

**BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING**  
Minutes of Regular Open Meeting

**Thursday, October 2, 2008**  
**1:30 p.m.**

**Commissioners:** Chairman Kathleen A. "Cindy" Lewis, presiding  
Commissioner Mary Byrnes

Bruce Asay, local counsel for Chugwater Telephone Company  
Greg Cashner, Chugwater Telephone Company (by telephone)  
Stacy Dyekma, Cheyenne Light, Fuel and Power/Black Hills Power (by telephone)

Kenna Hagen, Cheyenne Light, Fuel and Power/Black Hills Power (by telephone)

Jason Hendricks, RT Communications

Brian Iverson, counsel for Cheyenne Light, Fuel and Power/Black Hills Power

Deb Kellum, Cheyenne Light, Fuel and Power

Chris Kilpatrick, Cheyenne Light, Fuel and Power/Black Hills Power

Jan Kirsch, Cheyenne Light, Fuel and Power/Black Hills Power (by telephone)

Bill McCarthy, Wyoming Tribune-Eagle

Dave Mosier, Rocky Mountain Power

Randy Reed, local counsel for Belle Fourche Pipeline Company

Andy Schein, Chugwater Telephone Company

Mark Stege, Cheyenne Light, Fuel and Power

John Sundahl, local counsel for Cheyenne Light, Fuel and Power

Office of Consumer Advocate (OCA): Bryce Freeman, David McMullian, Amy Zamora

Commission Staff: Blair Bales, Michelle Bohanan, Jess Bottom, Victoria Hansen, Luy Luong, Shirley McCown, Chris Petrie, David Piroutek, Art Schmidt, Barbara Taylor-Iversen

**CONSENT AGENDA ITEMS**

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- 1. Docket No. 20000-232-EC-05 (Record No. 10266) Formal complaint of BR Tech against Rocky Mountain Power f/k/a PacifiCorp. Commission to consider and act on written settlement and release agreement entered into by the parties.**
  
- 2. Docket No. 30022-117-GC-08 (Record No. 11758) Formal complaint filing of Ellis and Rebecca L. Hein against SourceGas Distribution, LLC, requesting a formal hearing regarding overcharges for gas usage. Commission to consider settlement**

agreement entered into by the complainants and SourceGas resolving the complaint matter and potential dismissal of the complaint.

- Docket No. 20000-333-ER-08 (Record No. 11824) Application of Rocky Mountain Power for approval of a general rate increase of approximately \$33,501,142 per year or 7.1%. Commission to consider and act on Motion for Admission *pro hac vice* of Julia A. Jones on behalf of Cimarex Energy Company.**

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. Dave Lucero, Commission Counsel, recommended accepting the settlement agreement in Item 1 with an Order only as Commission approval has already been granted for the motion to settle the complaint. Mr. Lucero recommended approval of the settlement agreement and the motion to dismiss with prejudice in Item 2 by Order only; and recommended the Commission issue an Order granting the motion for admission *pro hac vice* in Item 3, with all Orders to be effective immediately. Commissioner Byrnes moved to take action as recommended, and Chairman Lewis seconded the motion.

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#### REGULAR AGENDA ITEMS

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- Docket No. 30005-119-GP-08 (Record No. 11883) Amended application of Cheyenne Light, Fuel and Power Company (Cheyenne Light) for authority to pass on wholesale gas cost decreases of \$0.9201 per Dth for firm rate classes and \$0.7532 per Dth for interruptible rate classes. Commission to consider and act on amended application and amended Petition for Confidential Treatment of Natural Gas Acquisition Strategy and Financial Forecasting.** Michelle Bohanan, Commission Advisory Staff (CAS), provided a technical memo dated September 18, 2008. Chris Kilpatrick, Cheyenne Light, said the application was amended to correct clerical errors. Mr. Kilpatrick also asked the effective date be changed from October 1 to October 3, 2008. Brian Iverson, counsel for Cheyenne Light, said the petition for confidential treatment was filed to protect proprietary information, but he said Schedule F to the application is not confidential and is being withdrawn from the petition for confidential treatment. There were no further comments or questions. Vicky Hansen, Commission Counsel, recommended approval of the amended application by Notice and Order, effective immediately, for usage on and after October 3, 2008, and she also recommended approval of the petition for confidential treatment. Commissioner Byrnes moved to approve the application and petition as recommended, and Chairman Lewis seconded the motion.
- Docket No. 30005-118-GT-08 (Record No. 11820) Amended application of Cheyenne Light, Fuel and Power Company for authority to amend its GCA tariffs to change the filing period from quarterly to monthly. Commission to consider and act on the amended application.** Marci Norby, CAS, provided a technical memo dated September 26, 2008. Chris Kilpatrick of Cheyenne Light said the company believes changing from a quarterly to monthly filing period would help protect its customers by providing more

