

**MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 10-03-23**

Date Published: March 18, 2010
For Work Week Commencing: March 22, 2010
Commission Meeting: March 23, 2010, 9:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the latter part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://psc.mt.gov>.

Place of Meetings All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

Live webcast Unless otherwise noted on this agenda, all Commission meetings held during regular business hours that are noticed on this agenda will be webcast live via the audio and video feed links on the PSC website (<http://psc.mt.gov/eDocs/#Calendars>). The audio feeds of meetings are also archived at the same website location.

Inquiries General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.

Accommodation for Persons with Disabilities Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

9:00 a.m. Weekly Scheduling (Commission Conference Room – No Web Audio Feed)

9:30 a.m. Business (Bollinger Room)

Public Comments

Action Items All items identified below are for action at the Commission business meeting.

1. NorthWestern Corporation (NOR) D2010.2.19 (Eric)

On February 23, 2010, NOR filed an application seeking authority to refinance up to \$225 million of Montana first mortgage bonds maturing on November 1, 2014 and issue a like principal amount of new first mortgage bonds. The issuance will have a term of 10 to 30 years and a coupon to be less than the current rate of 5.875 percent. NorthWestern will use the proceeds of the debt in this application to refinance the Existing Notes. By lowering the cost of its debt, NorthWestern will ultimately be able to pass the savings along to its ratepayers. A default order has been drafted. Probable Motion: Grant NOR's request to refinance \$225 million of Montana first mortgage bonds.

2. CenturyLink N2010.3.21 (Scott)

On March 1, 2010, CenturyLink filed Letter No. 10-02. The purpose of this filing is to include language to clarify the Company's limitations of liability regarding service irregularities resulting from unauthorized access or hacking. In addition, this filing establishes an exemption for active duty members of the United States military from being applied certain service charges when establishing local exchange access line service or transferring existing local exchange access line service from one location to another. Probable Motion: Approve CenturyLink's Letter No. 10-02 in Docket N2010.3.21.

3. Qwest Corporation D2000.6.89 (Gary)

Qwest Corporation/Sprint Spectrum, L.P.

Qwest has filed for approval with this Commission an amendment to the existing wireless interconnection agreement between the parties in Docket No. D2000.6.89. The amendment changes the terms and conditions for Jointly Provided Switched Access Service (JPSA). This amendment was voluntarily negotiated by the parties involved. Probable Motion: Move to approve the interconnection agreement amendment between Qwest Corporation and Sprint Spectrum, L.P. in Docket No. D2000.6.89.

4. Qwest Corporation D2000.11.200 (Gary)

Qwest Corporation/OneEighty Communications, Inc.

Qwest has filed for approval with this Commission an amendment to the existing interconnection agreement between the parties in Docket No. D2000.11.200. The amendment changes the rates for design changes. This amendment was voluntarily negotiated by the parties involved. Probable Motion: Move to approve the interconnection agreement amendment between Qwest Corporation and OneEighty Communications, Inc. in Docket No. D2000.11.200.

5. Qwest Corporation D2004.1.13 (Gary)

Qwest Corporation/Sprint Communications Company, L.P.

Qwest has filed for approval with this Commission an amendment to the existing interconnection agreement between the parties in Docket No. D2004.1.13. The amendment changes the terms and conditions for Jointly Provided Switched Access Service (JPSA). This amendment was voluntarily negotiated by the parties involved. Probable Motion: Move to approve the interconnection agreement amendment between Qwest Corporation and Sprint Communications Company, L.P. in Docket No. D2004.1.13.

6. Qwest Corporation D2006.8.123 (Gary)

Qwest Corporation/Bresnan Broadband of Montana, LLC

Qwest has filed for approval with this Commission an amendment to the existing interconnection agreement between the parties in Docket No. D2006.8.123. The amendment changes the rate elements for Collocation Cageless Bay. This amendment was voluntarily negotiated by the parties involved. Probable Motion: Move to approve the interconnection agreement amendment between Qwest Corporation and Bresnan Broadband of Montana, LLC in Docket No. D2006.8.123.

Work Sessions All items identified below are for Commission discussion or action on the day designated.

1. D2009.12.162, D2010.1.3 – Qwest Corporation, Partners Telecom, Inc. Citynet Arizona, LLC – Applications for Approval of Interconnection Agreements – Discuss and act on the agreements. (3/23/10)
2. D2009.5.74 – AT&T, Sprint and Verizon – Petition for Waiver of Regulations Requiring the Filing of Tariffs or Price Lists for Intrastate Interexchange Services – Discuss and act on petitioners’ request for wavier of MCA 69-3-805(1)(e). (3/23/10)
3. D2009.9. 129 and D2007.7.82 – NorthWestern Energy (NWE) – Application for Authority to Establish Increased Natural Gas and Electric Delivery Service Rates and Implement Allocated Cost of Service and Rate Design Proposals – Discuss and act on NWE’s Motion for Protective Order covering its 5-year projection of NWE’s capital structure and any other pending motions or discovery matters that are ripe for decision. (3/23/10)
4. Commission-proposed rule – Public utility executive compensation – Consider issuing a notice of public hearing. (3/23/10)
5. Out of state staff travel – Obtain approval of (1) Brian Dekiep’s travel to Portland, OR, April 22-23, 2010, for meetings of CREPC and the State-Provincial Steering Committee and (2) Gary Duncan’s travel to Denver, CO, April 22-23, 2010, for the Regional Oversight Committee meeting. (3/23/10)

