

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

Thursday, October 1, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Bruce Asay, local counsel for Union Telephone Company and Gosar's Unlimited, Inc.

Darla Gosar, Gosar's Unlimited, Inc. (by telephone)

Rita Mulkern, Montana-Dakota Utilities Co. (by telephone)

Desiree Stanton, Union Telephone Company (by telephone)

Liz Zerga, local counsel for Range Telephone Companies

Office of Consumer Advocate (OCA): Bryce Freeman

Commission Advisory Staff (CAS): Blair Bales, Michelle Bohanan, Dave Lucero, Steve Mink, Chris Petrie, Art Schmidt

CONSENT AGENDA ITEMS

- 1. Docket Nos. 70000-1444-TK-09 and 70215-2-TK-09 (Record No. 12271) Contract filing of Qwest Corporation for authority to enter into an unbundled network elements, ancillary services and resale of telecommunications services interconnection agreement with Big River Telephone Company, LLC. Commission to consider and act on filing.** Chairman Minier introduced the consent agenda item. There were no comments, questions or requests to remove the item from the consent agenda for further consideration. Blair Bales, Commission Counsel, recommended approval of the contract filing by Order only, effective immediately. Deputy Chairman Oxley moved to act as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

REGULAR AGENDA ITEMS

- 1. Docket No. 70008-TA-03-38 (Record No. 8386) Petition of Union Telephone Company (Union) for Designation as an Eligible Telecommunications Carrier in its Wireless Service Territory. Commission to consider Petition for Rehearing, issuance of an Order *nunc pro tunc*, and such other action as the public interest may require.** Art Schmidt, CAS, provided a technical memo dated September 28, 2009. Bruce Asay, local counsel for Union, said the petition was filed as a result of an Order issued by the Commission in July 2009 which denied Union's previous request for an Order *nunc pro tunc* to clarify the territory approved in the certificate for public convenience and necessity issued in 2004. After some discussion, Blair Bales, Commission Counsel,

recommended an amended Order be issued to deny the petition for rehearing, deny the current request for an Order *nunc pro tunc*, and direct Union to file a new application to expand its ETC (eligible telecommunications carrier) designation for wireless service areas. Ms. Bales said a new application would provide the Commission a more solid foundation on which to base its determination of what areas of Union's service territory are or are not ETC designated. Chairman Minier moved to act as recommended. Deputy Chairman Oxley seconded the motion, and Commissioner Lewis concurred.

2. **Docket No. 30013-223-GP-09 (Record No. 12295) Amended application of Montana-Dakota Utilities Co. (MDU) for authority to pass on a purchased gas cost decrease of \$1.925 per Dth for residential and firm general service customers; \$0.934 per Dth for seasonal firm customers; and \$1.940 for interruptible customers. Commission to consider application, petition for confidential treatment and petition to implement rates on less than 30 days' notice.** Michelle Bohanan, CAS, provided a technical memo dated September 29, 2009. Rita Mulkern of MDU said the decrease is due in part to a reduction in the commodity costs with a slight increase in pipeline costs. She said this application includes a true-up of the deferred gas cost balancing account which results in a decrease in the account surcharge due to an over-recovery. Ms. Mulkern confirmed the company does pay interest on any overcollected balance and said an error made in calculating taxes on that interest will be corrected. This error is in addition to previous concerns raised by Commission staff. Bruce Asay, local counsel for MDU, said a report will be filed to address the impact of this and other issues. Dave Lucero, Commission Counsel, said prior pass-on applications have been approved on an interim basis until Commission staff has received and reviewed the report, and he added that these items will be brought to the Commission at a later date. Michelle Bohanan, CAS, expressed some concern that MDU may also be earning more than the authorized rate of return. There were no further comments or questions. Ms. Bohanan recommended approval of the application by Notice and Order, effective immediately and on an interim basis, for usage on and after October 1, 2009. She further recommended granting of the petitions for confidential treatment and for an effective date on less than 30 days notice. Ms. Bohanan also requested the company be directed to file the discussed report for consideration prior to the next pass-on application and that normalized earnings be provided prior to the January application and on a quarterly basis thereafter. Deputy Chairman Oxley moved to act as recommended and directed staff to continue its discussion with MDU and Mr. Asay to ensure everyone understands what is needed. Commissioner Lewis seconded the motion, and Chairman Minier concurred.
3. **Docket No. 80022-1-WI-08 (Record No. 11993) Investigation upon the Commission's own motion of Gosar's Unlimited, Inc., (Gosar's) for the purposes of determining whether the company is a public utility subject to commission regulation under W.S. § 37-2-112. Commission to consider informational memo from staff and to take such action as the public interest may require.** Luy Luong, CAS, provided a technical memo dated September 21, 2009. Steve Mink, Commission Counsel, said Mr. Luong has analyzed the information provided by Gosar's and believes a hearing is necessary to determine whether the company is subject to Commission regulation. Bruce Asay, local counsel for Gosar's, said the company disagrees with Commission staff's assessment and

asked that a hearing be set in Rock Springs to address the matter. The Commissioners agreed a hearing is necessary, and Chairman Minier asked Mr. Mink to continue with setting a hearing date and procedural schedule. No further action was required or taken.

