

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Friday, March 2, 2007, at 1:30 p.m.

Attendees

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

Rick Kaysen, Cheyenne Light, Fuel & Power
Mark Leafsteet, Total Call International, Inc. (by telephone)

Commission Staff: Blair Bales, Barbara Iversen, Harry Ivey, Mike Korber, Shirley McCown, Marci Norby, Chris Petrie, David Piroutek, Darrell Zlomke

SPECIAL AGENDA ITEM

Undocketed. Election of Commission Officers: Chairman and Deputy Chairman. Commissioner Byrnes moved to nominate Deputy Chair Lewis as Chairman and Commissioner Oxley as Deputy Chairman. Commissioner Oxley seconded the motion. Deputy Chair Lewis asked for discussion. Deputy Chair Lewis called for a vote. All were in favor of the motion by Commissioner Byrnes.

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

1. **Docket No. 20000-266-EP-07 (Record No. 11022) Application of Rocky Mountain Power for a PCAM deferred net power cost adjustment for the time period July 1, 2006, through November 30, 2006. Commission to consider and act on the following:**
 - a. **Wyoming Industrial Energy Consumers' Petition for Leave to Intervene; and,**
 - b. **Motion for Admission *Pro Hac Vice* of Robert M. Pomeroy and Thorvald A. Nelson.**

2. **Docket No. 20004-68-EP-07 (Record No. 11046) Application of Montana-Dakota Utilities Co., a division of MDU Resources Group, Inc., for authority to pass on an electric cost adjustment decrease of \$0.00355 per KWH. Commission to consider and act on Applicant's Petition for Confidentiality.**

Chairman Lewis introduced the Consent Agenda items and asked if there any requests to withdraw an item for further consideration. There were no such requests. Chris Petrie, Commission Counsel, said a certificate of compliance has been provided by the Wyoming State Bar and recommended both portions of Item 1 be approved. Mr. Petrie also recommended the petition for confidentiality in Item 2 be approved. Deputy

Chairman Oxley moved to act as recommended by Mr. Petrie. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

- 1. Docket Nos. 74356-5-TA-07 and 74513-2-TA-07 (Record No. 10996) Joint application of Opex Communications, Inc., f/k/a Premiercom Management Company, and Total Call International, Inc., for approval of a transfer of control from Opex to Total Call.** Barbara Iversen, Commission Advisory Staff (CAS), provided a technical memo dated February 2, 2007. Mark Leafsteet, CEO of Total Call International, said the transfer of control would be accomplished through a stock purchase agreement executed in January. Opex Communications would then become a fully-owned subsidiary, but there would be no transfer of any operating authority, assets or customers. Mr. Leafsteet said the transfer would be transparent to the approximately 350 Wyoming customers of Opex Communications. There were no further comments or questions. Ms. Iverson recommended approval of the transfer of control and of the request for confidential treatment of the financial and purchase agreement by Notice and Order, effective immediately. Deputy Chairman Oxley moved to approve as recommended by Notice and Order, effective immediately. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

A full audio transcript is available upon request.

Next Open Meeting: Friday, March 9, 2007, at 1:30 p. m.

Prepared by: Deborah McFerrin.

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

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Friday, March 9, 2007, at 1:30 p.m.

Attendees

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

Janeen Capshaw, Wyoming Gas Company (by telephone)
Gordon Neumann, Wyoming Gas Company (by telephone)
Thomas A. Nicholas, counsel for Wyoming Gas Company

Commission Staff: Mike Korber, Dave Lucero, Luy Luong, Marci Norby,
Chris Petrie, Dave Piroutek

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

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket No. 70000-1305-TK-07 and 70027-65-TK-07(Record No. 11027) In the matter of the contract filing of Qwest Corporation for authority to enter into a Triennial Review Order and Triennial Review Remand Order amendment to its wireline interconnection agreement with MCImetro Access Transmission Services LLC.**
- 2. Docket No. 20000-266-EP-07 (Record No. 11022) In the matter of the application of Rocky Mountain Power for a PCAM Deferred Net Power Cost Adjustment for the time period July 1, 2006, through November 30, 2006. Consider and act on RMP's motion for approval of confidential agreement.**

