

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Monday, July 2, 2007, at 9:00 a.m.

Attendees

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

Bruce Asay, Associated Legal Group

Office of Consumer Advocate (OCA): Bryce Freeman

Commission Staff: Mike Korber, Chris Petrie

REGULAR AGENDA ITEMS

- 1. Docket 90000-98-XO-07 (Record No. 11244) The Commission will consider whether to adopt Emergency Rules revising existing rules and establishing new rules, procedures and guidelines meeting the requirements and mandates of the revised Wyoming Telecommunications Act which became effective July 1, 2007. According to Wyoming law, emergency rules go into effect when filed with the Secretary of State. If approved, the emergency rules will be filed with the Secretary of State on or about July 2, 2007, and be effective initially for 120 days.** Chris Petrie, Commission Chief Counsel, said the emergency rules are needed as a result of recent changes in legislation which cause existing rules to be outdated. Three technical conferences have been held for public and industry comment, and the proposed emergency rules include many suggestions and comments offered at those conferences. Mr. Petrie said there are also revisions to quality of service and outage reporting rules which are not specifically related to statutory revisions but were also developed during the technical conferences and consultation with the OCA. Mike Korber, Commission Advisory Staff, said the changes include revisions to Chapter 5, Sections 500 through 546 of the Commission's Rules and addition of new Sections 122 and 547. Deputy Chairman Oxley moved to find that an emergency exists, requiring implementation of rules under W.S. 16-3-103(b) without prior notice or opportunity for hearing, that the Commission adopt the emergency rules, and that counsel be directed to provide a statement of reasons describing the emergency to be transmitted to the Governor for review. Subsequent to the Governor's approval, the rules are to become effective immediately upon filing with the Secretary of State. Chairman Lewis seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Friday, July 13, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 31st day of August 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Friday, July 13, 2007, at 1:30 p.m.

Attendees

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

Jeff Hohn, High Plains Power, Inc.
Scott Kolpitke, counsel for Beartooth Electric Cooperative, Inc.
Don White, counsel for High Plains Power, Inc.

Office of Consumer Advocate (OCA): Ivan Williams

Commission Staff: Don Biedermann, Jen Kemp, Dave Lucero, Luy Luong, Dick Valent, Darrell Zlomke

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket Nos. 70015-57-TK-07 and 70008-43-TK-07 (Record No. 11204) Joint application of RT Communications, Inc., and Union Telephone Company for Commission authority to enter into a Wireless Interconnection Agreement.**
- 2. Docket Nos. 70000-1332-TK-07 and 70027-71-TK-07 (Record No. 11195) Joint application of Qwest Corporation and Verizon Business Network Services, Inc., for Commission authority withdraw a Business Escalation Agreement.**
- 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 act on Wyoming Industrial Energy Consumers' Petition for Leave to Intervene and related Motion for Admission *Pro Hac Vice* of Thorvald A. Nelson and Robert Pomeroy, Jr.**
- 4. Docket No. 10003-24-CP-06 (Record No. 10823) Application of Garland Light and Power Company for authority to pass on an electric power cost increase of \$161,434 or 7.2% to its member-consumers served or to be served in the Town of Ralston, Wyoming, and within rural areas of Park and Big Horn Counties, Wyoming. Commission to consider authorizing rates previously implemented on an interim basis to be authorized as regular rates.**

Chairman Lewis introduced the consent agenda items and asked if there were any requests to withdraw an item for consideration on the regular agenda. There were no such requests, but Chairman Lewis did ask if the handling of Item 4 as a consent agenda item was appropriate. Chris Petrie, Commission Chief Counsel, explained that the OCA had intervened but recently filed a letter saying they no longer wished to pursue the matter. Mr. Petrie added that Commission staff is satisfied with the filing and has nothing further to add. There were no further comments or questions. Mr. Petrie provided the following recommendations: Item 1, issue an Order only approving the agreement as public notice has been provided with no response received; Item 2, rescind Commission action of June 28, 2007, and grant parties' motion to withdraw; Item 3, grant petition for leave to intervene and motion for admission *pro hac vice*; and Item 4, issue Order only authorizing rates on a final basis. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis seconded the motion.

