

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, September 21, 2004, the following members were present:

- Bob Rowe, Chairman
- Thomas J. Schneider, Vice Chairman
- Matt Brainard, Commissioner
- Greg Jergeson, Commissioner
- Jay Stovall, Commissioner

APPEARANCE

Eric Eck
Utility Division

(363) In the matter of D97.11.219: NorthWestern Energy changes in FTA rates. On September 8, 2004, NorthWestern Energy filed its eleventh semi-annual true-up Advice Letter pursuant to Order No. 6035a. This filing is made by NorthWestern Energy in its role as servicer of the Natural Gas Transition Bonds. If the previous six-month period variance between the scheduled debt service and the actual amounts available to satisfy the scheduled debt service for such period exceeds 2%, NorthWestern Energy is required to apply for an adjustment to the Fixed Transition Amount (FTA) charges. The variance for this period was an over collection of .05% or \$1,686. In spite of the fact that the variance did not exceed 2%, an increase in FTA-GP, FTA-RA(Core), FTA-RA(Non-Core) rates is necessary based on future payment obligations and projected market load. There is a slight decrease in the FTA-RA(Utility) rate. The new FTA rates should ensure enough funds are collected to make the next principle and interest payment.

Commissioner Brainard moved to approve the changes in the FTA. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE

Leroy Beeby
Utility Division

(364) In the matter of N2004.9.142: Century Tel Tariff Transmittal No-04-5 October-December additional line promotion. On August 31, 2004, Century Tel of Montana filed Tariff Transmittal No. 04-5, proposing to offer an additional line promotion during the period October 1, 2004 through December 31, 2004. The company will waive the nonrecurring charges applicable to the installation of additional lines at the same premise.

Commissioner Stovall moved to approve the Tariff changes. Commissioner Jergeson seconded the motion, which passed unanimously.

(365) In the matter of N2004.9.144: Qwest Communications September 3rd Tariff Transmittal

04-016, Primary rate Service (PRS)/Digital Switched Service (DSS) promotion. On September 3, 2004, Quest filed Tariff Transmittal No. 04-016, Primary Rate Service (PRS)/Digital Switched Service (DSS) promotion. During the promotion period from October 4, 2004 through December 31, 2004, Qwest is offering a special price on ISDN PRS, Advanced DSS, and basic DSS on bulk rate 36-month term commitments. This PRS/DSS promotion is only available to retail and wholesale business customers.

Commissioner Stovall moved to approve the Tariff. Commissioner Brainard seconded the motion, which passed unanimously.

(366) In the matter of N2004.8.138: Central Montana Communications Local Network Access Line Service Tariff modifications in response to the FCC adding four federal assistance programs to the list of qualifying programs for participation in the Enhanced Lifeline/Linkup program. The four new programs have been added to the Tariff.

Commissioner Jergeson moved to approve the modifications to the Tariff. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator
Transportation/Centralized Services Division

(367) In the matter of T-04.48.PCN: Lewis and Clark Transit System LLC, White Sulphur Springs, Montana filed application for intrastate operating authority which was noticed to the public on August 2, 2004.

Commissioner Schneider moved to approve the application for intrastate operating authority. Commissioner Jergeson seconded the motion, which passed unanimously.

(368) In the matter of Yellow Cab, Inc. of Missoula, Montana filed general rate increase covering their passenger operations in the City of Missoula and a fifty-mile radius. This rate increase is between 0 and 22.3%, with most fares increasing \$1.00.

Commissioner Schneider moved to approve the rate increase. Commissioner Brainard seconded the motion, which passed unanimously.

(369) In the matter of the approval of Commission Minutes for the week of September 13, 2004.

Commissioner Stovall moved to approve the Commission Minutes for September 13, 2004. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Monica Tranel, legal Division
Kate Whitney, Administrator, Utility Division

(370) In the matter of the Commission's discussion of a cramming complaint against GoInternet- Docket No. D2002.10.126:

Commissioner Brainard moved to approve the settlement agreement with GoInternet. Commissioner Stovall seconded the motion, which passed unanimously.

Harley Harris wants to withdraw as counsel.

Commissioner Brainard moved to grant the motion filed by Harley Harris to withdraw as counsel for GoInternet. Commissioner Jergeson seconded the motion, which passed unanimously.

APPEARANCE
Martin Jacobson
Legal Division

(371) In the matter of the Commission's discussion of requests for PSC 2004 certification of Montana ETCs- Docket No. N2004.7.121:

Commissioner Schneider moved to approve the following ETC applications in all respects except the rate comparability component for rate carriers: Blackfoot Telephone, Central Montana Communications, Century Tel, Clark Fork Telephone, Hot Springs, Interbell Telephone Cooperative, Lincoln Telephone, Mid Rivers, Nima, Northern, Project, Qwest, Range, Reservation, Ronan, Art Communications, Southern Montana Tri-County Telephone, Three Rivers, Triangle, and West River. Commissioner Stovall seconded the motion, which passed unanimously.