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, comments or questions. Mike Korber, Commission Advisory Staff (CAS), recommended Item 1 be approved by Order only, effective immediately; and he recommended authorizing an order to approve the motion in Item 2. Deputy Chairman Oxley moved to take action as recommended by staff. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

- 1. Docket No. 30009-41-GP-05 (Record No. 10113) In the matter of the application of Wyoming Gas Company for authority to pass on a gas cost increase of \$0.62070/ccf through its commodity balancing account. Commission to discuss and perhaps act on Wyoming Gas' Natural Gas Procurement Plan and consider comments related thereto filed by OCA. Commission also to discuss and perhaps act on Wyoming Gas's submitted budget billing pamphlet.** Luy Luong, Commission Advisory Staff (CAS), provided a technical memo dated March 6, 2007. Dave Lucero, Commission Counsel, said the Order issued in this docket required Wyoming Gas to file a natural gas procurement plan and its budget billing customer brochure with the Commission. This was done, and PSC staff have reviewed the submittals and are now requesting Commission action to complete action on the compliance filings. Ivan Williams, counsel for OCA, said his office has reviewed the gas procurement plan and does not wish to take any further action. Commissioner Byrnes expressed a desire to see some examples of indices which would be used on an on-going basis in future pass-on filings. There were no further comments or questions regarding the procurement plan. Deputy Chairman Oxley moved to approve the procurement plan as submitted and to request index information for future pass-on filings. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred. Thomas A. Nicholas, counsel for Wyoming Gas, said the company has reviewed staff comments and believe the changes to the budget billing brochure can be accomplished without too much difficulty. Mr. Nicholas said the Wyoming Gas staff will work with PSC staff to re-work the brochure. Deputy Chairman Oxley moved to table a decision on the brochure pending submittal of a new version. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred and added a request that OCA be provided a copy of the revised brochure.
- 2. Docket No. 30009-43-GP-06 (Record No. 10760) Application of Wyoming Gas Company for authority to pass on a wholesale gas cost decrease of \$0.15240 per ccf through its commodity balancing account. Commission to consider the status of the application and possibly discuss and determine a procedural schedule.** Thomas A. Nicholas, counsel for Wyoming Gas, said he believed all outstanding issues with the OCA were resolved with the exception of charging of interest on undercollections. Ivan Williams, counsel for OCA, concurred with this assessment and requested the Commission schedule a hearing on this issue. Dave Lucero, Commission Counsel, said he did not see any need to conduct the hearing in Thermopolis and suggested the parties discuss and file a proposed schedule. Deputy Chairman Oxley moved to table this item to allow the discussion. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
- 3. Docket No. 70000-1247-TT-06 (Record No. 10599) In the matter of the Tariff filing of Qwest Corporation for authority to revise federal Universal Service Fund (USF) and Telephone Assistance Program Tribal Lifeline Credits. Consider and act on Qwest's motion requesting modification to procedural schedule to provide it with additional time to file requested supplemental testimony as directed by the Commission.** Dave Lucero, Commission Counsel, said Qwest has requested an

extension of time as their witness is unable to meet the March 14 date due to prior commitments. He said Paul Hickey, attorney for Qwest, suggested allowing the testimony to be filed as part of the rebuttal testimony which has an April 2 deadline. There were no further comments or questions. Mr. Lucero recommended issuing an order granting Qwest's motion for modification of the procedural schedule by granting an extension of time to April 2, 2007. Deputy Chair Oxley moved to grant the extension to April 2. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

A full audio transcript is available upon request.

Next Open Meeting: Thursday, March 15, 2007, at 1:30 p. m.

Prepared by: Deborah McFerrin.

