

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

Friday, February 1, 2008
1:00 p.m.

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

Commission Staff: Chris Petrie

REGULAR AGENDA ITEMS

1. **Docket No. 20000-277-ER-07 (Record No. 11249) In the matter of the application of Rocky Mountain Power for approval of a general rate increase of approximately \$36.1 million per year for retail electric utility service in Wyoming, and for approval of a new renewable resource mechanism and marginal cost pricing tariff.** Commission to consider and act upon special order authorizing one commissioner or hearing examiner to conduct public hearing issued pursuant to emergency action taken at its open meeting on January 30, 2008. Chris Petrie, Commission Chief Counsel, said the request for a special order was addressed in the Commission's regular open meeting on January 30, 2008, but further approval is required under the Wyoming Public Meetings Act since public notice was not provided prior to the emergency action. There were no further comments or questions. Deputy Chairman Oxley moved to reconfirm the action taken at the open meeting on January 30, 2008, authorizing an Order under W.S. § 37-2-202 and W.S. § 16-4-404 to allow one Commissioner or hearing examiner to preside at any further public activity in this docket. Chairman Lewis seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Wednesday, February 6, 2008, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 28th day of March 2008.

Steve Oxley, Deputy Chairman

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

Wednesday, February 6, 2008
1:30 p.m.

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

Tom Dixon, Embarq (by telephone)
Ronald Foote, Red Lane Domestic Water, Inc. (by telephone)
Kate Fox, counsel for AT&T
Harold Giberson, Utility Workers Union of America, Local 127,
AFL-CIO (by telephone)
Ann Prockish, Embarq (by telephone)
Randy Reed, counsel for Belle Fourche Pipeline Company
Jim Roberts, Embarq (by telephone)

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

Commission Staff: Blair Bales, Don Biedermann, Vicky Hansen, Dave
Lucero, Chris Petrie, David Piroutek, Barbara Taylor-Iversen, David
Walker

CONSENT AGENDA ITEM

1. **Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meeting of January 17, 2008.** Chairman Lewis introduced the consent agenda item, and Deputy Chairman Oxley moved to accept the minutes as submitted. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 80002-12-WA-07 (Record No. 11267) Application of Red Lane Domestic Water, Inc. (Red Lane), for approval of a transfer of control and certificate of public convenience and necessity from Mary Berry, Inc., to Ronald A. and Arvedell Foote.** Art Schmidt, Commission Advisory Staff (CAS), provided a technical memo dated January 22, 2008. Mr. Foote of Red Lane said he purchased the Fountain of Youth Campground in February 2006, and Red Lane was included as part of the purchase, providing water service to the campground and about 60 residential customers. He said the water is purchased from the Town of Thermopolis, stored in a 70,000-gallon tank and is gravity-fed to customers. Mr. Foote added that there are no plans to expand the company nor any plans at this time to perform any upgrades to the existing system. There were no further comments or questions. Mr. Schmidt recommended approval of the

application by Notice and Order, effective immediately. Deputy Chairman Oxley moved to approve the application as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

