

WYOMING PUBLIC SERVICE COMMISSION

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

Commissioners: Deputy Chair Kara Brighton Fornstrom
Commissioner Robin Sessions Cooley

Amy Mahon, Finance Manager, Yampa Valley Electric Association (by telephone)
Stacy Splittstoesser, Regulatory Affairs Manager, Rocky Mountain Power Company

Commission Staff (CS): John Burbridge, Jess Bottom, Katie Koski, Kara Seveland and Morgan Fish

REGULAR AGENDA

1. **Docket No. 10001-19-CS-18 (Record No. 14922). Application of Yampa Valley Electric Association, Inc. for authority to borrow \$15,000,000 from the National Rural Cooperative Finance Corporation. Commission to consider and act on Application.** Jess Bottom, CS, provided a technical *Memo* dated January 26, 2018. Amy Mahon, Yampa Valley's Finance Manager, explained Yampa Valley wants to borrow \$15,000,000 and keep the funds in an account to use only if needed. She said the funds could be used for items such as upgrades and repairs for service centers, a construction work plan and a technology work plan. Ms. Mahon said any gaps could be covered by operating margins. There were no questions or comments. John Burbridge, Commission Counsel, recommended approval of the application by *Order* only, effective immediately. Commissioner Cooley moved to act as recommended. Deputy Chair Fornstrom seconded the motion.
2. **Docket No. 90000-130-XO-17 (Record No. 14691). Revision of Chapter 3, Section 33 of the Commission's Rules and Regulations regarding Integrated Resource Plans (IRP). Commission to consider and act on final adoption of proposed IRP rules.** Deputy Chair Fornstrom thanked Wyoming Industrial Energy Consumers (WIEC) for proposing the rules and working with the parties to obtain feedback and comments. She said the policy question to be determined is whether it is time to transform the Commission's traditional IRP acceptance process into a more formal proceeding. The Deputy Chair recognized that all parties agree the current IRP process is already open, extensive and transparent. After considering all input, she concluded that this is not the time to revise the rules or change the process. She said there is nothing that prevents the Commission from investigating an IRP more fully and is in agreement with OCA's conclusion that the proposed rule could result in a lot of process for very little gain. Deputy Chair Fornstrom moved to deny final adoption of the proposed IRP Rules. Commissioner Cooley stated she looked at all the rationales and asserted benefits for approving this proposal. She concluded new Rules are not necessary to allow the Commission to investigate further and could actually be more restrictive. She reasoned the IRP process is already robust and there are many options

available. Commissioner Cooley seconded Deputy Chair Fornstrom's motion to deny final adoption of the proposed IRP Rules.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Tuesday, February 6, 2018

ACCEPTED and APPROVED by the Commission on March 8, 2018.

Chairman William F. Russell

WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting
Tuesday, February 6, 2018
1:30 p.m.

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

Bruce Asay, Associated Legal Group, LLC, Counsel for Montana-Dakota
Utilities Co. (MDU)

Tamie Aberle, Director Regulatory Affairs, MDU (by telephone)

Mike Schoepp, Director of Operations Service, MDU (by telephone)

Yvonne Hogle, Assistant General Counsel, Rocky Mountain Power
Company (RMP) (by telephone)

Lisa Tormoen Hickey, Tormoen Hickey, LLC, Counsel for Interwest
Energy Alliance, (by telephone)

J. Kenneth Barbe, Welborn Sullivan Meck & Tooley, Counsel, for
Southland Royalty Company

Connie Brooks, C.E. Brooks and Associates, Counsel for Anadarko Land
Corp. (by telephone)

Callie Capraro, McDonough Law, LLC, Counsel, Northern Laramie Range
Alliance (by telephone)

Nicol Thompson Kramer, Beatty & Wozniak, PC, Counsel for BP America
Production Company

Jane France, Sundahl Powers Kapp & Martin, LLC, Counsel for The
Overland Trail Cattle Company

Abby Briggerman, Holland & Hart, LLP, Counsel for Wyoming Industrial
Energy Consumers

Office of Consumer Advocate (OCA): Chris Leger

Commission Staff (CS): John Burbridge, Jess Bottom, Morgan Fish, Kara
Seveland, Nathan Brennan, Thomas Wilson, Katie Koski, Michelle
Bohanan, Steve Mink, Luy Luong, Perry McCollom, James Branscomb
and Lori Brand

CONSENT AGENDA

1. **Docket No: 20000-528-EC-17 (Record No. 14898). Complaint of Dinosolar, LLC, against Rocky Mountain Power. Commission to consider and act on Dinosolar, LLC's:**
 - a. ***Petition for Confidential Treatment of Exhibits C, D, F, G, I, L, N and O of Dinosolar LLC's Complaint Against Rocky Mountain Power and PacifiCorp for Violations of Schedule 38 (Petition); and***

b. Motion for Admission Pro Hac Vice of Elizabeth M. Brereton (Motion).