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

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

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

Attendees

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

Kenna Hagan, Cheyenne Light, Fuel and Power Company (by telephone)
Paul Hickey, counsel for Qwest (by telephone)
Rick Kaysen, Cheyenne Light, Fuel and Power Company
Don Martinez, Cheyenne Light, Fuel and Power Company (by telephone)
Jackie Sargent, Cheyenne Light, Fuel and Power Company (by telephone)
Mark Stege, Cheyenne Light, Fuel and Power Company

Commission Staff: Blair Bales, Marci Norby, Chris Petrie, Dave Piroutek

Office of Consumer Advocate (OCA): David McMullian, Denise Parrish,
Ivan Williams

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket No. 70000-1269-TC-06 (Record No. 10744) Complaint filing of Karen King against Qwest Corporation requesting a Formal Hearing on the alleged problems with her telecommunications service. Commission to consider Qwest's Motion to File Post-hearing Brief Out of Time and for Extension of Time to File Rebuttal Brief.**
- 2. Undocketed. Open Meeting Minutes for review by the Commission for the regular Open Meetings of November 30, December 5, December 12 and December 15, 2006.**

Chairman Lewis introduced the Consent Agenda items and asked if there were any requests to withdraw an item for further consideration. Deputy Chairman Oxley requested Item 1 be moved to the Regular Agenda for consideration. Deputy Chairman Oxley then moved to accept the Open Meeting minutes as submitted, and Chairman Lewis seconded the motion.

Consent Agenda Item 1 was then introduced for consideration. Chris Petrie said he had been unable to contact Ms. King by telephone or email. He said messages were left on Ms. King's telephone to contact the PSC if there were any objections to granting the extension of time. Paul Hickey, counsel for Qwest, said the brief had not been filed due to office mistakes. Mr. Hickey said Ms. King had been contacted and had no objection to the extension if the time to file her rebuttal brief was also extended. There were no

further comments or questions. Mr. Petrie recommended granting of Qwest's motion. Deputy Chairman Oxley moved to approve the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

- 1. Docket No. 30005-111-GT-07 (Record No. 11023) Commission to consider setting a procedural schedule in the application of Cheyenne Light, Fuel and Power Company (Cheyenne Light) for authority to revise its gas cost adjustment rules and regulations.**

- 2. Docket No. 20003-88-ET-06 (Record No. 10763) Commission to consider setting a procedural schedule in the application of Cheyenne Light, Fuel and Power Company for authority to revise its electric rate cost adjustment rules and regulations.**

Rick Kaysen, Cheyenne Light, requested both dockets be scheduled together for hearing purposes, and Ivan Williams, counsel for the OCA, agreed the two dockets were interrelated and should be scheduled concurrently. Chris Petrie, Commission Counsel, said the dockets should not be consolidated formally but should be addressed together for hearing purposes. After discussion, Deputy Chairman Oxley entered a motion for discussion purposes setting the following schedule: filing of issues of concern by March 23, April 9 for filing of Cheyenne Light testimony, April 23 for OCA testimony, and hearing dates of May 10 and 11. The date for filing issues of concern was changed to March 26, and Chairman Lewis called for a vote. Both Commissioners were in favor of the proposed dates, and the motion carried.

A full audio transcript is available upon request.

Next Open Meeting: Monday, March 19, 2007, at 1:30 p. m.

Prepared by: Deborah McFerrin.

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

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Monday, March 19, 2007, at 1:30 p.m.