REGULAR AGENDA ITEMS

- 1. Docket No. 10016-47-CR-06 (Record No. 10832) General rate application of Wyrulec Company for authority to increase its retail rates by \$631,412 or 5.96% to its member consumers. Commission to consider action on Wyrulec's letter request for confidential treatment of special contracts.** Chris Petrie, Commission Chief Counsel, said counsel for Wyrulec Company is not available and recommended tabling this item. Deputy Chairman Oxley moved to table this item, and Chairman Lewis seconded the motion.
- 2. Docket No. 10020-32-CR-06 (Record No. 10931) General rate application of High Plains Power, Inc., for authority to increase its retail rates by \$1,715,905 per annum in Fremont, Hot Springs, Washakie, Big Horn, Johnson, Natrona, Carbon and Park Counties and revise certain tariffs. Commission to consider and act on Office of Consumer Advocate's Motion to Require Production of Contracts, set hearing date and other procedural deadlines, and consider issuance of a Special Order authorizing One Commissioner and/or Hearing Examiner to Conduct Public Hearing.** Ivan Williams, OCA, said since his office is an intervenor in this docket, the OCA by statute has the same access to information as the PSC and should be allowed to review the confidential contracts submitted by High Plains Power to allow full review of matters related to the application. Don White, counsel for High Plains Power, argued against allowing access by a third party such as the OCA under the the Administrative Procedures Act, and Rule 26 of the Rules of Civil Procedure. Chris Petrie, Chief Counsel for the Commission, confirmed that under W.S. § 37-3-111 every public utility is required to file copies of contracts, agreements or arrangements and under PSC Rules Section 218 every utility shall file one copy of all special contracts which govern the sales of a public utility service. There were no further comments or questions on this matter. Mr. Petrie recommended the Commission grant the OCA's motion and issue an Order compelling production of the contracts. Mr. Petrie confirmed the OCA's motion acknowledges and agrees to observe the strictures of Rule 120 regarding confidential material. Deputy Chairman Oxley noted that good cause has been shown to order discovery of the documents, that Wyoming Rules of Civil Procedure provide support for

the granting of the OCA motion, and that statutes say the Commission has the competence to order production of contracts and provide OCA access. Therefore, he moved to require production of the contracts listed in the company's response, to require confidential treatment by the Commission and the OCA, and to have the company search its files to ensure all similar contracts are filed with the Commission. The Deputy Chairman further moved to include a requirement in the Order to have the company review its records to see if a request has been made and granted in the past to remove the requirement for filing of repetitive contracts. Chairman Lewis said the company's argument would severely impair the discretion granted to the Commission by the legislature to do its job, and she seconded the motion of the Deputy Chairman. Chris Petrie, Commission Chief Counsel, then requested a Special Order authorizing one Commissioner and/or Hearing Examiner be approved for the scheduled hearing. There were no objections, comments or questions on this item. Deputy Chairman Oxley moved to issue the Special Order, and Chairman Lewis seconded the motion. Discussion ensued on the procedural schedule to support the August 13-15 hearing in Fort Washakie, resulting in a motion by Deputy Chairman Oxley to approve a schedule requiring filing of testimony by High Plains Power by July 20 and by the OCA on August 1. Chairman Lewis seconded the motion.

3. **Docket No. 10017-13-CS-07 (Record No. 11225) Application of Beartooth Electric Cooperative, Inc., for authority to borrow \$5,000,000 from CoBank for a substation in Columbus, Montana, and for rebuilding and replacing several miles of lines and cables. Commission to consider and act on application, including whether to continue the application beyond 30 days after filing pursuant to W.S. 37-6-104.** Don Biedermann, CAS, provided a technical memo dated July 12, 2007. Chris Petrie, Commission Chief Counsel, explained the request is being made as the application was lacking information required to make a showing that the fair value of Beartooth Electric will not be exceeded by its cumulative debt. The information has been provided, but the statutory limit of 30 days to process the application under Wyoming Statute § 37-6-104 will be exceeded. The requested extension will allow staff an opportunity to review the data provided and present the application at the next open meeting. Scott Kolpitke, attorney for Beartooth Electric, said the company has no objection to the requested continuance. There were no further comments or questions. Mr. Petrie recommended the Commission enter an Order stating this application was lacking necessary financial information, it proved impossible for staff to obtain the information within the 30-day time period allowed by statute and that this matter be continued until July 24, 2007. Deputy Chairman Oxley moved that, consistent with Wyoming Statute § 37-6-104, a continuance is necessary in this case due to a lack of information required for a full assessment of the application, and that said Order state the necessity of the continuance and be effective from this date until noon on July 25, 2007. Chairman Lewis seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Monday, July 23, 2007, at 3:00 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 20th day of September 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting
Monday, July 23, 2007, at 3:00 p.m.