2. **Docket No. 30003-74-GK-17 (Record No. 14813). Contract filing of Black Hills Energy, a division of Cheyenne Light, Fuel and Power Company, of its gas purchase contracts for the year ending May 31, 2018. Commission to consider and act on contract filing and *Petition for Confidential Treatment of Attachment B and C (Petition)*. Jess Bottom, CS, provided a technical *Memo* dated January 30, 2018.**
3. **Docket No. 20002-105-EA-17 (Record No. 14860). Application of Black Hills Power d/b/a Black Hills Energy for authority to implement a Service Interruption Reporting Plan. Commission to consider and act on Application.** Morgan Fish, CS, provided a technical *Memo* dated January 30, 2018.
4. **Docket No. 10013-51-CK-17 (Record No. 14843). Contract filing of Bridger Valley Electric Association of a wholesale power contract with Deseret Generation and Transmission and an associated retail service contract with WGR Operating, Inc. Commission to consider acceptance of contracts for filing.** Kara Seveland and Nathan Brennan, CS, provided a technical *Memo* dated January 30, 2018.
5. **Docket No. 62098-1-RA-18 (Record No. 14928). Notification of Garmin USA, Inc., to cancel its Registration Authority to do business in Wyoming. Commission to consider acceptance of the Notification for filing.**
6. **Docket No. 30010-160-GK-16 (Record No. 14593). Contract filing of Questar Gas Company d/b/a Dominion Energy Wyoming of its Transportation Service Agreement in compliance with Commission Rules. Commission to consider acceptance of contract for filing and consider and act on *Petition for Confidential Treatment of Customer Information (Petition)* filed on November 14, 2016.** Michelle Bohanan, CS, provided a technical *Memo* dated January 26, 2018.
7. **Docket No. 30010-161-GK-16 (Record No. 14594). Contract filing of Questar Gas Company d/b/a Dominion Energy Wyoming of its utility service contracts in compliance with Commission Rules. Commission to consider accepting contract for filing and consider and act on *Petition for Confidential Treatment of Confidential Settlement Terms (Petition)* filed on November 14, 2016.** Michelle Bohanan, CS, provided a technical *Memo* dated January 26, 2018.

Chairman Russell introduced the consent items. For Item #1, John Burbridge, Commission Counsel, recommended granting the *Petition* and *Motion*. For Item #s 2, 6 and 7, he recommended accepting the contracts for filing and granting the *Petitions*. For Item #3, he recommended approval of the application. For Item #s 4 and 5, he recommended accepting the contract and notification for filings, respectively. Burbridge, recommended all of the above, by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

REGULAR AGENDA

1. **Docket No. 30013-327-GT-17 (Record No. 14727). Tariff filing of Montana-Dakota Utilities Co. (MDU) for authority to revise its natural gas tariff for excess flow valves to comply with Federal Pipeline Safety Regulations. Commission to consider and act on tariff filing.** Michelle Bohanan, CS, provided a technical *Memo* dated January 30, 2018. Bruce Asay, MDU's Counsel stated MDU's request to amend its tariff with respect to excess flow valves (EFV) is required due to new federal pipeline safety regulations, which became effective in April, 2016. He stated EFV is required for new construction and replacement projects, but the new rule requires gas utilities to make customers aware that an EFV can be requested for existing service. He said MDU has provided notice to its customers that installation will be completed at the customer's expense and that customers will be provided a cost estimate prior to installation. Mr. Asay stated MDU will submit a compliance filing. Deputy Chair Fornstrom commended MDU for filing an application in a timely manner following the effective date of the new rule. Steve Mink, Commission Counsel, recommended approval of the application by *Notice and Order*, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

2. **Docket No. 20000-520-EA-17 (Record No. 14781). Application of Rocky Mountain Power (RMP) for Certificates of Public Convenience and Necessity and nontraditional ratemaking for wind and transmission facilities. Commission to consider and act on RMP's *Unopposed Motion to Vacate Hearing and Amend Procedural Schedule (Motion)*.** Yvonne Hogle, RMP's Corporate Counsel, stated this *Motion* is unopposed and requested it be granted. She said RMP will do everything it can to determine appropriate dates for the hearing. There were no questions or comments. Lori Brand, Commission Counsel, recommended granting the *Motion* by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Thursday, February 8, 2018

ACCEPTED and APPROVED by the Commission on March 8, 2018.

Chairman William F. Russell

WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting
Thursday, February 8, 2018
1:30 p.m.

Commissioners: Deputy Chair Kara Brighton Fornstrom
Commissioner Robin Sessions Cooley