Attendees

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

Bruce Asay, counsel for Pinedale Natural Gas Company
Paul Hickey, counsel for Qwest Corporation

Commission Staff: Blair Bales, Don Biedermann, Barbara Iversen, Harry Ivey, Mike Korber, Marci Norby, Chris Petrie, Dave Piroutek, Art Schmidt, Darrell Zlomke

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

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

1. **Docket No. 70000-1310-TK-07 (Record No. 11079). Filing by Qwest Corporation for authority to submit a confidential telecommunications services agreement.**
2. **Docket No. 20000-266-EP-07 (Record No. 11022) Application of Rocky Mountain Power for a PCAM Deferred Net Power Cost Adjustment for the time period July 1, 2006, through November 30, 2006. Consider and act on PPM Energy's Petition for Leave to Intervene.**

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 or any further comments or questions. Mike Korber, Commission Advisory Staff (CAS), provided the following recommendations: Item 1, placement of agreement in confidential files with no ratemaking determinations; and Item 2, grant petition. Deputy Chairman Oxley moved to take action as recommended by staff. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 70000-1247-TT-06 (Record No. 10599) Application of Qwest Corporation to revise federal Universal Service Fund and Telephone Assistance Program Tribal Lifeline Credits. Commission to consider OCA's Motion to Recuse Commission Technical Staff Advisor and Wyoming Universal Service Fund Manager**

Michael Korber. Deputy Chairman Steve Oxley recused himself from participating in this item as he has had discussions with Commission staff on this docket in his prior role as Commission Chief Counsel. Ivan Williams, OCA, explained the reasons for the motion, saying there are links between this case and the Wyoming Universal Service Fund (WUSF). Based upon responses received from Qwest to its data requests, the OCA became concerned about the role Mr. Korber played in the calculation of credits by Qwest and possible conflicts of interest. Blair Bales, acting as counsel for Mr. Korber, said she believes granting this motion could set an inappropriate precedent of excluding advisory staff but has no objection to the recusal in this particular case. After some discussion, Commissioner Byrnes moved to grant the motion to recuse Mr. Korber from this docket with no implications for future cases. Chairman Lewis asked if Mr. Korber would be able to participate in a capacity other than as advisory staff or provide testimony as WUSF Manager. Ms. Bales said Mr. Korber would not be party to the proceeding but could be called as a witness in his capacity as WUSF Manager. With that clarification, Chairman Lewis seconded Commissioner Byrnes' motion.

2. **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 issuing subpoenas on its own motion to Sublette County School District #1, Superintendent, Doris Woodbury; Pinedale Planning and Zoning Administrator, Meghan Jacquet; and Sublette County Planning Director, Bart Myers.** Deputy Chairman Oxley entered a motion for discussion purposes to approve issuing subpoenas, and this was seconded by Commissioner Byrnes. Commissioner Byrnes said this item is to include in the upcoming hearing witnesses from the school district and city to testify on growth in the Pinedale area. Bruce Asay, counsel for Pinedale Natural Gas, said his client had no objection but would prefer more flexibility on the identity of the witnesses. Ivan Williams, counsel for OCA, said his office did not oppose issuing subpoenas but said the issue of growth in the area is uncontested and is supported in pre-filed testimony. Chairman Lewis responded that the Commission has the responsibility to ensure a full record to support decisions made. She then called for a vote on the motion, and all were in favor of issuing subpoenas to those listed.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, March 27, 2007, at 1:30 p. m.

Prepared by: Deborah McFerrin.

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

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Tuesday, March 27, 2007, at 1:30 p.m.

Attendees

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

Bud Becker, Kinder Morgan/Source Gas
Dale Cottam, counsel for PPM Energy
Michael Fox, RT Communications
Vernon Lancaster, Happy Valley Pipeline Company (by telephone)
Brandi Monger, counsel for Kinder Morgan/Source Gas
Dave Mosier, Rocky Mountain Power (by telephone)
Thor Nelson, counsel for Wyoming Industrial Energy Consumers (by telephone)
Tom Nicholas, counsel for Wyoming Gas Company
Liz Pendley, counsel for Seminole Energy Resources
Michael Robinson, Wyoming Attorney General's Office
Peter Russo, YMax Communications Corporation (by telephone)
Sharon Thomas, YMax Communications Corporation (by telephone)

