2016 and remaining appliances were donated to local charities. She said rebranding is complete for the fleet and work on pipeline markers is 95% complete, although there have been some access issues with snow and terrain.

Jodi Culp, BHC's Vice President of Gas Operations, provided an update on operational systems for employees and discussed redundancy. She said with regard to system conversions, initially the primary focus was integration of SourceGas into Black Hills to minimize the disruption of the acquisition. The conversion of the gas management system—bringing all gas supply transactional activity into one system of record—was successfully completed. Transportation administration systems are currently being reviewed to determine if those systems can be integrated into the legacy SourceGas systems (Quorum suite of products). As to personnel and locations, Culp said the Company is moving people from Golden, Colorado to Denver, Colorado and will reconfigure current office space to allow for a functional buildout of the space. She said the move is scheduled for the first quarter of 2017. With respect to redundancy, Culp said there has not yet been much change and provided details on locations and responsibilities.

Mike Siemek, BHC's Manager of Gas Load Control, commented there has been good progress on the legacy SourceGas SCADA (supervisory control and data acquisition) system rebuild. He said some scenarios of the rebuild required reengineering and it is finally nearing completion with core data site connectivity near 100%. He said they are in the reconciliation and parallel operation stage with cutover anticipated in mid to late January 2017. With regard to systems unification, there is significant progress with backup operations. He said they are working toward any control room being able to back up any other control room in the three operations centers, with active backup expected in the first quarter of 2017. Best practices will be implemented in 2017. Chairman Minier asked if there were any issues not anticipated. Stege responded no, but said the Company is always

striving to expect the unexpected. He further stated a decision was made to close the Cody and Lander offices to walk in payments due to decreased traffic but reiterated there are other options available to customers. He stated no employees lost jobs.

There were no further questions or comments. No action by the Commission was required.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Thursday, December 22, 2016

ACCEPTED and APPROVED by the Commission on April 18, 2017.

Chairman William F. Russell

WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting
Thursday, December 22, 2016
1:30 p.m.

Commissioners: Chairman Alan B. Minier
Deputy Chairman William F. Russell
Commissioner Kara Brighton

Bryan Lee, President, Frannie Deaver Utilities (by telephone)
Stacy Splittstoesser, Wyoming Regulatory Affairs Manager, Rocky
Mountain Power (RMP)
Daniel Solander, Senior Corporate Counsel, RMP (by telephone)
Thorvald Nelson, Holland and Hart, LLP, Local Counsel for Wyoming
Industrial Energy Consumers (WIEC)

Office of Consumer Advocate (OCA): Christopher Leger, Denise Parrish

Commission Staff (CS): John Burbridge, Michelle Bohanan, Lori Brand,
Jess Bottom, and Chris Petrie

CONSENT AGENDA

1. **Undocketed: Open meeting minutes for review by the Commission for the regular open meetings of October 13, October 18 and November 1, 2016, as prepared by Barbara Tomlinson.**
2. **Docket No. 20000-507-ET-16 (Record No. 14616). Tariff filing of Rocky Mountain Power to revise P.S.C. Wyoming No. 16 in Compliance with the Commission's *Letter Order Setting Commission Authorized Interest Rate in Docket No. 90090-11-XO-16. Commission to consider and act on tariff filing.*** Michelle Bohanan, CS, provided a technical *Memo* dated December 19, 2016.

Chairman Minier introduced the consent items. For Item #1, Deputy Chairman Russell moved to approve the minutes as written. Commissioner Brighton seconded the motion and Chairman Minier concurred. For Item #2, John Burbridge, Commission Counsel, recommended approval of the Tariff filing by *Order* only, effective immediately. Deputy Chairman Russell moved to act as recommended. Commissioner Brighton seconded the motion and Chairman Minier concurred.

REGULAR AGENDA

1. **Docket No. 30007-124-GP-16 (Record No. 14599). Amended Application of Frannie Deaver Utilities to revise its commodity balancing account tariff to pass on a decrease in delivered cost in the amount of \$0.0214 per MCF. Commission to consider and act on Amended Application.** Jess Bottom, CS, provided a technical *Memo* dated December 16, 2016. Bryan Lee, Frannie Deaver's President, explained that an error was found in the original application, which was corrected and resubmitted. He said projected gas purchase costs increased and the commodity balancing account decreased, which resulted in a net decrease. Lee also commented the line loss issue is well explained in the memo and appears

to be resolved. He noted concern from Commission Staff about Frannie Deaver's financial position and explained that it was due to a warm winter resulting in decreasing sales. Lee said the Company would monitor decreasing sales more closely this winter, noting half of all sales are oil production related. Bottom pointed out a correction in Table 4 of the technical *Memo*. He also commented that Commission Staff agrees with Lee that sales have been declining since the test year in the last general rate case. He said if a new rate case is warranted, the Company should file one sooner rather than later. Lori Brand, Commission Counsel, recommended approval of the Amended Application for use on and after January 1, 2017, by *Notice and Order*, effective immediately. Deputy Chairman Russell moved to act as recommended. Commissioner Brighton seconded the motion and Chairman Minier concurred.

