

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Wednesday, January 3, 2007, at 1:30 p.m.

Attendees

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

Mike Easley, Power River Energy Corporation (by telephone)
David Hedrick, Powder River Energy Corporation (by telephone)
Bryan Lee, Frannie-Deaver Utilities Company
Allison Roberts, Powder River Energy Corporation (by telephone)

Commission Staff: Blair Bales, Jess Bottom, Mike Korber, Dave Lucero,
Marci Norby, Chris Petrie, Ginnie Schofield

CONSENT AGENDA ITEMS

1. **Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meeting of September 21, 2006.** Commissioner Byrnes moved to accept the minutes as submitted. Deputy Chair Lewis seconded the motion, and Chairman Furtney concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 30007-80-GP-06 (Record No. 10929) Amended application of Frannie-Deaver Utilities Co. for authority to pass on a commodity balancing account increase of \$0.038 per MCF.** Jess Bottom, Commission Advisory Staff (CAS), provided a technical memo dated December 28, 2006. Bryan Lee, Frannie-Deaver, said the application is for a regular commodity balancing account adjustment with a correction for an error for 2002 shown in Exhibit 2. He said the exhibit explains the procedure used and calculations for each year since the error was made and also indicates corrections to interest calculations for each month. Jess Bottom said approval of the amended application would not increase the company's rate of return, and Dave Lucero pointed out the net gas rate change should be \$0.0038 per MCF as shown in the corrected staff memo provided. There were no further comments or questions. Mr. Bottom recommended approval of the amended application by Notice and Order, effective immediately and applicable for usage on and after January 1, 2007. Deputy Chair Lewis moved to approve the application by Notice and Order, effective immediately and applicable for usage on and after January 1, 2007, in the corrected amount of \$0.0038 per MCF. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

2. **Docket No. 30007-79-GR-06 (Record No. 10824) Amended application of Frannie-Deaver Utilities Co. for authority to pass on a general rate increase of \$30,310 per annum.** Jess Bottom, CAS, provided a technical memo dated December 28, 2006. Bryan Lee, Frannie-Deaver Utilities Co., said the increase was derived using an operating ratio as the company's assets are largely depreciated. Frannie-Deaver is requesting approval of a ratio of 0.87 although the actual average is 0.8602. Mr. Lee explained that the test year of 2002 in the application shows a loss of \$25,000, but this should actually be \$5,000 as the commodity balancing account surcharge was not added. He said the correct numbers will be used in the next rate case, but do not affect this application since it is based on an operating ratio and not the commodity balancing account. Deputy Chair Lewis questioned the disparity of service charges between the classes of customers, and Mr. Lee responded that the changes were made in effort to keep the increases to a minimum. There were no further comments or questions. Mr. Bottom verified the company's tariffs comply with Rules 249 and 250 and recommended the application be approved as filed with a Notice and Order immediately and applicable for usage on and after January 1, 2007. Deputy Chair Lewis moved to approve the amended application by Notice and Order, effective immediately and applicable for usage on and after the current date of January 3, 2007. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

3. **Docket No. 10014-92-CP-06 (Record No. 10930) Application of Powder River Energy Corporation (PRECorp) for authority to adjust its Cost of Power Adjustment (COPA) to reflect a net decrease of \$2,527,314 per annum in wholesale power costs.** Marci Norby, CAS, provided a technical memo dated December 29, 2006. Mike Easley, PRECorp, said the application represents a routine adjustment and contains provisions to comply with new Commission Rules. David Hedrick, PRECorp, said the company is seeking to adjust the COPA to reflect projected costs of power for 2007 using projected billing units and rates effective for 2007. Mr. Hedrick also said the application includes adjustments in accrued interest for 2004-2005 as agreed to with the OCA. Marci Norby, CAS, said the tariffs filed comply with Rules 249 and 250; she added the operating ratios shown in the exhibits are lower than anticipated as actual loan amounts are not as high as projected. There were no further comments or questions. Ms. Norby recommended approval of the application by Notice and Order effective immediately and applicable for usage on and after January 10, 2007, and also requested the company file corrected tariffs with corrected sheet numbers. Deputy Chair Lewis moved to approve the application by Notice and Order, effective immediately and applicable for usage on and after January 10, 2007, and further that the company file corrected tariffs as requested. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

