

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Thursday, July 10, 2008

1:30 p.m.

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

Eric Fairbanks, Fairbanks Sand Draw, Inc.
Dave Mosier, Rocky Mountain Power
Daniel Solander, counsel for Rocky Mountain Power (by telephone)

Office of Consumer Advocate (OCA): Dave McMullian

Commission Staff: Steve Mink, Chris Petrie, Dave Walker

CONSENT AGENDA ITEMS

- 1. Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meeting of March 28, 2008.** Chairman Lewis introduced the consent agenda item for consideration. Deputy Chairman Oxley moved to approve the minutes as submitted, and Chairman Lewis seconded the motion.

REGULAR AGENDA ITEMS

- 1. Docket No. 20000-327-EC-08 (Record No. 11744) Complaint filing by Eric Fairbanks of Fairbanks Sand Draw, LLC, against Rocky Mountain Power (RMP) requesting a formal hearing regarding inadequate service. Commission to consider and act on Rocky Mountain Power's Motion to Dismiss.** Daniel Solander, attorney with Rocky Mountain Power, provided some background on this matter saying Mr. Fairbanks requested line extensions to the Sand Draw facilities in 2001 and in 2005. He said Mr. Fairbanks paid for an additional line extension in 2006 but chose not to build a more expensive upgrade to the line. Mr. Solander said the existing single-phase line is currently at its capacity, and any further demand would cause problems. He said Rocky Mountain Power has plans to construct new lines to the area, but those will not be in service until 2010. Mr. Solander said estimated costs for extending three-phase power from existing facilities to Mr. Fairbanks' development would cost approximately \$272,000. He said the three main points stated in the Motion to Dismiss are (1) RMP is willing and able to provide an appropriate line extension to serve Fairbanks Sand Draw, (2) Mr. Fairbanks is not entitled to receive service except as provided for in RMP's approved tariff, and (3) it is not clear if monetary damages are being requested, but the Commission does not have the ability to award monetary damages. Mr. Fairbanks responded that he has made no demand for money damages and only wishes to be provided power in a timely manner at a reasonable cost. Some discussion followed on the options available for line extensions and what is needed by Mr. Fairbanks. There were no

further comments or questions. Steve Mink, Commission Counsel, recommended denying the Motion to Dismiss and proceeding with a hearing. Deputy Chairman Oxley moved to deny the Motion to Dismiss, and Chairman Lewis seconded the motion and directed the parties to set a procedural schedule for a formal hearing. Deputy Chairman Oxley then moved to direct Mr. Fairbanks to submit a written statement within ten days of what he wants in sufficient detail so that everyone can understand the issues. Chairman Lewis seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, July 15, 2008, at 9:00 a.m..

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 7th day of October 2008.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Thursday, July 31, 2008

9:00 a.m.

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

Barbara Brohl, counsel for Qwest Corporation
Alex Davison, counsel for Contact Communications
Roger Fransen, counsel for Qwest Corporation
Paul Hickey, counsel for Qwest Corporation
Jeff Hubbard, Qwest Corporation
Terri Million, Qwest Corporation
Lynn Norsworthy, Qwest Corporation
Chris Robisch, Contact Communications

Office of Consumer Advocate (OCA): Dave McMullian, Ivan Williams

Commission Staff: Blair Bales, Angie Elliott, Dave Lucero, Luy Luong,
Art Schmidt, Barbara Taylor-Iversen, Tom Wilson

The following two items were reported by Wyoming Reporting Service. An official transcript is available by contacting that office.

1. **Docket No. 70000-TA-04-1023 (Record No. 9277) Filing of Qwest Corporation (Qwest) for approval of its 2004 annual TELRIC study filing. Commission to consider and act on Qwest's Motion for Final Approval of Rates and to Dismiss (Motion), Contact Communications' (Contact) Response to Qwest's Motion, and Qwest's Reply in Support of Its Motion for Final Approval of Rates and to Dismiss.**
The Commission granted Qwest's Motion for Final Approval and to Dismiss, with prejudice, by Order only approving Qwest's rates in this docket on a final basis. The Commission further directed Qwest, OCA and Contact to engage in discussions regarding the feasibility and timetable for the filing by Qwest of a new Wyoming TELRIC study filing and to submit a report regarding the discussions to the Commission within 60 days of the issuance of the Order.
2. **Docket No. 70000-1379-TT-08 (Record No. 11771) Tariff filing of Qwest Corporation for authority to revise its federal universal service fund (FUSF) and the Telephone Assistance Program Tribal Lifeline Credits. Commission to**
 - A. **Consider and act on Qwest's Petition(s) for Confidential Treatment (Petitions) from June 27 and July 28, 2008;**
 - B. **Consider and act on Qwest's Request for Hearing (Request); and,**

C. Consider and act on the tariff filing.

Item 2 was rescheduled for Thursday, August 14, 2008, at 8:30 a.m. No Commission action was taken at this time.

