

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Wednesday, September 3, 2008

10:00 a.m.

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

Tammi Aberle, Montana-Dakota Utilities Co. (by telephone)
Becky Dooley, RT Communications
Jason Hendricks, RT Communications
Don Jackson, Tri County Telephone Association
Gordon Kraut, RT Communications (by telephone)
Rita Mulkern, Montana-Dakota Utilities Co. (by telephone)
Liz Zerga, local counsel for RT Communications

Commission Staff: Dave Lucero, Art Schmidt, Darrell Zlomke

REGULAR AGENDA ITEMS

- 1. Docket No. 70015-62-TA-08 (Record No. 11800) Application of RT Communications, Inc., (RT) for approval of a proposed plan to comply with W.S. § 37-15-203(j). The proposed plan provides for a \$1.49 per line, per month increase in business rates for non-competitive, essential local exchange service and for a \$7.99 per line, per month increase in residential non-competitive, essential local exchange service rates, and for a decrease in non-competitive intrastate switched access rates from \$0.075 per minute of use to \$0.03 per minute of use.** Art Schmidt, Commission Advisory Staff (CAS), provided a technical memo dated August 26, 2008. Liz Zerga, counsel for RT, said the proposal represents the company's plan to comply with a mandatory reduction of switched access prices and includes an increase in local exchange services to offset the reduction. Ms. Zerga said her interpretation of the statute requires RT to submit the plan to the Commission for a determination that the proposal is revenue neutral. She said the proposed plan was also provided to the Office of Consumer Advocate (OCA) which, after review, declined to become involved in the docket. RT's proposed plan will equalize the prices of business and residential service and will generate an annual revenue increase of \$1,049,579 per year to offset the corresponding loss in switched access revenues. Ms. Zerga stated RT does not currently intend to draw from the Wyoming Universal Service Fund (WUSF) although it qualifies to do so for its proposed Zone 3 prices. She also stated RT would credit its Zone 3 essential local exchange service prices with the amount necessary to bring Zone 3 prices down to the WUSF benchmark price. There were no further comments or questions. Mr. Schmidt recommended approval of the application by Notice and Order, effective immediately, for usage on and after December 1, 2008, with the requirement that RT's tariff be amended to indicate the credit for Zone 3 customers. Dave Lucero, Commission,

Counsel, requested the Notice and Order also contain language inviting comments as to the accuracy of the Plan and its consistency with W.S. §§ 37-15-023(j) and 37-15-204. Deputy Chairman Oxley moved to take action as recommended by staff. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

2. **Docket No. 30013-207-GP-08 (Record No. 11844) Application of Montana-Dakota Utilities Co. (MDU) for authority to pass on a wholesale gas cost decrease of \$2.225 per decatherm (\$2.227 per decatherm decrease for optional seasonal customers). Commission to consider and act on application and MDU's Petition for Confidential Treatment of Exhibit 3a to the application.** Don Biedermann, CAS, provided a technical memo dated August 18, 2008. Rita Mulkern of MDU said the requested reduction is due to a decrease in the market cost of gas. She stated the decrease would not increase the company's rate of return and complies with Commission Rules 249 and 250 and MDU's tariffs. There were no further comments or questions. Mr. Zlomke recommended granting MDU's Petition for Confidential Treatment and approval of the application by Notice and Order, effective immediately, for usage on and after September 3, 2008. Deputy Chairman Oxley moved to approve the petition and application as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.
3. **Docket No. 30013-204-GT-08 (Record No. 11807) Application of Montana Dakota Utilities Co. (MDU) for authority to cancel its Excess Flow Valve Program, Rate 123. Commission to consider and act on company's application.** Jess Bottom, CAS, provided a technical memo dated August 21, 2008. Tammi Aberle of MDU said the request is to remove a charge which was implemented in May 1999 when excess flow valves were optional. She said the valves are now required for each residential installation and there is no longer a separate charge. Responding to Commission questions, Ms. Aberle said the cost is now recovered as part of the company's standard operating costs. There were no further comments or questions. Darrell Zlomke, CAS, recommended approval of the application by Order only, effective immediately. Dave Lucero, Commission Counsel, said public notice has not been previously provided, but he believes it would not be necessary in this case. Deputy Chairman Oxley moved to take action as recommended. Commissioner Byrnes seconded the motion, and Chairman Lewis concurred.