stable pricing and by keeping the commodity balancing account more accurate. He added that changing from a six-month to a 12-month amortization of the commodity balancing account, as requested in the application, would also remove some seasonal fluctuations. Mr. Kilpatrick said customers will be provided information on these changes via mailings and advertising. There were no further comments or questions. Ms. Norby recommended approval of the amended application by Notice and Order effective October 3, 2008. She also recommended Cheyenne Light be required to file information on its monthly commodity balancing account balances in future applications and also requested the company provide a comparison of administrative expenses between quarterly and monthly pass-on applications in its February 2009 application. Chairman Lewis asked that a sample of the customer information also be given to the Commission. Commissioner Byrnes moved to take action as recommended, and Chairman Lewis seconded the motion.

3. **Docket No. 50000-55-PA-06 (Record No. 10949) Amended application of Belle Fourche Pipeline Co. for authority to discontinue crude oil pipeline transportation service, and cancel the applicable tariffs, from the Pine Ridge and West Moorcroft/Schuricht Fields in Crook County, Gas Draw, Springen Ranch and Kitty/Lazy B Fields in Campbell County, and the Poison Draw Unit in Converse County, to the Guernsey and Fort Laramie Stations in Platte and Goshen Counties, Wyoming. Commission to consider and act on amended application.** Jess Bottom, CAS, provided a technical memo dated September 23, 2008. Randy Reed, local counsel for Belle Fourche Pipeline, said shipping has ceased on these pipelines due to a significant decline in production and due to deterioration of the pipeline. Mr. Reed said the public notice protest deadline expired August 18, 2008, with no protests received. In addition, he said 100% of the lines have been purged with no landowner complaints received as a result of this process. There were no further comments or questions. Chris Petrie, Commission Chief Counsel, recommended approval of the amended application by Order only, effective immediately, as public notice has already been provided. Commissioner Byrnes moved to approve the application as recommended, and Chairman Lewis seconded the motion.
  
4. **Docket No. 50000-56-PA-06 (Record No. 10950) Amended application of Belle Fourche Pipeline Co. for authority to discontinue crude oil pipeline transportation service, and cancel the applicable tariffs, from the Maysdorf/South Maysdorf, Big Hand and Hawk Point Fields in Campbell County to the Guernsey and Fort Laramie Stations in Platte and Goshen Counties, Wyoming. Commission to consider and act on amended application.** Jess Bottom, CAS, provided a technical memo dated September 23, 2008. Randy Reed, local counsel for Belle Fourche Pipeline, said the pipeline is deteriorating and the shippers have opted to either use a trucking service or service through Bridger Pipeline to the Reno station. Mr. Reed confirmed that the lines have been purged and agreed to apply to the Commission if these lines were to be reactivated at some time in the future. There were no further comments or questions. Chris Petrie, Commission Chief Counsel, recommended approval of the amended application by Order only, effective immediately, as public notice has already been provided. Chairman Lewis moved to approve the application as recommended with the

inclusion of language requiring Belle Fourche Pipeline to notify the Commission if the lines are reactivated and, if so, the steps taken to ensure the integrity of the pipeline. Commissioner Byrnes seconded the motion.

5. **Docket No. 70005-26-TA-08 (Record No. 11894) Application of Chugwater Telephone Company for approval of a mid-period adjustment to increase its state universal service fund receipts. Commission to consider and act on application.** Barbara Taylor-Iversen, CAS, provided a technical memo dated September 20, 2008. Bruce Asay, local counsel for Chugwater Telephone Company, provided the reasons for the application and the basis of calculations to arrive at the requested increase. Discussion followed on how the calculations were performed and the intended uses of the universal service fund receipts. There were no further comments or questions. Chris Petrie, Commission Chief Counsel, recommended approval of the application as described in Attachment B of the staff memo by Notice and Order, effective September 16, 2008. Chairman Lewis requested a description be included in the Notice of the methodology used to determine the new rate. Commissioner Byrnes moved to approve the application as recommended by Mr. Petrie and Chairman Lewis, and Chairman Lewis seconded the motion.