4. **Multiple Show Cause Proceedings:**
 - Docket No. 70202-2-TI-06 (Record No. 10898) - Pacific Centrex Services, Inc.**
 - Docket No. 74299-2-TI-06 (Record No. 10899) - SmartStop, Inc.**
 - Docket No. 74596-2-TI-06 (Record No. 10901) - Gates Communications, Inc.**
 - Docket No. 74637-2-TI-06 (Record No. 10903) - Pacific Centrex Services, Inc.**
 - Docket No. 74576-2-TI-06 (Record No. 10906) - Buzz Telecom Corporation**
 - Docket No. 74255-2-TI-06 (Record No. 10910) - Association Administrators, Inc.**

Docket No. 74326-5-TI-06 (Record No. 10914) - PT-1 Communications, Inc.
Docket No. 74542-2-TI-06 (Record No. 10915) - BAK Communications, LLC
Commission to consider issuing Orders canceling the operating authority of the above-listed companies for failure to comply with certain requirements of Wyoming law requiring the filing of Commission annual reports, Department of Revenue uniform assessment reports, or both. The show cause public hearing was held on December 15, 2006. Blair Bales, Commission Counsel, said the above-listed companies have failed to comply with reporting requirements and failed to show cause why their operating authorities in Wyoming should not be cancelled, with the exception of Gates Communications, Inc., which submitted a request to cancel its authority which was received on December 28, 2006. There were no further comments or questions. Ms. Bales recommended a Letter Order be issued dismissing the show cause proceeding against Gates Communications, Inc., as its authority has been cancelled; and she recommended Orders be issued canceling the operating authorities of the remaining listed companies. Deputy Chair Lewis moved to take action, effective immediately, as recommended by Ms. Bales. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

5. **Multiple Show Cause Proceedings:**

Docket No. 74615-2-TI-06 (Record No. 10902) - McGraw Communications, Inc.
Docket No. 74640-3-TI-06 (Record No. 10904) - IBFA Acquisition Company, LLC
**Docket No. 70071-18-TI-06 (Record No. 10905) - DIECA Communications, Inc.,
d/b/a Covad Communications Company**

Docket No. 74606-8-TI-06 (Record No. 10907) - Phone 1, Inc.

Docket No. 74636-2-TI-06 (Record No. 10908) - Ernest Communications, Inc.

**Docket No. 74008-17-TI-06 (Record No. 10909) - T-NETIX Telecommunications
Services, Inc.**

Docket No. 74294-13-TI-06 (Record No. 10911) - Evercom Systems, Inc.

Docket No. 74591-2-TI-06 (Record No. 10912) - Entrix Telecom, Inc.

Commission to consider issuing Letter Orders dismissing the show cause proceedings initiated against the above-listed companies as they have complied with appropriate filing requirements and are no longer in violation of Wyoming law.

Blair Bales, Commission Counsel, said the listed companies have complied with the applicable filing requirements. There were no further comments or questions. Ms. Bales recommended issuing a Letter Order to each company dismissing the show cause proceedings, effective immediately. Deputy Chair Lewis moved to issue Letter Orders dismissing proceedings against the listed companies, effective immediately.

Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

6. **Multiple Show Cause Proceedings:**

Docket No. 74594-2-TI-06 (Record No. 10900) - Epixtar Communications Corp.

Docket No. 70069-2-TI-06 (Record No. 10913) - United Communications Hub, Inc.

Commission to consider issuing Letter Orders dismissing the show cause proceedings initiated against the above-listed companies as they have already had their respective operating authorities canceled by the Commission. Blair Bales,

Commission Counsel, said the listed companies requested and have had their operating authorities for Wyoming canceled. She said requests were made prior to the show cause

hearing. There were no further comments or questions. Ms. Bales recommended issuing a Letter Order to each company dismissing the show cause proceedings, effective immediately. Deputy Chair Lewis moved to issue Letter Orders dismissing proceedings against the listed companies, effective immediately. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, January 9, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 2nd day of April 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Tuesday, January 9, 2007, at 1:30 p.m.