Katherine McDowell, McDowell, Rackner & Gibson, PC, Counsel for Rocky Mountain Power (RMP)
Stephanie Foster, Hickey and Evans, LLP, Counsel for RMP
Joelle Steward, Vice President, Regulatory, RMP
Chad Teply, Senior Vice President, RMP
Stacy Splittstoesser, Wyoming Regulatory Affairs Manager, RMP
J. Kenneth Barbe, Wellborn Sullivan Meck & Tooley, Counsel for Southland Royalty Company
Constance Brooks, C.E. Brooks & Associates, P.C., Counsel for Anadarko Petroleum Company (Anadarko)
Paul Kapp, Sundahl, Powers, Kapp & Martin, LLC, Co-Counsel for Anadarko
Joe Milczewski, Government Affairs Manager, Anadarko
Brandon Jensen, Budd-Falen Law Offices, LLC, Counsel for Rocky Mountain Sheep Company
Callie Capraro, McDonough Law, LLC, Counsel for Northern Laramie Range Alliance (by telephone)
Nicol Thompson Kramer, Beatty & Wozniak, P.C., Counsel for BP America Production Company
Jim Martin, Beatty & Wozniak, P.C., Counsel for BP America Production Company (by telephone)
Jane France, Hickey and Evans, LLP, Counsel for The Overland Trail Cattle Company
Lisa Christian, Associate Counsel, The Overland Trail Cattle Company (by telephone)
Nic Stoffel, Holland and Hart, LLP, Counsel for Wyoming Industrial Energy Consumers (WIEC) (by telephone)
Liz Zerga, Jubin and Zerga, LLC, Counsel for Wyoming Independent Telephone Companies
Kristin Lee, Director of Legislative and Regulatory Affairs, CenturyLink (by telephone)
Jason Hendricks, Chief Regulatory Officer, Range Telephone Cooperative (by telephone)

Office of Consumer Advocate (OCA): Chris Leger, Bryce Freeman

Commission Staff (CS): Lori Brand, John Burbridge, Michelle Bohanan, Kara Seveland, Luy Luong, Perry McCollom, Morgan Fish, James Branscomb, John Burbridge, Rachel Meeker and Melisa Mizel

REGULAR AGENDA

1. **Docket No. 20000-520-EA-17 (Record No. 14781). Application of Rocky Mountain Power (RMP) for Certificates of Public Convenience and Necessity and nontraditional ratemaking for wind and transmission facilities. Commission to consider and act on RMP's *Motion to Strike or Otherwise Limit the Scope of Testimony (Motion)* and the Responses.** Kathryn McDowell, RMP's General Counsel, argued in support of the *Motion* asserting that the projects in this docket are in the public interest, and go beyond the scope of the interests of any private property owners. She discussed the Commission's jurisdiction and its interests to determine issues that have been or will be addressed through the normal permitting processes. Ms. McDowell also said the Bureau of Land Management (BLM), Industrial Siting Council (ISC), Wyoming Department of Game and Fish and the U.S. Department of Fish and Wildlife have some interest, as well. She said that, in this case, RMP is not seeking segmented or immediate approval, but instead seeking conditional approval in order to secure rights of way. Ms. McDowell stated once the rights of way are secured, only then will the project move forward. Further, she argued the statutes for this type of application do not allow private property owners to be heard. She said if testimony is not limited, the implications could be significant and the case could be overly broadened. She also said the landowners argued the review performed by BLM or in the courts will be inadequate and requires their participation in this proceeding. RMP contends the ISC will conduct an extensive review and focus on private interests. RMP is seeking expedited treatment and hopes to obtain the CPCN in order to meet expiring tax credit deadlines. Finally, she stated the landowners argue that this CPCN will impact the value of their mineral estates which will affect their ability to pursue these projects. RMP disputes these claims and is not seeking to strike testimony properly within the scope of the proceeding, noting participation is appropriate where it can help the Commission understand this project is in the public interest. RMP will work with property owners to resolve any issues on a parallel path.

Constance Brooks, Anadarko Counsel, argued that Anadarko is not trying to relitigate the BLM process. She stated Anadarko intervened because it is an affected landowner and is not simply trying to improve its bargaining power. She said RMP's project has been changed and will be changed again. Anadarko needs to file rebuttal testimony as it is in a contested hearing and, therefore, should be entitled to address any factual issues raised. Ms. Brooks stated Wyoming Statutes require notice to landowners. RMP was also required to identify all mineral projects and split estate issues. She said the Commission Rules clearly contemplate hearing from the landowners in this proceeding. She further argued that while RMP does not anticipate impact from the transmission lines or wind farms on mineral development, Anadarko's witnesses clearly identified potential impacts. She outlined impacts to underground coal mining such as subsidence and the transmission line going through and bisecting one active coal mine and other coal prospects. Ms. Brooks points out that there is also a safety issue, which ties back to the broader public interest. Moreover, she

stated Anadarko owns mineral estates under all of the wind farms and the BLM found that wind farms cannot be compatible with the wholesale development of oil and gas because electricity and gas need separation. She said it is important to ask the Commission to impose conditions to resolve these inconsistencies. Ms. Brooks identified the next issue as whether the right to build a wind farm or the mineral estate is dominant. She said Anadarko does not agree with RMP on this. Anadarko realizes because of the burden of the transmission line there could be a potential inverse condemnation where it will not be able to use the surface to reach the mineral estate. There has been no discussion of the impact to mineral rights as to budget, effect and appropriate conditions and she said this is exactly the kind of testimony that can be struck under this *Motion*. She admitted these issues can be addressed through the ISC, but it is equally important that the Commission direct the future engineering to meet the industrial standards, which is in the public interest and public safety. RMP states that a benefit of this project is moving from carbon to non-carbon energy which Anadarko agrees is important. However, Ms. Brooks states, it does not mean that continuing to produce oil and gas is bad but there should be a balancing of public interests. She said RMP is telling the Commission what it thinks the public interest is and actively seeking to narrow the issues to exclude anything that does not fit within RMP's definition of public interest. She concluded that this *Motion* is premature and aims to silence the intervenors.