Commission Staff: Blair Bales, Barbara Iversen, Dave Lucero, Luy Luong, Marci Norby, Dave Piroutek, Art Schmidt, Darrell Zlomke

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

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- 1. Docket Nos. 70000-1304-TK-07 and 70114-10-TK-07 (Record No. 11026) Contract filing by Qwest Corporation for authority to enter into a CMDS Hosting and Message Distribution Amendment to the Interconnection Agreement with Bresnan Broadband of Wyoming, LLC.** Chairman Lewis introduced the consent agenda item and asked if there were any requests to withdraw the item for further consideration. There were no such requests or any comments or questions. Art Schmidt, Commission Advisory Staff (CAS), recommended approval of the contract filing with an Order only, effective immediately. Deputy Chairman Oxley moved to act as recommended by CAS. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA 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 a Transfer of Utility Assets and Certificate 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. Consider and act on compliance filing of Source Gas, LLC, submitting customer information for Commission approval pursuant to its March 14, 2007, Order, requesting expedited review, and requesting confidential treatment of the customer information submitted.** Brandi Monger, counsel for Kinder Morgan/Source Gas, said the press releases were filed pursuant to the Commission's Order granting permission for the sales transactions and asked that they be treated as confidential until they are actually released to the public. Ivan Williams, counsel for OCA, said his office has reviewed the information and has no objection to the press releases. There were no further comments or questions. Dave Lucero, Commission Counsel recommended issuing an Order approving the company's compliance filing and also recommended granting the request for confidential treatment. Deputy Chairman Oxley moved to approve the filing by Order only and further moved to approve confidential treatment under Section 120 of the Commission's Rules which will terminate at the point at which the company publishes the press releases. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

2. **Docket Nos. 70001-62-TA-07 and 70015-56-TA-07 (Record No. 11076) Range Telephone Cooperative, Inc., and RT Communications, Inc., have filed a joint application requesting authority to transfer and exchange certain certificated areas from and between the Applicants.** Luy Luong, CAS, provided a technical memo dated March 22, 2007. Michael Fox, RT Communications, said the request to transfer results from two developments which are planned in the near future—one with 27 parcels and one with 95 lots. He said there are currently no customers in the area, but the proposed boundary changes would allow provision of more efficient service when the developments are actually built. There were no further comments or questions. Mr. Luong recommended approval of the joint application by Notice and Order, effective immediately, and requested submission of revised service maps for the tariff books. Deputy Chairman Oxley moved to take action as recommended by staff. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

3. **Docket No. 70121-6-TK-07 (Record No. 11017) Petition of YMax Communications Corp. for approval of the designation of its services as competitive pursuant to W. S. § 37-15-202.** Art Schmidt, CAS, provided a technical memo dated March 19, 2007. Sharon Thomas, consultant for YMax Communications Corp., said the company already has been granted CLEC status in Wyoming, but it would also like to be designated as a competitive service provider. Ms. Thomas said she believes the company meets all the standards for such a designation although there are currently no services being offered in Wyoming. Responding to Commission questions, Peter Russo, CEO of YMax Communications Corp., said they propose to offer local exchange and switched access

services in areas currently served by Qwest and are currently negotiating an interconnection agreement with Qwest. Mr. Russo added that they will not be using their own facilities initially but may introduce these at a later date. Ivan Williams, counsel for OCA, said he had reviewed the petition and did not have any comment at this time. There were no further comments or questions. Mr. Schmidt recommended approval of the petition by Notice and Order, effective immediately. Deputy Chairman Oxley moved to grant the petition as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

