

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Tuesday, June 5, 2007, at 9:00 a.m.

Attendees

Commissioners: Deputy Chairman Steve Oxley, presiding
Commissioner Mary Byrnes

George Behrens, Energy West, Inc. (by telephone)
Jed Henthorne, Energy West, Inc. (by telephone)
Brad Samuels, Energy West, Inc. (by telephone)
Kathy Wolverton, Energy West, Inc. (by telephone)
Rita Mulkern, Montana-Dakota Utilities Co. (by telephone)

Office of Consumer Advocate (OCA): Amy Zamora

Commission Staff: Blair Bales, Jess Bottom, Jen Kemp, Luy Luong,
Chris Petrie

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket No. 70000-1323-TK-07 (Record No. 11160) Contract filing of Qwest Corporation for authority to file a Resale Agreement with Purecom, LLC. Commission to consider Qwest Corporation's Motion to Withdraw Application.**

Deputy Chairman Oxley introduced the consent agenda item and asked if there were any requests to remove the item for further consideration. There were no such requests nor any further comments or questions. Mr. Petrie recommended approval of the filing by Order only, effective immediately, as public notice has already been provided. Commissioner Byrnes moved to take action as recommended, and Deputy Chairman Oxley seconded the motion.

REGULAR AGENDA ITEMS

- 1. Docket No. 30011-51-GS-07 (Record No. 11197) Energy West Wyoming application for approval of a Credit Arrangement with LaSalle Bank National Association and a Private Placement Note with investors arranged by J.P. Morgan Securities.** Luy Luong, Commission Advisory Staff (CAS), provided a technical memo dated June 1, 2007. Jed Henthorne, Energy West Wyoming, said the request is to replace old debt facilities with new ones at a lower cost and better terms. Mr. Henthorne said the total securities value would be approximately \$54 million, which is less than the fair value of company property as required by statute. In response to Commission questions, Mr. Henthorne said there would be no immediate effect on customers although it would lower the currently-paid interest rate and would probably affect future analysis of the rate of

return. There were no further comments or questions. Mr. Luong recommended approval of the application by Order only, effective immediately, for \$20 million revolving credit and \$13 million in private placement notes. Commissioner Byrnes moved to act as recommended, and Deputy Chairman Oxley seconded the motion.

2. **Docket No. 30013-190-GP-07 (Record No. 11177) Montana-Dakota Utilities Company (MDU) request for authority to pass on a wholesale gas cost increase of \$0.800 per decatherm, and for confidential treatment of certain supporting documents.** Jess Bottom, CAS, provided a technical memo dated May 31, 2007. Rita Mulkern of MDU said the request is the purchased gas cost adjustment for the month of June and reflects an increase in the market price of gas. Ms. Mulkern said the change will not increase the company's rate of return and that the tariffs filed comply with the Commission's Rules. Mr. Bottom said staff is currently monitoring MDU's earnings to compare the projected rate of return vs. the actual rate for 2007. There were no further comments or questions. Mr. Bottom recommended approval of the pass-on by Notice and Order, effective for service rendered on and after June 5, 2007. Commissioner Byrnes moved to accept the staff recommendation, and Deputy Chairman Oxley seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Thursday, June 7, 2007, at 10:00 a.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 22nd day of August 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Thursday, June 7, 2007, at 10:00 a.m.

Attendees

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

Billie Addleman, counsel for Wyoming Gas Company
Bruce Asay, counsel for Pinedale Natural Gas, Inc.

Office of Consumer Advocate (OCA): Ivan Williams

Commission Staff: Blair Bales, Meridith Bell, Jen Kemp, Mike Korber,
Luy Luong, Marci Norby, Chris Petrie, Barbara Taylor-Iversen, Darrell
Zlomke

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket No. 70000-1324-TK-07 (Record No. 11170) Filing by Qwest Corporation for authority to file a confidential telecommunications services contract.**
- 2. Docket No. 70000-1325-TK-07 (Record No. 11171) Filing by Qwest Corporation for authority to file a confidential telecommunications services contract.**
- 3. Docket No. 30009-44-GP-06 (Record No. 10970) Application of Wyoming Gas Company for authority to pass on a wholesale gas cost decrease of \$0.1659 per ccf through its commodity balancing account. Commission to consider granting final approval to this application.**
- 4. Docket No. 70114-9-TA-06 (Record No. 10837) Petition for confidential treatment of portions of Bresnan Broadband of Wyoming, LLC's, annual report.**