Other Meetings

3/22/10 10:00 a.m. - 11:30 a.m. – UTC/NARUC webinar, “Navigating the National Broadband Plan: What Utilities and Regulators Must Know” (Bollinger Room)

3/23/10 12:00 p.m. - 1:30 p.m. – NRRI Teleseminar, “Renewable Energy Pricing in State-Level Feed-In Tariffs: Federal Law Limitations and Possible Solutions” (Commission Conference Room – no web audio feed)

Weekly Scheduling, Review of Monthly Calendars, and Docket Status Updates (if requested by a Commissioner).

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.mt.gov/Consumers/comments>. Comments should reference the docket number of the matter.

1. Ronan Telephone Company N2010.3.24 (Scott)

On March 10, 2010, requested to revise their tariff for Economy Broadband Service. The change is proposed in order to increase the upload and download connection speed for the service with no change in rates.

2. Qwest N2010.3.26 (Scott)

On March 16, 2010, Qwest filed Tariff Transmittal 10-01. The revision to the Exchange and Network Service Tariff page eliminates a footnote reference that will no longer be applicable.

Protective Orders – Notice Items The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person wanting a copy of a protective order request should contact the Commission at (406) 444-6199.

1. NorthWestern Energy. D2009.9.129 & D2007.7.82 (AI)

On March 16, 2010, NorthWestern Energy (NWE) filed a Motion for Protective Order to govern access to certain information that has been requested by data requests in this docket. Specifically, NWE seeks protection of those portions of a report entitled "Mountain States Transmission Intertie: Regional Economic Evaluation prepared for Northwestern by Energy Strategies, LLC, that include a comparison of the costs of several incremental resource options in the Western United States, with a conclusion showing the lowest-cost resources available at various load centers; the likely rate for MSTI in comparison to the likely rates for other transmission projects, including NWE's Collector and Colstrip transmission system upgrades, PacificCorp's Gateway

West and Gateway South projects, the TransWest Express project, the Southwest Intertie Project, the Hemingway-Boardman project, and the Chinook and Zephyr projects; projected MSTI costs and economic considerations in comparison to other regional transmission project costs and economic considerations; and other economic considerations that would impact MSTI. NWE's argument is that the information is trade secret.

2. Avista Corporation N2010.3.23 (Jim)

On March 10, 2010, Avista Corporation (Avista) filed a Motion for Protective Order to govern the use and disclosure of Schedule 16 (the top 10 Montana compensated employees) of Avista's 2009 Annual Electric Report. Avista contends that the employees' right to privacy outweighs the public's right to know the compensation information.

Protective Orders – Information Items The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008. Copies of these orders may be obtained by calling the Commission at (406) 444-6199.

Information Items All items identified below are for information only.

1. **Qwest Corporation Multi State and Individual Case Basis Agreements**

Any qualified person who signs a non-disclosure agreement pursuant to the term protective Order No. 6999 in Docket No. D2009.5.60 may review the following agreement at the Commission's offices, 1701 Prospect Ave. Helena, MT, 59620, or at Qwest's office, 441 North Park Avenue, Helena, Mt. 59601. If any interested party has reason to believe that Qwest's prices are below relevant costs in the agreement, the interested party may file an objection with the Commission within 30 days of the date of this notice (please see Qwest Alternative Form of Regulation (AFOR) Docket No. D2008.1.6, Order No. 6889n, Joint Stipulation).

1.) Qwest Corporation/Apollo Group, Inc - Qwest Corporation (Qwest) and the Apollo Group, Inc. (Apollo) have signed a Multi-State Agreement for Qwest to provide certain telecommunications services to Apollo.

2.) Qwest Corporation/Lowes' Companies, Inc. - Qwest Corporation (Qwest) and Lowes' Companies, Inc. (Lowes) have signed a Multi-State Agreement for Qwest to provide certain telecommunications services to Lowes.

3.) Qwest Corporation/FATCO Holdings, LLC - Qwest Corporation (Qwest) and FATCO Holdings, LLC (FATCO) have signed a Multi-State Agreement for Qwest to provide certain telecommunications services FATCO.

New Filings Received in Past Week

N2010.3.23 – Avista Corp. – Motion for Protective Order Related to Schedule 16 of its 2009 Annual Electric Report

D2010.3.24 – Ronan Telephone Company – Tariff Revision for Economy Broadband Service

D2010.3.25 – Cut Bank Gas Company – Application to True-Up and Make Final Gas Costs from July 1, 2006 through December 31, 2009; Implement a Monthly Gas Cost Mechanism with an Annual True-Up; and Refund Over-Collection of \$79,210

N2010.3.26 – Qwest Corporation – Tariff Transmittal 10-01, Tariff Revision to Eliminate a Footnote Reference