- 4. Docket No. 30009-43-GP-06 (Record No. 10760) Application of Wyoming Gas Company for authority to pass on a wholesale gas cost decrease of \$0.15240 per ccf through its commodity balancing account. Commission to discuss and determine a procedural schedule.** Tom Nicholas, counsel for Wyoming Gas Company, said the procedural dates previously agreed upon were no longer valid. The parties agreed on a hearing date of June 1, 2007, at 9:00 a.m. Commissioner Byrnes moved to table this item until the remaining deadlines could be agreed upon and submitted to the Commission. Deputy Chairman Oxley seconded the motion, and Chairman Lewis concurred. Later in the open meeting, Mr. Nicholas proposed the following deadlines agreed upon by the parties: Wyoming Gas Company pre-filed testimony on May 4; OCA pre-filed testimony on May 18; and the hearing on June 1 at 9:00 a.m. Deputy Chairman Oxley moved to issue an Order that Wyoming Gas Company's pre-filed testimony and exhibits be filed by close of business on May 4, 2007; that OCA pre-filed testimony and exhibits be filed by close of business on May 18, 2007; and that the hearing commence at 9:00 a.m. on Friday, June 1, 2007. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
- 5. Docket No. 20000-266-EP-07 (Record No. 11022) Application of Rocky Mountain Power (RMP) for a PCAM Deferred Net Power Cost Adjustment for the Time Period July 1, 2006, through November 30, 2006. Commission to consider and act on Rocky Mountain Power's Motion to Implement Interim PCAM Adjustment to Rates.** Darrell Zlomke and Marci Norby, CAS, provided a technical memo dated March 23, 2007. Dave Mosier, RMP, said the company seeks to implement the tariff on an interim basis effective April 1, 2007, to allow further review by the parties in the docket without penalizing the company. Counsel for the intervenors, the OCA, PPM Energy and the Wyoming Industrial Energy Consumers (WIEC), said they had no objections to the request. Ms. Norby verified the rates, if approved on an interim basis, would be refundable at a later time if necessary. There were no further comments or questions. Chris Petrie, Commission Counsel, recommended approval of the rates on an interim basis by Order only, effective April 1, 2007. Mr. Petrie said public notice has previously been provided, and the intervenors have participated in today's proceedings. Deputy Chairman Oxley moved to approve the rates on an interim basis as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
- 6. Docket No. 80001-4-WR-06 (Record No. 10937) Application of Happy Valley Pipeline Company, Inc., for authority to increase their water rates from \$12.50 per month per customer to \$25.00 and increase the tap fee from \$250.00 to \$500.00.** Art

Schmidt, CAS, provided a technical memo dated March 19, 2007. Vernon Lancaster, Happy Valley Pipeline Company, said the last increase was approved in 1983, and he said the company has shown a loss for eight of the past nine years. Mr. Lancaster responded to Commission questions regarding growth and needed maintenance and repairs which would affect future income. There were no further comments or questions. Mr. Schmidt recommended approval of the rate increase effective for usage on and after April 1, 2007. Mr. Schmidt stated the \$500 tap fee would not cover the actual costs, and he would like to work with the company to develop plans for future development and for tracking costs and income. Deputy Chairman Oxley recommended approval of the increases by Order only, effective for usage on and after April 1, 2007. He also moved to require the company to work with Commission staff on tap fees, infrastructure financing, physical plant replacement plans, and an accounting system to identify costs and improve its ability to file reports and identify potential problems. Commissioner Byrnes seconded the motion. Chairman Lewis concurred and requested the Order be written with sufficient narrative to provide an explanation to Happy Valley Pipeline's customers.

A full audio transcript is available upon request.

Next Open Meeting: Monday, April 2, 2007, at 1:30 p. m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 18th day of May 2007.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Tuesday, March 27, 2007, at 1:30 p.m.