Chairman Lewis introduced the consent agenda items and asked if there were any requests to remove an item for further consideration. There were no such requests nor any further comments or questions. Mike Korber, Commission Advisory Staff (CAS), provided the following recommendations: Items 1 and 2, placement into confidential files with no ratemaking determination; Item 3, grant final approval with an Order only, effective immediately; and Item 4, grant confidential treatment with a Letter Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

- 1. Docket No. 30016-42-GT-06 (Record No. 10678) Application of Pinedale Natural Gas, Inc. (PNG), for authority to revise its Commodity Balancing Account tariff. Commission to consider issues related to the filing of the Commodity Balancing Account tariff.** Blair Bales, Commission Counsel, said this item was placed on the agenda as PNG had not filed the tariff required by Commission Order. The Order, issued on May 3, 2007, directed the company to file its proposed commodity balancing account tariff, Wyoming PSC Tariff No. 6, within 30 days of the Order date. Bruce Asay, counsel for PNG, did file the required tariff today, June 7, 2007; , but PSC staff has not had a chance to review it for correctness. Mr. Asay said there was no intent to defy the Order and, in fact, Mr. Shute reminded him on Friday, June 1, 2007, that the tariff needed to be filed. After discussion of possible actions, Deputy Chairman Oxley moved to issue a letter to the company and counsel describing the situation and making very clear the seriousness of this matter. Chairman Lewis suggested including in the letter an official finding of violation of the Order and available remedies. Commissioner Byrnes seconded the motion including the amendment to send a letter, and Chairman Lewis concurred.

A full audio transcript is available upon request.

Next Open Meeting: Friday, June 15, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 22nd day of August 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Thursday, June 15, 2007, at 1:30 p.m.

Attendees

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

Tamie Aberle, Montana Dakota Utilities (by telephone)
Jon Brinton, Inter-Tel NetSolutions (by telephone)

Commission Staff: Blair Bales, Don Biedermann, Jen Kemp, Mike Korber, Dave Lucero, Luy Luong, Dave Piroutek, Barbara Taylor-Iversen

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

1. **Docket No. 30022-99-GT-07 (Record No. 11213) SourceGas Distribution LLC fka Kinder Morgan, Inc., has filed and requests approval of its tariff reflecting the name change to SourceGas Distribution LLC.**
2. **Docket Nos. 70000-1326-TK-07 and 70122-2-TK-07 (Record No. 1173) Contract filing of Qwest Corporation for authority to enter into an unbundled network elements, ancillary services and resale interconnection agreement with Impact Telecom, LLC.**
3. **Docket Nos. 70000-1335-TK-07 and 70005-22-TK-07 (Record No. 11206) Contract filing of Qwest Corporation for authority to file an amendment to Infrastructure Sharing Master Services Agreement with Chugwater Telephone Company.**
4. **Docket No. 70000-1336-TK-07 (Record No. 11207) Filing by Qwest Corporation for authority to submit a confidential telecommunications services contract and associated amendment number one.**

Chairman Lewis introduced the consent agenda items and asked if there were any requests to remove an item for fuller consideration. There were no such requests nor any further comments or questions. Mike Korber, Commission Advisory Staff (CAS), made the following recommendations: (1) issue letter approving revised tariff, effective immediately; (2) approval of interconnection agreement by Order only, effective immediately; (3) acceptance for filing of agreement with Letter Order only, effective immediately; and (4) placement of contract in Commission confidential files with no ratemaking impact. Deputy Chairman Oxley moved to take action as recommended by staff, and Chairman Lewis seconded the motion.