2. **Docket Nos. 20000-495-EA-16 and 10020-56-CA-16 (Record No. 14370). Amended Application of Rocky Mountain Power (RMP) for approval of its Agreement with High Plains Power, Inc. Commission to consider and act on Amended Application and Petition for Confidential Treatment (Petition). (The referenced Agreement will allow High Plains Power to serve a customer in Rocky Mountain Power's certificated territory.)** Jess Bottom, CS, provided a technical *Memo* dated December 15, 2016. Stacy Splittstoesser, RMP's Wyoming Regulatory Affairs Manager, stated RMP is seeking approval of the service territory agreement between RMP, High Plains Power and the customer. She explained the rural residential property is located in RMP's certificated territory but is closer to High Plains Power's infrastructure. Connecting to High Plains Power's infrastructure would result in a significant cost savings for the customer. There were no questions or comments. Steve Mink, Commission Counsel, recommended approval of the Amended Application by *Order* only, effective immediately. Deputy Chairman Russell moved to act as recommended. Commissioner Brighton seconded the motion and Chairman Minier concurred
3. **Undocketed: Wyoming Industrial Energy Consumers' Petition for Rulemaking regarding the Commission's Resource Planning Rule (Chapter 3, Section 33). Commission to consider and act on Petition pursuant to W.S. 37-3-106.** Thorvald Nelson, WIEC's Counsel, stated he submitted this *Petition* in accordance with Wyoming Statutes to initiate rulemaking to amend Commission Rule Chapter 3, Section 33, regarding integrated resource planning. He said WIEC submitted a proposed rule for Commission consideration. According to the current rule, which calls for the submission of integrated resource plans (IRPs), the Commission accepts the IRP for filing, but there is no further process. He said specifically, that WIEC is aware that PacifiCorp's decision-making is influenced by regulators in other states with more formal procedures governing IRPs. Accordingly, WIEC wants to weigh in with regard to multi-state IRPs. Nelson stated WIEC wants to create an opportunity for a more formal process if an integrated resource plan warrants further investigation. He said this proposed rule provides the opportunity to initiate a formal investigation in this regard. He commented the Commission has an obligation as a regulator to ensure the facilities are adequate and reasonable and that there are sufficient supplies of utilities service to meet customer demand. Nelson noted this is fundamentally different from a decision on a Certificate of Public Convenience and Necessity (CPCN) or rates. He said a provision was included to make clear if the Commission elects to investigate something more fully, this would be distinct from CPCNs and rates. Since Nelson's focus was on PacifiCorp, Deputy Chairman Russell asked Nelson if WIEC had any concern about promulgating a rule that targets a specific utility. Nelson

replied there is no limitation in the proposed rule to a particular company and it could be broadly or specifically applied. However, he agreed WIEC's focus is on PacificCorp.

Chris Petrie, Commission Chief Counsel, asked if WIEC has a position or thoughts on the benefits or detriments of holding technical conferences in advance of formal rulemaking to discuss the substance of this *Petition*. Nelson said WIEC would defer to the Commission's judgment as to the appropriate process. Denise Parrish, OCA, commented that the OCA has provided input into the discussions with WIEC and PacificCorp, but OCA is not yet in full agreement with the rule proposal WIEC put forth. She stated if the Commission goes forward with rulemaking, any adopted rule would need to be broadened to include other entities. Nelson confirmed to Deputy Chairman Russell that it does not preclude the Commission from utilizing this type of procedure in the next IRP, if rulemaking is not undertaken. Nelson commented that this process could take some time to complete. Deputy Chairman Russell asked if the *Petition* is granted and technical conference(s) are held, and then the Commission decides not to proceed with rulemaking, does that conflict with the *Petition*. Burbridge responded that a technical conference is the appropriate way to begin the rulemaking process, but granting this *Petition* is a good vehicle to provide notice to all interested parties, without any Commission obligation to formally adopt rules. Burbridge noted any decision would need to be memorialized in case of appeal. He also responded to Commissioner Brighton that housekeeping issues related to the recently adopted rules and this rulemaking need to be kept separate. John Burbridge, Commission Counsel, recommended granting the *Petition* by *Order* only, effective immediately. Deputy Chairman Russell moved to act as recommended. Commissioner Brighton seconded the motion and Chairman Minier concurred.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Thursday, December 29, 2016

ACCEPTED and APPROVED by the Commission on April 20, 2017.

Chairman William F. Russell

WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting
Thursday, December 29, 2016
1:30 p.m.