Next Regular Open Meeting: Tuesday, October 6, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 5th day of January 2010.

Alan B. Minier, Chairman

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

Tuesday, October 6, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Lydia Moore, Willwood Light & Power Company (by telephone)
Richard Moore, Willwood Light & Power Company (by telephone)

Commission Advisory Staff (CAS): Don Biedermann, Victoria Hansen,
Chris Petrie

CONSENT AGENDA ITEMS

1. **Docket No. 30022-135-GC-09 (Record No. 12222) Formal complaint filing by Gateway Construction, LLC, against SourceGas Distribution, LLC. Commission to consider issuing a Special Order authorizing one Commissioner and/or Hearing Examiner to conduct public hearing.**
2. **Undocketed. Open meeting minutes for review by the Commission for the regular open meetings of June 18, June 23, July 7 and July 14, 2009.**

Chairman Minier introduced the consent agenda item. There were no comments, questions or requests to withdraw the item for further consideration. Victoria Hansen, Commission Counsel, recommended the Commission issue the Special Order. Deputy Chairman Oxley moved to act as recommended, and Commissioner Lewis seconded the motion. Chairman Minier concurred. Deputy Chairman Oxley then moved to accept the open meeting minutes as submitted. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 10007-4-CT-09 (Record No. 12289) Tariff filing of Willwood Light & Power Company (Willwood Light) for authority to revise its electric rules and regulations. Commission to consider and act on filing.** Don Biedermann, CAS, provided a technical memo dated September 30, 2009. Richard Moore of Willwood Light requested Commission approval of the revised rules and regulations which reflect changes which are primarily editorial in nature. Mr. Moore said the new rules and regulations would be mailed to each customer after approval. Mr. Biedermann provided a summary of the changes and said he had worked with Mr. and Mrs. Moore to develop the revisions. There were no further comments or questions. Mr. Biedermann recommended approval of the tariff filing by Notice and Order, effective immediately. Deputy

Chairman Oxley moved to act as recommended and directed the company to provide verification by letter to the Commission that notice was given to its customers. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

Next Regular Open Meeting: Thursday, October 8, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 5th day of January 2010.

Alan B. Minier, Chairman

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

Thursday, October 8, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Commissioner Kathleen A. "Cindy" Lewis

Lindsay Woznick, local counsel for Bennor Water, LLC
James L. Edwards, counsel for Bennor Estates Improvement District (by
telephone)

Commission Advisory Staff (CAS): Steve Mink, Chris Petrie

CONSENT AGENDA ITEMS

- 1. Undocketed. Open meeting minutes for review by the Commission for the regular open meeting of May 5, 2009.** Chairman Minier introduced the consent agenda item, and Commissioner Lewis moved to accept the minutes as submitted. Chairman Minier seconded the motion.

REGULAR AGENDA ITEMS

- 1. Docket No. 80023-1-WA-09 (Record No. 12025) Amended application of Bennor Water, LLC, for a certificate of public convenience and necessity to provide water utility service within the Bennor Estates Subdivision located in Campbell County, Wyoming. Commission to consider and act on the parties' Stipulated Motion to Dismiss and Vacate Public Hearing.** Lindsay Woznick, local counsel for Bennor Water, said the company and Bennor Estates Improvement District have reached an agreement to sell the water company to the improvement district. Ms. Woznick said the parties would like to avoid the cost, expense and time required for a hearing as Bennor Water would, according to statute, no longer be a utility under Commission regulation if the sale and transfer were approved. Steve Mink, Commission Counsel, said the sale and transfer of Bennor Water would still require Commission approval as it has been operating as a utility. He said the Commission has a responsibility to the utility's customers to ensure the new entity has the wherewithal and expertise to provide service Ms. Woznick said an application for such approval would be filed. There were no further comments or questions. Mr. Mink recommended the approval of the motion to dismiss this docket and vacate the hearing. Commissioner Lewis moved to act as recommended, and Chairman Minier seconded the motion.

Next Regular Open Meeting: Thursday, October 15, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 29th day of December 2009.