REGULAR AGENDA ITEMS

- 1. Docket No. 30013-189-GT-07 (Record No. 11146) Montana-Dakota Utilities Co. (MDU) request for approval of a Conservation Tracking Adjustment pursuant to the terms of their Conservation Program Tracking Mechanism.** Don Biedermann, CAS, provided a technical memo dated June 7, 2007. Tamie Aberle, MDU, said this is the first adjustment to be implemented under the conservation tariff approved by the Commission on August 28, 2006, for recovery of conservation program expenses. She said the application does include expenses for open houses held in 2005 prior to approval of the tariff and requests approval to include these in the recovery adjustment. There were no further comments or questions. Dave Lucero, Commission Counsel, recommended the total amount of expenses be reduced by \$1,785 for the open house expenses incurred prior to tariff approval. Mr. Lucero further recommended the adjustment be approved by Order only, effective for usage beginning July 1, 2007. Mr. Lucero said this would result in a surcharge reduction to \$0.002 per decatherm from the original application, noting that, because it is a reduction no additional public notice should be required. Deputy Chairman Oxley moved to approve by Order only a conservation surcharge of \$0.002 per decatherm, effective for usage on and after July 1, 2007, reflecting the removal of \$1,785 from the expenses. He added a requirement that the Order reflect the need to file conforming tariffs prior to the effective date. Chairman Lewis seconded the motion.
- 2. Docket No. 74571-2-TA-07 (Record No. 11210) Inter-Tel NetSolutions, Inc. (Inter-Tel) seeks Commission authority for a transfer of indirect control of Inter-Tel NetSolutions, Inc., to Mitel Networks Corporation.** Luy Luong, CAS, provided a technical memo dated June 13, 2007. Jon Brinton, Vice President of Inter-Tel, said the request is for a change of control of the parent company, Intertel, Inc., by merger with Mitel Networks, a Canadian company. Mr. Brinton said the company would continue to focus on business customers, offering interexchange services, internet access and long distance service largely through resale and rebilling. He said no dialtone services are currently offered in Wyoming, and the company has 11 customers in the state. There were no further comments or questions. Mr. Luong said adequate financial information was provided by both the applicant and purchaser, and he recommended approval of the transfer by Notice and Order, effective immediately. Deputy Chairman Oxley moved to accept the recommendation to approve, and Chairman Lewis seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Friday, June 22, 2007, at 1:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 22nd day of August 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Friday, June 22, 2007, at 1:30 p.m.

Attendees

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

Becky Gipson, Comtel Telecom Assets LP (by telephone)
John Sundahl, counsel for Cheyenne Light, Fuel and Power Company

Office of Consumer Advocate (OCA): Ivan Williams, Tom Wilson

Commission Staff: Blair Bales, Jen Kemp, Luy Luong, Marci Norby,
Chris Petrie

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket No. 70000-1311-TC-07 (Record No. 11082) Complaint Filing of Debbie Shanahan against Qwest Corporation Requesting a Formal Hearing on the Alleged Problems with her Telecommunications Service. Commission to consider action on Stipulation for Dismissal.**
- 2. 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 issuing Special Order Authorizing One Commissioner and/or Hearing Examiner to Conduct Public Hearing.**
- 3. Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meetings of March 2, March 9, March 15 and March 19, 2007.**

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 nor any comments or questions. Chris Petrie, Commission Chief Counsel, recommended approval of the Stipulation in Item 1 and dismissal of the docket without prejudice; and he recommended the Order be issued as requested in Item 2. Deputy Chairman Oxley moved to take action as recommended and to accept the Open Meeting minutes as submitted. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

- 1. Docket No.20003-89-EP-06 (Record No. 10942) Application of Cheyenne Light Fuel and Power Company (Cheyenne Light) for authority to pass-on to its customers on less than 30 days notice a projected annual decrease of \$14,353,601. Commission to consider setting a procedural schedule in this matter.** John Sundahl, counsel for Cheyenne Light, and Ivan Williams, OCA, said they have agreed on a schedule for the three open pass-on dockets which would include: Cheyenne Light prefiled testimony due on July 13, OCA prefiled testimony due on July 27, and all three dockets to be scheduled for hearing on August 16 and 17, 2007. Since only one of the three dockets being discussed was noticed for this Open Meeting, Deputy Chairman Oxley moved to table this item for later consideration after appropriate notice has been provided. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred with instructions that staff put all three dockets on a consent agenda for approval.
- 2. Docket Nos. 74015-56-TA-07, 74106-57-TA-07, 70020-25-TA-07, 70092-23-TA-07, 70019-10-TA-07 and 74077-66-TA-07 (Record No. 11212) Comtel Telecom Assets LP (Comtel) seeks Commission authority for a transfer of indirect control of Comtel from Jeff Larson to Stuart Porter and approval of Petition(s) for Confidential Treatment pursuant to Commission Rule Section 120.** Luy Luong, Commission Advisory Staff (CAS) provided a technical memo dated June 20, 2007. Becky Gipson, Comtel, explained that a minority member is acquiring majority interest and control of the company several levels above Comtel, a company providing local exchange and interexchange services in Wyoming. Ms. Gipson also requested confidential treatment of financial statements and certain information on the transactions due to the private nature of the operating structure of the company. Ms. Gipson said that, although the proposed company structure is very complex, there would be no impact on customers in Wyoming. Mr. Luong verified all necessary documentation had been provided. There were no further comments or questions. Mr. Luong recommended approval of the transfer by Notice and Order, effective immediately. Blair Bales, Commission Counsel, also recommended approval of the petition for confidentiality. Deputy Chairman Oxley moved to take both actions as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

A full audio transcript is available upon request.