A full audio transcript is available for this open meeting.

Next Open Meeting: Thursday, September 4, 2008, at 1:30 p.m..

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 16th day of December 2008.

Kathleen A. "Cindy" Lewis, Chairman

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

Minutes of Regular Open Meeting

Monday, September 15, 2008

2:00 p.m.

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

Bruce Asay, local counsel for MDU Resources Group, Inc.

Commission Staff: Steve Mink, Chris Petrie

REGULAR AGENDA ITEMS

- 1. Docket Nos. 30013-206-GS-08 and 20004-74-ES-08 (Record No. 11831) Application of MDU Resources Group, Inc., (MDU) for authority to issue up to an additional \$1 Billion (\$1,000,000,000) in principal amount of MDU Resources securities.** Bruce Asay, local counsel for MDU, requested an emergency open meeting to address concerns regarding the Order issued on September 5, 2008, by the Commission in this docket. Corporate counsel for MDU interpreted the Commission's Order to create a gap of two to three weeks from the prior authority to the effective date of this current authority in which the company could not issue securities under either the old or new Orders. This would preclude the completion of a securities transaction scheduled on September 16, 2008. The company believes failure to close as scheduled would result in a default on the agreement and potential repricing of the securities at a higher rate. MDU requests issuance of an Order *nunc pro tunc* to indicate the authority granted in the Order resulting from the August 25 open meeting does not supersede or cancel any existing authorization. Mr. Asay assured the Commission no securities would be issued under the older Order after the new effective date of October 2, 2008. There were no further comments or questions. Deputy Chairman Oxley moved to approve the Order *nunc pro tunc* as requested, and Chairman Lewis seconded the motion. In order to meet public notice requirements, an open meeting was scheduled at 7:00 a.m. on Tuesday, September 16, 2008, to formalize the decision.

A full audio transcript is available for this open meeting.

Next Open Meeting: Tuesday, September 16, 2008, at 7:00 a.m..

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 30th day of December 2008.

Steve Oxley, Deputy Chairman

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

Thursday, September 18, 2008
1:30 p.m.

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

Gary Abbate, SourceGas Distribution, LLC (by telephone)
Bruce Asay, local counsel for Union Telephone Company
Beverly Grante, Union Telephone Company (by telephone)
Jason Hendricks, RT Communications
Jed Henthorne, Energy West, Inc. (by telephone)
Jeff Hohn, High Plains Power, Inc. (by telephone)
Rae Ann Kelsch, WWC Holding Company, Inc. (by telephone)
Bill Meckling, SourceGas Distribution, LLC (by telephone)
Richard Monto, Neutral Tandem-Wyoming, LLC (by telephone)
Kelley Pearson, local counsel for SourceGas Distribution, LLC
Bradley Van Dyke, SourceGas Distribution, LLC (by telephone)
Liz Zerga, local counsel for Range Companies

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

Commission Staff: Victoria Hansen, David Lucero, Luy Luong, Steve
Mink, Art Schmidt, Barbara Taylor-Iversen, Dave Walker, Tom Wilson

CONSENT AGENDA ITEMS

1. **Docket No. 70009-316-TT-08 (Record No. 11791) Tariff filing of United Telephone Company of the West, d/b/a Embarq, for authority to increase the federal universal service fund (FUSF) debit applied to charges assessed for local service access lines, and to increase associated rates for consumer and business bundled packages. Commission to consider and act on:**
 - (a) **Embarq petition for confidential treatment of Exhibit No. 6 attached to pre-filed testimony of James P. Roberts (See attached petition).**
 - (b) **Authorizing issuance of Special Order authorizing one Commissioner or Hearing Examiner to preside over public hearing.**