2. **Docket No. 50000-57-PT-07 (Record 11041) Application of Belle Fourche Pipeline Company (Belle Fourche) for authority to increase rates for crude oil pipeline service from points in Campbell, Crook and Johnson Counties, Wyoming, to points in Goshen, Platte and Johnson Counties, Wyoming, due to emergency. Commission to consider finalizing interim Order.** Don Biedermann, CAS, provided a technical memo dated February 1, 2008. Randy Reed, counsel for Belle Fourche, said last winter the company was authorized to increase its rates for services in the listed counties due to difficulties in maintaining pipeline pressures and the necessity to purchase condensate. Mr. Reed said he believed the order had been issued on a permanent basis but was informed by Commission staff it was only issued as an interim approval. Therefore, Belle Fourche requested permanent approval at this time for winter usage of the condensate and adjustment of charges to shippers accordingly. Discussion followed on the methodology for calculating the cost of the condensate and tariff language to properly reflect the charges for condensate. Mr. Reed said he would like to discuss the matter further with Belle Fourche and return to the Commission with a more appropriate tariff. Deputy Chairman Oxley then moved to table this item until the next open meeting on Friday, February 8, 2008. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
3. **Docket No. 20000-309-EA-07 (Record No. 11569) Application of Rocky Mountain Power for a Certificate of Public Convenience and Necessity to construct the 99-MW Rolling Hills Wind Project in Converse County, Wyoming. Commission to consider and act on Petition to Intervene filed by Utility Workers Union of America, Local 127, AFL-CIO.** Harold Giberson, representing the Utility Workers Union, said the union is interested in the matter because union workers will probably be contracted to operate and maintain the wind farm. Steve Mink, Commission Counsel, said the petition did not request a hearing, and Mr. Giberson confirmed that Rocky Mountain Power and other parties to the docket were not served with a copy of the petition. There were no further comments or questions. Chairman Lewis moved to table this item until the open meeting on February 12, 2008, to allow for filing of an amended petition showing service to all parties and, if so desired, a request for hearing. Commissioner Byrnes seconded the motion, and Deputy Chairman Oxley concurred.
3. **Docket No. 70009-294-TT-07 (Record No. 11253) Tariff filing of United Telephone Company of the West-Wyoming d/b/a Embarq, for authority to reduce local access line rates and consumer business bundled packages and increase intrastate switched access rates. Brief continuation of Commission deliberations in this matter.** Deputy Chairman Oxley said, as a result of further consideration since formal deliberations were conducted, he wanted to present in a public meeting an informal memo to the Commissioners setting out his additional thoughts on what is or is not allowable under the statute. Copies of the memo were also provided to Dave Lucero, Commission Counsel, and Chris Petrie, Commission Chief Counsel. Chairman Lewis moved to

continue the deliberations on March 7, 2008. Deputy Chairman Oxley seconded the motion, and Commissioner Byrnes concurred.

A full audio transcript is available upon request.

Next Open Meeting: Friday, February 8, 2008, at 9:00 a.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 10th day of April 2008.

Kathleen A. "Cindy" Lewis, Chairman

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

Tuesday, February 12, 2008
1:30 p.m.

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

Bob Lively, Rocky Mountain Power (by telephone)

Commission Staff: Vicky Hansen, Luy Luong, Dave Piroutek, Barbara Taylor-Iversen, David Walker

CONSENT AGENDA ITEMS

1. **Docket No. 20000-316-EA-08 (Record No. 11622). Application of Rocky Mountain Power for authority to sell, lease or dispose of certain utility plant or facilities. Commission to consider and act on the application.**
2. **Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meeting of October 31, 2007.**

Chairman Lewis introduced the consent agenda and asked if there were any requests to withdraw an item for further consideration. There were no requests, comments or questions. Vicky Hansen, Commission Counsel, recommended approval of Item 1 by Order only, effective immediately. Deputy Chairman Oxley moved to act as recommended and to accept the Open Meeting Minutes as submitted. Chairman Lewis seconded the motion.

REGULAR AGENDA ITEMS

1. **Docket Nos. 10019-40-EA-08 and 20000-313-EA-08 (Record No. 11615) Application of Rocky Mountain Power (RMP) for approval of its agreement with Big Horn Rural Electric Company (Big Horn) and Cody Heinbaugh. Commission to consider and act on the application.** Barbara Taylor-Iversen, Commission Advisory Staff (CAS), provided a technical memo dated February 8, 2008. Bob Lively of RMP said Mr. Heinbaugh's residence is located in RMP's territory, but the agreement to allow Big Horn to connect and serve the residence would save Mr. Heinbaugh approximately \$44,000. Mr. Lively said the agreement would not change existing service territories and provides for a six-month notice to Big Horn for RMP to assume service. Service may also be assumed by RMP upon the customer's request. However, he said it is not RMP's intention to assume the load but feels it is important to include the clause in the event infrastructure is developed in the area which would allow RMP to provide the service. There were no further comments or questions. Vicky Hansen, Commission Counsel, recommended approval of the application by Order only, effective immediately. Deputy

Chairman Oxley moved to approve the application as recommended with the Order to contain instruction that, if RMP elects to assume service, the company provide notice at the same time to Mr. Heinbaugh, Big Horn and the Commission, and further that such a notice state the approximate costs to Mr. Heinbaugh. Chairman Lewis seconded the motion.