Southland's Counsel, Ken Barbe, explained its interests are slightly different from Anadarko's in that Southland has mineral activities and the transmission lines will go through those fields. Southland's concern is that RMP does not fully appreciate the impact of routing a transmission line through an active coal and gas field. He stated Wyoming Statutes specifically require notice to landowners and those noticed are ostensibly recognized to have a stake in proceedings and have a right to be heard. Mr. Barbe stated the presumption should be all landowners have the right to be heard, both when an entire project is being built as well as in segments. Commission Rules discuss the need to describe the mineral rights and to address split estate issues, which is also in Southland's testimony. Mr. Barbe said another concern is the condemnation statutes wherein RMP will have the power of condemnation if the CPCN is approved. RMP has to prove its project is compatible with greatest public good and the least private injury. He said the findings of this Commission are prima facie on those questions and can be used in condemnation proceedings afterwards. He discussed how specific sitings, nests and other things could interfere with and affect oil and gas operations. Therefore, the Commission has the power in granting a CPCN to also impose conditions on it, which is why Southland wants its testimony to be heard. He urged the Commission to deny the *Motion*, but stated it is not Southland's objective to stop the project.

Jim Martin, Counsel for BP America, stated BP America has submitted a *Petition to Withdraw* and had nothing further to add.

Brandon Jensen, Counsel for Rocky Mountain Sheep Company, said Rocky Mountain Sheep Company has private property interests and impacts that are appropriate for the Commission to hear. He argued that it makes no sense for the Commission to notice every landowner along the transmission line, yet ignore the impacts to them and what they have to say. He said eminent domain is a concern once the CPCN is issued because it then becomes established fact, making it difficult for any landowner to overcome in a later

proceeding. He disagreed with Ms. McDowell that the ISC can hear his client's argument as it would not be a party to that proceeding. The BLM cannot address these issues either, he stated, and read from a statement. He concluded that the Commission is the only forum for Rocky Mountain Sheep Company to have its concerns heard.

Callie Capraro, NLRA's Counsel, stated NLRA had no comments. Chris Leger, OCA, stated OCA has no position on this *Motion*.

Jane France, The Overland Trail Cattle Company's Counsel, stated this *Motion* is unprecedented and the Company should not be allowed to instruct what the Commission cannot hear or consider. She said this Intervenor has timely appeared and does not object to the transmission line, but believes a reasonable condition is that the project should be coordinated with two other very large projects on the property. She asserted RMP is mischaracterizing testimony of the intervenors, and the parties have a statutory right to present evidence of adverse effects, citing the Wyoming Administrative Procedure Act. This case could be appealed to the District Court or a rehearing requested, and those are the only alternatives if testimony is limited. Also, she questioned how, if public comment will be taken at the hearing, it will be limited by RMP. She argued the Commission cannot limit intervenor testimony, but allow unlimited public comment.

Nic Stoffel, Counsel for WIEC, commented there are a variety of factors that affect whether the combined projects are in the public interests and the issues raised are components of public interests that should be considered. He stated WIEC supports denying the *Motion*.

There was no further arguments by the intervenors and no public comment.

Ms. McDowell responded, reiterating points made earlier, addressing comments made by the intervenors and focusing on the public interest. Deputy Chair Fornstrom noted the application requirements found in Commission Rules are meant to help the Commission establish public interest. There was a discussion about the issues to be considered, intervention and the right to be heard. Ms. McDowell said some of the issues have already been addressed and the Commission could be seen to be relitigating the permitting process. Deputy Chair Fornstrom said there are more issues to consider than just the permitting process. Ms. McDowell stated the Company's position is that individual, private party concerns should not be presented in this forum. The Deputy Chair asked Ms. McDowell to address the ISC and how it views a project once it is approved by the Commission, and if approval by the Commission would limit the ISC's review. Ms. McDowell responded the ISC would defer to the Commission's decision. She also said that private parties would have an opportunity to present their concerns there. She noted concern that prolonged testimony will prolong the hearing. Deputy Chair Fornstrom questioned whether this *Motion* might be premature since the Application was recently supplemented. Ms. McDowell replied the Company is trying to determine procedurally the fairest way to present these issues to the Commission, and to present argument on whether the issues fall within the scope of the public interest. She noted the Commission retains jurisdiction over the appropriateness of the Rights of Way with respect to rules and requirements. Regarding eminent domain, Ms. McDowell said it requires determination that the use must be compatible with the greatest

public good and least private injury. She noted this specific issue was determined by the Commission in 2010 where it concluded it did not have jurisdiction.

Lori Brand, Commission Counsel, stated Commission Staff does not necessarily agree with RMP's interpretation of the CPCN and ratemaking statutes, the Commission's Rules or the Administrative Procedure Act. She recommended the Commission should hear all of the testimony. Brand said rescheduling in this case was about to begin and it will be important for the parties to know if the hearing could take longer than the five days currently anticipated.

