



# ***Office of the Consumer Advocate***

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**FOR IMMEDIATE RELEASE**

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## **Office of Consumer Advocate organizes, begins work**

CHEYENNE, WYOMING --

“The Office of the Consumer Advocate is organizing and beginning the work of representing the interests of Wyoming citizens and classes of customers in utility matters,” Administrator Bryce Freeman said today. “We are organizing our staff and are now in the process of reviewing all utility matters now pending at the Public Service Commission to decide whether or not to intervene,” he continued.

Freeman, a Wyoming native and resident of Cheyenne, was recently appointed by Governor Dave Freudenthal to head the Office of the Consumer Advocate (OCA). The OCA is a new division of the Public Service Commission created by statutes passed by the Legislature this year. It is an autonomous division of the Public Service Commission responsible only to the Governor and not the Commission in its work.

Freeman’s OCA staff will be made up of six persons, two rate analysts and an attorney designated by the Commission from its existing experienced staff and two other experts which Freeman will hire directly to round out the OCA staff.

“Right now, we will begin our work by analyzing the potential impact on customers of several filed and anticipated cases,” Freeman said. “These cases are of immediate interest to the OCA and the people of Wyoming, but this is by no means all of the cases we review or all of the cases we intend to work on,” he added. They are:

- Cheyenne Light, Fuel and Power Company’s Resource Plan and the related process for securing its wholesale electric power supply for the next several years. This case will be a significant driver of Cheyenne Light’s costs and, therefore, customer rates for the next several years. We think all power supply alternatives should be reviewed carefully before Cheyenne Light locks into a wholesale power supplier or supply source.
- The Kinder Morgan’s Choice Gas Program. The OCA is monitoring the effects of the Program changes authorized by the Public Service Commission this past March; and it is reviewing customer prices and rate selections. Freeman continues to believe that the Choice Gas program is not in the public interest, and if the situation warrants, may request another investigation of the Choice Gas program prior to the next program year.
- The new PacifiCorp rate case. PacifiCorp has said it will file another rate case before the end of this

month. The OCA is extremely concerned about PacifiCorp's filing of another requested rate increase following so closely on the heels of the Commission's denial of \$100 million of PacifiCorp's recently requested rate recovery. The OCA will fully analyze PacifiCorp's proposed increases.

- The PacifiCorp Multi-State Allocations Process. The allocations process should make certain that PacifiCorp's Wyoming customers pay only their fair share of the cost of running an integrated, multistate utility which serves in each of the states where it provides retail electric power. PacifiCorp is seeking to revise the process of allocating the costs; and the OCA plans to hold a seat at the discussion table in an attempt to make certain that Wyoming customers do not pay costs that actually relate to PacifiCorp's provision of service in other states.
- The Pinedale Natural Gas rate case. Pinedale Natural Gas has not had its rates reviewed for nearly nine years and has recently filed a request with the Commission to make changes in its rates and rate structure. The OCA is examining this case to see if all of the operational and financial changes that have occurred in the past nine years have been reflected in the rate proposal; and the OCA will focus on the proper level of on-going earnings for Pinedale.
- Regional Transmission Organizations and Regional Transmission Work. The OCA will continue to actively participate in discussions with the Federal Energy Regulatory Commission and neighboring Western states as they address the need for changes in wholesale electricity markets and for additional transmission lines. The goal is to make wholesale competition in the electricity market function properly to the benefit of Wyoming consumers.