

WYOMING PUBLIC SERVICE COMMISSION

Minutes of Regular Open Meeting Tuesday, July 11, 2017 1:30 p.m.

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

Jennifer Clark, Corporate Counsel, Questar Gas Company d/b/a Dominion Energy Wyoming (Dominion Energy) (by telephone)
Kelly Mendenhall, Director of Regulatory Affairs, Dominion Energy (by telephone)
Barrie McKay, General Manager, Dominion Energy (by telephone)
Richard Davis, Director of Corporate Finance, Dominion Energy (by telephone)
Liz Zerga, Jubin and Zerga, LLC, Counsel, the Range Companies, Tri-County Telephone and Silverstar
Kristin Lee, Director of Legislative and Regulatory Affairs, CenturyLink
Jason Hendricks, Chief Regulatory Officer, Range Telephone Companies

Commission Staff (CS): Jess Bottom, Katie Koski, Melisa Mizel, Rachel Meeker, Lori Brand

REGULAR AGENDA

1. **Docket No. 30010-164-GS-17 (Record No. 14718). Application of Questar Gas Company d/b/a Dominion Energy Wyoming for authority to issue securities. Commission to consider and act on Application.** Jess Bottom, CS, provided a technical *Memo* dated July 5, 2017. Kelly Mendenhall, Questar's Director of Regulatory Affairs, summarized the application. He stated the Company seeks to issue up to \$125 million in long term debt securities. The net proceeds will pay off existing short term debt and fund capital expenditures. Mendenhall estimated the debt to equity ratio will be 50/50, which is consistent with Dominion Energy's acquisition commitment. He noted the Company will not exceed fair value after issuance in compliance with State law and will provide the final terms of loan to the Commission. There were no questions or comments. Katie Koski, Commission Counsel, recommended approval of the application and requiring the Company to file compliance documents according to Commission Rules by *Order* only, effective immediately. Deputy Chair Fornstrom moved to act as recommended. Commissioner Cooley seconded the motion and Chairman Russell concurred.
2. **Docket No. 90072-42-XO-17 (Record No. 14688). Determination of the funding requirement and proposed assessment factor for the July 2017 to June 2018 fiscal year of the Wyoming Universal Service Fund (WUSF). Commission to consider:**
 - a. **Whether certain information provided to the Commission in connection with the administration of the WUSF or derived therefrom and currently held as confidential, including WUSF distributions, should be made available to the public;**

- b. Whether such information received in the future should be considered confidential or made available to the public; and**
- c. Take such action as the public interest may require.**

Melisa Mizel and Rachel Meeker, CS, provided a technical *Memo* dated July 5, 2017. Chairman Russell introduced the item and asked those in favor of making certain information public to comment first.

Liz Zerga, representing AllWest, Silverstar, the Range companies and Tri County Telephone, provided a recap of written comments submitted regarding the treatment of distribution amounts. She argued that distribution amounts should be public because the rules on confidentiality require the public interest to be considered. Zerga noted the Commission already collects this information through annual reports and Federal Universal Service Fund (FUSF) receipts are already treated as public. Further, she said, because the State legislature is considering extending the Telecommunications Act, it has an interest in the Wyoming Universal Service Fund (WUSF) and how it operates. She said making this information public changes it from a hidden to a transparent source of revenue providing a more complete picture for interested parties. With regard to the disclosure of line counts, Zerga argued it would be useful to know the total number of supported lines. She concluded by stating this should apply going forward, but not for past reports that have historically been treated as confidential. A discussion with the Commissioners regarding these arguments and the expectation of confidentiality followed. Zerga maintained she is an advocate for WUSF, believes legislators need a more complete picture and that keeping this information confidential puts WUSF at risk.

Kristen Lee, CenturyLink's Legislative and Regulatory Affairs Director, said CenturyLink's position is agnostic as to distribution amounts. She said that line counts should be kept confidential, but distribution funds should be transparent and CenturyLink does not object to Column D of the WUSF Report being made public. Lee stated that credits are already shown on customer bills. She noted the telecommunications market has changed, so WUSF will also have to change and allowing distribution amounts to be public would be a start. Lee advocated to maintain the status quo on information already submitted, including the current WUSF report.

Chairman Russell then asked for comments against making certain information public.

Bruce Asay, Counsel, voiced opposition to making this information public. He said distribution amounts are part of the revenue stream and should be maintained as confidential. He said there are ways to obtain this information if there is a legitimate public interest. His client, Union Wireless, is concerned about potential abuse of this information because many people do not understand WUSF. He added that if legislators are concerned, they could talk to the Commission and to individual companies. He stated the Public Records Act protects this information and if there is a need to obtain it, a hearing can be held. Asay said the legislature could amend the WUSF statute if it wants the information released because this environment is so competitive. He also stated Union Wireless requests the prior confidentiality ruling be maintained.

Chairman Russell asked for comments from Commission Staff.

Rachel Meeker, CS, asked Zerga how releasing this information would be useful. Zerga responded that legislators can infer a lot from the amounts and can decide if it is good policy or if it affects their constituents. Zerga thought legislators would want to know if their carriers are being supported by WUSF in a meaningful way. Lori Brand, Commission Counsel, asked Asay to clarify his explanation about the Public Records Act. Asay cited the trade secret provision as the common thread as it relates to receipts and calculations. Brand asked Zerga to detail exactly what should be made public. Zerga responded the end result of Schedule C of the report, the distribution amounts, and names of companies that are receiving funds under Schedule G and D, showing aggregate totals of line counts. Zerga did not object to raw data being released without additional context. There were no further questions or comments. The Commissioners discussed the explanations and arguments provided and concluded that, while they were mostly in agreement on the issue, they were not ready to decide on the 2018 WUSF reporting and would need a pre-submission briefing and more information. Commissioner Cooley moved that the Commission find that the information submitted to it for this WUSF year and all previous WUSF years remain confidential with regard to both line counts and distribution amounts and that the Commission withhold a decision for the next WUSF year, subject to further discussion and information prior to the 2018 submittal deadline. Chairman Russell seconded the motion and Deputy Chair Fornstrom concurred.

Prepared by: Barbara Tomlinson

Date of Next Open Meeting: Thursday, July 20, 2017

ACCEPTED and APPROVED by the Commission on August 22, 2017.

Chairman William F. Russell