A full audio transcript of the non-confidential portions of the meeting is available upon request.

Next Open Meeting: Thursday, October 9, 2008, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 22<sup>nd</sup> day of January, 2009.

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Kathleen A. "Cindy" Lewis, Chairman

**BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING**  
Minutes of Regular Open Meeting

**Thursday, October 9, 2008**  
**11:00 a.m.**

**Commissioners:** Chairman Kathleen A. "Cindy" Lewis, presiding  
Commissioner Mary Byrnes

Dave Adsit, Gillette Police Department  
Cale Case, Wyoming State Senate  
Walter Eggers, local counsel for Bresnan Broadband  
Jason Hendricks, Range Telephone Companies  
Jeff Hubbard, Qwest Corporation  
Stephanie Tyler Jackson, AT&T  
Jody Levin, Qwest Corporation  
Larry Majerus, Wyoming Office of Homeland Security  
Edie Ortega, CenturyTel  
David Picard, AT&T  
Dale Stalder, Laramie Police Department/LARC Division

Office of Consumer Advocate (OCA): Amy Zamora

Commission Staff: Blair Bales, David Piroutek, Art Schmidt, Barbara Taylor-Iversen

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**CONSENT AGENDA ITEMS**

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1. **Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meeting of June 5, 2008.** Commissioner Byrnes moved to accept the minutes as submitted, and Chairman Lewis seconded the motion.

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**REGULAR AGENDA ITEMS**

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1. **Docket No. 90000-100-XO-07 (Record No. 11509) The proposed adoption of Chapter 2, Sections 238 and 252; Chapter 3, Section 325; Chapter 4, Section 420; Chapter 6, Section 616; and Chapter 9, Section 901(j), (k), (l), (m), and (o); of the Commission Procedural Rules and Special Regulations. Commission to consider closing this rulemaking proceeding related to service interruption reporting and third-party damage reporting.** Blair Bales, Commission Counsel, said a formal hearing was held in February; and, based on suggestions made at the hearing, revisions have been incorporated which substantially change the original draft rules. There were no further comments or questions. Ms. Bales recommended, based on the revisions made, that an Order be issued to close this docket. Commissioner Byrnes moved to close the docket as recommended, and Chairman Lewis seconded the motion.

2. **Undocketed. Commission to consider opening a rulemaking proceeding for amended Commission Rule § 238; proposed Commission Rule §§ 252, 325, 420, and 616; and proposed associated forms in Commission Rule § 901(k), (l), (m), (n) and (o). Commission Rule §§ 238, 325, 420, and 616 relate to service interruption reporting. Commission Rule § 252 pertains to the reporting of damage by third parties.** Blair Bales, Commission Counsel, said new rules have been drafted to replace those in the previous agenda item, and the Commission is now ready to begin the formal rulemaking process. Ms. Bales confirmed the rules would be reviewed by the Attorney General's office and the Governor's office prior to public notice and a request for comments. There were no further comments or questions. Ms. Bales recommended issuance of an Order commencing rulemaking proceedings. Commissioner Byrnes moved to initiate a rulemaking as recommended, and Chairman Lewis seconded the motion.
  
3. **Docket No. 70000-1271-TI-06 (Record No. 10749) Formal investigation by Commission on its own motion of the August 1, 2006, 911 emergency telecommunications service outage experienced in many parts of Wyoming, involving the 911 and other services of Qwest Corporation and other telecommunications companies. Commission to consider and act on Qwest Corporation's filing of the 911 Task Force's written Notification Plan and Report.** Jody Levin, Qwest Corporation, provided a summary of the task force report. Ms. Levin and other members of the task force responded to Commission questions regarding problems found and possible improvements in the emergency notification systems as well as potential funding issues. Ms. Levin also agreed to provide future updates to the Commission even though no further formal reports are required by the Order in this docket. Cale Case, Wyoming State Senator, commended the task force for its work and said a copy of the report would be submitted to the Joint Corporations, Elections and Political Subdivisions Interim Committee. Senator Case added that the Committee would be the proper place to address funding issues but did not believe those issues could be addressed in the 2009 legislative session. There were no further comments or questions. No further action was required by or taken by the Commission.

A full audio transcript of the meeting is available upon request.

Next Open Meeting: Wednesday, October 22, 2008, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 27<sup>th</sup> day of January, 2009.