Alan B. Minier, Chairman

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

Thursday, October 15, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Bruce Asay, local counsel for Pinedale Natural Gas, Inc.
Kenna Hagan, Cheyenne Light, Fuel and Power Company (by telephone)
Jeff Hubbard, Qwest Corporation
Chris Kilpatrick, counsel for Cheyenne Light, Fuel and Power Company
(by telephone)
Gilmer Mickey, Pinedale Natural Gas, Inc. (by telephone)
Kelley Pearson, local counsel for Qwest Corporation
Jim Roberts, CenturyLink (by telephone)
John Sundahl, local counsel for Cheyenne Light, Fuel and Power
Company
Liz Zerga, local counsel for Range Telephone Companies

Office of Consumer Advocate (OCA): Ivan Williams

Commission Advisory Staff (CAS): Blair Bales, Don Biedermann,
Michele Bohanan, Steve Mink, Chris Petrie, Tom Wilson

CONSENT AGENDA ITEMS

1. **Docket No. 20000-351-EA-09 (Record No. 12292) Application of Rocky Mountain Power's Report of Disposition of Utility Plant or Facilities under Section 208 of the Public Service Commission's general regulations. Commission to consider acceptance of report for filing.**
2. **Docket No. 70009-352-TK-09 (Record No. 12268) Contract filing of United Telephone Company of the West, d/b/a Embarq, to enter into a Commercial Mobile Radio Services (CMRS) Interconnection Agreement with NE Colorado Cellular, Inc. Commission to consider and act on filing.**

Chairman Minier introduced the consent agenda items. There were no questions, comments or requests to withdraw an item for further consideration. Steve Mink, Commission Counsel, recommended acceptance of Item 1 for filing by Order only, effective immediately, and he recommended approval of Item 2 by Order only, effective immediately. Deputy Chairman Oxley moved to act as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

REGULAR AGENDA ITEMS

- 1. Docket No. 20003-106-ET-09 (Record No. 12265) Amended tariff filing of Cheyenne Light, Fuel and Power Company (Cheyenne Light) for authority to revise its Electric Service Rules and Regulations for residential, commercial and industrial classes regarding deposits, refunds and Levelized Billing Payment Plan.**

Docket No. 30005-133-GT-09 (Record No. 12266) Amended tariff filing of Cheyenne Light, Fuel and Power Company for authority to revise its Gas Service Rules and Regulations for residential, commercial and industrial classes regarding deposits, refunds and Levelized Billing Payment Plan.

Commission to consider and act on applications. Don Biedermann, CAS, provided a technical memo dated October 8, 2009. Chris Kilpatrick, counsel for Cheyenne Light, explained the company is moving to a new billing system on November 1, 2009, and the requested changes have already been implemented as part of the new system. Mr. Kilpatrick said the proposed system would not use the current 11-month averaging system but would only change the monthly amount billed if there is a variance of 10% or more from the previous billing. He said a 12-month average would be used to calculate the amount billed and the new system should provide less fluctuation in billing amounts. Further, retaining the older plan would require modification of the new billing software. No modification would be required to implement the new plan. There were no further comments or questions. Mr. Biedermann recommended approval of the applications by Notice and Order with an effective date of November 1, 2009. Mr. Biedermann also requested the company file updated tariffs with the proper issue date and correction of some typographical errors. Deputy Chairman Oxley moved to approve both applications as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

- 2. Docket No. 30016-58-GP-09 (Record No. 12288) Application of Pinedale Natural Gas, Inc. (Pinedale) for authority to pass on a purchased gas cost increase of \$0.46 per Dth through its Commodity Balancing Account (CBA). Commission to consider and act on application and petition to implement rates on less than 30 days' notice.** Michelle Bohanan, CAS, provided a technical memo dated October 12, 2009. Bruce Asay, local counsel for Pinedale, said the application is for the company's semi-annual purchased gas adjustment and requests an increase based on the projected cost of gas. Ms. Bohanan said, based on staff analysis of data request responses, the CBA credit should be \$1.23 rather than the \$1.22 requested in the application. There were no further comments or questions. Ms. Bohanan recommended approval of the application by Notice and Order, effective immediately, incorporating her corrected calculation of the CBA credit amount, and applying to usage on and after October 15, 2009, which would remove the necessity for the petition to implement rates on less than 30 day's notice. She also requested the company file revised tariffs to reflect the change in the CBA credit. Deputy Chairman Oxley moved to act as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

3. **Docket No. 90000-104-XI-8 (Record No. 11698) The Commission's investigation on its own motion into the quality and reliability of telecommunications service provided by telecommunications companies providing service in the State of Wyoming. Commission to receive status report from staff and consider procedural options to focus the investigation on telecommunications companies involved in the provision of essential service in exchanges where it appears significant service quality deficiencies may exist.** Chris Petrie, Commission Chief Counsel, said staff evaluation indicates it may not be efficient to continue the investigation on a state-wide basis involving all carriers. Mr. Petrie said it may be better to focus on the problem areas which have been identified as a result of the overall investigation. After some discussion and comments by those telephone carriers participating in the open meeting, Mr. Petrie recommended the current docket be closed and three new dockets be opened. He recommended these focus on (1) quality of service in Qwest Corporation service areas relying on old or outdated equipment, (2) service concerns in the Medicine Bow, Wyoming, area served by CenturyLink and Union Telephone, and (3) questions regarding accounting and billing practices of Qwest Corporation. Deputy Chairman Oxley moved to formally close this docket as of today by action of the Commission and to open three new investigations as recommended, and in so doing in each case specify that the Commission will take judicial notice of the record in 90000-104-XI-08, the record of all its predecessor dockets and all ancillary or related proceedings. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

Next Regular Open Meeting: Tuesday, October 20, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 19th day of January 2010.