2. **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 Kinder Morgan Interstate and Gas Transmission LLC's petition for permission to intervene out of time.**

3. **Docket No: 74651-4-TC-08 (Record No. 11780) Complaint filing of Don White against Windstream Communications, Inc., f/k/a Alltel Holding Corporate Services, Inc., requesting a formal hearing regarding the disconnection of local service in December 2007. Commission to consider Mr. White's request to withdraw the complaint.**

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 2 be withdrawn. There were no further comments or questions. Dave Lucero, Commission Counsel, recommended approval of Item 1.a. by Order only, authorization of an Order for Item 1.b., and granting of the request to withdraw the complaint in Item 3 without prejudice by Letter Order, all effective immediately. Deputy Chairman Oxley moved to take action as recommended, with the Letter Order for Item 3 to be signed by Commission Counsel. Chairman Lewis seconded the motion.

Chairman Lewis introduced Item 2 for discussion. Deputy Chairman Oxley asked if the intervenors are willing to take the case as they find it even though the petition does not so indicate. Dave Lucero, Commission Counsel, said he confirmed with Daniel Solander, counsel with Rocky Mountain Power, that the company has no objections to the intervention out of time. Mr. Lucero also said the intervenors are aware they may be required to take the case "as is." There were no further comments or questions. Deputy Chairman Oxley moved to grant the petition to intervene out of time with the proviso that they take the case as they find it, and Chairman Lewis seconded the motion.

REGULAR AGENDA ITEMS

1. **Docket No. 70042-12-TA-08 (Record No. 11842) WWC Holding Co., Inc., d/b/a Alltel Communications LLC., (Alltel) 2008 annual eligible telecommunications carrier certification filing pursuant to Rule 514 and petition for confidential treatment of certain submitted information. Commission to consider and act on application for certification and petition for confidential treatment of information.** Tom Wilson, Commission Advisory Staff (CAS), provided a technical memo dated September 15, 2008. Mr. Wilson said he has reviewed the application and said the company has provided information showing it does provide cellular services as an eligible telecommunications carrier (ETC) in rural as well as non-rural areas of Wyoming. He said information was also provided showing plans to provide, upgrade and maintain service and showing the funds received are expended in accordance with Universal Service Fund (USF) requirements. Denise Parrish, OCA, reviewed her written comments, questions and concerns, in particular a concern that Alltel is using USF monies improperly to expand its broadband services. Rae Ann Kelsch, Alltel, said she did not receive a copy of the OCA's comments, and Dave McMullian, OCA Counsel, said a copy would be provided. There were no further comments or questions. Mr. Wilson recommended approval of Alltel's request for certification as an ETC for 2009 and approval of the petition for confidential treatment of information. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis seconded the motion.