Attendees

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

Janeen Capshaw, Wyoming Gas Company (by telephone)
Dale Cottam, Attorney for Wyoming Gas Company
Gordon Neumann, Wyoming Gas Company (by telephone)

Commission Staff: Blair Bales, Mike Korber, Barbara Iversen, Dave Lucero, Luy Luong, Chris Petrie, Ginnie Schofield

Office of Consumer Advocate (OCA): Denise Parrish, Ivan Williams, Amy Zamora

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

1. **Docket No. 74551-3-TA-06 (Record No. 10976) Globalcom, Inc., petition for a waiver of certain provisions of Section 503 of the Commission's Rules pertaining to service quality reporting requirements.**
2. **Docket No. 70000-1293-TK-06 (Record No. 10954) Filing by Qwest Corporation for authority to submit a confidential retail telecommunications services contract.**
3. **Docket No. 70000-1294-TK-06 (Record No. 10957) Filing by Qwest Corporation for authority to submit a confidential retail telecommunications services contract.**
4. **Docket No. 70000-1295-TK-06 (Record No. 10958) Filing by Qwest Corporation for authority to submit a confidential retail telecommunications services contract.**

Chairman Furtney introduced the consent agenda and asked if there were any requests to withdraw an item for further consideration. There were no such requests. Mike Korber, Commission Advisory Staff (CAS), recommended the following actions be taken: Item 1, grant petition with an Order only, effective immediately; Items 2, 3 and 4, placement of the contracts into the Commission's confidential files with no ratemaking determination. Deputy Chair Lewis moved to take action consistent with staff recommendations, and Chairman Furtney seconded the motion.

REGULAR AGENDA ITEMS

- Docket No. 30009-44-GP-06 (Record No. 10970) Application of Wyoming Gas Company (Wyoming Gas) for authority to pass on a wholesale gas cost decrease of \$0.1659 per ccf through its commodity balancing account.** Luy Luong, CAS, provided a technical memo dated January 4, 2007. Dale Cottam, attorney for Wyoming Gas, said the application results from anticipated decreases in commodity costs for the upcoming usage period. Gordon Neumann, Wyoming Gas, said the company currently has 40% of its supply hedged with the remainder being purchased at the daily market price. Mr. Neumann said he anticipates the trend of lower prices to continue for the near future. Amy Zamora, OCA, asked the Commission to consider any approval be granted on an interim basis as her office has not had time to completely review the application and intends to file a Notice of Intervention in this docket. Ms. Zamora added that there are still issues outstanding with Wyoming Gas' tariff language, interest on under-collections and some billing practices. Mr. Cottam requested the issues raised in prior dockets be limited to those dockets and expressed the company's willingness to respond to any data requests. Deputy Chair Lewis asked Commission staff and the OCA to determine what issues are outstanding in all open dockets for Wyoming Gas and provide a recommendation for action to resolve them. Dave Lucero, Commission Counsel, said the issues and concerns will be determined, and Wyoming Gas will be kept advised. Luy Luong summarized the application and said the average customer would see a reduction of approximately 14.42%. There were no further comments or questions. Mr. Luong recommended approval of the pass-on decrease on an interim basis by Notice and Order, effective immediately and applicable for usage on and after January 9, 2007. Deputy Chair Lewis moved to approve the application on an interim basis, effective immediately, by Notice and Order for usage on and after January 9, 2007. Chairman Furtney seconded the motion.

Commission Activity 3:30 p.m.

Mr. Rich Walje, President of Rocky Mountain Power, will make a presentation to the Commission on the company's 10-year business plan. The presentation will cover load growth and service obligations, resource requirements, capital investments, operations and maintenance challenges facing the company, financial risks, and regulatory filings. This meeting was for informational purposes only. No Commission action was requested or taken.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, January 16, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 2nd day of April 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Tuesday, January 16, 2007, at 1:30 p.m.