Alan B. Minier, Chairman

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

Tuesday, October 20, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Kenna Hagan, Black Hills Power, Inc. (by telephone)
Chris Kilpatrick, counsel for Black Hills Power, Inc. (by telephone)
Daniel Solander, counsel for Rocky Mountain Power (by telephone)
John Sundahl, local counsel for Black Hills Power, Inc.
Kyle White, Black Hills Power, Inc. (by telephone)

Commission Advisory Staff (CAS): Victoria Hansen, Dave Lucero, Chris Petrie, David Piroutek, Tom Wilson

CONSENT AGENDA ITEMS

1. **Docket No. 70000-1445-TK-09 (Record No. 12272) Contract filing of Qwest Corporation for authority to enter into an unbundled network elements, ancillary services and resale of telecommunications services interconnection agreement with EnTELEGENT Solutions, Inc. Commission to consider and act on filing.**
2. **Docket No. 20004-81-ER-09 (Record No. 12259) 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 \$6,198,501 per annum. Commission to consider issuing a Special Order authorizing one Commissioner and/or Hearing Examiner to conduct public hearings.**

Chairman Minier introduced the consent agenda items. There were no comments, questions or requests to withdraw an item for further consideration. Dave Lucero, Commission Counsel, recommended approval of Item 1 by Order only, effective immediately, and issuance of the Special Order listed in Item 2. Deputy Chairman Oxley moved to act as recommended, and Commissioner Lewis seconded the motion. Chairman Minier concurred.

REGULAR AGENDA ITEMS

1. **Docket No. 20002-74-EA-09 (Record No. 12275) Application of Black Hills Power, Inc. (BHP) for a certificate of public convenience and necessity to construct a 230 kV electric transmission line for a distance of approximately 69 miles between the Pumpkin Buttes and Windstar Substations located in Campbell and Converse Counties, Wyoming. Commission to consider and act on Rocky Mountain Power's**

(RMP) Petition to Intervene out of time. Daniel Solander, counsel for RMP, said his company's concerns have been resolved and asked to withdraw the petition to intervene. There were no further comments or questions. Victoria Hansen, Commission Counsel, recommended approval of the verbal motion to withdraw by Letter Order, effective immediately. Deputy Chairman Oxley moved to act as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

Next Regular Open Meeting: Thursday, October 22, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 19th day of January 2010.

Alan B. Minier, Chairman

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

Thursday, October 22, 2009
1:30 p.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley
Commissioner Kathleen A. "Cindy" Lewis

Greg Duvall, Rocky Mountain Power (by telephone)
Ryan Henning, CH2M Hill (consultant to Rocky Mountain Power)
Kenneth Huston, Rocky Mountain Power (by telephone)
Doug Kusyk, Rocky Mountain Power
Norman Ross, Rocky Mountain Power
Daniel Solander, counsel for Rocky Mountain Power (by telephone)
Mark Tallman, Rocky Mountain Power (by telephone)
Chad Teply, Rocky Mountain Power

Commission Advisory Staff (CAS): Michelle Bohanan, Steve Mink,
David Walker

CONSENT AGENDA ITEMS

- 1. Docket Nos. 70009-351-TK-09 and 74561-2-TK-09 (Record No. 12263) Contract filing of United Telephone Company of the West, d/b/a Embarq, for authority to enter into a Master Resale Agreement with Wholesale Carrier Services, Inc. Commission to consider and act on filing.**
- 2. Docket Nos. 70000-1447-TK-09 and 70211-2-TK-09 (Record No. 12281) Contract filing of Qwest Corporation for authority to enter into a resale interconnection agreement with iNetworks Group, Inc. Commission to consider and act on filing.**
- 3. Undocketed. Open meeting minutes for review by the Commission for the regular open meetings of July 16 and 28, 2009.**

Chairman Minier introduced the consent agenda items. There were no comments, questions or requests to remove an item for further consideration. Victoria Hansen, Commission Counsel, recommended acceptance of Items 1 and 2 for filing by Letter Order only, effective immediately and signed by counsel. Deputy Chairman Oxley moved to act as recommended. Commissioner Lewis seconded the motion, and Chairman Minier concurred. Deputy Chairman Oxley then moved to accept as submitted the open meeting minutes listed in Item 3. Commissioner Lewis seconded the motion, and Chairman Minier concurred.