2. **Docket No. 70008-49-TA-08 (Record No. 11866) Union Telephone Company (incumbent) 2008 annual eligible telecommunications carrier certification filing pursuant to Commission Rule 514 and petition for confidential treatment of certain submitted information. Commission to consider and act on application for certification and petition for confidential treatment of information.** Tom Wilson, CAS, provided a technical memo dated September 15, 2008. Mr. Wilson said a review of the application indicates Alltel is providing services as required and using the USF payments in an authorized manner. However, both Mr. Wilson and Bryce Freeman of the OCA expressed concern that the information for this application and for the cellular services application did not provide a complete differentiation between cellular and landline service. After further discussions with the company, Mr. Wilson and Mr. Freeman were satisfied with the information provided. There were no further comments or questions. Mr. Wilson recommended approval of the application for certification as an ETC for 2009 and of the petition of confidential treatment. Deputy Chairman Oxley moved to approve the application and petition as recommended, and Chairman Lewis seconded the motion.
3. **Docket No. 70008-48-TA-08 (Record No. 11865) Union Telephone Company (cellular) 2008 annual eligible telecommunications carrier certification filing pursuant to Rule 514 and petition for confidential treatment of certain submitted information. Commission to consider and act on application for certification and petition for confidential treatment of information.** Tom Wilson, CAS, provided a technical memo dated September 15, 2008. Mr. Wilson said the application has been reviewed by Commission staff, and the company has responded to all staff questions including documentation of the nine supported services required by Section 514(a) of the Commission's Rules. Bryce Freeman, OCA, said questions raised by the OCA's review have been resolved, and the OCA supports approval of the application. There were no further comments or questions. Mr. Wilson recommended approval of the application for certification as an ETC for 2009 with a request that notification be provided to the Commission when the company's website has been updated to comply with Section 514(a). He also recommended the petition for confidential treatment be approved. Deputy Chairman Oxley moved to approve the application and petition as recommended, and Chairman Lewis seconded the motion.
4. **Docket No. 30011-57-GA-08 (Record No. 11786) Application of Energy West, Inc., for authority to reorganize its current corporate structure through the establishment of a holding company structure. Commission to consider and act on the application.** Luy Luong, CAS, provided a technical memo dated September 15, 2008. Jed Henthorne of Energy West said the request is to create a holding company under which Energy West, Inc., would continue to provide utility services to Montana and Wyoming as one division with no change in its operations or rates. Mr. Henthorne said the re-organization has been approved by the Securities and Exchange Commission, and it would not require any transfer of regulated utility assets. There were no further comments or questions. Mr. Luong recommended approval of the application by Order only, effective immediately. He said a public notice of the application was published and the deadline had run with no comments, protests or interventions received as a result.

Deputy Chairman Oxley moved to approve the application as recommended, and Chairman Lewis seconded the motion.

5. **Docket No. 30022-122-GT-08 (Record No. 11886). Application of SourceGas Distribution, LLC, (SourceGas) for authority to revise its Wyoming Gas Tariff for all Wyoming divisions to require that customers bill be rendered using a Rate Proration Approach. Commission to consider and act on the application.** Luy Luong, CAS, provided a technical memo dated September 16, 2008. Bill Meckling, SourceGas, said the revision would allow prorating of the \$10 per month customer charge for customers who incur a partial month of service and have chosen either the base or pass-on rate in the Choice Gas Program. The Commission had questions regarding the language in the tariff indicating applicable customers and with the bill itself. Deputy Chairman Oxley asked for documentation that the amount shown as due on the bill is a reflection of the actual, approved tariff rate. He moved to table this item until such documentation is provided, and Chairman Lewis seconded the motion.

6. **Docket Nos. 10019-43-CA-08 and 10020-40-CA-08 (Record No. 11808) Application of High Plains Power, Inc., (High Plains) for approval of its agreement with Big Horn Rural Electric Company and Colorado Interstate Gas Company (CIG) for High Plains Power, Inc., to serve Colorado Interstate Gas Company in Big Horn Rural Electric Company service territory. Commission to consider and act on the application.** Tom Wilson and David Piroutek, CAS, provided a technical memo dated September 15, 2008. Jeff Hohn of High Plains said his company already has a distribution line in place and service to CIG is currently being provided by High Plains with customer billing being provided through Big Horn Rural Electric. Mr. Hohn said the agreement would allow direct service by High Plains, and he said both the customer and Big Horn Rural Electric have agreed to the arrangement. There were no further comments or questions. Tom Wilson recommended approval of the application by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis concurred.