Commissioners: Chairman Alan B. Minier
Commissioner Kara Brighton

Travis Jacobson, Regulatory Affairs Manager, Montana-Dakota Utilities
Co. (MDU) (by telephone)
Margaret McGill, Principal Regulatory Analyst, Black Hills Energy
(BHE) (by telephone)
Reed Metzger, General Manager, Big Horn County Electric Cooperative,
Inc. (by telephone)

Commission Staff (CS): Tom Wilson, Steve Mink, Lori Brand, Marci
Norby, Rachel Meeker, Katie Koski, Kara Seveland and Luy Luong

CONSENT AGENDA

1. **Docket No. 70000-1637-TK-16 (Record No. 14571). Contract filing of Qwest Corporation d/b/a CenturyLink QC for authority to enter into a Type 2 Wireless Interconnection Agreement with Onvoy Spectrum, LLC. Commission to consider and act on Agreement.** Tom Wilson, CS, provided a technical *Memo* dated December 22, 2016.
2. **Docket Nos. 70003-181-TK-16 and 74549-6-TK-16 (Record No. 14582). Contract filing of CenturyTel of Wyoming, Inc. d/b/a CenturyLink for authority to enter into an unbundled network elements, ancillary services and resale of telecommunications services Interconnection Agreement with BCN Telecom, Inc. Commission to consider and act on Agreement.** Tom Wilson, CS, provided a technical *Memo* dated December 22, 2016.
3. **Docket Nos. 70009-474-TK-16 and 74549-5-TK-16 (Record No. 14581). Contract filing of United Telephone Company of the West d/b/a CenturyLink of the West for authority to enter into an unbundled network elements, ancillary services and resale of telecommunications services Interconnection Agreement with BCN Telecom, Inc. Commission to consider and act on Agreement.** Tom Wilson, CS, provided a technical *Memo* dated December 22, 2016.

Chairman Minier introduced the consent items. For Items #1, #2 and #3, Steve Mink, Commission Counsel, recommended approval of the three Agreements by *Notice and Order*, effective immediately. Commissioner Brighton moved to act as recommended and Chairman Minier seconded the motion.

REGULAR AGENDA

1. **Docket No. 30013-321-GP-16 (Record No. 14611). Application of Montana-Dakota Utilities Co. for authority to pass on a wholesale gas cost increase of \$0.198 per Dth for Residential and Firm General Service customers, an increase of \$0.199 per Dth for Seasonal customers, and an increase of \$0.198 per Dth for Small and Large Interruptible customers. Commission to consider and act on Application and *Petition for Confidential Treatment of Gas Pricing Information (Petition)*.** Rachel Meeker, CS, provided a technical *Memo* dated December 22, 2016. Travis Jacobson, MDU's Regulatory Affairs Manager, explained this application is for authority to pass on purchased gas costs resulting in an increase. He said the reason for the increase is due to an increase in the overall commodity price. Jacobson stated the average cost of gas with the increase is \$3.880 per Dth. There were no questions or comments. Lori Brand, Commission Counsel, recommended approval of the application for use on and after January 1, 2017, and granting the *Petition by Notice and Order*, effective immediately. Commissioner Brighton moved to act as recommended and Chairman Minier seconded the motion.

2. **Docket No. 30005-221-GP-16 (Record No. 14608). Application of Cheyenne Light, Fuel and Power Company d/b/a Black Hills Energy for authority to pass on a wholesale natural gas cost decrease of \$0.6875 per dekatherm for Firm and Interruptible rate classes. Commission to consider and act on Application and *Petition for Confidential Treatment of Natural Gas Acquisition Strategy and Financial Forecasting* filed on November 30, 2016, and *Petition for Confidential Treatment of Gas Cost Invoices* filed on December 12, 2016. (*Petitions*).** Kara Seveland, CS, provided a technical *Memo* dated December 23, 2016. Margaret McGill, BHE's Principal Regulatory Analyst, explained this application is for a change to the gas cost reconciled rate, resulting in a decrease and stated it is to adjust for natural gas and commodity related costs. McGill stated the current rate is \$4.0870 and the proposed rate is \$3.995, resulting in a decrease of \$0.6875 per dekatherm. There were no questions or comments. Katie Koski, Commission Counsel, recommended approval of the application for use on and after January 1, 2017, and granting the *Petitions by Notice and Order*, effective immediately. Commissioner Brighton moved to act as recommended and Chairman Minier seconded the motion.

3. **Docket No. 10018-20-CS-16 (Record No. 14609). Application of Big Horn County Electric Cooperative, Inc., for authority to refinance existing indebtedness to the Rural Utilities Service in the principle sum of \$1,500,000. Commission to consider and act on Application.** Luy Luong, CS, provided a technical *Memo* dated December 23, 2016. Reed Metzger, Big Horn County Electric Cooperative's General Manager, explained the purpose of this filing is for authorization to refinance existing debt to reduce the interest rate from 5% to 3.35% creating significant savings. There were no questions or comments. Katie Koski, Commission Counsel, recommended approval of the application pursuant to Wyo. Stat. §37-6-102 with the Commission to order Big Horn to file as a compliance filing the final loan documents detailing all final terms and conditions pursuant to Commission Rule Chapter 3, Section 21(g)(ii) by *Order* only, effective immediately. Commissioner Brighton moved to act as recommended and Chairman Minier seconded the motion.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Tuesday, January 3, 2017

ACCEPTED and APPROVED by the Commission on April 18, 2017.

Chairman William F. Russell