REGULAR AGENDA ITEMS

- Docket No. 20000-348-EA-09 (Record No. 12223) Application of Rocky Mountain Power (RMP) for a certificate of public convenience and necessity to construct the new 111-MW Dunlap I Wind Project, the Dunlap Substation, the Shirley Basin Substation and approximately 11 miles of 230 kV transmission line to the Shirley Basin Substation. Commission to consider and act on application.** Michelle Bohanan and Dave Walker, CAS, provided a technical memo dated October 19, 2009. Mark Tallman, RMP, provided an overview of the project which will be located north of Medicine Bow and will consist of 74 wind turbine generators, an onsite collection system, 11 miles of transmission line and a substation all on land owned primarily by RMP. Mr. Tallman said rights-of-way have been obtained for state lands within the project and that the project falls outside of any established greater sage grouse core areas. Mr. Tallman responded to Commission and staff questions regarding the need for this project, the RFP process for construction contractors, the effect on ratepayers, and how renewable energy credits will be allocated. There were no further comments or questions. Ms. Bohanan recommended approval of the application by Order only, effective immediately, as public notice has already been provided. Mr. Mink added that the Order should include language indicating there are no ratemaking consequences at this time. Deputy Chairman Oxley moved to act as recommended, and Commissioner Lewis seconded the motion. Chairman Minier concurred.

Next Regular Open Meeting: Tuesday, October 27, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 19th day of January 2010.

Alan B. Minier, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Tuesday, October 27, 2009

1:30 p.m.

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

Mark Carda, Black Hills Power, Inc.
Adam Conley, Knight Technologies/Black Hills Power, Inc. (by telephone)
Vance Crocker, Black Hills Power, Inc.
Ron Dahlinger, Black Hills Power, Inc. (by telephone)
Walter Eggers, local counsel for MGTC, Inc.
Mike Fredericks, Black Hills Power, Inc. (by telephone)
Kenna Hagan, counsel for Black Hills Power, Inc. (by telephone)
Mark Hughes, counsel for Powder River Energy Corporation (by telephone)
Chris Kilpatrick, counsel for Black Hills Power, Inc. (by telephone)
Jan Kirsch, Black Hills Power, Inc. (by telephone)
Craig Knight, Knight Technologies/Black Hills Power, Inc. (by telephone)
Rita Mulkern, Montana-Dakota Utilities Co. (by telephone)
Edie Ortega, CenturyLink (by telephone)
Ann Prockish, United Telephone Company of the West
Glenda Ron, counsel for Black Hills Power, Inc. (by telephone)
Dolly Schloredt, Powder River Energy Corporation (by telephone)
Melody Smith, Knight Technologies/Black Hills Power, Inc. (by telephone)
John Sundahl, local counsel for Black Hills Power, Inc., and Cheyenne Light, Fuel and Power Company
Shannon Swanson, MGTC, Inc.
Fred Voorhees, Black Hills Power, Inc. (by telephone)

Commission Advisory Staff (CAS): Blair Bales, Don Biedermann, Michelle Bohanan, Brittney Brinkmeier, Victoria Hansen, Dave Lucero, Steve Mink, Marci Norby, Chris Petrie, Art Schmidt, David Walker

CONSENT AGENDA ITEMS

- 1. Docket No. 30013-222-GK-09 (Record No. 12264) Contract filing of Montana-Dakota Utilities Co. of certain purchase gas contracts and related petition for confidential treatment. Commission to consider petition placing the contracts in its confidential files.**
- 2. Docket No. 90000-104-XI-08 (Record No. 11698) Commission's investigation, on its own motion, into the quality and reliability of telecommunications service provided**

by telecommunications companies providing service in the State of Wyoming. Commission to consider and act on the following petitions for confidential treatment:

- a. Union Telephone Company, filed February 6, 2009;
 - b. Range Telephone Cooperative, filed February 23, 2009;
 - c. CenturyTel of Wyoming, filed March 6, 2009; and
 - d. Qwest Corporation, filed May 15, 2009.
3. **Docket No. 90000-109-XO-09 (Record No. 12078) Proposed revisions to Chapter 5, Rule 501(c)(x), Rule 501(c)(xvi), Rule 507(b), Rule 510(b)(i), and Rule 511(b)(ii) of the Commission’s Procedural Rules and Special Regulations Regarding Quality of Service. Commission to consider issuing a Special Order authorizing one Commissioner and/or Hearing Examiner to conduct public hearing.**
4. **Multiple Dockets. Discuss issuance of Orders to Show Cause to the following public utilities regarding why their authority to provide utility service in Wyoming should not be cancelled due to noncompliance with Wyoming Law.**