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Kathleen A. "Cindy" Lewis, Chairman

**BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING**  
Minutes of Regular Open Meeting

**Thursday, October 22, 2008**  
**1:30 p.m.**

**Commissioners:** Chairman Kathleen A. "Cindy" Lewis, presiding  
Commissioner Mary Byrnes

Bruce Asay, local counsel for Pinedale Natural Gas, Inc.  
Bill and Roy Ann Bormuth, Crandall Valley residents (by telephone)  
Eric Brookhouse, Rocky Mountain Power (by telephone)  
Janeen Capshaw, Wyoming Gas Company (by telephone)  
Dale Cottam, local counsel for Wyoming Gas Company  
Jeff Hubbard, Qwest Corporation  
Steve Lathrop, Rocky Mountain Power (by telephone)  
Rick Lungman, Rocky Mountain Power (by telephone)  
Gilmer Mickey, Pinedale Natural Gas, Inc. (by telephone)  
Dave Mosier, Rocky Mountain Power  
Gordon Neumann, Wyoming Gas Company (by telephone)  
Daniel Solander, counsel for Rocky Mountain Power (by telephone)  
Roy Warren, Warren Associates (by telephone)

Office of Consumer Advocate (OCA): Amy Zamora

Commission Staff: Blair Bales, Don Biedermann, Michelle Bohanan,  
Victoria Hansen, Luy Luong, Shirley McCown, Marci Norby, Art  
Schmidt, Barbara Taylor-Iversen

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**CONSENT AGENDA ITEMS**

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1. **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 Parties' request to extend the Commission's August 28, 2008, Order granting a 90-day stay for an additional 90 days. Commission advisory staff: Tom Wilson and Steve Mink. (No memo; see attached Motion and Status Report.)**
  
2. **Docket No. 30016-52-GK-08 (Record No. 11875) Confidential contract filing between Pinedale Natural Gas, Inc., (PNG) and Summit Energy, LLC. Commission to consider placing the contract in its confidential files and granting the company's Petition for Confidential Treatment of the Contract. Commission advisory staff: Michelle Bohanan and Blair Bales. (See memo dated September 16, 2008.)**

3. **Docket No. 30016-55-GK-08 (Record No. 11898) Contract filing between Pinedale Natural Gas, Inc., and Summit Energy, LLC. Commission to consider placing the contract in its files. Commission advisory staff: Michelle Bohanan and Blair Bales. (See memo dated September 22, 2008.)**
4. **Docket No. 30022-111-GA-08 (Record No. 11662). In the matter of the application of SourceGas Distribution LLC, for authority to abandon natural gas service to eight customers and eleven premises in the Shoshoni area in Fremont County, Wyoming. Commission to consider and act on SourceGas' Motion to Suspend Filing Requirement Until Financial Information is Available. Commission advisory staff: Chris Petrie, Vicky Hansen, and Darrell Zlomke. (see motion dated October 13, 2008).**
5. **Docket Nos. 70000-1397-TK-08 and 70027-84-TK-08 (Record No. 11892) Qwest Corporation and MCImetro Access Transmission Services LLC are jointly petitioning for Commission authority for an Originated Toll Free Service Jointly Provided Switched Access Amendment to their Interconnection Agreement. Commission to consider and act on the petition. Commission advisory staff: Luy Luong and Victoria Hansen. (See Memo dated October 16, 2008.)**
6. **Docket No. 90000-104-XI-08 (Record No. 11698) Commission's investigation into the quality and reliability of telecommunications service provided in Wyoming. Commission to consider and act on the Office of Consumer Advocate's request for a copy of the Niobrara County 911 report. Commission advisory staff: Art Schmidt, Tom Wilson, Blair Bales and Chris Petrie. (No memo, please see a copy of the OCA's request.)**
7. **Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meeting of July 29, 2008. Prepared by Deborah McFerrin. (No memo; see attached copy of the minutes.)**

Chairman Lewis introduced the consent agenda items and asked if there were any requests to withdraw an item for further consideration. Chairman Lewis then requested Item 6 be withdrawn and placed on the Regular Agenda. There were no further comments or questions. Blair Bales, Commission Counsel, recommended the following: Item 1, approval by Letter Order issued by Counsel; Item 2 allowing the contract to be placed in confidential files and granting the Petition for Confidential Treatment by Letter Order issued by Counsel; Item 3, issue a Letter Order by Counsel placing the contract in Commission files; Item 4, granting the application by Letter Order issued by Counsel; Item 5, approval of Interconnection Agreement by Order only, effective immediately. Commissioner Byrnes moved to take action on Items 1-5 as recommended and to approve the Minutes of the July 29, 2008 Open Meeting. Chairman Lewis seconded the motion.