Next Open Meeting: Thursday, June 28, 2007, at 3:30 p.m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 22nd day of August 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Thursday, June 28, 2007, at 3:30 p.m.

Attendees

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

Kenna Hagan, Cheyenne Light, Fuel and Power Company
Jeff Hubbard, Qwest Corporation
Brian Iverson, Cheyenne Light, Fuel and Power Company
Bryan Lee, Frannie-Deaver Utilities Co. (by telephone)
Rita Mulkern, Montana-Dakota Utilities (by telephone)
Chris Odell, MGTC, Inc. (by telephone)
Ann Prockish, Embarq (by telephone)
David Rhodes, Cheyenne Light, Fuel and Power Company
Jim Roberts, Embarq (by telephone)
Jackie Sargent, Cheyenne Light, Fuel and Power Company
Mark Stege, Cheyenne Light, Fuel and Power Company
John Sundahl, Counsel for Cheyenne Light, Fuel and Power Company
Shannon Swanson, MGTC, Inc. (by telephone)
Chris Wilson, MGTC, Inc. (by telephone)

Office of Consumer Advocate (OCA): Tom Wilson

Commission Staff: Don Biedermann, Jen Kemp, Mike Korber (Manager, Wyoming Universal Service Fund), Luy Luong, Marci Norby, Darrell Zlomke

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket Nos. 70000-1330-TK-07 and 70020-24-TK-07 (Record No. 11189) Joint application of Qwest Corporation and Comtel Telecom Assets LP dba Excel Telecommunications for authority to enter into a Payment Terms Amendment to a Wireline Interconnection Agreement.**
- 2. Docket Nos. 70000-1331-TK-07 and 70092-22-TK-07 (Record No. 11190) Joint application of Qwest Corporation and Comtel Telecom Assets LP dba Vartec Telecom for authority to enter into a Payment Terms Amendment to a Wireline Interconnection Agreement.**

3. **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 authority to enter into a Business Escalation Agreement.**
4. **Docket No. 70000-1333-TK-07 (Record No. 11196) Qwest Corporation petition for authority for a Triennial Review Order and Triennial Review Remand Order Interconnection Agreement with Lightyear Network Solutions, LLC.**
5. **Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meetings of April 13, April 18, April 20, April 25 and April 27, 2007**

Chairman Lewis introduced the consent agenda 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. Luy Luong, Commission Advisory Staff (CAS), recommended approval of Items 1 through 4 by Order only, effective immediately. Deputy Chairman Oxley moved to act as recommended by staff and to accept the Open Meeting minutes as submitted. Chairman Lewis seconded the motion.

REGULAR AGENDA ITEMS

1. **Docket No. 30013-191-GP-07 (Record No. 11214) Application of Montana-Dakota Utilities Company (MDU) for authority to pass on a wholesale gas cost decrease of \$1.101 per Dth for residential service customers and petition for confidential treatment of Exhibit 3A.** Jess Bottom, CAS, provided a technical memo dated June 23, 2007. Rita Mulkern of MDU said the application represents the purchased gas cost adjustment for July and is a decrease due to changes in the market price of gas. Ms. Mulkern said the decrease would not increase MDU's rate of return and complies with Rules 249 and 250. There were no further comments or questions. Mr. Bottom recommended approval of the application by Notice and Order, effective for usage on and after July 1, 2007, and that the petition for confidential treatment be granted. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis seconded the motion.
2. **Docket No. 70000-1337-TT-07 (Record No. 11208) Tariff filing by Qwest Corporation for Commission approval to revise the monthly federal Universal Service Fund (FUSF) customer bill credits applicable for the twelve-month period beginning July 1, 2007.** Art Schmidt, CAS, provided a technical memo dated June 25, 2007. Jeff Hubbard, Qwest Corporation, said the company has followed guidelines set forth by the Plan administrator and is presenting the tariff for approval. Denise Parrish, OCA, expressed opposition to the way credits have been spread over classes and requested any approval be on an interim basis until concerns on this and other pending dockets have been resolved. Mr. Hubbard said Qwest views this as a compliance filing and has prepared for a July 1 implementation. There were no further comments or questions. Blair Bales, Commission Counsel, recommended the tariff be approved on an interim basis by Notice and Order effective July 1, 2007. Deputy Chairman Oxley moved to approve as recommended, and Chairman Lewis seconded the motion.