<u>Public Service Commission (PSC)-Annual Report</u>				
Docket No.	Company Name		Docket No.	Company Name
50036	Anschutz Wahsatch Gathering System, Inc.		70207	Momentum Telecom
50039	Interline Crude Gathering Company		70210	BLC Management, LLC
70109	Bandwidth.Com CLEC, LLC		74626	Telewest IV, Inc.
70206	Clertech.Com, Inc.			
<u>Department of Revenue (DOR)-Utility Assessment Report</u>				
Docket No.	Company Name		Docket No.	Company Name
70098	iLOKA, Inc.		74284	Coleman Enterprises, Inc.
70112	WERCS Communications, Inc.		74570	iLOKA, Inc.
74094	LDC Telecommunications, Inc.		74648	AsiaTalk Telecom, Inc.
74128	American Cyber Corporation			
<u>PSC--Annual Report (Missing Oath and Verification Page Only)</u>				
Docket No.	Company Name		Docket No.	Company Name
74091	Verizon Select Services, Inc.		74224	DeltaCom, Inc.
74214	McLeod USA Telecommunications Services, Inc.		80002	Red Lane Domestic Water, Inc.
<u>PSC & DOR</u>				
Docket No.	Company Name		Docket No.	Company Name
74392	Airnex Communications, Inc.		74635	Telmex USA, LLC (PSC O&V Only)
74399	GTC Telecom			

5. Undocketed. Open meeting minutes for review by the Commission for the regular open meeting of June 25, 2009.

Deputy Chairman Oxley introduced the consent agenda items. There were no comments, questions or requests to withdraw an item for further consideration. Victoria Hansen, Commission Counsel, recommended (1) acceptance for filing by Letter Order signed by Commission counsel, (2) grant by Letter Order signed by Commission counsel, (3) issue the Special Order, and (4) issue Orders to Show Cause to the listed utilities.

Commissioner Lewis moved to act as recommended and to approve the open meeting minutes as submitted. Deputy Chairman Oxley seconded the motion.

REGULAR AGENDA ITEMS

- 1. Docket No. 30003-48-GT-09 (Record No. 12313) Application of MGTC, Inc., for authority to change its balancing account carrying charge computation. Commission to consider and act on application.** Michelle Bohanan, CAS, provided a technical memo dated October 20, 2009. Walter Eggers, local counsel for MGTC, Inc., said the request is to change one word in the company's tariffs. Mr. Eggers said the current month ending balance has been used since 2001 in the balancing account computation, but the tariff still reflects usage of the previous month. He said there is little difference in calculations using either method, but the company believes using the current month is more accurate. Deputy Chairman Oxley said the tariff also refers to the Commission's procedural rules and general regulations as general rules and asked that a correction be included for this reference. There were no further comments or questions. Steve Mink, Commission Counsel, recommended approval of the application and the additional change referencing Commission rules by Notice and Order, effective immediately. Commissioner Lewis moved to act as recommended, and Deputy Chairman Oxley seconded the motion.
- 2. Undocketed. Representatives of MGTC, Inc., to provide information on inconsistencies in the company's annual report and proposed corrective actions.** Walter Eggers, local counsel for MGTC, Inc., said the company has been working with Commission staff to resolve inconsistencies found in the annual report, and he said none of the errors impact any filings made with the Commission. After reviewing some of the errors and efforts being made to correct them, Chris Petrie, Commission Chief Counsel, recommended Commission staff continue to work with the company and, if corrections are satisfactory and fully explained, take no further action. Mr. Petrie said the matter could be placed on an open meeting agenda for further discussion if necessary. Commissioner Lewis moved to thank MGTC, Inc., for its efforts to correct the report and requested Commission staff notify the Commission if all is satisfactory and to place the matter on a future open meeting if not. Deputy Chairman Oxley seconded the motion.
- 3. Docket No. 20002-74-EA-09 (Record No. 12275) Application of Black Hills Power, Inc., (Black Hills) for a certificate of public convenience and necessity (CPCN) to construct a 230 kV electric transmission line for a distance of approximately 69 miles between the Pumpkin Buttes and Windstar Substations located in Campbell and Converse Counties, Wyoming. John Sundahl, local counsel, will appear on**