Attendees

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

Garner Anderson, Cheyenne Light, Fuel and Power Company
Bruce Asay, counsel for Pinedale Natural Gas Company
Brent Bacher, Questar Gas Company (by telephone)
Henry Bailey, counsel for Wyrulec Company
Colleen Bell, Questar Gas Company (by telephone)
Phil Devlin, Encore Clear Fork Pipeline (by telephone)
Stacie Dykema, Cheyenne Light, Fuel and Power Company
Walter Eggers, counsel for Clear Fork Pipeline, Encore Clear Fork Pipeline and for Bresnan Communications
Kenna Hagan, Cheyenne Light, Fuel and Power Company
Brian Iverson, Cheyenne Light, Fuel and Power Company
Marla Jones, Clear Fork Pipeline (by telephone)
John Kennedy, Questar Gas Company (by telephone)
Scott Kolpitke, counsel for Beartooth Electric Cooperative, Inc.
Andy Lowe, Encore Clear Fork Pipeline (by telephone)
Don Martinez, Cheyenne Light, Fuel and Power Company
Marne Miller, Cheyenne Light, Fuel and Power Company
Thomas Nicholas, counsel for Wyoming Gas Company
Gary Robinson, Questar Gas Company (by telephone)
Brad Samuels, Energy West Wyoming (by telephone)
Mark Stege, Cheyenne Light, Fuel and Power Company
John Sundahl, counsel for Cheyenne Light, Fuel and Power Company
Kevin Treadway, Encore Clear Fork Pipeline (by telephone)

Office of Consumer Advocate (OCA): Denise Parrish, Tom Wilson

Commission Staff: Blair Bales, Don Biedermann, Mike Korber, Dave Lucero, Luy Luong, Steve Mink, Marci Norby, Chris Petrie, Art Schmidt, Darrell Zlomke

Special Note: The audio recording of this Open Meeting contains Confidential material and has been removed from the Commission's network server.

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

1. **Docket Nos. 70000-1340-TK-07 and 70105-3-TK-07 (Record No. 11217) Qwest Corporation petition for approval of a Triennial Review Order and Triennial Review Remand Order Interconnection Agreement with Covista, Inc.**
2. **Docket No. 30013-188-GP-07 (Record No. 11135) Application Montana-Dakota Utilities Company for authority to pass on a wholesale gas cost decrease of \$1.532 per decatherm. Commission to consider granting final approval to this application.**
3. **Docket No. 70114-13-TA-07 (Record No. 11265) Petition for confidential treatment of portions of Bresnan Broadband of Wyoming, LLC's, 2006 Annual Report.**

Chairman Lewis introduced the Consent Agenda items and asked if there were any requests to remove an item for further consideration. Deputy Chairman Oxley asked that Item 3 be removed. There were no further comments or questions on the remaining items. Mike Korber, Commission Advisory Staff (CAS), recommended approval of Items 1 and 2 by Order only, effective immediately. Mr. Korber addressed Item 3 by saying the previous request heard before the Commission was done under an incorrect docket number, and he said the item is being presented to reflect the correct number. At the request of Deputy Chairman Oxley, Mr. Korber summarized the items which are confidential and said the report would be filed in the non-confidential annual report files with a notice that further confidential material is filed separately in the Commission's confidential files. Walter Eggers, attorney for Bresnan, said he would file a redacted copy for the non-confidential files, and Blair Bales, Commission Counsel, confirmed that the report has been filed on the Commission's web site with zeros in places where confidential information should be located. There were no further comments or questions. Deputy Chairman Oxley moved to approve Items 1 and 2 by Order only, effective immediately and to approve Item 3, as requested, with an Order to include a direction to file a redacted paper copy of the annual report for the files. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 50048-3-TA-07 (Record No. 11176) Clear Fork Pipeline and Encore Clear Fork Pipeline (Encore) request for authority to transfer Clear Fork assets and certificate for public convenience and necessity to Encore.** Don Biedermann, Commission advisory staff (CAS), provided a technical memo dated July 18, 2007. Walter Eggers, counsel for the parties, said the application contains two requests: (1) approval for Clear Fork Pipeline to sell certain intrastate crude oil pipelines to Encore; and (2) to transfer the existing certificate of public convenience and necessity to Encore. Mr. Eggers said the sale was accomplished in March 2007 and this application was filed in May after realizing Commission approval was required. He said there is no change to company functions or to customers, and Encore will file tariffs substantially similar to those already on file. Dave Lucero, Commission Counsel, said Clear Fork Pipeline will

no longer have any utility facilities, and he believes a transfer of the certificate would be appropriate. There were no further comments or questions. Mr. Biedermann recommended approval of the application by Order only, effective immediately. Deputy Chairman Oxley moved to approve the application as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