Deputy Chair Fornstrom stated that after listening to the arguments and reading the pleadings, her inclination is to hear from the landowners, noting the Commission has a long history in this regard. She said she remains confident in the Commission's ability to discern what testimony should be considered. She concluded that this *Motion* is premature and until the Commission understands more fully what is at issue in this case, it should not issue an order striking the testimony of any party. Deputy Chair Fornstrom moved to deny the *Motion* without prejudice. Commissioner Cooley stated that this *Motion's* purpose has been fulfilled, the Commission has heard the parties, but agreed it is premature. She seconded the Deputy Chair's motion.

Deputy Chair Fornstrom announced a 10 minute recess.

2. **Docket No. 90000-132-XO-17 (Record No. 14855). Revision of Commission Rules Chapters 4 and 5 regarding telecommunications companies and Wyoming Universal Service Fund. Commission to consider and act on final adoption of proposed rules.** Deputy Chair Fornstrom summarized the procedural history of this docket. Liz Zerga, Counsel for various independent telecommunications companies, stated she appreciated the changes proposed but noted one area of objection relating to the proposed changes to Chapter 4, Section 1(a) and Chapter 5, Section 1(c), incorporating Public Utility Definitions from Chapter 1, Section 2. She said these definitions are public utility definitions and telecommunications entities are not public utilities. She said it creates confusion and conflict because the words do not have the same meaning. She argued it would make more sense to adopt a couple of these definitions, but in Chapter 4 and asked the Commission not to incorporate all the definitions.

Kristin Lee, CenturyLink's Director of Legislative and Regulatory Affairs, stated all of CenturyLink's written comments refer to the Eligible Telecommunications Carrier (ETC) rules and the Commission has them.

John Burbridge, Commission Counsel, stated the Rule change to incorporate the definitions in Chapter 1 is permissive and does not create confusion as Ms. Zerga states. The Commission is aware of jurisdictional parameters in the Statute and, with regard to the request for rulemaking, it is not appropriate to address today. He agreed it requires a separate docket and said Ms. Zerga should file a *Petition* for additional rulemaking. Deputy Chair Fornstrom clarified the objections specified related only to Chapter 1 and not Chapter 2. She asked Ms. Zerga to clarify the concern about 15 definitions in Chapter 4. Ms. Zerga responded that in the majority of the 15 terms, the term is exactly the same and is not

defined in Chapter 4, but is used. She said it is clear from the context that it is not the defined meaning. There was a discussion about the difference between the defined term and the context of how it is used. She said none are critical to be defined and thus confusion is created. Deputy Chair Fornstrom asked why the Commission could not discern this on its own. Ms. Zerga stated the Commission always asks for the best intent and therefore, it would be cleaner if it was not there. Deputy Chair Fornstrom asked about any further changes from the Federal Communications Commission (FCC) regarding Eligible Telecommunications Carriers (ETC) as it has been difficult to keep the Commission's Rules in sync with the FCC. Jason Hendricks, Chief Regulatory Officer for Range Telephone Cooperative, said he was not aware of any changes at this time. She then asked Kristin Lee, CenturyLink's Director of Legislative and Regulatory Affairs if CenturyLink has the same opinion about the definitions as Ms. Zerga. Ms. Lee responded that CenturyLink did not yet have an opinion yet, but felt anything clarifying is better. Regarding Chapter 4 of the Commission Rules, Deputy Chair Fornstrom moved that the Commission proceed with the formal rule as drafted in legislative format. With regard to Chapter 5, the Deputy Chair moved to eliminate Chapter 1 from Chapter 5 Section 1(c) but to keep Section 2 and, other than this change, adopt the Rules as proposed. Commissioner Cooley seconded the motion, although she encouraged the companies to work on a separate set of definitions to submit at a later time, if needed.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Thursday, February 15, 2018

ACCEPTED and APPROVED by the Commission on May 17, 2018.

Chairman William F. Russell

WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting
Thursday, February 15, 2018
1:30 p.m.

Commissioners: Chairman William F. Russell
Deputy Chair Kara Brighton Fornstrom (by telephone)
Commissioner Robin Session Cooley

Daniel Solander, Counsel, Senior Corporate Counsel, Rocky Mountain Power Company (RMP) (by telephone)
Stacy Splittstoesser, Wyoming Regulatory Affairs Manager, RMP
Frank Tomasini, Engineer, RMP (by telephone)
David Wilson, Complainant (by telephone)

Commission Staff: John Burbridge, Kara Seveland, Nathan Brennan, Thomas Wilson, Steve Mink and Perry McCollom

CONSENT AGENDA

1. **Undocketed. Open Meeting Minutes for review for the Open Meeting on November 21, 2018, as prepared by Sylvia Sanchez.**
2. **Docket No. 10013-51-CK-17 (Record No. 14843). Contract filing of Bridger Valley Electric Association (Bridger) of a wholesale power contract with Deseret Generation and Transmission and an associated retail service contract with WGR Operating, LP. Commission to consider acceptance of contracts for filing and consider and act on *Petition for Confidential Treatment*.**
3. **Multiple dockets: Commission's action requiring multiple identified jurisdictional public utilities to Show Cause why their respective authorities to provide utility services in Wyoming should not be canceled due to noncompliance with Wyoming law. Commission to consider and act on:**
 - a. **Revocation of the authorities or certificates held by the following companies for failure to comply with annual reporting requirements under Wyoming law.**

Docket No.	Company Name
70106-14-TI-17 (Record No. 14877)	IDT America, Corp.
70091-4-TI-17 (Record No. 14878)	Vitcom, LLC
74439-3-TI-17 (Record No. 14885)	Miracle Communications, Inc.
74260-6-TI-17 (Record No. 14883)	Net One International, Inc.
74683-4-TI-17	iNetworks Group, Inc.