Attendees

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

Frank M. Cole, Southeast Wyoming Builders Association
Rick Kaysen, Cheyenne Light, Fuel and Power Company
Liz Zerga, counsel for First Communications, Inc./Lightyear Network Solutions, LLC

Commission Staff: Blair Bales, Don Biedermann, Barbara Iversen, Luy Luong, Marci Norby, Chris Petrie, Art Schmidt, Ginnie Schofield, Darrell Zlomke

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

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket Nos. 70000-1286-TK-06 and 70006-67-TK-06 (Record No. 10887) Contract filing of Qwest Corporation for authority to enter into a Triennial Review Order and Triennial Review Remand Order amendment to its wireline interconnect agreement with Silver Star Communications, Inc.**

Chairman Furtney introduced the consent agenda item and asked if there were any requests to remove the item for fuller consideration. There were no such requests. Art Schmidt, Commission Advisory Staff (CAS), recommended approval of the contract by Order only, effective immediately. Deputy Chair Lewis moved to take action as recommended, and Chairman Furtney seconded the motion.

REGULAR AGENDA ITEMS

- 1. Docket No. 20003-87-ET-06 (Record No. 10640) Amended application of Cheyenne Light, Fuel and Power Company (Cheyenne Light) for authority to revise its electric service rules and regulations; and Docket No. 30005-108-GT-06 (Record No. 10638) Amended tariff filing of Cheyenne Light for authority to revise its natural gas service rules and regulations. Commission to consider the merits of restarting the statutory ten-month suspension period in the above docketed matters.** Jess Bottom and Don Biedermann, Commission Advisory Staff (CAS), provided a technical memo dated January 10, 2007. Rick Kaysen of Cheyenne Light said both dockets are similar in nature and should be treated equally. He said amended and re-stated applications were

filed on December 26, 2006, which provide proposed revisions to the current gas and electric line extension policies. Mr. Kaysen said Cheyenne Light would like to request an approval date of April 1 as the active construction season is only a few months away and asked the Commission to consider working within the existing time allowed. However, Mr. Kaysen said, Cheyenne Light does not oppose an extension and additional public notice if it is in the best interest of all parties. Ivan Williams, OCA, said his office does not oppose re-starting the ten-month procedural clock but added that statutes do not support adding a three-month extension. Mr. Williams also said not re-starting the clock could result in the tariffs going into effect at the end of the current ten-month period. The representative for the Southeast Wyoming Builders Association (SWBA), Frank Cole, stated the members of the construction industry would like additional time to allow review of and determine the effects of the proposed tariffs. Mr. Kaysen said a meeting is being arranged to discuss the changes with the SWBA, and this meeting could include the OCA if they wish to participate. There were no further comments or questions. Blair Bales, Commission Counsel, recommended the procedural clock be re-started for the statutory period beginning December 26, 2006, the filing date of the amended application, for an additional six months. She added the recommendation is based on staff opinion that the amendments to the original application are substantial. Deputy Chair Lewis said the Commission has a responsibility to re-start the clock and provide additional public notice, not only for intervenors but for the public, as the current tariffs are not what was originally proposed. She moved to reset the filing date based on the amended application date of December 26, 2006, and that the Commission issue a new Suspension Order for six months and have the application re-noticed. Chairman Furtney agreed with the comments and seconded the motion.

2. **Docket No. 74067-15-TA-06 (Record No. 10926) Lightyear Network Solutions, LLC (Lightyear), and First Communications, Inc., seek Commission authority for a transfer of control of Lightyear to First Communications.** Luy Luong, CAS, provided a technical memo dated January 10, 2007. Liz Zerga, counsel for the applicants, said First Communications, Inc., would acquire Lightyear and act as its parent company. She said there are currently 158 customers in Wyoming, and the change would be transparent to them as Lightyear would continue to operate as it has with no changes in rates, terms or conditions of service. Blair Bales, Commission Counsel, said a petition for confidential treatment of information was requested but does not meet all requirements of Rules Section 120(b). Ms. Zerga agreed it was not filed in the proper format but requested the information submitted be treated as confidential until the petition for confidential treatment is resubmitted. There were no further comments or questions. Mr. Luong recommended approval of the application by Notice and Order, effective immediately, and requested the petition for confidential treatment be re-submitted. Deputy Chair Lewis moved to approve the application for a transfer of control by Notice and Order, effective immediately, and further requested Ms. Zerga, on behalf of the joint applicants, re-submit the request for confidentiality in a manner compliant with Rule 120. Chairman Furtney seconded the motion.
3. **Docket No. 30016-41-GR-06 (Record No. 10400) Amended general rate application of Pinedale Natural Gas, Inc., for authority to establish a revised overall rate of**