behalf of the company. Commission to consider and act on application and petition for confidential treatment. Don Biedermann and David Piroutek, CAS, provided a technical memo dated October 21, 2009. John Sundahl, local counsel for Black Hills Power, Inc., said the company is requesting approval of the CPCN and is also requesting permission to construct the line in segments under revised statute W.S. § 37-2-205. Mr. Sundahl said the request for segmenting is being made as negotiations have so far been unsuccessful with one landowner near the southern end of the line corridor. Mr. Sundahl said if no response is received within the 15-day response period to the company's final offer, condemnation proceedings will commence. He said all other rights-of-way have been obtained. Black Hills staff provided information on the technical aspects of the proposed transmission line and the need for the project. Mr. Sundahl said subsection (h) of the legislation allows segmentation of the line if located entirely between substations, and permitting segmentation would allow construction to begin while negotiations or condemnation proceedings continue. Mark Carda of Black Hills described the segments being requested and provided detail on status of rights of way and land-use permits. He also said the route does not fall into a core sage grouse area and the company is working with Wyoming Game and Fish to mitigate any damage to wildlife breeding habitat within the planned route. Discussion followed on interpretation of the statute provisions and their requirements, including the possible necessity of providing notice to property owners within each segment and a 10-mile buffer zone on either side prior to authorizing construction. Mr. Sundahl said written notice was provided to each landowner with no intervention or hearing requests received. However, the Commission felt the statute provides for a different opportunity for a hearing request if construction of individual segments is approved. At this time, Commissioner Lewis moved to accept the annotated route map into evidence and approve the request for confidential treatment of the application exhibits. Deputy Chairman Oxley concurred. Victoria Hansen, Commission counsel, recommended issuance of an Order approving the CPCN but not authorizing construction of any segment until proper notice has been given according to statute. She recommended the company be requested to provide by close of business on October 28, 2009, specific information to clarify the exact location of each segment. Ms. Hansen further recommended provision of monthly status reports regarding right-of-way and possible condemnation proceedings, provision of training for employees and contractors according to Wyoming Game and Fish recommendations, and coordination with Wyoming Game and Fish to reduce impact to sage grouse leks, raptors or other wildlife. Deputy Chairman Oxley moved to take action as recommended, confirming that no construction would be authorized until the Commission is provided a complete description of the entire line, status of rights of way, and status of all permits and authorizations are provided. He also requested the Order include instructions that Black Hills work with Commission staff on the content of notices to concerned landowners. Commissioner Lewis seconded the motion.

4. **Docket No. 30005-136-GP-09 (Record No. 12305) Application of Cheyenne Light, Fuel and Power Company (Cheyenne Light) for authority to pass on a wholesale gas cost increase of \$1.5490 per Dth for firm and interruptible rate classes beginning November 1, 2009. Commission to consider and act on application and petition for confidential treatment of natural gas acquisition strategy and financial forecasting information.** Jess Bottom, CAS, provided a technical memo dated October 22, 2009. Chris Kilpatrick, counsel for Cheyenne Light, said the increase reflects projected gas

costs for November and a reduction in the credit to customers in the commodity balancing account surcharge. Marci Norby, CAS, said there were questions regarding the calculations in the application and said staff has been working with Cheyenne Light to resolve these. Mr. Kilpatrick said working with the new billing system has resulted in some changes, and he said the company would be able to provide sample bills and audit reports to Commission staff. There were no further comments or questions. Ms. Norby recommended approval of the application by Notice and Order, effective immediately, for usage on and after November 1, 2009, and on an interim basis until the information is provided and the calculations are verified. She also recommended approval of the petition for confidential treatment. Commissioner Lewis moved to act as recommended, and Deputy Chairman Oxley seconded the motion.

5. **Docket No. 10014-111-CT-09 (Record No. 12127) Application of Powder River Energy Corporation (PRECorp) for authority to revise its rules and regulations pertaining to security deposits. Commission to consider and act on revisions made to proposed tariff per bench decision of September 21, 2009.** Michelle Bohanan, CAS, provided a technical memo dated October 21, 2009. Mark Hughes, counsel for PRECorp, summarized the changes made to the tariffs, and Ms. Bohanan reviewed her additional recommended changes. There were no further comments or questions. Ms. Bohanan recommended approval of the tariffs, with the additional changes incorporated, by Order only, with the tariffs to be effective November 1, 2009. Commissioner Lewis moved to act as recommended, and Deputy Chairman Oxley seconded the motion.
6. **Docket No. 30013-224-GP-09 (Record No. 12325) Application of Montana-Dakota Utilities Co. (MDU) for authority to pass on a purchased gas cost increase of \$0.946 per Dth for residential, firm general, seasonal firm and interruptible customers. Commission to consider application, petition to implement rates on less than 30 days' notice and petition for confidential treatment.** Michelle Bohanan, CAS, provided a technical memo dated October 21, 2009. Rita Mulkern, MDU, said the request is due to an increase in the commodity cost of gas. Ms. Mulkern said the change would not increase the company's rate of return and complies with Commission Rules 249 and 250. She also requested approval of the petitions for confidential treatment and to implement the rates on less than 30 days' notice for an effective date of November 1, 2009. There were no further comments or questions. Ms. Bohanan recommended approval of the application and petitions on an interim basis, effective immediately, for usage on and after November 1, 2009. She said there are still outstanding questions regarding the company's true-up methodology which need to be resolved prior to final approval of this and previous pass-on applications. Commissioner Lewis moved to act as recommended, and Deputy Chairman Oxley seconded the motion.
7. **Docket No. 90072-30-XO-09 (Record No. 12285) Application of United Telephone Company of the West, d/b/a Embarq, for correction of its Wyoming Universal Service Support. Commission to consider and act on application and petition for confidential treatment.** Art Schmidt and Brittney Brinkmeier, CAS, provided a technical memo dated October 20, 2009. Ann Prockish of Embarq said the modification requested is the result of an error in information provided to the Commission. Ms. Prockish said the difference would be refunded and the new calculations do not affect the statewide average or other providers. Mr. Schmidt verified the difference in the statewide