2. **Docket Nos. 10019-41-EA-8 and 20000-314-EA-08 (Record No. 11616) Application of Rocky Mountain Power (RMP) for approval of its agreement with Big Horn Rural Electric Company (Big Horn) and Ron Miller to permit Big Horn to serve Mr. Miller.** Barbara Taylor-Iversen, CAS, provided a technical memo dated February 2, 2008. Bob Lively of RMP said the Miller residence is in RMP territory, but the cost to connect service would be approximately \$13,000, while Big Horn can provide service for approximately \$1,300. He said the conditions are the same as the previous agenda item. There were no further comments or questions. Vicky Hansen, Commission Counsel, recommended approval of the agreement by Order only with the same language as above in the Heinbaugh matter requiring RMP to provide contemporaneous notice of service assumption to Big Horn, the customer and the Commission, including an estimate of costs to the customer. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Thursday, February 14, 2008, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 28th day of March 2008.

Steve Oxley, Deputy Chairman

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

Wednesday, February 13, 2008
1:30 p.m.

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

1. Undocketed. The Commission met with members of the Big Horn Mountain Country Coalition and other interested parties in Casper, Wyoming, to discuss the transition by wireless telecommunications carriers from analog to digital service and related issues. An attendance list and staff notes are attached and incorporated herein.

Prepared by: Art Schmidt

ACCEPTED and APPROVED by the Commission on the 6th day of May 2008.

Kathleen A. "Cindy" Lewis, Chairman

Big Horn County Meeting in Casper

In attendance:

Kathleen "Cindy" Lewis
Wyoming Public Service Commission

Steve Oxley
Wyoming Public Service Commission

Mary Byrnes
Wyoming Public Service Commission

Art Schmidt
Wyoming Public Service Commission

Steve Mink
Wyoming Public Service Commission

Don Jackson
Tri County Telephone

Dr. Donald E. Winemiller
Bear Lodge

Thomas Hinman
BHMCC

Terry Wolf
Washakie County Commission

Trish Ullery
BHMCC

Gayle Laurent
BH Nat'l Forrest

Bryce Freeman
Office of Consumer Advocate

Sandy Tinsley
Sen. Enzi's Office

David McMullian
Office of Consumer Advocate

Delbert Eitel
Johnson County Commission

Rae Anne Kelsch
Alltel

Liz Zerga
Verizon

Art Schmidt with the Wyoming Public Service Commission opened the meeting summarizing what was learned from Alltel and Verizon meetings with the Wyoming Public Service Commission about the conversion from analog to digital by February 18, 2008.

Discussion followed:

Dr. Winemiller – stated he has problems with:

- Poor analog service.
- Bag phone problems even with digital.
- Intermittent phone problems.
- 500 – 600 people use one phone line built in the 30's.
- He acquired Arrow Head Lodge.
- Repeaters needed at that location.
- Wants something to depend upon.
- 3 calls to Verizon with no success.
- Intermittent, analog service bad and static.
- No dial tone at times.
- Concerned about reliability of wireless.
- He tried 7 analog bag phones – extreme drops, can't hear.
- Phones pulling 2 bars out of 4.
- 7 digital phones from another vendor did not resolve problems.
- Verizon said digital system was best solution.
- Only get general support from wireless company.
- Call using one of the 7 phones.

L. Zerga – Verizon representative (via phone)

Who is vendor for his 7 phones?

Asked Dr. Winemiller to call her since she represents Verizon in Wyoming 307-752-2444.

D. Winemiller –

Owns 30 motel rooms and 18 cabins, known as Arrowhead Lodge.

Camp sites are available.

In addition there are other Lodges near by.

Looked at Satellite phones but they cost - \$3/min. or \$1,800/phone.

He had Verizon for 5 years.

He was told that he was covered but now not in coverage area.

They have a land line which is 4 party, the line has been in service since 1929 and can't be upgraded.

T. Ullery –

Said extending fiber to the area would cost \$50k / mile.

D. Winemiller –

Estimated \$750k / for fiber to his location.

Wyoming has 2 state microwave dishes, maybe they would base time.

T. Ullery –

As a priority, concerned about safety, traveling public in area.