7. **Docket Nos. 10019-44-CA-08 and 10020-41-CA-08 (Record No. 11809) Application of High Plains Power, Inc., for approval of its agreement with Big Horn Rural Electric Company and L.U. Sheep Company for High Plains Power, Inc., to serve L.U. Sheep Company in Big Horn Rural Electric Company service territory. Commission to consider and act on the application.** Tom Wilson and David Piroutek, CAS, provided a technical memo dated September 15, 2008. Jeff Hohn said High Plains already has a distribution line in place and could provide service to L.U. Sheep Company at no additional cost to the customer. Mr. Hohn said the customers in this and the other two agenda items would become non-voting members and would receive service at the same rates as regular members. There were no further comments or questions. Mr. Wilson recommended approval of the application by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis concurred.

8. **Docket Nos. 10019-45-CA-08 and 10020-42-CA-08 (Record No. 11810) Application of High Plains Power, Inc., for approval of its agreement with Big Horn Rural Electric Company and XC Networks, L.P., for High Plains Power, Inc., to serve XC Networks, L.P., in Big Horn Rural Electric Company's service territory. Commission to consider and act on the application.** Tom Wilson and David Piroutek, CAS, provided a technical memo dated September 15, 2008. Jeff Hohn, High Plains, said the terms and reasons for the agreement are the same in the previous two dockets. There were no further comments or questions. Mr. Wilson recommended approval of the application by Order only, effective immediately. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis concurred.
9. **Docket No. 70209-1-TA-08 (Record No. 11858) Application of Neutral Tandem-Wyoming, LLC, for a certificate of public convenience and necessity to provide local exchange telecommunications services in Wyoming. Commission to consider and act on application.** Luy Luong, CAS, provided a technical memo dated September 16, 2008. Richard Monto of Neutral Tandem-Wyoming said the company is qualified financially and has the necessary capability to provide facilities-based and local exchange services in Wyoming. He said the company will be entering into an interconnection agreement with Qwest and will initially offer only access services in Wyoming. There were no further comments or questions. Mr. Luong recommended approval of the application by Notice and Order, effective immediately, and requested the company be required to file its tariffs with a current effective date. Deputy Chairman Oxley moved to take action as recommended, and Chairman Lewis seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Tuesday, September 23, 2008, at 9:00 a.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 30th day of December, 2008.

Steve Oxley, Deputy Chairman

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

Friday, September 26, 2008
8:00 a.m.

Commissioners: Deputy Chairman Steve Oxley, presiding
Commissioner Mary Byrnes

Barbara Brohl, counsel for Qwest Corporation
Mike Ceballos, Qwest Corporation
Jason Hendricks, RT Communications
Yvonne Hogle, Rocky Mountain Power (by telephone)
Jeff Hubbard, Qwest Corporation
Neil Houston, Qwest Corporation
Bill Johnston, Qwest Corporation
A. Dean Martineau, Qwest Corporation
Mary Ann Neill, Qwest Corporation
Lynn Norsworthy, Qwest Corporation
Rita Mulkern, Montana-Dakota Utilities (by telephone)
Edie Ortega CenturyTel of Wyoming
Jim Roberts, Embarq
Liz Zerga, local counsel for Range Companies

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

Commission Staff: Blair Bales, Don Biedermann, David Lucero, Luy
Luong, Steve Mink, Chris Petrie, Art Schmidt, Barbara Taylor-Iversen,
Tom Wilson

CONSENT AGENDA ITEMS

- 1. Docket No. 20000-315-EP-8 (Record No. 11618) Application of Rocky Mountain Power for a PCAM deferred net power cost adjustment, for the time period December 1, 2006, through November 30, 2007, in the amount of \$31.0 million. Commission to consider issuing a Special Order appointing one Commissioner and/or Hearing Examiner.** Deputy Chairman Oxley introduced the consent agenda item and asked if there were any requests to withdraw the item for further consideration. There were no such requests nor any further comments or questions. Dave Lucero, Commission Counsel, recommended issuance of the Special Order, effective immediately. Commissioner Byrnes moved to take action as recommended, and Deputy Chairman Oxley seconded the motion.