1:30 p.m.

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

Terry Akeda, Rocky Mountain Power (by telephone)
Barbara Brohl, Qwest Corporation
James Ditsch, Wyoming Department of Transportation
Greg Duvall, Rocky Mountain Power (by telephone)
Tre Hendricks, Embarq (by telephone)
Teri Hennington, Momentum Telecom (by telephone)
Jeff Hubbard, Qwest Corporation
Bob Lively, Rocky Mountain Power (by telephone)
Michael Lynn, Qwest Corporation
Peggy McKay, Momentum Telecom (by telephone)
Dave Mosier, Rocky Mountain Power
Rita Mulkern, Montana Dakota Utilities (by telephone)
Lynn Norsworthy, Qwest Corporation
Jim Roberts, Embarq (by telephone)
Scott Schmidt, Qwest Corporation
Daniel Solander, Rocky Mountain Power (by telephone)
John Sundahl, counsel for Embarq
Mark Tallman, Rocky Mountain Power (by telephone)

Commission Staff: Blair Bales, Vicky Hansen, David Lucero, Steve Mink, Barbara Taylor-Iversen, David Walker, Tom Wilson

CONSENT AGENDA ITEMS

- 1. Docket No. 20000-332-EA-08 (Record No. 11822) Application of Rocky Mountain Power for authority to sell, lease or dispose of certain utility plant or facilities. Commission to consider and act on application.**
- 2. Docket No. 30022-118-GT-08 (Record No. 11795) Amended application of SourceGas Distribution LLC for authority to adjust its form of Choice Gas Service Supplier Participation. Commission to consider confirming its decision made at July 29, 2008, open meeting.**

Chairman Lewis introduced the consent agenda items and asked if there were any requests to withdraw an item for further consideration. There were no such requests. Luy Luong, Commission Advisory Staff (CAS), recommended approval of Item 1 by Order

only, effective immediately, and recommended confirming the decision made in Item 2. Deputy Chairman Oxley moved to approve Item 1 as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred. Deputy Chairman Oxley pointed out that the noticed agenda for Item 2 did not specify which divisions or forms of Choice Gas participation were affected by the application, and he recommended tabling the item until proper notice was provided. Chairman Lewis then moved to table Item 2 until the next open meeting. Commissioner Byrnes seconded the motion, and Deputy Chairman Oxley concurred.

REGULAR AGENDA ITEMS

- 1. Undocketed. Representatives of Qwest Corporation (Qwest) to provide report and update on the introduction and use of a revised customer bill format.** Michael Lynn of Qwest said the proposed new bill format was used for Wyoming customers for March, April and May 2008, with a resulting reduction from 6% to 4% in bill-related calls. Mr. Lynn said changes suggested by the Commission were incorporated. These include a language change from “distance charge” to “zone charge” to match the company’s tariff language, and inclusion of the percentage charged for WUSF and a breakout of the 6% charge per access line. Mr. Lynn said full deployment of the new bill format for Wyoming customers should be completed in August. No further Commission action was requested, but Chairman Lewis requested a letter be provided to Qwest documenting the Commission’s request to be notified of any problems which might arise as a result of the new bill format.
- 2. Docket Nos. 10020-39-EA-08 and 20000-326-EA-08 (Record No. 11740) Application of Rocky Mountain Power (RMP) for approval of an agreement with High Plains Power and the Wind River Casino. Commission to consider and act on the application.** Tom Wilson and David Piroutek, CAS, provided a technical memo dated July 28, 2008. Dave Mosier, RMP, said the three-party agreement would be to provide lights from the highway to the parking lot of the casino. Mr. Mosier said the RMP facilities are considerably closer to the requested service area than those of High Plains Power with a much lower line extension cost to the casino. Mr. Mosier and Daniel Solander, counsel with RMP, responded to Commission questions on contract terms regarding relinquishment of the load, line extension costs and Commission jurisdiction. There were no further comments or questions. Vicky Hansen, Commission Counsel, recommended approval of the agreement by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
- 3. Docket Nos. 10020-38-EA-08 and 20000-325-EA-08 (Record No. 11739) Application of Rocky Mountain Power for approval of an agreement with High Plains Power and the Wyoming Department of Transportation (WYDOT). Commission to consider and act on the application.** Tom Wilson and David Piroutek, CAS, provided a technical memo dated July 28, 2008. Dave Mosier, RMP, said this agreement is very similar to the one discussed in Item 2 and would provide for lights at the highway. Mr. Mosier said there is no line extension cost to WYDOT for this portion of the project as the casino has opted for the credit as the first person to extend the line. James Ditsch of