D. Winemiller –

Looking at digital radios for his area as a solution.

D. Jackson –

Said TCT was trying to help, but it is Qwest territory. Qwest provides service to Dayton Edge Forest Service over a line built in 1930's. System is unserviceable and can't be upgraded.

L. Zerga –

Contacted by Barbra Cubin's office, but Dr. Winemiller's physical location is outside service area of Verizon. Verizon did not promise to reach Dr. Winemiller's area because they say they are outside the area.

D. Jackson –

Customer is getting monthly credit in area. Very weak signal.

D. Winemiller –

Digital system does not seem to work as promised.

T. Ullery –

Needs for guests to get access in Big Horn area.

Can they use universal service fund for Big Horn.

Needs to serve growth.

Priorities are: Beartooth Pass death last year, need for putting in emergency phone.

#1 public safety – critical issue, more and more snowmobiles in the area.

#2 tourism and development need to be served.

Big Horn County Coalition needs to initiate a process, and see about getting federal funding.

D. Jackson –

TCT dropped out when ACT designing to provide service to Big Horn area.

TCT thought ACT's solution was a low cash alternative.

Forest Service had meetings with ACT and Big Bear.

TCT did not have a viable solution at the time for Big Horn area.

TCT thought other solution was viable.

T. Ullery –

They have run out of solutions and are at ground zero.

Big Horn has electric pole line in the area.

D. Jackson –

Thought TCT had low cost solution, but it was not.

T. Ullery –

Big Horn – Natrona to maintain line.

T. Hinman – Retired from Big Horn Electric

First owned phones.

Used analog phones at work.

Retired now using Verizon.

His Son, an engineer for a wireless company says more towers are needed.

Search & Rescue – need to communicate.

Safety issue major concern.

Cell phones don't work as well as 2 way radios.

D. Winemiller –

Service dropped.

T. Hinman –

Has personal digital cell phone from Verizon but it does not work. Analog phone did work but it was not a bag phone.

Digital phone did not work at cabin.

Cabin several miles west of ranger station.

L. Zerga –

Did you look at coverage map?

Terry Wolf – Washaki County Commissioner

Is concerned about safety, and digital does not have the necessary distance coverage, Mr. Wolf is an Alltel customer. There were periodic problems with analog phones but digital phones are worthless. You can't make conference calls, he is concerned that there are no plans in place to fix the problems.

R. Kelsch –

Had an analog phone in September.

Options available; South Dakota best model, used Homeland Security money for safety and cellular partnership. The local leaders need to work with cellular company as well as state and federal agencies.

T. Wolf –

Meet with County but they are concerned about analog to digital conversion.

L. Zerga –

Plan in place, analog to digital footprint, should be the same as certified with FCC, but does not address areas of poor coverage.

- T. Wolf –
There needs to be a plan for Coalition and County.
- R. Kelsch –
FCC – has detailed plan with companies but they don't share build information.
- T. Ullery –
No carrier wants to share information in order to offer solution.
- G. Laurent – Rep from Forest Service
Forest is not adverse to cell towers on forest land.
Last application for tower was Western Wireless 10 – 15 years ago.
Forest Service uses own radio system for its communications.
Would like better call service in area.
Has talked to Wyo Link, no commitment.
Met with Wyo Link but no resolution to help.
- C. Lewis –
Western Wireless is now Alltel.
- R. Kelsch –
Tower, but getting power to tower is difficult.
- D. Eitel –
Concerned about weak digital service.
Analog is better reception than digital reception.
Alltel services most of South end of Big Horn.
- C. Lewis –
What role can the Wyoming Public Service Play?
- T. Ullery –
What about Wyoming Universal Service Fund?
Recommend use to compare? For high speed programs.
Kentucky and Tennessee have broadband programs.
Wireless coverage is important for conducting business in Big Horn.
- C. Lewis –
We will contact Homeland Security and get you contacts.
- R. Kelsch –
Needs Alltel contact sheet.
- L. Zerga –
Will provide Verizon contact sheet after meeting ends.

A. Schmidt –

Provided Rural Utility Service information he obtained from their web site at <http://www.usda.gov.urs/telecom-loansandgrants>.