(Record No. 14886)	
74137-7-TI-17 (Record No. 14884)	PTUS, Inc. f/k/a Primus Telecommunications, Inc.

b. Dismissal of show cause actions against the following companies that have complied with reporting requirements under Wyoming law.

Docket No.	Company Name
70022-47-TI-17 (Record No. 14876)	Ionex Communications North, Inc.
74171-25-TI-17 (Record No. 14887)	Ionex Communications North, Inc.
74627-9-TI-17 (Record No. 14889)	Bullseye Telecom, Inc.
70005-46-TI-17 (Record No. 14880)	Chugwater Telephone Company
10007-7-CI-17 (Record No. 14893)	Willwood Light & Power Co.
50009-23-PI-17 (Record No. 14891)	Platte Pipe Line Company, LLC
76126-1-TI-17 (Record No. 14890)	Telmate LLC

Chairman Russell introduced the consent items. For Item #1, Commissioner Cooley moved to approve the minutes as prepared. Deputy Chair Fornstrom seconded the motion and Chairman Russell concurred. For Item #2, John Burbridge, Commission Counsel, recommended accepting the contracts for filing and granting the *Petition*. For Item #3a, he recommended revocation of the authorities or certificates for those listed companies and for 3b, he recommended dismissal of show cause actions for those listed companies, all by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

REGULAR AGENDA

- Docket No. 20000-524-EC-17 (Record No. 14836). Formal complaint filing by David Wilson against Rocky Mountain Power (RMP). Commission to consider and act on RMP's Motion to Dismiss (Motion).** Daniel Solander, RMP's Senior Corporate Counsel, provided background on RMP's *Motion*, stating there are no standards for electromagnetic field emissions in Wyoming. He said the readings are within acceptable limits. He also noted that no testimony was filed in accordance with the *Scheduling Order*, and, therefore, there is no rebuttal testimony or relief the Commission can grant. Mr. Solander stated the Company has offered to replace the transformer at Mr. Wilson's expense, which Mr. Wilson has declined. Mr. Wilson said the humming noise stops when power is disconnected from the street and thought it would be important to know why this happens. Mr. Wilson said the voltage is too high and the transformer was not inspected. He said appliances in his house are "blowing up." Mr. McCollom requested monitoring the

situation for three weeks. Frank Tomasini, RMP's Engineer, said a power quality monitor placed in the area showed readings in the 127 volt range and said the voltage was lowered by 2.5% which should help. Mr. Wilson responded to Commissioner Cooley explaining that he does not have the means to continue to work on this problem, never intended to file suit and just wants the issues resolved. Chairman Russell asked if Mr. Wilson understood there would be a trial-like process and he responded that he did not. Mr. Wilson stated he wanted to abandon this complaint in lieu of a different approach. He said monitoring as well as lowering the voltage might resolve the issues. Chairman Russell suggested staying the proceedings and the parties agreed, if it was for a limited time period, with the goal of dismissal. Steve Mink, Commission Counsel, recommended the Commission stay the proceedings until March 15, 2018, by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Tuesday, February 22, 2018

ACCEPTED and APPROVED by the Commission on May 17, 2018.

Chairman William F. Russell

WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting
Tuesday, February 27, 2018
1:30 p.m.

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

Travis Jacobson, Regulatory Affairs Manager, Montana-Dakota Utilities Co. (MDU) (by telephone)
James Elliott, Manager of Regulatory, Black Hills Gas Distribution d/b/a Black Hills Energy (BHE) (by telephone)
Todd Brink, Associate General Counsel, BHE
Jana Smoot White, Associate General Counsel, BHE
Jerrad Hammer, Director – Regulatory, BHE (by telephone)
Jason Keil, Manager of Regulatory, BHE
Marne Jones, Vice President of Regulatory, BHE
Shirley Welte, Vice President of Operations, CLFP
Linden Evans, President and Chief Operating Officer, BHE
Brian Iverson, Senior Vice President and General Counsel, BHE
Rick Thompson, Hathaway & Kunz, LLP, Counsel for Dyno Nobel, Inc.
Ronald Lopez, Bailey Stock Harmon Cottam Lopez, LLP, Counsel for HollyFrontier Cheyenne Refining, LLC
Cameron Sabin, Stoel Rives, LLP, Counsel for Microsoft Corporation (by telephone)
O’Kelley Pearson, Hickey & Evans, LLP, Counsel for Microsoft Corporation
Janice Smith, Manager, Y-O Investments, Inc. (by telephone)
Don Hale, Customer, Y-O Ranch Resident (by telephone)