2. **Docket No. 20003-91-ES-07 (Record No. 11251) Application of Cheyenne Light, Fuel and Power Company for authority to issue an additional \$110,000,000 in First Mortgage Bonds.** Art Schmidt, CAS, provided a technical memo dated July 16, 2007. Garner Anderson, Cheyenne Light, Fuel and Power, said the requested approval is for a bond issue to provide permanent financing for the WyGen II plant currently under construction. He said construction costs have been paid through loans and other methods of financing, but the new first mortgage bonds would provide a long-term financing solution to allow paydown of the prior loans and also provide for the refunding of certain existing and outstanding bond issues. Mr. Anderson said several options have been explored, and this private placement bond issue is the most economical with the least cost to ratepayers. John Sundahl, counsel for Cheyenne Light, Fuel and Power, confirmed the transactions meet the legal requirements of the Commission, and Art Schmidt, CAS, verified there would be no ratemaking implications with approval of this application. There were no further comments or questions. Mr. Schmidt recommended approval of the application by Order only, effective immediately, with the request that additional information be provided on the fair market value of the issue and outstanding debt. Deputy Chairman Oxley moved to approve the application as recommended and that Cheyenne Light be directed to file the additional information by close of business on Friday, July 27, 2007. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
3. **Docket No. 30016-45-GS-07 (Record No. 11246) Application of Pinedale Natural Gas, Inc., for approval of certain loans. Commission to consider continuing the application beyond 30 days after filing pursuant to W.S. § 37-6-104.** Don Biedermann, CAS, provided a technical memo dated July 18, 2007. Dave Lucero, Commission Counsel, provided some background on the application and said Commission staff requests the continuance to allow review of company data relating to these and former loans. Mr. Lucero also said additional information will be needed to provide adequate review. Bruce Asay, attorney for Pinedale Natural Gas, said he has no objections to the requested extension and will provide whatever information is needed to properly evaluate the application. There were no further comments or questions. Deputy Chairman Oxley moved to grant the 30-day continuance. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
4. **Docket No. 30011-49-GP-06 (Record No. 10881) Application of Energy West Wyoming for authority to pass on a wholesale gas cost decrease of \$1.9730/MCF through its commodity balancing account.** Luy Luong, CAS, provided a technical memo dated July 19, 2007. Brad Samuels, Energy West Wyoming, said this application was originally filed in October 2006, but the OCA intervened in the docket due to concerns with calculations on incentive revenue. Energy West Wyoming has since

worked with the OCA to resolve the problems and will be filing a new tariff page addressing the concerns. At this time, Mr. Samuels said, the company would like to close this docket. Blair Bales, Commission Counsel, verified a modified tariff will be filed separately and a letter has been filed by the OCA saying they have no further concerns with new tariff. Since the tariff has not yet been reviewed by Commission staff, Deputy Chairman Oxley moved to table this item until the tariff has been reviewed and then dispose of both dockets at the same time. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

5. **Docket No. 30009-45-GP-07 (Record No. 11250) Application of Wyoming Gas Company for authority to pass on a wholesale gas cost decrease of \$0.7048 per ccf through its commodity balancing account. Commission to consider Motion to Withdraw Application.** Luy Luong, CAS, provided a technical memo dated July 19, 2007. Thomas Nicholas, counsel for Wyoming Gas Company, said the request to withdraw the application is due to concerns of the OCA with this and other pending applications, and he said the company will be filing for an adjustment in September which will address any outstanding issues. Mr. Nicholas said Wyoming Gas is currently overcollecting and anticipate maintaining an overcollected until the time of the regular annual filing in September. Luy Luong, CAS, said the application was filed late, is incomplete and would still represent an overcollection prior to the regular filing in September. There were no further comments or questions. Mr. Luong recommended granting the motion to withdraw by Order only. Deputy Chairman Oxley moved to grant the motion as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
6. **Docket No. 10017-13-CS-07 (Record No. 11225) Application of Beartooth Electric Cooperative, Inc. (Beartooth) for authority to borrow \$5,000,000 for a substation in Columbus, Montana, and for rebuilding and replacing several miles of lines and cables; loan from CoBank.** Don Biedermann, CAS, provided a technical memo dated July 18, 2007. Chris Petrie, Commission Chief Counsel, said this application was previously tabled as Commission staff required more information to properly evaluate it. Mr. Biedermann said the information has been received, and the company has met all statutory requirements for the loan application. Commission staff also requested an extension of the statutory deadline for processing the application until July 25, 2007. There were no further comments or questions. Mr. Biedermann recommended Beartooth be authorized to enter into this loan by Order only, effective immediately. Deputy Chairman Oxley moved to grant the time extension and to approve the application by Order only, effective immediately, and to include in the Order applicable language regarding securities transactions. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
7. **Docket No. 30010-89-GP-07 (Record No. 11164) Amended pass-on application of Questar Gas Company (Questar) to make no adjustment to rates and charges pursuant to its Purchase Gas Adjustment tariff.** Marci Norby, CAS, provided a technical memo dated July 19, 2007. Gary Robinson, Questar, said calculations using the test year forecast and the commodity balancing account indicate there should be a small