3. **Docket No. 70009-293-TT-07 (Record No. 11233) Tariff filing by Embarq, formerly United Telephone Company of the West/Sprint (Sprint), for authority to revise the monthly federal Universal Service Fund (FUSF) customer bill credits applicable for the twelve-month period beginning July 1, 2007.** Art Schmidt, CAS, provided a technical memo dated June 25, 2007. Jim Roberts, Embarq, said the proposed tariff represents a decrease in the federal USF receipts and a netted process for the Wyoming USF. There were no further comments or questions. Blair Bales, Commission Counsel, recommended approval of the tariff by Notice and Order, effective July 1, 2007. Deputy Chairman Oxley moved to accept the tariff as recommended, and Chairman Lewis seconded the motion.
4. **Docket No. 30003-41-GP-07 (Record No. 11205) Application of MGTC, Inc., for authority to pass on a new wholesale gas cost decrease of \$0.0270 per MCF for residential and commercial customers and an increase of \$0.0340 per MMBTU for industrial customers, effective July 1, 2007.** Jess Bottom, CAS, provided a technical memo dated June 26, 2007. Chris Wilson, MGTC, Inc., said the application is for an annual cost adjustment for the period of July 1, 2007, through June 30, 2008. Mr. Wilson, responding to questions, said the industrial customers enjoying a lower interruptible rate have not been interrupted within the past year. There were no further comments or questions. Mr. Bottom recommended approval of the pass-on by Notice and Order, effective for usage on and after July 1, 2007. Deputy Chairman Oxley moved to act as recommended, and Chairman Lewis seconded the motion.
5. **Docket No. 30007-82-GP-07 (Record No. 11218) Application of Frannie-Deaver Utilities Co. for authority to pass on a commodity balancing account increase of \$0.2458 per MCF.** Jess Bottom, CAS, provided a technical memo dated June 20, 2007. Bryan Lee, Frannie-Deaver Utilities Co., explained the component parts of the request. There were no further comments or questions. Mr. Bottom recommended approval of the application by Notice and Order, effective for usage on and after July 1, 2007. Deputy Chairman Oxley moved to approve the application as recommended, and Chairman Lewis seconded the motion.
6. **Docket No. 20003-89-EP-06 (Record No. 10942) Application of Cheyenne Light, Fuel and Power Company for authority to pass on to its Sales Customers on less than 30 days' notice a projected annual decrease of \$14,353,601.**

Docket No. 30005-109-GP-06 (Record No. 10761) Application of Cheyenne Light, Fuel and Power Company for authority to pass on a wholesale gas cost increase of \$15,071,931 (\$3.2775 per decatherm).

Docket No. 30005-110-GP-07 (Record No. 11020) Application of Cheyenne Light, Fuel and Power Company for authority to pass on to its gas sales customers a net decrease in its wholesale gas supply costs of \$9,025,664 per annum.

Commission to set date for consolidated hearing and other necessary procedural deadlines. Chris Petrie, Commission Chief Counsel, said there do not appear to be any problems in scheduling the three dockets for a consolidated hearing beginning on August

16, 2007. Mr. Petrie said other dates agreed upon include July 13 for receipt of company testimony and July 27 for receipt of OCA testimony. He also indicated there are no discovery requests outstanding nor are any further discovery requests anticipated. There were no further comments or questions. Deputy Chairman Oxley moved to approve the proposed schedule, including consolidation of the three dockets for purposes of hearing. Chairman Lewis seconded the motion.

7. **Undocketed. Representatives of Black Hills Corporation will give an informational presentation regarding the status of the Happy Jack Wind Power Project.** This item was for informational purposes only. No Commission action was requested or taken.

A full audio transcript is available upon request.

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

Prepared by: Deborah McFerrin.

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

Kathleen A. "Cindy" Lewis, Chairman