Chairman Lewis introduced Item 6 for discussion. Chris Petrie, Secretary and Chief Counsel, stated the Niobrara County Sheriff's Department had filed their confidential 911

reports with the Commission and OCA was requesting a copy. Mr. Petrie recommended issuance of a Letter Order by Counsel, granting OCA access to the 911 information. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion.

## **REGULAR AGENDA ITEMS**

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- 1. Docket No. 70000-TC-03-938 (Record No. 8654) Complaint filing by Crandall Valley, Wyoming, residents against Qwest Corporation requesting a formal hearing regarding service quality problems. Commission to consider and act on final disposition of the above complaint matter.** Roy Ann Bormuth appeared by telephone and stated she was pleased with the progress Qwest had made in Crandall Valley. She added that after contacting others in the community, it appeared Qwest was being commended for their lengthy but successful project. Jeff Hubbard appeared for Qwest Corporation and stated that Qwest had verified the battery backup system and the transfer switch had all tested good. Discussion took place regarding dismissing this matter with or without prejudice. This agenda item was recessed to allow Mr. Hubbard to contact Qwest counsel and Ms. Bormuth to talk with her husband. After reconvening and further discussion, Commissioner Byrnes moved to table this matter pending a Motion to Dismiss to be filed by Qwest, notice of the Motion will be sent to all residents with opportunity for written comments. Chairman Lewis seconded the motion.
- 2. Docket No. 30009-47-GP-08 (Record No. 11903) Application of Wyoming Gas Company for authority to pass on a wholesale gas cost increase of \$0.12480 per ccf through its commodity balancing account and petition for confidential treatment under Section 120 of transaction contracts. Commission to consider and act on application and petition for confidential treatment.** Luy Luong, Commission Advisory Staff (CAS), provided a technical memo dated October 14, 2008. Janeen Capshaw and Gordon Neumann from Wyoming Gas appeared by telephone. Dale Cottam, counsel for Wyoming Gas, presented a brief summary of the application and requested the petition for confidential treatment be granted. There were no further comments or questions. Mr. Luong recommended approval of the application by Notice and Order, effective immediately, for services provided on and after November 1, 2008, and recommended approval of the petition for confidential treatment. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion.
- 3. Docket No. 30003-45-GP-08 (Record No. 11907) In the matter of the application of MGTC, Inc., for authority to pass on a gas cost decrease of \$4.4811 per MCF for Residential and Commercial Customers and a decrease of \$4.2333 per MMBtu for Industrial customers, effective November 1, 2008. Commission to consider and act on application.** Victoria Hansen, Commission Counsel, recommended that this matter be tabled until November 5, 2008, due to a last minute scheduling conflict with counsel for MGTC, Inc. Commissioner Byrnes moved to table this matter as recommended and Chairman Lewis seconded the motion.