return of 11.5% to reflect changes in the costs of providing natural gas service. Commission to consider setting pre-hearing procedural deadlines with respect to the hearing scheduled for March 21-23, 2007, in Pinedale. Ivan Williams, OCA, said a meeting had been scheduled with Pinedale Natural Gas on Thursday to discuss outstanding discovery issues and procedural deadlines. He requested this item be tabled until the next open meeting. Blair Bales, Commission Counsel, agreed with Mr. Williams and recommended the item be tabled until Tuesday, January 23, 2007. Deputy Chair Lewis moved to table the item until the open meeting on Tuesday, January 23, 2007, and Chairman Furtney seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, January 18, 2007, at 10:00 a.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 2nd day of April 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Thursday, January 18, 2007, at 10:00 a.m.

Attendees

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

Bruce Asay, counsel for Pinedale Natural Gas, Inc.
Gilmer Mickey, Pinedale Natural Gas, Inc.
Steve Shute, Pinedale Natural Gas, Inc.

Commission Staff: Blair Bales, Meridith Bell, Don Biedermann, Barbara Iversen, Dave Lucero, Luy Luong, Marci Norby, Chris Petrie, Dave Piroutek

Office of Consumer Advocate (OCA): Bryce Freeman, David McMullian, Ivan Williams, Amy Zamora

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket No. 74067-15-TA-06 (Record No. 10926) Lightyear Network Solutions, LLC, and First Communications, Inc., seek Commission authority for a transfer of control of Lightyear to First Communications. Commission to consider Petition for Confidentiality.**
- 2. Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meetings of July 18, October 27 and October 31, 2006.**

Chairman Furtney introduced the consent agenda and asked if there were any requests to withdraw an item for fuller consideration. There were no such requests. Luy Luong, CAS, recommended Item 1 be approved by Order only, effective immediately. Deputy Chair Lewis moved to take action consistent with the staff recommendation. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred. Deputy Chair Lewis then moved to approve the Open Meeting minutes as submitted. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

REGULAR AGENDA ITEMS

- 1. Docket No. 30016-44-GT-07 (Record No. 10984) Application of Pinedale Natural Gas, Inc., for authority to reinstitute a \$0.40 per Dth increase in non-gas rates.** Marci Norby, Commission Advisory Staff (CAS) provided a technical memo dated

January 16, 2007. Bruce Asay, counsel for Pinedale Natural Gas, said the conditions set out in an Order issued May 26, 2006, provided for a reduction of \$0.40 per Dth in non-gas rates until an over-collection of \$33,000 had been paid down. Pinedale Natural Gas believes this has been done and requests approval to reinstate the charge effective December 6, 2006, the estimated date of final recovery. Amy Zamora, OCA, said her office does not oppose reinstating the charge, but requests an effective date of today to avoid retroactive ratemaking. Ivan Williams, OCA, added that the OCA believes Pinedale Natural Gas continues to overearn and that this non-gas charge should not be approved on a retroactive basis. There was some discussion on how it was determined when the \$33,000 was repaid and whether or not this application was necessary to reinstate the fee. Dave Lucero, Commission Counsel, said Commission approval is needed to determine the over-collection has been refunded as required by the prior Order, and public notice should be given before the fee is actually charged to customers. There were no further comments or questions. Marci Norby, CAS, recommended approval of the application by Notice and Order, effective for usage on and after January 18, 2007. The Commissioners expressed concern that the Stipulation and Order did not provide a process to establish compliance with the refund request and how to re-implement the \$0.40 charge. Commissioner Byrnes moved to approve the application by Notice and Order, effective for usage on and after January 18, 2007, to avoid the potential of retroactive rate-making. Deputy Chair Lewis seconded the motion and Chairman Furtney concurred.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, January 23, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 2nd day of April 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Tuesday, January 23, 2007, at 1:30 p.m.