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

Thursday, February 14, 2008
1:30 p.m.

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

Mark Stege, Cheyenne Light, Fuel and Power Company

Commission Staff: Blair Bales, Vicky Hansen, Steve Mink, Marcy Norby,
Chris Petrie, Dave Piroutek, David Walker, Darrell Zlomke

CONSENT AGENDA ITEMS

- 1. Docket No. 20000-317-ET-08 (Record No. 11623) Application of Rocky Mountain Power for authority to revise its rules and regulations to update its interest on deposit rate to reflect the Commission-assigned annual interest rate effective January 1, 2008, through December 31, 2008. Commission to consider and act on tariff filing.**
- 2. Docket No. 20000-309-EA-07 (Record No. 11569) Application of Rocky Mountain Power for a Certificate of Public Convenience and Necessity to construct the 99-MW Rolling Hills Wind Project in Converse County, Wyoming. Commission to consider and act on the Petition to Intervene filed by the Utility Workers Union of America, Local 127, AFL-CIO.**
- 3. Docket No. 20000-315-EP-08 (Record No. 11618) Application of Rocky Mountain Power to change deferred net power costs through the Power Cost Adjustment Mechanism by approximately \$31.0 million.**
 - a. Commission to consider and act on a Motion for Admission *pro hac vice* of Robert M. Pomeroy, Jr., Thorvald A. Nelson and Robyn A. Kashiwa filed by Walter F. Eggers, counsel for Wyoming Industrial Energy Consumers (WIEC).**
 - b. Commission to consider and act on the WIEC's Petition for Leave to Intervene.**

Chairman Lewis introduced the consent agenda items and asked if there were any requests to withdraw an item for further consideration. There were no such requests nor any comments or questions. Marci Norby, Commission Advisory Staff (CAS), provided the following recommendations: Item 1, approve with an Order only with the interest rate to be effective January 1, 2008; Items 2, 3a and 3b, approve with an Order only,

effective immediately. Deputy Chairman Oxley moved to take action as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 30005-113-GT-07 (Record No. 11317) Application of Cheyenne Light, Fuel and Power Company for authority to amend its GCA tariffs to change the filing period from annually to quarterly. Commission to consider issuing an Order *nunc pro tunc*.** Marci Norby, CAS, provided a technical memo dated February 4, 2008. She said the request is to make a change to Paragraph 9 of the Order to remove the reference to interest on undercollections as that item was not included in the company's amended application. The change would remove the words "and under" from the paragraph. Ms. Norby said she would verify the language is correct in the corresponding tariff. There were no further comments or questions. Ms. Norby recommended issuance of an Order *nunc pro tunc*, effective immediately. Deputy Chairman Oxley moved to issue the Order, and Commissioner Byrnes seconded the motion. Chairman Lewis concurred.

2. **Undocketed: Integrated Resource Planning (IRP). Commission to discuss the comments of interested parties and consider scheduling further proceedings or other action.** Chris Petrie, Commission Chief Counsel, said a series of meetings and technical conferences have been held for discussions with interested parties on how to address IRP filings and whether the Commission has the authority to impose additional requirements on utilities. Mr. Petrie said no consensus of opinion has been reached, and the Commission has several options it may consider: (1) initiate a rulemaking proceeding and instruct staff to draft rules for consideration; (2) open an investigation in which the Commission could direct the appropriate utilities to comply with some guidelines; or (3) ask staff to provide a written discussion of the pros and cons of the various approaches to Commission process development and priorities of what is to be accomplished by an IRP. Discussion followed on how other states process IRPs and the Commission's thoughts on how they may be used. Also discussed was the definition of and potential process for "acknowledging" an IRP. Subsequently, Mr. Petrie was directed to provide the report suggested in Item 3 above to the Commission. No further action was necessary or taken.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, February 26, 2008, at 1:00 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 28th day of March 2008.

Steve Oxley, Deputy Chairman

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

Friday, February 22, 2008
8:30 a.m.