Attendees

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

Bud Becker, Kinder Morgan/Source Gas
Dale Cottam, counsel for PPM Energy
Michael Fox, RT Communications
Vernon Lancaster, Happy Valley Pipeline Company (by telephone)
Brandi Monger, counsel for Kinder Morgan/Source Gas
Dave Mosier, Rocky Mountain Power (by telephone)
Thor Nelson, counsel for Wyoming Industrial Energy Consumers (by telephone)
Tom Nicholas, counsel for Wyoming Gas Company
Liz Pendley, counsel for Seminole Energy Resources
Michael Robinson, Wyoming Attorney General's Office
Peter Russo, YMax Communications Corporation (by telephone)
Sharon Thomas, YMax Communications Corporation (by telephone)

Commission Staff: Blair Bales, Barbara Iversen, Dave Lucero, Luy Luong, Marci Norby, Dave Piroutek, Art Schmidt, Darrell Zlomke

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

CONSENT AGENDA FOR ROUTINE ACTION ITEMS

- Docket Nos. 70000-1304-TK-07 and 70114-10-TK-07 (Record No. 11026) Contract filing by Qwest Corporation for authority to enter into a CMDS Hosting and Message Distribution Amendment to the Interconnection Agreement with Bresnan Broadband of Wyoming, LLC.** Chairman Lewis introduced the consent agenda item and asked if there were any requests to withdraw the item for further consideration. There were no such requests or any comments or questions. Art Schmidt, Commission Advisory Staff (CAS), recommended approval of the contract filing with an Order only, effective immediately. Deputy Chairman Oxley moved to act as recommended by CAS. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

REGULAR AGENDA 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 a Transfer of Utility Assets and Certificate 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. Consider and act on compliance filing of Source Gas, LLC, submitting customer information for Commission approval pursuant to its March 14, 2007, Order, requesting expedited review, and requesting confidential treatment of the customer information submitted.** Brandi Monger, counsel for Kinder Morgan/Source Gas, said the press releases were filed pursuant to the Commission's Order granting permission for the sales transactions and asked that they be treated as confidential until they are actually released to the public. Ivan Williams, counsel for OCA, said his office has reviewed the information and has no objection to the press releases. There were no further comments or questions. Dave Lucero, Commission Counsel recommended issuing an Order approving the company's compliance filing and also recommended granting the request for confidential treatment. Deputy Chairman Oxley moved to approve the filing by Order only and further moved to approve confidential treatment under Section 120 of the Commission's Rules which will terminate at the point at which the company publishes the press releases. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

2. **Docket Nos. 70001-62-TA-07 and 70015-56-TA-07 (Record No. 11076) Range Telephone Cooperative, Inc., and RT Communications, Inc., have filed a joint application requesting authority to transfer and exchange certain certificated areas from and between the Applicants.** Luy Luong, CAS, provided a technical memo dated March 22, 2007. Michael Fox, RT Communications, said the request to transfer results from two developments which are planned in the near future—one with 27 parcels and one with 95 lots. He said there are currently no customers in the area, but the proposed boundary changes would allow provision of more efficient service when the developments are actually built. There were no further comments or questions. Mr. Luong recommended approval of the joint application by Notice and Order, effective immediately, and requested submission of revised service maps for the tariff books. Deputy Chairman Oxley moved to take action as recommended by staff. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

3. **Docket No. 70121-6-TK-07 (Record No. 11017) Petition of YMax Communications Corp. for approval of the designation of its services as competitive pursuant to W. S. § 37-15-202.** Art Schmidt, CAS, provided a technical memo dated March 19, 2007. Sharon Thomas, consultant for YMax Communications Corp., said the company already has been granted CLEC status in Wyoming, but it would also like to be designated as a competitive service provider. Ms. Thomas said she believes the company meets all the standards for such a designation although there are currently no services being offered in Wyoming. Responding to Commission questions, Peter Russo, CEO of YMax Communications Corp., said they propose to offer local exchange and switched access

services in areas currently served by Qwest and are currently negotiating an interconnection agreement with Qwest. Mr. Russo added that they will not be using their own facilities initially but may introduce these at a later date. Ivan Williams, counsel for OCA, said he had reviewed the petition and did not have any comment at this time. There were no further comments or questions. Mr. Schmidt recommended approval of the petition by Notice and Order, effective immediately. Deputy Chairman Oxley moved to grant the petition as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