WYDOT confirmed the lights are necessary for highway safety and are in the public interest. There were no further comments or questions. Steve Mink, Commission Counsel, recommended approval of the application by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

4. **Docket No. 20000-329-EA-08 (Record No. 11765) Application of Rocky Mountain Power for a certificate of public convenience and necessity to construct the new 99-MW High Plains Wind Project. Commission to consider and act on the application and Petition for Confidential Treatment of High Plains Wind Project cost information required pursuant to Section 204(e) of the Commission's Rules and Regulations (Petition).** Michelle Bohanan and Dave Walker, CAS, provided a technical memo dated July 28, 2008. Dave Mosier and Mark Tallman of RMP reviewed the application and expressed the company's desire to begin construction prior to the end of this year. They responded to questions from Commissioners and staff regarding location of substations, proposed transmission lines, subsurface land ownership rights, geological surveys and outstanding permits from other government entities. Blair Bales, Commission Counsel, recommended approval of the application on an interim basis pending receipt of further information from RMP. However, Deputy Chairman Oxley moved to table the matter until the following week to allow RMP time to provide the requested information. Commissioner Byrnes seconded the motion to table, and Chairman Lewis concurred. Deputy Chairman Oxley then moved to grant the petition for confidential treatment as requested by Letter Order only signed by Commission counsel. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
5. **Docket No: 30013-205-GP-08 (Record No. 11812) Application of Montana-Dakota Utilities Company (MDU) for authority to pass on a wholesale gas cost increase of \$0.0576 per decatherm for all customers from the currently effective rates and a petition for confidential treatment (an average increase of 3.35% for residential customers).** Tom Wilson, CAS, provided a technical memo dated July 28, 2008. Rita Mulkern, MDU, explained this application is for the regular cost adjustment for the month of August. Chairman Lewis pointed out that the agenda item is incorrect and that the increase is actually \$0.576 rather than \$0.0576. Since this represents a significant difference, Deputy Chairman Oxley moved to table the item until the next open meeting to allow for proper public notice of the change. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
6. **Docket No. 70207-1-TA-08 (Record No. 11776) Application of Momentum Telecom, Inc., for a certificate of public convenience and necessity to provide local telecommunication services in Wyoming, and petition for confidential treatment of information. Commission to consider and act on the application and petition.** Tom Wilson, CAS, provided a technical memo dated July 29, 2008. Teri Hennington of Momentum Telecom said the company provides wholesale facilities-based communications service in the contiguous 48 states and is currently in good standing in all states. There were no further comments or questions. Steve Mink, Commission Counsel, recommended approval of the application and the petition for confidential treatment by Order only, effective immediately. Deputy Chairman Oxley moved to

approve the application as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

7. **Docket No. 70008-47-TK-08 (Record No. 11756) Petition of Union Telephone Company for arbitration of an interconnection agreement with United Telephone Company of the West, d/b/a Embarq, under Section 252 of the Federal Telecommunications Act of 1996. Commission to consider and act on the Joint Motion to Vacate Statutory Schedule and for Stay.** Tre Hendricks, counsel with Embarq, said the companies believe an agreement may be reached given further time to conclude discussions. Mr. Hendricks said there is a 10-month deadline required by the Federal Communications Commission (FCC) to resolve any disputes, but he said a waiver of that timeline may be granted by a state commission. There were no further comments or questions. Steve Mink, Commission Counsel, recommended approval of the petition, by Order only, effective immediately, with the 90-day extension to be effective from July 1, 2008. Deputy Chairman Oxley moved to take action as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

8. **Docket No. 70009-316-TT-08 (Record No. 11791) Tariff filing of United Telephone Company of the West, d/b/a Embarq, for authority to increase the federal Universal Service Fund debit applied to charges assessed for local access lines as well as associated rate increases for consumers and business bundled packages. Commission to consider and potentially act on the Office of Consumer Advocate's (OCA) Request for Hearing, OCA's Initial Comments and the tariff filing.** Art Schmidt, CAS, provided a technical memo dated July 11, 2008. Denise Parrish, OCA, said there are three concerns described in the OCA's comments: (a) whether or not Embarq has met the burden of proof to allow changing of the charges; (2) whether or not proper notice of the changes have been provided to its customers; and (3) the prices proposed are inconsistent with prior Commission rulings regarding distribution of Universal Service Funds. After discussion on the issues and how the parties interpret them, Deputy Chairman Oxley moved to grant the OCA's request for a hearing with the parties to provide the Commission with a procedural schedule for consideration within the next two weeks. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

A full audio transcript is available for this open meeting.

Next Open Meeting: Tuesday, August 5, 2008, at 1:30 p.m..

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 31st day of October 2008.

Kathleen A. "Cindy" Lewis, Chairman