increase in rates at this time. However, given the volatile gas prices and an overcollected balance in the commodity balance account, Questar would like to leave the rates the same at this time. Ms. Norby said not changing the rates and this time would help reduce the overcollected balance. Denise Parrish, OCA, said there is some concern with whether this action would be consistent with the existing tariff language. Deputy Chairman Oxley said the Commission has a responsibility to uphold the public interest and has a certain amount of discretion in deciding whether or not to raise rates when it has been demonstrated this may not be appropriate. There were no further comments or questions. Deputy Chairman Oxley moved to grant the application by Order only, effective immediately, and to direct the company to work with PSC staff and the OCA to develop suitable tariff language to avoid this situation in the future. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

8. **Docket No. 30010-87-GP-06 (Record No. 10808) Application of Questar Gas Company for authority to pass on a gas cost decrease of \$0.98421/Dth through its commodity balancing account. Parties to present an update and possible resolution of this docket.** Darrell Zlomke, CAS, provided a technical memo dated July 19, 2007. Gary Robinson, Questar Gas, said the company has filed tariffs with modified language regarding bad debt charges and has provided entries into the company's commodity balancing account which removed charges resulting from bad debt calculations going back to November 1, 2006. Mr. Robinson said he believes the company is now in compliance with Commission Rules as a result of these changes. Denise Parrish, OCA, agreed it appears the company is now in compliance. There were no further comments or questions. Blair Bales, Commission Counsel, recommended approval of the application on a final basis by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

9. **Docket No. 10016-47-CR-06 (Record No. 10832) General rate application of Wyrulec Company for authority to increase its retail rates by \$631,412 or 5.96% to its member consumers. Commission to consider action on Wyrulec's letter request for confidential treatment of large power contracts and Wyrulec's assertion that the Wyoming Office of Consumer Advocate has no right to access the contracts and should be subject to a protective order if given access to the contracts.** Henry Bailey, counsel for Wyrulec Company, said the original request for confidential treatment included contracts which have already been submitted to the Commission. As a result, Mr. Bailey said he would like to modify the request to include only those contracts provided after the hearing in this matter. After some discussion on the content of the contracts in question, Chris Petrie, Commission Chief Counsel, recommended the petition be denied. He said there did not appear to be any material in the contracts which was not already in the public record, and said he did not see any information in the request which justified confidential treatment under Rule 120. There were no further comments or questions. Chairman Lewis moved to deny the petition for confidential treatment. Commissioner Byrnes seconded the motion, and Deputy Chairman Oxley concurred.

Next Open Meeting: Tuesday, July 31, 2007, at 10:00 a.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 31st day of October 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting
Wednesday, July 31, 2007, at 10:00 a.m.

Attendees

Commissioners: Deputy Chairman Steve Oxley, presiding
Commissioner Mary Byrnes

Ann Prockish, United Telephone of the West/Embarq (by telephone)
Jim Roberts, United Telephone of the West/Embarq (by telephone)
Brad Samuels, Energy West Wyoming (by telephone)
James Webb, Lower Valley Energy, Inc. (by telephone)
Lindsay Woznick, counsel for Questar Gas Management Company

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

Commission Staff: Blair Bales, Don Biedermann, Barbara Iversen, Jen Kemp, Mike Korber, Dave Lucero, Luy Luong, Steve Mink, Chris Petrie, Art Schmidt

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. 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 Petition for Leave to Intervene of Questar Gas Management Company.**
- 2. Docket No.30022-98-GC-07 (Record No. 11203) Complaint filing of John-Arthur: Taylor Jr., against SourceGas Distribution LLC, f/k/a Kinder Morgan, Inc., requesting a formal hearing on the alleged problem with his improper late fees. Commission to consider issuing a Special Order authorizing One Commissioner or Hearing Examiner.**

Deputy Chairman Oxley 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 further comments or questions. Chris Petrie, Commission Chief Counsel, recommended issuance of an Order approving the petition in Item 1 and issuance of a Special Order in Item 2. Commissioner Byrnes moved to take action as recommended, and Deputy Chairman Oxley seconded the motion.