Attendees

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

Bruce Asay, counsel for Pinedale Natural Gas, Inc.
Paul Clements, Rocky Mountain Power
Dale Cottam, Hirst & Applegate
Dave Mosier, Rocky Mountain Power
Randy Reed, counsel for Belle Fourche Pipeline Company
Bob Stamp, Belle Fourche Pipeline Company (by telephone)

Commission Staff: Don Biedermann, Barbara Iversen, Dave Lucero, Luy Luong, Marci Norby, Chris Petrie, Ginnie Schofield, Darrell Zlomke

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

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket No. 30022-84-GA-06 (Record No. 10806) Joint application of Source Gas, LLC, Source Gas Distribution, LLC, Kinder Morgan, Inc., and KM Retail Utility Holdco, LLC, for approval of transfer of utility assets and certificates of authority from Kinder Morgan, Inc., to Source Gas Distribution, LLC, and reorganization of Source Gas Distribution, LLC, as a wholly-owned subsidiary of Source Gas, LLC.**

Docket No. 30022-85-GA-06 (Record No. 10813) Joint application of Kinder Morgan, Inc., Source Gas Distribution, LLC, KM Retail Utility Holdco, LLC, and Knight Acquisition Co. for approval of a reorganization pursuant to which Kinder Morgan, Inc., will become a privately-held company and for approval of a transfer of utility assets and certificate authorities from Kinder Morgan, Inc., to Source Gas Distribution, LLC, as a wholly-owned indirect subsidiary of Kinder Morgan, Inc.

Commission to consider Wyoming Community Gas' letter request to withdraw its Motion to Intervene in the above-docketed matters.

- 2. Docket No. 20000-264-EA-06 (Record No. 10960) Application of Rocky Mountain Power for authority to establish a demand-side management program in Wyoming, establish DSM tariffs and increase rates to fund DSM. Commission to consider (a)**

Wyoming Industrial Energy Consumers' Petition for Leave to Intervene, and (b) Motion for Admission *Pro Hac Vice* of Robert M. Pomeroy, Jr., and Thorvald A. Nelson.

Chairman Furtney introduced the consent agenda items and asked if there were any requests to withdraw an item for further consideration. Deputy Chair Lewis asked staff whether the attorneys in Item 2.b had met the requirements of the Wyoming State Bar Association, and Blair Bales, Commission Counsel, verified they had. There were no further comments or questions. Luy Luong, Commission Advisory Staff (CAS), recommended the Commission grant the request in Item 1 with an Order only, effective immediately. Mr. Luong recommended granting of both Motions in Item 2 by Order only, effective immediately. Deputy Chair Lewis moved to take action as recommended by staff. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 50000-52-PA-06 (Record No. 10530) Application of Belle Fourche Pipeline Company for authority to discontinue crude oil pipeline service, and cancel its certificate authority and the applicable tariffs, from the Well Draw-Scott fields in Converse County to the Guernsey and Fort Laramie Stations in Platte and Goshen Counties, Wyoming.** Jess Bottom, CAS, provided a technical memo dated January 18, 2007. Randy Reed, counsel for Belle Fourche Pipeline Company, said the company seeks approval to discontinue service because there is insufficient volume to keep the lines operational and producers have chosen to truck their crude oil to market. Mr. Reed added the sole intervenor in the docket, Interline Crude Gathering, has withdrawn its request, and an agreement has been reached with Mr. Moore, one of the landowners, regarding removal and clean-up of surface facilities from his property. Bob Stamp, Belle Fourche Pipeline Company, explained the agreement with the property owner and how the affected pipeline will be purged and reclaimed. There were no further comments or questions. Mr. Bottom recommended approval of the application by Order only, effective immediately, with a requirement for the company to report back to the Commission by October 1, 2007, on the progress of abandonment procedures and, in addition, to require the company to report on the progress of abandonment of facilities on Mr. Moore's property. Deputy Chair Lewis commented that, even though the Commission cannot interpret the lease agreement between Mr. Moore and Belle Fourche Pipeline Company, Mr. Moore does have a legitimate concern with how the abandonment is achieved. Deputy Chair Lewis then moved to approve the application, effective this date, by Order only with a requirement that the company report back to the Commission by October 1, 2007, on its progress in abandoning the pipeline and by December 31, 2007, on the status of any agreement reached with Mr. Moore regarding abandonment of facilities on his property. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

2. **Docket No. 20000-262-EK-06 (Record No. 10939) Application of Rocky Mountain Power with respect to a power purchase agreement between PacifiCorp and Mountain Wind Power II, LLC, for the purchase and sale of the net output of 53 wind turbine generators. Commission to consider acceptance of the contract for**

filing and taking action on separate petition for confidential treatment of the purchase power agreement. Darrell Zlomke, CAS, provided a technical memo dated January 19, 2007. See Item 3 for discussion on this agenda item.