4. **Docket No. 20000-334-EA-08 (Record No. 11724) In the matter of the Application of Rocky Mountain Power for a Certificate of Public Convenience and Necessity to construct the Chimney Butte Substation and install approximately 3.5 miles of 230/69 kV transmission line from Chimney Butte Substation to Big Piney, Wyoming. Commission to consider and act on application.** Don Biedermann, CAS, provided a technical memo dated October 17, 2008. Steve Lathrop, Eric Brookhouse and Rick Lungman appeared by telephone for Rocky Mountain Power. Dave Mosier, Wyoming Regulatory Affairs Manager for Rocky Mountain Power, appeared and presented a brief summary of the application. He stated this is the second phase of the Cimarex Project which is the construction of the Chimney Butte Substation. The third phase will be the 230 kV transmission line to the Cimarex Substation. When asked about the cost, Mr. Mosier stated the actual cost recovery will be incorporated in the next rate case. Mr. Biedermann stated that after discussion with Rocky Mountain Power, Staff was satisfied with the proposed application and recommended approval of the application by Order only, effective immediately. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion.
5. **Docket No. 30016-54-GP-08 (Record No. 11891) Application of Pinedale Natural Gas, Inc., for authority to pass on a wholesale gas cost decrease of \$2.65 per Dth through its Commodity Balancing Account. Commission to consider and act on application.** Michelle Bohanan, CAS, provided a technical memo dated October 16, 2008. Gilmer Mickey, co-owner of PNG, appeared by telephone. Bruce Asay, Counsel for PNG, provided a brief summary of the application. There were no further comments or questions. Victoria Hansen, Commission Counsel, recommended approval of the application by Notice and Order effective immediately, for services provided on and after October 22, 2008. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion.
6. **Docket No. 30016-50-GA-07 (Record No. 11590) Application of Pinedale Natural Gas, Inc., requesting approval of the conversion of its accounting system to the uniform system of accounts pursuant to Commission Rule 223. Commission to consider and act on application.** Marci Norby provided a technical memo dated October 20, 2008. Roy Warren, accountant for Warren Associates, appeared for PNG by telephone. Bruce Asay, Counsel for PNG, stated that Mr. Warren assisted in the conversion of PNG's accounting system which made their system consistent with the Uniform System of Accounts. Marci Norby, CAS, stated she had been assisting Mr. Warren for the past year to help PNG become compliant with Commission Rule 223 and feels this will improve the Company's accounting in the future. Amy Zamora of the Office of Consumer Advocate added that they also had worked with Mr. Warren on the accounting conversion and are comfortable with the system changes. She also felt this was a good start for PNG's accounting future. There were no further comments or questions. Ms. Norby recommended issuing an Order acknowledging PNG's compliance with Commission Rule 223 and the requirements of the Order issued in Docket No. 30016-41-GR-06. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded.

A full audio transcript is available upon request.

Next Open Meeting: Friday, October 31, 2008, at 10:30 a.m.

Prepared by: Angie Elliott

ACCEPTED and APPROVED by the Commission on the 22<sup>nd</sup> day of January, 2009.

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Kathleen A. "Cindy" Lewis, Chairman

**BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING**  
Minutes of Regular Open Meeting

**Friday, October 24, 2008**  
**10:30 a.m.**

**Commissioners:** Chairman Kathleen A. "Cindy" Lewis, presiding  
Commissioner Mary Byrnes

Jennifer Byde, Questar Gas Company (by telephone)  
Barrie McKay, Questar Gas Company (by telephone)  
John Kennedy, Questar Gas Company (by telephone)  
Gary Robertson, Questar Gas Company (by telephone)

Office of Consumer Advocate (OCA): Amy Zamora

Commission Staff: Jess Bottom, Victoria Hansen

**REGULAR AGENDA ITEMS**

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- 1. Docket No. 30010-95-GP-08 (Record No. 11911) In the matter of the application of Questar Gas Company for authority to pass on a gas decrease of \$2.88033 per Dth through its purchased gas adjustment.** Jess Bottom, Commission Advisory Staff (CAS), provided a technical memo dated October 22, 2008. John Kennedy, Senior Regulatory Affairs Analyst for Questar Gas Company, summarized the application. He stated the requested decrease is due to a decrease in purchased gas costs and a change in the amortization of the 191 account. Mr. Kennedy stated, if this application were approved, the typical Wyoming Questar customer, using 90 dth per year, would see a \$259 decrease, per year. There were no further questions or comments. Mr. Bottom recommended approval of the application by Notice and Order, for usage on or after November 1, 2008, effective immediately. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Friday, October 31, 2008, at 8:00 a.m.

Prepared by: Angie Elliott

ACCEPTED and APPROVED by the Commission on the 24<sup>th</sup> day of February, 2009.

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Kathleen A. "Cindy" Lewis, Chairman

**BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING**  
Minutes of Regular Open Meeting

**Friday, October 31, 2008**  
**8:00 a.m.**

**Commissioners:** Kathleen A. “Cindy” Lewis, Chairman, presiding  
Commissioner Mary Byrnes

Gary Abbate, SourceGas Distribution, LLC (by telephone)  
Bruce Asay, Attorney for Pinedale Natural Gas, Inc.  
Chris Kilpatrick, Black Hills Power (by telephone)  
Jan Kirsh, Black Hills Power (by telephone)  
Dave Mosier, Rocky Mountain Power  
Rita Mulkern, Montana-Dakota Utilities Co. (by telephone)  
Thor Nelson, counsel for Wyoming Industrial Energy Consumers (WIEC)  
(by telephone)  
Doug Randall, Gap Radio  
Steve Shute, Pinedale Natural Gas, Inc. (by telephone)  
Daniel Solander, Rocky Mountain Power (by telephone)  
Mark Stege, Cheyenne Light, Fuel and Power  
John Sundahl, counsel for Cheyenne Light, Fuel and Power  
Sara Williamson, Black Hills Power (by telephone)