REGULAR AGENDA ITEMS

1. **Docket No. 30013-208-GP-08 (Record No. 11890) Application of Montana-Dakota Utilities Company (MDU) for authority to pass on wholesale gas cost decreases of \$3.196 per decatherm for residential customers and general service customers, a decrease of \$2.293 per decatherm for seasonal customers, and a decrease of \$3.203 per decatherm for interruptible customers and petition for confidential treatment of Exhibit 3a to the application. Commission to consider and act on application and petition for confidential treatment.** Tom Wilson, Commission Advisory Staff (CAS), provided a technical memo dated September 23, 2008. Rita Mulkern of MDU said the application is for the company's regular monthly adjustment and represents a decrease in the projected commodity costs and an increase in the commodity balancing account surcharge. Ms. Mulkern said the request for confidential treatment of Exhibit 3a is because the exhibit contains negotiated pricing information with MDU's suppliers. There were no further comments or questions. Mr. Wilson recommended approval of the application by Notice and Order, effective immediately, for services provided on and after October 1, 2008, and approval of the petition for confidential treatment. Commissioner Byrnes moved to take action as recommended, and Deputy Chairman Oxley seconded the motion.

2. **Docket No: 70003-119-TA-08 (Record No. 11872) CenturyTel of Wyoming, Inc., (CenturyTel) 2008 annual eligible telecommunications carrier (ETC) certification filing pursuant to Rule 514 and petition for confidential treatment of certain submitted information. Commission to consider and act on application for certification and petition for confidential treatment of information.** Tom Wilson, CAS, provided a technical memo dated September 24, 2008. Mr. Wilson said staff reviewed the application and presented its analysis of the review at the open meeting of September 4, 2008. The company was asked at that meeting to provide further information. The supplemental information was filed by CenturyTel and reviewed by Commission staff and the OCA. Bryce Freeman of the OCA provided his comments and expressed the OCA's belief that the applications for all the companies could be more robust. There were no further comments or questions. Mr. Wilson recommended approval of the application and of the petition for confidential treatment. Commissioner Byrnes moved to take action as recommended, and Deputy Chairman Oxley seconded the motion.

3. **Docket No: 70009-322-TA-08 (Record No. 11873) United Telephone Company of the West, d/b/a Embarq, 2008 annual eligible telecommunications carrier certification filing pursuant to Rule 514 and petition for confidential treatment of certain submitted information. Commission to consider and act on application for certification and petition for confidential treatment of information.** Tom Wilson, CAS, provided a technical memo dated September 24, 2008. Mr. Wilson said the company was requested at the September 4, 2008, open meeting to provide additional information to supplement its filing. Mr. Wilson said he did participate in discussion between Embarq and the OCA regarding the additional information. Bryce Freeman of

the OCA said that, while additional discussions and information are desirable, he does not wish to oppose approval of the application. There were no further comments or questions. Mr. Wilson recommended approval of the application and of the petition for confidential treatment. Commissioner Byrnes moved to take action as recommended, and Deputy Chairman Oxley seconded the motion.

4. **Docket No. 70005-26-TA-08 (Record No. 11894) Application of Chugwater Telephone Company for authority to make a mid-period adjustment to its state universal service fund receipts. Commission to consider and act on the application.** At the request of Bruce Asay, local counsel for Chugwater Telephone Company, prior to the open meeting, this item was deleted from the open meeting agenda to be rescheduled for consideration at a later time.