3. **Docket No. 20000-263-EK-06 (Record No. 10940) Application of Rocky Mountain Power for a first amendment to the power purchase agreement between PacifiCorp and Mountain Wind Power, LLC, for the purchase and sale of the net output of 24 wind turbine generators. Commission to consider acceptance of the contract amendment for filing and taking action on separate petition for confidential treatment of the first amendment to the purchase power agreement.** Darrell Zlomke, CAS, provided a technical memo dated January 18, 2007. Dave Mosier, Rocky Mountain Power (RMP), said the contracts in agenda Items 2 and 3 represent an original contract (Item 2) and an amendment (Item 3) with Mountain Wind Power, filed on December 4, 2006, represent separate and distinct facilities planned for construction. Mr. Mosier said both projects will contribute to Wyoming-specific commitments WY-21 and WY-22 made by MidAmerican Energy Holdings Company concerning renewable energy. He also said RMP is not asking for any ratemaking determination at this time as that will be addressed in the next general rate filing, and he asked that both contracts be treated in a confidential manner. Paul Clements, RMP, provided details of the planned construction and the financial agreements between the parties. Chris Petrie, Commission Counsel, said the original applications were not filed with a separate petition for confidential treatment in the proper format, but that has now been submitted. There were no further comments or questions. Mr. Zlomke recommended both contracts be accepted for placement in the Commission's confidential files and recommended granting the petition for confidential treatment. Deputy Chair Lewis moved to accept the contracts in both dockets for placement in the Commission confidential files and further to grant the petition for confidential treatment. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

4. **Docket No. 30016-41-GR-06 (Record No.10400) Amended general rate application of Pinedale Natural Gas, Inc. (PNG) for authority to establish a revised overall rate of return of 11.5% to reflect changes in the costs of providing natural gas service. Commission to consider setting pre-hearing procedural deadlines with respect to the hearing scheduled for March 21-23, 2007, in Pinedale, Wyoming.** After some discussion by the parties, Blair Bales, Commission Counsel, proposed the following dates agreed upon by all involved: any amendments to application to be filed by February 2; a discovery deadline of February 16; testimony by PNG to be filed by February 23; OCA testimony to be filed by March 7; and rebuttal testimony due by March 14. The hearing date of March 21 is acceptable, and the hearing is scheduled for three days in Pinedale, Wyoming. Deputy Chair Lewis moved to adopt the schedule deadlines as proposed and, in the event three days for the hearing are not sufficient, consider scheduling more time. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, January 25, 2007, at 10:45 a.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the _____ day of April 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Thursday, January 25, 2007, at 10:45 a.m.

Attendees

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

Bruce Asay, counsel for Montana-Dakota Utilities Company
Rita Mulkern, Montana-Dakota Utilities Company (by telephone)

Commission Staff: Blair Bales, Don Biedermann, Chris Petrie, Ginnie Schofield

Office of Consumer Advocate (OCA): Ivan Williams

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket No. 20000-257-EA-06 (Record No. 10794) Application of Rocky Mountain Power for approval to submit a preliminary depreciation study. Commission to consider issuing a Special Order authorizing One Commissioner or Hearing Examiner.** Chairman Furtney introduced the consent agenda item and asked if there were any requests to withdraw this item for further consideration. There were no such requests. Deputy Chair Lewis moved to issue the Special Order. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