4. **Docket No. 30009-43-GP-06 (Record No. 10760) Application of Wyoming Gas Company for authority to pass on a wholesale gas cost decrease of \$0.15240 per ccf through its commodity balancing account. Commission to discuss and determine a procedural schedule.** Tom Nicholas, counsel for Wyoming Gas Company, said the procedural dates previously agreed upon were no longer valid. The parties agreed on a hearing date of June 1, 2007, at 9:00 a.m. Commissioner Byrnes moved to table this item until the remaining deadlines could be agreed upon and submitted to the Commission. Deputy Chairman Oxley seconded the motion, and Chairman Lewis concurred. Later in the open meeting, Mr. Nicholas proposed the following deadlines agreed upon by the parties: Wyoming Gas Company pre-filed testimony on May 4; OCA pre-filed testimony on May 18; and the hearing on June 1 at 9:00 a.m. Deputy Chairman Oxley moved to issue an Order that Wyoming Gas Company's pre-filed testimony and exhibits be filed by close of business on May 4, 2007; that OCA pre-filed testimony and exhibits be filed by close of business on May 18, 2007; and that the hearing commence at 9:00 a.m. on Friday, June 1, 2007. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
5. **Docket No. 20000-266-EP-07 (Record No. 11022) Application of Rocky Mountain Power (RMP) for a PCAM Deferred Net Power Cost Adjustment for the Time Period July 1, 2006, through November 30, 2006. Commission to consider and act on Rocky Mountain Power's Motion to Implement Interim PCAM Adjustment to Rates.** Darrell Zlomke and Marci Norby, CAS, provided a technical memo dated March 23, 2007. Dave Mosier, RMP, said the company seeks to implement the tariff on an interim basis effective April 1, 2007, to allow further review by the parties in the docket without penalizing the company. Counsel for the intervenors, the OCA, PPM Energy and the Wyoming Industrial Energy Consumers (WIEC), said they had no objections to the request. Ms. Norby verified the rates, if approved on an interim basis, would be refundable at a later time if necessary. There were no further comments or questions. Chris Petrie, Commission Counsel, recommended approval of the rates on an interim basis by Order only, effective April 1, 2007. Mr. Petrie said public notice has previously been provided, and the intervenors have participated in today's proceedings. Deputy Chairman Oxley moved to approve the rates on an interim basis as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
6. **Docket No. 80001-4-WR-06 (Record No. 10937) Application of Happy Valley Pipeline Company, Inc., for authority to increase their water rates from \$12.50 per month per customer to \$25.00 and increase the tap fee from \$250.00 to \$500.00.** Art

Schmidt, CAS, provided a technical memo dated March 19, 2007. Vernon Lancaster, Happy Valley Pipeline Company, said the last increase was approved in 1983, and he said the company has shown a loss for eight of the past nine years. Mr. Lancaster responded to Commission questions regarding growth and needed maintenance and repairs which would affect future income. There were no further comments or questions. Mr. Schmidt recommended approval of the rate increase effective for usage on and after April 1, 2007. Mr. Schmidt stated the \$500 tap fee would not cover the actual costs, and he would like to work with the company to develop plans for future development and for tracking costs and income. Deputy Chairman Oxley recommended approval of the increases by Order only, effective for usage on and after April 1, 2007. He also moved to require the company to work with Commission staff on tap fees, infrastructure financing, physical plant replacement plans, and an accounting system to identify costs and improve its ability to file reports and identify potential problems. Commissioner Byrnes seconded the motion. Chairman Lewis concurred and requested the Order be written with sufficient narrative to provide an explanation to Happy Valley Pipeline's customers.

A full audio transcript is available upon request.

Next Open Meeting: Monday, April 2, 2007, at 1:30 p. m.

Prepared by: Deborah McFerrin.

ACCEPTED and APPROVED by the Commission on the 18th day of May 2007.

Kathleen A. "Cindy" Lewis, Chairman