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

Bud Becker, counsel for SourceGas Distribution, LLC
Paul Hickey, counsel for SourceGas Distribution, LLC
Brad Van Dyke, SourceGas Distribution, LLC
Helen Wells, SourceGas Distribution, LLC

Office of Consumer Advocate (OCA): Bryce Freeman, Tom
Wilson

Commission Staff: Blair Bales, Marchia Johansen, Shirley
McCown, Steve Mink and Christopher Petrie

CONSENT AGENDA ITEM

1. **Docket No. 90000-100-XO-07 (Record No. 11509) 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(j), (k), (l), (m) and (o); of the Commission Procedural Rules and Special Regulations regarding service interruption, third-party damage reporting and the associated forms. Commission to consider issuing a Special Order Authorizing One Commissioner or Hearing Examiner.**

Chairman Lewis introduced the consent agenda item and asked if there were any requests to withdraw the item for further consideration. There were no such requests nor any comments or questions. Blair Bales, Commission Counsel, recommended approval of Item 1 with the issuance of a Special Order. Deputy Chairman Oxley moved to take action as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

1. **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.** Paul Hickey, counsel for SourceGas, introduced Helen Wells, manager of customer care in Lakewood, Colorado, who described the bill payment arrangements currently being made for customers who have received

defective bills or no bills for an extended period and how the customer service representatives in the Accenture call center were handling such matters today. Brad Van Dyke, SourceGas, added that the call center customer service representatives do not have scripted material and they are trained to accept certain payment arrangements and other less routine payment arrangements are referred to management. Bryce Freeman, OCA, voiced concerns about certain payment arrangements and suggested SourceGas attempt to determine reasonable amounts for certain customer to pay on a monthly basis, define the amount of time they will have to pay and not limit a customer to two or three months. Commission complaint staff, Shirley McCown and Marchia Johansen, offered information regarding complaint calls they have received and questioned SourceGas about the call center customer service representatives not being consistent in their responses to customers. Deputy Chairman Oxley moved for an interim order directing affirmative presentations on established processes for the call center and requiring an affirmative presentation by the Company on its efforts to understand the payment and financial abilities of the customer and the possibility of dollars per month rather than a month by month based payment arrangement, as suggested by OCA. Commissioner Mary Byrnes seconded the motion and Chairman Lewis concurred.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, February 26, 2008 at 1:00 p.m.

Prepared by: Angie Elliott

ACCEPTED and APPROVED by the Commission on the 6th day of May 2008.

Kathleen A. "Cindy" Lewis, Chairman

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

Thursday, February 26, 2008
1:00 p.m.

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

Gary Abbate, SourceGas Distribution, LLC (by telephone)
Guy Gunther, Qwest Corporation
Jeff Hubbard, Qwest Corporation
Michael Lynn, Qwest Corporation
Rita Mulkern, Montana-Dakota Utilities Company (by telephone)
Jim Roberts, Embarq

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

Commission Staff: Blair Bales, Don Biedermann, Vicky Hansen, Luy
Luong, Dave Lucero, Shirley McCown, Steve Mink, Art Schmidt, Barbara
Taylor-Iversen

CONSENT AGENDA ITEMS

1. **Docket No. 20000-264-EA-6 (Record No. 10960) Amended application of Rocky Mountain Power for authority to establish a Demand-Side Management (DSM) program in Wyoming, establish DSM tariffs and increase rates to fund DSM. Commission to consider Petition for Intervention filed by Southwest Energy Efficiency Project (SWEEP).**
2. **Docket No. 20000-305-EC-07 (Record No. 11519) Complaint filing by Bridger Butte Wind Power, LLC, against Rocky Mountain Power, a division of PacifiCorp, requesting a formal hearing regarding avoided cost pricing for wind facilities. Commission to consider and act on stipulation allowing Rocky Mountain Power an additional 30 days to respond to Bridger Butte's complaint.**
3. **Docket No. 20000-277-ER-07 (Record No. 11249) Application of Rocky Mountain Power for approval of a general rate increase of approximately \$36.1 million per year for retail electric utility service in Wyoming, and for approval of a new renewable resource mechanism and marginal cost pricing tariff. Commission to consider and act on Motion for Admission *Pro Hac Vice* for Julia A. Jones of Beatty & Wozniak, P.C., attorneys for Cimarex Energy Co.**

Chairman Lewis introduced the consent agenda items and asked if there were any requests to withdraw an item for further consideration. There were no such requests nor any questions or comments. Steve Mink, Commission Counsel, provided the following recommendations: Items 1 and 3, approve by Order only, effective immediately; and Item 2, approve by Letter Order only, effective immediately. Deputy Chairman Oxley moved to accept the staff recommendations with the addition in Item 1 that SWEEP take the case as they find it. Chairman Lewis seconded the motion.