REGULAR AGENDA ITEMS

- 1. Docket No. 30013-183-GP-06 (Record No. 10891) Application of Montana-Dakota Utilities Company (MDU) for authority to pass on a wholesale gas cost increase of \$2.504 per Dth for Residential Service, General Service, and Small Large Interruptible customers; and \$2.505 per Dth for Optional Seasonal customers. Commission to consider a Supplementation to Prior Motion for Protective Order and Petition for Confidential Treatment of Financial Documents.** Bruce Asay, counsel for MDU, said the previous pass-on request was filed with a request for confidentiality covering part of the information which was provided at the Commission staff's request. Mr. Asay said it was his belief PSC Rule Section 120(b) regarding special procedures allowed for submission of the request for confidentiality as part of the discovery process and did not require a separate petition. Blair Bales, Commission Counsel, disagreed, saying the direction to provide additional information was not part of a discovery process but rather cures a deficiency in the application. She said the information is required under Rule Section 249(a)(i) regarding pass-on increases or

decreases and, as such, requires a separate petition to request confidential treatment of the information. There was some discussion on the proper designation of confidential information, but there were no further comments or questions. Ms. Bales recommended the three pages in MDU's Exhibit 3 be designated as confidential and also recommended the company go forward with the understanding the information is filed as required under Section 249. She also recommended MDU be ordered or directed to file separate petitions for confidential treatment meeting the requirements of Section 120(b) in all future pass-on applications where they are requesting confidential treatment of information. Deputy Chair Lewis moved to take action as recommended by staff, effective immediately. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

2. **Docket No. 30013-185-GP-07 (Record No. 10995) Montana Dakota Utilities Company request for authority to pass on a wholesale gas cost decrease of \$0.777 per decatherm.** Don Biedermann, CAS, provided a technical memo dated January 16, 2007. Rita Mulkern, MDU, said the application is a regular monthly request and reflects a decrease due to a decrease in the market cost of gas. Ms. Mulkern said the change will not increase the company's rate of return and complies with Commission Rules 249 and 250. There were no further comments or questions on the pass-on request. Mr. Biedermann recommended approval of the pass-on by Notice and Order, effective for usage on and after February 1, 2007, and that the request for confidentiality be treated separately. Deputy Chair Lewis moved to grant approval of the request by Notice and Order, effective for usage on and after February 1, 2007. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred. Discussion ensued on MDU's request for confidential treatment of information contained in Exhibit 3(a) of the application. A format for future pass-on requests was agreed to, and Deputy Chair Lewis moved to grant confidential treatment of the exhibit by Order and further that the company be directed to conform its cover letter to indicate it is a petition for confidentiality under Section 120(b) and that the provisos in the above docket item be included in the Order. Commissioner Byrnes seconded the motion, and Chairman Furtney concurred.

A full audio transcript is available upon request.

Next Open Meeting: Friday, January 26, 2007, at 10:00 a. m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 2nd day of April 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Tuesday, January 30, 2007, at 1:30 p.m.

Attendees

Commissioners: Chairman Steve Furtney, presiding
Commissioner Mary Byrnes

Alex Davison, counsel for Norlight Telecommunications, Inc.

Commission Staff: Blair Bales, Barbara Iversen, Dave Lucero, Luy Luong, Chris Petrie

REGULAR AGENDA ITEM

- Docket No. 74174-4-TA-06 (Record No. 10935) Application of Norlight Telecommunications, Inc. (Norlight), for approval of a transfer of control to Q-Comm Corporation.** Barbara Iversen, Commission Advisory Staff (CAS), provided a technical memo dated January 23, 2007. Alex Davison, counsel for Norlight, said Norlight's parent company, Journal Communications, requests approval to transfer by sale of stock all assets and activities carried on in Wyoming to Q-Comm Corporation. The transaction would be transparent to the five business customers in Wyoming as no changes or re-organization are planned. He said customers have been notified of the pending transfer by press releases and posting on Norlight's website. Mr. Davison also requested approval of a separate petition for confidential treatment of financial information. There were no further comments or questions. Ms. Iversen recommended approval of the application by Notice and Order, effective immediately, and recommended approval of the petition for confidential treatment. Commissioner Byrnes moved to approve the application by Notice and Order, effective immediately, and also to approve the request for confidential treatment. Chairman Furtney seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, February 6, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 9th day of April 2007.

Kathleen A. "Cindy" Lewis, Chairman