REGULAR AGENDA ITEMS

1. **Docket No. 30018-35-GP-07 (Record No. 11273) Lower Valley Energy, Inc. (LVE), request for authority to pass on a wholesale propane cost increase of \$0.8960 per hundred cubic feet.** Don Biedermann, Commission Advisory Staff (CAS), provided a technical memo dated July 27, 2007. James Webb, LVE, said the request is due to an increase in the cost of wholesale propane. Mr. Webb also said the company is currently experiencing an undercollection on propane, and this increase would also cover those costs. He explained estimates were based on activity in the natural gas market which is now lower, but propane costs have remained high. Mr. Webb said the company will be filing a general rate case this fall and will re-evaluate its rate base and pricing structure at that time. There were no further comments or questions. Mr. Biedermann recommended approval of the request by Notice and Order, effective for usage on and after August 1, 2007. Commissioner Byrnes moved to accept the recommendation, and Deputy Chairman Oxley seconded the motion.
2. **Docket No. 30011-52-GT-07 (Record No. 11276) Tariff filing of Energy West Wyoming, a division of Energy West Incorporated, for authority to revise its Incentive Rate Procedure.** Luy Luong, CAS, provided a technical memo dated July 27, 2007. Brad Samuels, Energy West Wyoming, said this tariff adjustment is the result of OCA's intervention in a previous pass-on proceeding in which it expressed concerns about the incentive tariff language. Mr. Samuels said his company has worked with the OCA to address its concerns and feels this new tariff is an acceptable compromise. Ivan Williams, OCA, confirmed the OCA has reviewed the tariff and supports its approval. There were no further comments or questions. Mr. Luong recommended approval of the revised tariff by Order only, effective August 1, 2007. Commissioner Byrnes moved to accept the staff recommendation, and Deputy Chairman Oxley seconded the motion.
3. **Docket No. 30011-49-GP-06 (Record No. 10881) Application of Energy West Wyoming, a division of Energy West Incorporated, for authority to pass on a natural gas cost decrease of \$1.9730/MCF through its commodity balancing account. Parties to present a possible resolution of this docket.** Brad Samuels, Energy West Wyoming, said, with the resolution of Docket No. 30011-52-GT-07, there are no remaining issues in this case. Mr. Samuels requested this docket be closed, and Ivan Williams, OCA, expressed no objections to final approval. There were no further comments or questions. Blair Bales, Commission Counsel, recommended the application be approved on a final basis and the docket be closed. Commissioner Byrnes moved to approve and close the docket, and Deputy Chairman Oxley seconded the motion.
4. **Docket No. 70009-294-TT-07 (Record No. 11253). Application by United Telephone of the West/Embarq to reduce noncompetitive essential local exchange service rates and to increase noncompetitive essential intrastate switched access service rates pursuant to the new Wyoming Telecommunications Act.** Mike Korber, CAS, provided a technical memo dated July 27, 2007. Jim Roberts, Embarq, said the application requests an increase to switched access rates and a reduction in exchange service rates which would benefit local service customers and remain virtually revenue

neutral to the company. Mr. Roberts also requested permission to make a verbal motion for confidential treatment of some of the data provided with the application. Commissioner Byrnes moved to treat the pertinent material as confidential, and Deputy Chairman Oxley seconded the motion. Ivan Williams, OCA, said his office has intervened in this and a companion docket and is in the process of reviewing both. Mr. Williams said the OCA will be issuing data requests to the company, does not have a position to offer at this time, and asks the Commission not to take any action which would preclude the OCA's ability to continue its review and proceed to a hearing if it so desires. Dave Lucero, Commission Counsel, said a public notice of application could be provided which would allow interested parties to comment and the OCA to complete its review. There were no further comments or questions. Commissioner Byrnes moved that a Notice of Application be issued with a protest deadline of August 24, that the Commission review the application no later than September 4, 2007, and that Embarq not place the rates into effect any earlier than September 4. Deputy Chairman Oxley seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, August 7, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 31st day of October 2007.

Kathleen A. "Cindy" Lewis, Chairman