REGULAR AGENDA ITEMS

- 1. Docket No. 70009-294-TT-07 (Record No. 11253) Tariff filing of United Telephone Company of the West-Wyoming, d/b/a Embarq, for authority to reduce local access line rates and consumer and business bundled packages and increase intrastate switched access rates. Consider and act on tariff filing submitted in compliance with Commission decision.** Jim Roberts of Embarq said the tariff has been filed with a requested effective date of March 1, 2008. Dave Lucero, Commission Counsel, said the tariff appears to be consistent with the draft Order currently in process and with the tariff filed in the original application. He added, and Mr. Roberts confirmed, that Embarq is willing to make adjustments in response to possible future court decisions or appeals. There were no further comments or questions. Mr. Lucero did not recommend staying action on approval of the tariff while awaiting final issuance of the Commission's Order. Deputy Chairman Oxley then moved to approve the tariffs to go into effect on March 1, 2008, with the caveat that, if the Order states any further actions are required of Embarq, they be taken in accordance with that Order. Chairman Lewis seconded the motion.
- 2. Docket No. 30022-109-GP-08 (Record No. 11620) Application of SourceGas Distribution, LLC, (SourceGas) for authority to pass-on through its commodity balancing account an increase of \$1.7016 per Dth to its Pass-On Rate [Regulated Rate] customers in its Torrington Division. Commission to consider and act on application and Petition for Confidential Treatment of Exhibit E.** Jess Bottom, Commission Advisory Staff (CAS), provided a technical memo dated February 21, 2008. Gary Abbate of SourceGas said the application is for the regular quarterly adjustment and reflects a net increase made up of three components: a decrease in the working gas storage adjustment, an increase in the surcharge rate, and a decrease in the projected commodity cost. He said SourceGas is also requesting confidential treatment of Exhibit E to the application which provides a summary of gas supply contracts. Mr. Abbate said approval of the pass-on would not add to the current billing problems. 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 March 1, 2008, and granting the petition for confidential treatment. Deputy Chairman Oxley moved to act as recommended, and Chairman Lewis seconded the motion.
- 3. Docket No. 30022-108-GP-08 (Record No. 11619) Application of SourceGas Distribution, LLC, (SourceGas) for authority to pass-on through its commodity balancing account an increase of \$1.0145 per Dth to its Pass-On Rate [Regulated**

Rate] customers in the Casper Division. Commission to consider and act on application and Petition for Confidential Treatment of Exhibit E. Luy Luong, CAS, provided a technical memo dated February 12, 2008. Gary Abbate, SourceGas, said the application is for a net increase for Casper Division customers resulting from increases in the projected commodity charge and the working gas storage adjustment and a decrease in the surcharge component. Confidential treatment of Exhibit E to the application was also requested. Mr. Luong confirmed the pass-on request is on a dollar-for-dollar basis and will not cause SourceGas to exceed its currently-authorized rate of return. There were no further comments or questions. Mr. Luong recommended approval of the application by Notice and Order, effective immediately, for usage on and after March 1, 2008, and approval of the petition for confidential treatment as requested. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis seconded the motion.

