

**MONTANA PUBLIC SERVICE COMMISSION
AGENDA NO. 11-12-13**

Date Published: December 8, 2011
For Work Week Commencing: December 12, 2011
Commission Meeting: December 13, 2011, 9:00 a.m.

General Introduction *This agenda is the Commission's 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 web site at <http://psc.mt.gov> (go to "Agendas & Meetings" then "Audio/Video Archives"). The audio feeds of meetings are also archived at the same web site location.*

Inquiries *General inquiries concerning this 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. Approval of Commission Minutes (Aleisha)

Approval of the Commission Minutes for the week of December 5, 2011

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

1. D2011.1.8 – Mountain Water Company – Petition for a Declaratory Ruling Disclaiming Commission Jurisdiction over the Sale and Transfer of Stock in Park Water Company and Application for Approval of the Sale and Transfer of Stock in Park Water Company – Discuss and act on final order. (12/13/11)
2. D2011.9.86 – Qwest Corporation dba CenturyLink QC and Gazelle Link, LLC – Application for Approval of Adoption of the Wireline Interconnection Agreement between Sprint Communications Company L.P. and Qwest Corporation dba CenturyLink QC – Discuss and act on the interconnection agreement. (12/13/11)
3. D2011.5.38 – NorthWestern Energy – Application for Approval of Electric Supply Deferred Cost Account Balance and Projected Electric Supply Costs – Change hearing date from January 18, 2012, to January 11, 2012. (12/13/11)
4. D2011.5.41 – NorthWestern Energy – Application for Approval to Purchase and Operate the Spion Kop Wind Project, for Certification of the Spion Kop Wind Project as an Eligible Renewable Resource, and for Related Relief – Discuss and act on the Montana Consumer Counsel’s Motion for Admission of Testimony without Witness Appearance. (12/13/11)
5. Placeholder – D2010.9.90 – Energy West Montana – Application to Establish Increased Service Rates – Discuss and act on motions for reconsideration by Energy West and Montana Consumer Counsel. (12/13/11)
6. MISO MVP – Consider joining OMS and/or individually intervening in the 7th District Court of Appeals against the FERC Order and Order on Rehearing approving the MISOs MVP cost allocation filings. Consider additional intervention in regard to MVPs if needed. (12/13/11)
7. Personnel and staffing issues – Discuss and act on the following: (1) proposed Agency Pay Plan (Staci); (2) provide direction to staff on career ladders proposal (Kate/Dennis); (3) turn the classified FTE PR Relations

Specialist into a Policy Analyst in the Public Policy & Regional Transmission Bureau, and leave it to Kate's and Staci's discretion to choose a manner in which to advertise and hire; and (4) turn the exempt FTE Executive Director into a Communications Director, advertising it with a close date late in December, with a view of hiring someone in the beginning of the year (Travis). (12/13/11)

8. Out of state staff travel – Obtain approval for Sarah Norcott, Jim Paine and Dagan Lynch to travel to the Annual National Conference on Current Issues in integrating renewables in challenging economic times, electric utility rate cases conference in Las Vegas, NV, Feb. 2-3, 2012. (12/13/11)

Other Meetings

12/15/11 – 12:00-1:30 p.m. – NRRI teleseminar, “The FCC’s New USF Order: What Does It Mean for States, the Industry, and Consumers?” (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. NorthWestern Energy D2011.12.99 (Mike)

NorthWestern Energy (NWE) has requested an adjustment to its BPA Residential Exchange Credit (BPA Credit) rate to become effective January 1, 2012. By letter dated May 20, 2011, NWE submitted its annual BPA Credit filing and requested that rates be adjusted July 1, 2011, for an amount of \$(5,232,666) to be credited to customers. Final Order No. 7157a in Docket No. D2011.5.42 approved the proposed rates which went into effect July 1,

2011. As noted in the May filing, NWE has been a participant in the Residential Exchange Program (REP) Settlement Agreement proceeding. Since the time of that filing, NWE has entered into two agreements with BPA as a result of the settlement negotiations. The REP Settlement Agreement (Agreement) and the REP Settlement Implementation Agreement both commenced October 1, 2011, and replaced the existing Residential Purchase and Sales Agreement. As a result of the settlement proceeding, NWE requests an adjustment to the BPA Credit. NWE requests amount of \$(305,940) to be credited to customers over a six-month period beginning January 1, 2012. As a result of the decrease in the credit, the increase for a typical residential customer using 750 kWh per month will be \$1.42 per month or \$17.04 per year on their total bill. Appendices A and B in the NWE filing are the supporting workpapers identifying an amount of \$(305,940) to be credited to customers over a six-month period beginning January 1, 2012.

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. Copies of these requests may be viewed on the Commission's web site at <http://psc.mt.gov>.

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 viewed on the Commission's web site at <http://psc.mt.gov>.

Information Items All items identified below are for information only.

New Filings Received in Past Week

D2011.11.97 – NorthWestern Energy – Application for Approval of Automatic Rate Adjustment and Tracking for Taxes and Fees

D2011.12.98 – Montana-Dakota Utilities Co. – Application to Implement a Fuel and Purchased Power Cost Tracking Adjustment – Rate 35

D2011.12.99 – NorthWestern Energy – Application for Approval of Adjustment to Current Bonneville Power Administration (BPA) Residential Exchange Credit