Office of Consumer Advocate (OCA): Christopher Leger

Commission Staff (CS): Katie Koski, Nathan Brennan, Rachel Meeker, John Burbridge, Michelle Bohanan, Jess Bottom, Morgan Fish, James Branscomb

REGULAR AGENDA

- 1. Docket No. 30013-333-GP-17 (Record No. 14938). Application of Montana-Dakota Utilities Co. for authority to pass on a wholesale gas cost increase of \$0.278 per Dth for Firm Residential, Firm General Service, Small Interruptible and Large Interruptible Customers and an increase of \$0.279 per Dth for Optional Seasonal**

Customers. Commission to consider and act on Application and Petition for Confidential Treatment of Gas Pricing Information filed on February 8, 2018 (Petition). Nathan Brennan and Rachel Meeker, CS, provided a technical *Memo* dated February 21, 2018. Travis Jacobson, MDU's Regulatory Affairs Manager, explained this is the monthly application to pass on purchased gas costs due to an increase in the overall commodity price and pipeline charges, resulting in an increase in rates. There were no questions or comments. Katie Koski, Commission Counsel, commented that a second *Petition for Confidential Treatment* mentioned by Jacobson was not listed on this item for consideration, and must be properly noticed and resubmitted for the next Open Meeting. Ms. Koski recommended approval of the application for use on and after March 1, 2018, and granting the *Petition* by *Notice and Order*, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

2. **Docket No. 30022-302-GP-18 (Record No. 14932). Application of Black Hills Gas Distribution, LLC d/b/a Black Hills Energy (Casper Division) for authority to pass on through its Commodity Balancing Account an increase of \$0.0339 per therm to its Pass-On Rate [Regulated Rate] customers. Commission to consider and act on Application and Petition for Confidential Treatment of Exhibits D and F (Petition).** Nathan Brennan and Michelle Bohanan, CS, provided a technical *Memo* dated February 21, 2018. James Elliott, BHE's Manager of Regulatory, explained this is the quarterly pass on for the Casper Division. He stated there are three components: the commodity rate, which has decreased; the deferred balancing account, which increased, becoming an under collected balance; and the working gas storage rate, which has decreased. These changes result in an overall cost of gas increase. Ms. Bohanan asked Mr. Elliott to clarify the total volumetric rate, which he did, stating it includes the working gas storage amount, but does not include the transportation rate adjustment or the distribution use per customer adjustment. Ms. Bohanan noted a correction to the Staff *Memo*. John Burbridge, Commission Counsel, recommended approval of the application for use on and after March 1, 2018, and granting the *Petition* by *Notice and Order*, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.
3. **Docket No. 30022-303-GP-18 (Record No. 14933). Application of Black Hills Gas Distribution, LLC d/b/a Black Hills Energy (Gillette Division) for authority to pass on through its Commodity Balancing Account an increase of \$0.0528 per therm to its Pass-On Rate [Regulated Rate] customers. Commission to consider and act on Application and Petition for Confidential Treatment of Exhibits D and F (Petition).** Nathan Brennan and Jess Bottom, CS, provided a technical *Memo* dated February 21, 2018. James Elliott, BHE's Manager of Regulatory, explained this is the quarterly pass on for the Gillette Division, which includes two components: the commodity rate, which results in a small decrease; and the 191 balancing account, which increased, becoming an under collected balance. These changes result in an overall increase in rates. John Burbridge, Commission Counsel, noted corrections to the Staff *Memo*. There were no further questions or comments. Mr. Burbridge, recommended approval of the application for use on and after March 1, 2018, and granting the *Petition* by *Notice and Order*, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

4. **Docket No. 30022-304-GP-18 (Record No. 14934). Application of Black Hills Gas Distribution, LLC d/b/a Black Hills Energy (Torrington Division) for authority to pass on through its Commodity Balancing Account an increase of \$0.0193 per therm to its Pass-On Rate [Regulated Rate] customers. Commission to consider and act on Application and Petition for Confidential Treatment of Exhibits D and F (Petition).** Morgan Fish and James Branscomb, CS, provided a technical *Memo* dated February 21, 2018. James Elliott, Manager of Regulatory, explained this is the quarterly pass on for the Torrington Division, which includes three components: the commodity rate, which decreased; the 191 balancing account, which increased, becoming an under collected balance; and the working gas storage adjustment, which decreased. These changes result in an overall increase in rates. John Burbridge, Commission Counsel, noted errors in the Staff *Memo* that were corrected. There were no further questions or comments. Mr. Burbridge recommended approval of the application for use on and after March 1, 2018, and granting the *Petition by Notice and Order*, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