Office of Consumer Advocate (OCA): Denise Parrish, Kimber  
Wichmann, Amy Zamora

Commission Staff: Blair Bales, Don Biedermann, Michelle Bohanan,  
Dave Lucero, Luy Luong, Steve Mink, Marci Norby, Darrell Zlomke

**CONSENT AGENDA ITEMS**

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1. **Docket No. 20004-75-ER-08 (Record No. 11857) Application of Montana-Dakota Utilities Co., a division of MDU Resources Group, Inc., for a general rate increase in its Wyoming electric utility service rates of \$756,788 per annum. Commission to consider and act on the below-listed Petitions to Intervene.**
  - a. **Petition to Intervene of ISEU MDU, a group of MDU customers.**
  - b. **Petition to Intervene of Mr. Ted Lapis, an MDU customer.**
  
2. **Docket No. 70000-1398-TK-08 (Record No. 11899) Contract filing of Qwest Corporation for authority to enter into a Wireline Interconnection Agreement with Greenfly Networks, Inc., dba Clearly Communications.**

3. **Undocketed. Open Meeting Minutes for review by the Commission for the Regular Open Meeting of July 3, July 31, August 5, August 7, September 4 and September 5, 2008. Prepared by Angela Elliott and Deborah McFerrin.**

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 further comments or questions. Dave Lucero, Commission Counsel, recommended the following: Item 1a and 1b, authorizing petitions to intervene by Order only, effective immediately; Item 2, approval of Interconnection Agreement by Order only, effective immediately. Commissioner Byrnes moved to take action on Items 1a, 1b and 2 as recommended and to approve the Minutes of the July 3, 31, August 5, 7, 2008, Open Meetings. Chairman Lewis seconded the motion.

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### REGULAR AGENDA ITEMS

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1. **Docket No. 20000-333-ER-08 (Record No. 11824) Application of Rocky Mountain Power for approval of a general rate increase of approximately \$33,501,142 per year or 7.1%. Commission to consider and act on Rocky Mountain Power's motion for approval of procedural schedule.** Dave Mosier, Rocky Mountain Power, presented the proposed procedural schedule which would set the public hearing to begin on March 23, 2009. Thor Nelson, counsel for WIEC, stated he had worked with Rocky Mountain Power and OCA and asked for Commission approval of the procedural schedule as presented. Ivan Williams, counsel for OCA, stated that they are also satisfied with the procedural schedule. Dave Lucero, Commission Counsel, expressed concern regarding the date of the public hearing and the amount of time needed thereafter to prepare the final order. Mr. Lucero suggested expediting the post hearing briefs, which resulted in no objection by the parties. There were no further comments or questions. Mr. Lucero recommended approval of Rocky Mountain Power's motion for approval of procedural schedule and waiving the interrogatory limit, by Notice and Order, effective immediately. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion. Chairman Lewis made a motion to move the March 15, 2009, pre-hearing conference to Monday, March 16, 2009. Commissioner Byrnes seconded.
  
2. **Docket No. 30005-120-GP-08 (Record No. 11912) Application of Cheyenne Light, Fuel and Power Company (Cheyenne Light) to pass on a wholesale gas cost decrease of \$2.3690 per decatherm for firm and interruptible rate classes. Commission to consider and act on requested rate adjustments and on petition for confidentiality.** Don Biedermann, Commission Advisory Staff (CAS), provided a technical memo dated October 28, 2008. Chris Kilpatrick, Director of Rates, presented the application and stated this was Cheyenne Light's first monthly filing under the new tariff that allows monthly gas cost adjustment filings. The current application reflects a proposed projected gas cost of \$6.84 per dth versus the current cost of \$9.21 per dth, for a decrease of \$2.37 per dth for this filing. Mr. Kilpatrick stated the reduction is due to gas costs and the CBA and added that the proposed rate will be effective over a twelve month period. John Sundahl, local counsel for Cheyenne Light, requested the Commission approve its petition for confidential treatment stating it is identical to previously approved petitions

regarding Cheyenne Light's sensitive materials. There were no further comments or questions. Mr. Biedermann recommended that the Commission grant the petition for confidential treatment and approve the pass on application by Notice and Order for usage on and after November 1, 2008, effective immediately. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion.