average would be minimal and would not require recalculation. There were no further comments or questions. Mr. Schmidt recommended granting the application and petition by Order only, effective immediately, with the understanding that Embarq will provide a refund to the Wyoming Universal Fund for the difference between the current calculation and what was paid to them for the first four months of the fiscal year. Commissioner Lewis moved to act as recommended, and Deputy Chairman Oxley seconded the motion.

8. **Undocketed. Wyoming Universal Service Fund (WUSF), Fund Activity Report, July 1, 2008 through June 30, 2009 (2008 - 2009 Fiscal Year). Fund Manager to present a summary of the Report.** Art Schmidt and Brittney Brinkmeier, CAS, provided a technical memo dated October 22, 2009. Mr. Schmidt provided a summary of the report which includes details of financial activity within the fund, information on the audit report for the period of 2003-2007, and he said a non-confidential version of the report has been posted on the Commission's website for public review. There were no further comments or questions. Mr. Schmidt recommended acceptance of the report and placement into the Commission files. Commissioner Lewis moved to act as recommended, and Deputy Chairman Oxley seconded the motion.

9. **Docket No. 90000-107-XO-09 (Record No. 12032) Proposed adoption of Chapter 2, Section 253, of the Commission Procedural Rules and Special Regulations regarding Integrated Resource Planning. Commission to consider closing docket.** Blair Bales, Commission Counsel, said the rules were adopted by the Commission on July 21, 2009, were submitted to the Attorney General for approval, signed by the Governor and submitted to the Secretary of State on September 8, 2009. Ms. Bales said the revised rules have now been posted and no further action is needed. She recommended an Order be issued closing the docket. Commissioner Lewis moved to act as recommended, and Deputy Chairman Oxley seconded the motion.

Next Regular Open Meeting: Friday, October 30, 2009, at 10:00 a.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 11th day of February 2010.

Alan B. Minier, Chairman

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

Friday, October 30, 2009
10:00 a.m.

Commissioners: Chairman Alan B. Minier, presiding
Deputy Chairman Steve Oxley

Lindsay Woznick, local counsel for Bennor Water, LLC
James Edwards, Bennor Estates Phase I Improvement and Service District
(by telephone)

Commission Advisory Staff (CAS): Dave Lucero, Luy Luong, Steve
Mink

REGULAR AGENDA ITEMS

1. **Docket No. 80007-29-WR-09 (Record No. 12012) Application of Vista West Water Company for a general rate increase in the amount of \$100,076 per annum. Commission to consider and act on proposed tariff filed in compliance with the Commission's Order of October 16, 2009.** Luy Luong, CAS, provided a technical memo dated October 28, 2009. Dave Lucero, Commission Counsel, said the local counsel for Vista West Water has indicated a petition for rehearing will be filed this date which would stay the Commission's Order in this matter and the requirement to file tariffs in that Order. As a result, Mr. Lucero said he would like to table this item until the petition for rehearing has been considered. Deputy Chairman Oxley moved to table the item, and Chairman Minier seconded the motion.

2. **Docket No. 80023-2-WA-09 (Record No. 12306) Application of Bennor Water, LLC, for Commission authority to transfer and sell a public water utility to Bennor Estates Phase I Improvement and Service District. Commission to consider and act on application.** Luy Luong, CAS, provided a technical memo dated October 28, 2009. Lindsay Woznick, local counsel for Bennor Water, said an amended application to transfer and sell the utility to the improvement district has been approved by the district's board and is ready to move forward. She said the terms include sale of the water system "as is" with a proposed closing date of November 1, 2009. James Edwards of the improvement district verified the board has approved the transaction. Mr. Edwards said comments were solicited with only one person voicing a problem. There were no further comments or questions. Steve Mink, Commission Counsel, recommended approval of the application by Notice and Order, effective immediately, with documentation to be provided of the transaction completion. Deputy Chairman Oxley moved to act as recommended, and Chairman Minier seconded the motion.

Next Regular Open Meeting: Tuesday, November 3, 2009, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 11th day of February 2010.

Alan B. Minier, Chairman