5. **Docket No. 20003-156-EP-17 (Record No. 14649). Application of Cheyenne Light, Fuel and Power Company d/b/a Black Hills Energy (BHE) for authority to increase its Power Cost Adjustment by \$0.00468 per kWh for the period April 1, 2017 through March 31, 2018. Commission to consider and act on BHE's Revised Compliance Filing filed on February 12, 2018 and Petition for Confidential Treatment of Customer Usage, Cost, and Revenue Data in PCA Model and Workpapers (Petition) filed on December 8, 2017.** Marci Norby, and Morgan Fish, CS, provided a technical *Memo* dated February 21, 2018. Jason Keil, BHE's Manager of Regulatory, provided an overview of the revised compliance filing, which included proposals for the refunding of interim rates and 2015 governmental imposed costs, and for resetting the PCA rate. Kyle White, BHE's Vice President of Regulatory Affairs, presented two alternate proposals for consideration to effectuate the decision in this case. According to Mr. White, Proposal A, which was presented previously, includes no revenue increase and addresses the 2016 application by reducing it. Proposal B provides a different outcome in that it denies the rate entirely, reinstates the prior rate approved in 2015, which is a credit, and refunds the rate differential. This reduction in revenues will be reflected in the commodity balancing account, but the 2016 costs will also remain in the account. Therefore, Mr. White stated, in 2017, BHE will be dealing with 2016 PCA costs, 2017 PCA costs and the changes in the revenues associated with the PCA over the last twelve months, effectively making a 6.5 million dollar refund, adding to the balancing account. The balance in the account might be as much as 13 or 14 million dollars next year if costs are recoverable, and will be pushed forward into the 2017 application. If the Commission approves Proposal B, he said BHE recommends the refunds be spread over 14 months, which will allow for rate stability. Finally, he concluded that if the Commission approves Proposal A, BHE would withdraw its appeal, but if it approves Proposal B, the Company will not know how costs will be dealt with until the next PCA application is submitted. Therefore, the appeal would stand until there is clarification on how these costs will be addressed.

Rick Thompson, Dyno Nobel's Counsel, stated that the Company's Proposal A has already been rejected and would, in effect, be approving all of the application, contrary to the terms

of the Commission's *Order*. Ronald Lopez, HollyFrontier's Counsel, asked rhetorically, if 2016 costs were denied, how could they be carried forward by the Company? Chris Leger, OCA's Counsel, stated OCA believes Proposal B is closer to what was discussed previously, while Proposal A is more closely aligned with the Commission's deliberations. He said OCA agrees that a 14-month return period would be preferable due to the possibility of rate shock, depending on the next PCA filing. O'Kelley Pearson and Cameron Sabin, Microsoft's Counsel, stated Microsoft's position has not changed and is consistent with the Company's position.

Deputy Chair Fornstrom reminded the Parties of her position against rejecting the original compliance filing stating her main focus now was to prevent future issues related to the 2018 PCA Application. She had no questions about Proposal A, but asked questions regarding the wisdom of re-setting the interim rate to a credit when that credit would have to be collected from customers in the future. Mr. White responded the prior rate would be in effect until it is replaced by an Order of the Commission. A discussion followed regarding resetting the rate, to what number, the effect of that reset on the balancing account, and over what period. The Deputy Chair stated her preference is that the interim rate be re-set at zero and that the refund from the interim rate be returned to customers over a 14-month period, as proposed. Mr. Lopez stated a shorter period of time would be preferable. Mr. Thompson agreed, commenting clients are looking at this from a budgeting standpoint. Mr. Leger stated a major discussion point for OCA is the balancing account for the next PCA filing. Denise Parrish, OCA, added that BHE's tariff calls for the existing rate to stand until another authorized rate is approved by the Commission. She said there will be a debate in the next filing about the issues surrounding this decision. Morgan Fish, CS, confirmed there would still be two more credits from the \$400,000 refund in the next two years.. Katie Koski, Commission Counsel, recommended granting the *Petition* by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred. Chairman Russell moved to approve the Company's Revised Compliance Filing under Proposal B, with an extended 14-month return period by *Order* only, effective immediately. Commissioner Cooley seconded the motion and Deputy Chair Fornstrom dissented.

6. **Docket No. 80030-1-WA-16 (Record No. 14628). Amended Application of Y-O Investments, Inc., for a Certificate of Public Convenience and Necessity to operate as a public utility rendering domestic water service in Platte County, Wyoming, and for authority to establish interim and permanent water rates, and for authority to establish a special assessment. Commission to consider and act on Y-O Investments, Inc.'s Letter Request for Combined Industrial/Residential Interim Rate (Request).** Luy Luong, CS, provided a technical *Memo* dated February 21, 2018. Janice Smith, Y-O Manager, provided background for the interim rate application. She noted that the Company had used the average of four months of water use readings provided by the operator of the cement plant to determine a fair interim rate for combined use (both residential and industrial), which is a flat rate fee of \$204.57 per month. Don Hale, Customer of Y-O Investment and operator of the cement plant, provided a public comment stating that the plant now has its own water source and will no longer be a customer of the Company. He said he would leave the existing meter in place in case it is needed in the future. Ms. Smith stated she would work with Mr. Hale to ensure the meter is properly detached. Chairman Russell commented that he hoped they would be able to work together,

and if there were any issues that needed to be resolved they could bring them to the Commission. There were no further questions or comments. Lori Brand, Commission Counsel, recommended approval of the combined residential and industrial use interim rates at \$204.57 for use on and after March 1, 2018, by *Notice and Order*, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Thursday, March 1, 2018

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

Chairman William F. Russell