5. **Docket No. 20000-315-EP-08 (Record No. 11618) Application of Rocky Mountain Power for a PCAM deferred net power cost adjustment, for the time period December 1, 2006 through November 30, 2007, in the amount of \$31.0 million. Commission to consider and act on OCA's Motion to Preclude Commission Technical Staff Advisor Tom Wilson from participation.** Ivan Williams, OCA, said the motion was filed to prevent any possible conflict of interest from arising in dockets which were opened and discussed while Mr. Wilson was a member of the OCA staff. Mr. Williams and Dave McMullian of the OCA said they are not aware of any further cases in which Mr. Wilson was involved and did not think there will be any need for future motions of this nature. Yvonne Hogle, counsel for Rocky Mountain Power, said her office had no objections to the motion. There were no further comments or questions. Steve Mink, Commission Counsel, recommended approval of the motion by Order only, effective immediately. Commissioner Byrnes moved to approve the motion as recommended, and Deputy Chairman Oxley, recognizing the OCA's desire to be cautious, seconded the motion.

6. **Docket No. 70000-1379-TT-08 (Record No. 11771) Tariff filing of Qwest Corporation (Qwest) for authority to revise its federal Universal Service Fund (FUSF) and Telephone Assistance Program Tribal Lifeline Credits. Commission to consider and act on Qwest's Petition for Rehearing or Reconsideration (Petition), Qwest's Motion to Withdraw Petition and Qwest's Motion to Withdraw Confidential Motion for Make-Whole Distribution from Wyoming Universal Service Fund and for Reconsideration of Decision Refusing to Implement New Price Schedules on an Interim Basis (Motions).** Barbara Taylor-Iversen and Art Schmidt, CAS, provided a technical memo dated September 19, 2008. Barbara Brohl, counsel for Qwest, said the company wishes to withdraw the motions as they are not necessary at this time. Responding to Commission questions, Ms. Brohl confirmed that no customer is being charged more than the benchmark price. Blair Bales, Commission Counsel, said the petition for rehearing or reconsideration was procedurally flawed because it was filed before the Order in this docket was entered. There were no further comments or questions. Ms. Bales recommended granting both motions for withdrawal. Commissioner Byrnes moved to take action as recommended, and Deputy Chairman Oxley seconded the motion.

7. **Docket No: 70000-1387-TA-08 (Record No. 11843) Qwest Corporation's 2008 annual eligible telecommunications carrier certification filing pursuant to Rule 514 and petition for confidential treatment of certain submitted information. Commission to consider and act on application for certification and petition for confidential treatment of information.** Tom Wilson, CAS, provided a technical memo dated September 19, 2008. Representatives from Qwest provided information relating to a possible 18-month lag between receipt of federal USF credits and application of the credits to customer bills. Bill Johnston of Qwest said the company conducted an analysis beginning with the first receipt of USF funds and the first bill credit, with comparisons for the entire life of the program. The results show a potential \$6.3 million dollar balance may have accumulated over the fund lifetime. Qwest representatives responded to Commission questions about use of the USF funds, how the company anticipates resolving the apparent accounting problems, the potential for accrued interest on any fund balance, the quality of service, and improvements to service in Wyoming. Denise Parrish, OCA, provided her comments on the application, including her analysis of the USF fund receipts and payments since fund inception, stating that there may be no important accumulated balance. After extensive discussion and testimony, Mr. Wilson recommended approval of the application for ETC certification, but recommended Qwest be required to conduct a full audit of its USF fund receipts and payments to resolve whether or not a fund imbalance has occurred and whether or not interest has accrued on such a balance. Mr. Wilson also recommended the Request for Proposal (RFP) issued by Qwest for such an audit be approved by the Commission, a full final report of the audit be provided to the Commission, and that the letter to USAC approving the ETC certification contain a recommendation that an audit also be conducted by that office. Commissioner Byrnes moved to take action as recommended and requested the audit report be completed by February 1, 2009. Deputy Chairman Oxley seconded the motion.

A full audio transcript is available upon request.

Next Open Meeting: Thursday, October 2, 2008, at 1:30 p.m.

Prepared by: Deborah McFerrin

ACCEPTED and APPROVED by the Commission on the 22nd day of January, 2009.

Kathleen A. "Cindy" Lewis, Chairman