3. **Docket No. 30016-53-GP-08 (Record No. 11882) Amended application of Pinedale Natural Gas, Inc., for authority to pass on a wholesale gas cost increase of \$0.28 per decatherm for a processing fee. Commission to consider and act on the amended application.** Marci Norby, CAS, provided a technical memo dated October 29, 2008. Bruce Asay, counsel for Pinedale Natural Gas, Inc., presented a summary of the amended application, stating the Company renegotiated its contract with Summit Energy and has reduced the processing fee from \$0.33 per dth, as originally applied for, to \$0.28 per dth. Marci Norby, CAS, explained that the actual purchase of the gas is at a point before the processing at the plant. This results in the purchase price being different than the billing price due to BTU content. She explained that the liquids from the processing plant are Summit Energy's and that's why they aren't included in the contract. There were no further comments or questions. Steve Mink, Commission Counsel, recommended approval of the amended application by Notice and Order for usage on and after October 31, 2008, effective immediately. Ms. Norby also recommended the Company file its tariffs no later than November 5, 2008. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion.
4. **Docket No. 30022-123-GA-08 (Record No. 11792) Application of SourceGas Distribution, LLC, to be relieved of a certain annual information filing requirement directed in Docket No. 30004-GP-98-55 to provide detailed supporting data and other information to support its upstream transportation capacity costs.** Marci Norby, CAS, provided a technical memo dated October 8, 2008. Gary Abbate, Manager of Regulatory Affairs for SourceGas Distribution, LLC, presented a summary of the application, stating that the history behind this filing requirement began in 1999, when Torrington was the only division. The Commission issued an Order at that time requiring an annual report regarding various costs pertaining to upstream transportation cost. There were no commodity costs at that time. Mr. Abbate reminded the Commission that currently there are three divisions and the Company now files more informative annual reports. The requirement under the 1999 Order is not applicable today. Denise Parrish, Deputy Administrator of the Office of Consumer Advocate, stated they have no objection to eliminating the filing requirement since they haven't relied on that information for some time. There were no further comments or questions. Dave Lucero recommended approval of the application by Order only effective immediately. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion.
5. **Docket No. 30013-209-GP-08 (Record No. 11919) Application of Montana-Dakota Utilities Co. (MDU) for authority to pass on a wholesale gas cost increase of \$1.149 per Dth to its residential, general service, small and large interruptible customers, and a purchased gas cost increase of \$1.150 per Dth for optional seasonal customers. Commission to consider and act on the application and MDU's request that pages 1,**

**2 and 3 of Exhibit 3(a) to the application be designated as confidential in accordance with Section 120 of the Commission's Rules.** Jess Bottom, CAS, provided a technical memo dated October 28, 2008. Rita Mulkern, Regulatory Analysis Manger for MDU, presented a summary of the application, stating the entire increase is due to gas costs. Ms. Mulkern added that MDU had a decrease last month but this month the prices have rebounded slightly. There were no further comments or questions. Dave Lucero, Commission Counsel, recommended approval of the petition for confidential treatment and approval of the application by Notice and Order only, effective for usage on and after November 1, 2008, effective immediately. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion.

- 6. Docket No. 90090-3-XO-08 (Record No. 11929) General Order Interest Rate Calculation of Commission Rules §§ 241(c) and 504(f)(iii) for January 1, 2009, through December 31, 2009.** Luy Luong, CAS, provided a technical memo dated October 27, 2008. Blair Bales, Commission Counsel, stated Staff has calculated the interest rate for 2009 utilizing Commission Rules, the one year U.S. Treasury and the prime rate to establish a new interest rate of 3.74%. There were no further comments or questions. Ms. Bales recommended establishing the 2009 interest rate at 3.74% by Letter Order utilizing the form of attachment #3 and to notice the interest rate by utilizing the form of attachment #4 to the technical memo. Commissioner Byrnes moved to take action as recommended and Chairman Lewis seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Wednesday, November 5, 2008, at 10:00 a.m.

Prepared by: Angie Elliott

ACCEPTED and APPROVED by the Commission on the 20<sup>th</sup> day of February, 2009.

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Kathleen A. "Cindy" Lewis, Chairman