4. **Docket No. 30022-110-GP-08 (Record No. 11621) Application of SourceGas Distribution, LLC (SourceGas), for authority to pass-on through its commodity balancing account an increase of \$0.4664 per Dth to its Pass-On Rate [Regulated Rate] customers in the Gillette Division. Commission to consider and act on the application and Petition for Confidential Treatment of Exhibit E.** Art Schmidt, CAS, provided a technical memo dated February 21, 2008. Gary Abbate, SourceGas, said the request reflects a net increase resulting from a surcharge rate increase and a projected commodity rate decrease. Mr. Abbate, responding to Commission questions, said the balance in the commodity balancing account should be reduced to zero by the end of the Choice Gas program year in all divisions. There is no working gas storage component for the Gillette Division. Again, Mr. Abbate requested confidential treatment of Exhibit E to the application. There were no further comments or questions. Mr. Schmidt recommended approval of the pass-on by Notice and Order, effective immediately, for usage on and after March 1, 2008, and granting of the petition for confidential treatment. Deputy Chairman Oxley moved to accept staff recommendations, and Chairman Lewis seconded the motion.
5. **Docket No. 30013-199-GP-08 (Record No. 11625) Application of Montana-Dakota Utilities Company (MDU) for authority to pass on a wholesale gas cost increase of \$0.642 per decatherm. Commission to consider and act on application and Petition for Confidential Treatment of Exhibit 3A.** Don Biedermann, CAS, provided a technical memo dated February 21, 2008. Rita Mulkern of MDU said the request is due to an increase in the market cost of gas, will not result in an increase in the company's rate of return, and complies with MDU's tariff and Commission Rules 249 and 250. She said a separate application is included for confidential treatment of Exhibit 3A. There were no further comments or questions. Mr. Biedermann recommended approval of the petition for confidential treatment and for the pass-on by Notice and Order, effective immediately, for usage on and after March 1, 2008. Deputy Chairman Oxley moved to act as recommended, and Chairman Lewis seconded the motion.
6. **Docket No. 20000-311-ET-07 (Record No. 11583) Application of Rocky Mountain Power (RMP) to revise Line Extension Rule 12. Commission to consider and act on High Plains Power Inc.'s Petition to Intervene in Support of Application.** Vicky

Hansen, Commission Counsel, said RMP has expressed no objection to the petition. Don Biedermann, CAS, said a Notice of Application was published, and the intervention deadline has expired with this request being the only one filed. There were no further comments or questions. Ms. Hansen recommended approval of the petition by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis seconded the motion.

- 7. Undocketed. Qwest Corporation, represented by Mr. Jeff Hubbard, Mr. Michael Lynn and Mr. Guy Gunter will present a revised bill format to be tested on 8,000 Wyoming customers.** Michael Lynn of Qwest Corporation said the new format is intended to simplify the bill and make it easier to read. He said the trial will last three months and will assess both qualitative and quantitative feedback from interviews conducted at the end of the trial period with 1,000 customers. After evaluation and possible changes as a result, the new format will then be rolled out to all Wyoming customers. Guy Gunther, Qwest Corporation, said call center personnel in Colorado will be trained on the new format and will be measuring the types of calls received. He pointed out one new feature which would allow customers to choose to receive a summary bill rather than a complete itemization. He confirmed the customers may return to receiving a full bill or may view the details at Qwest's website. Mr. Gunter also invited Commission Complaints staff to participate in the training class which is being provided to call center staff and offered to provide a direct number for staff to reach him with questions. After discussion on the new format and the information provided in the bill, Mr. Gunter said he would correct the description regarding zone charges and would verify the amounts listed to calculate fees and taxes. Chairman Lewis requested a progress update from Qwest during an Open Meeting at the end of April. No further Commission action was requested or taken.
- 8. Undocketed. Commission to consider review of administration and management of the Wyoming Universal Service Fund (WUSF) from 2003 through 2007, including the scope and method of conducting any such review.** Blair Bales, Commission Counsel, said Commission staff has discovered some inconsistencies which appear to impact the calculations of the statewide average. Art Schmidt, CAS, said evaluation has also found other inconsistencies in calculations from 2003 to the present. He said staff is requesting permission to conduct a more-detailed review of the fund and provide the Commission with options for potential action, including the possibility of an outside audit of the fund. Denise Parrish, OCA, suggested the periodic audit required under the Commission Rules could be used as a tool. There were no further comments or questions. Deputy Commissioner Oxley moved to authorize staff to explore the scope and method of conducting an audit of the WUSF for 2003-2007 and that the Commission place no limits on staff as to the depth or thoroughness of the audit except to say that it should be thorough. Chairman Lewis seconded the motion and asked staff to reschedule at a later open meeting if further action is required.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, March 11, 2008, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 10th day of April 2008.

Kathleen A. "Cindy" Lewis, Chairman