(372) In the matter of the Commission's discussion of Mid Rivers Cellular application for ETC designation- Docket No. D2003.8.105:

Commissioner Stovall moved to grant the Montana Consumer Counsel's motion for filing intervenor testimony and to revise the procedural schedule. The hearing date is to remain the same. Commissioner Schneider seconded the motion, which passed unanimously.

(373) In the matter of the Commission's discussion of Three Rivers PCS (wireless) application for ETC designation- Docket No. D2003.10.156:

Commissioner Brainard moved to deny MITS motion for reconsideration. Commissioner Stovall seconded the motion, which passed 3-2. Commissioners Schneider and Jergeson voted nay.

APPEARANCE

Monica Tranel, Legal Division
Gary Duncan, Utility Division

(374) In the matter of the Commission's discussion of Qwest, IDT, America Corp., Covista, Inc., Airtel Wireless, VCI Company Interconnection Agreements- Docket No. D2004.7.106, D2004.7.107, D2004.7.111, D2004.9.136:

Commissioner Schneider moved to approve the Interconnection Agreements in D2004.7.106 (Qwest-IDT America Corp.); D2004.7.107 (Qwest-Covista, Inc.); D2004.7.111 (Qwest- Airtel Wireless); and D2004.9.136 (Qwest-VCI Company). Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Martin Jacobson, Legal Division
Gary Duncan, Utility Division

(375) In the matter of the Commission's discussion of Lincoln Telephone EAS with the Helena region discovery and action on additional procedures- Docket No. D2003.6.84:

Commissioner Schneider moved to issue a notice of Commission Action as reflected in the draft order that was circulated, and that the portion concerning balloting include instructions that the ballots be returned to the Commission. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE

Kim Moran
Utility Division

(376) In the matter of the Commission's discussion of 1.Blackfoot Telephone Cooperative, Inc., and 2.Triangle Telephone Cooperative, Inc., and central Montana Communications, Inc., 1. Exchange-to-exchange and regional Extended Area Service application for Missoula and Helena, and 2. Exchange-to-Exchange and regional Extended Area Service application for Great Falls, Havre, and Lewistown- Docket No. 1. D2003.1.8 and 2. D2002.10.132:

Commissioner Jergeson moved to approve the EAS application for Triangle Telephone Cooperative, Inc., and Central Montana Communications, Inc., subject to the following conditions:

1. Filing a proposed or estimated implementation plan with the PSC within 45 days of the service date of the Final Order, to include;
 - a. The schedule for full implementation

- b. A description of how EAS options will be presented to customers for selection
 - c. A description of the agreed upon interconnection and compensation arrangement.
- 2. Implementation is to begin no later than 90 days, and to be completed no later than 180 days from the service date of the Final Order.
- 3. Regulated tariffs (Qwest and Central) are to be filed within 20 days prior to implementation.
- 4. Customers are to be allowed to change their local service option without charge within 90 days after implementation of EAS.

Commissioner Schneider seconded the motion, which passed unanimously.

Commissioner Schneider moved to approve Blackfoot EAS applications subject to the following conditions, and to include Qwest to adjust the increment pending on other EAS applications:

- 1. Filing a proposed or estimated implementation plan with the PSC within 45 days of the service date of the Final Order, to include:
 - a. The schedule for full implementation
 - b. A description of how EAS options will be presented to customers for selection
 - c. A description of the agreed upon interconnection and compensation agreement.
- 2. Implementation is to begin no later than 90 days, and be completed no later than 180 days from the service date of the Final Order.
- 3. Regulated tariffs (Blackfoot) are to be filed within 20 days prior to implementation.
- 4. Customers are to be allowed to change their local service option without charge for 90 days after implementation of EAS.

Commissioner Brainard seconded the motion, which passed unanimously.

(377) In the matter of the Commission's discussion of 1. Ronan Telephone Company, and 2. Hot Springs Telephone Company Extended Area Service applications for Missoula- Docket No. 1. D2004.2.17 and 2. D2004.2.22:

Commissioner Schneider moved to defer further action for two weeks on the Ronan and Hot Springs EAS applications. Commissioner Brainard seconded the motion. Commissioner Schneider withdrew his motion.

Commissioner Schneider made a substitute motion to reopen the record in Hot Springs for the purpose of requiring balloting by the Commission rules. Commissioner Brainard seconded the motion, which passed unanimously.

Commissioner Schneider moved to defer further substantive action for two weeks as to Ronan

Telephone, instructing staff to bring back a status report and an analysis within the two week time period. Commissioner Jergeson seconded the motion, which passed 4-1. Commissioner Rowe voted nay.

(378) In the matter of the Commission's discussion of PSC Tax (fee) and MCC Tax (fee) to approve the annual PSC and MCC Tax Orders- Docket No. D2004.9.153 and D2004.9.154:

Commissioner Brainard moved to approve the orders concerning PSC and Montana Consumer Counsel tax fees. Commissioner Jergeson seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

BOB ROWE, Chairman

THOMAS J. SCHNEIDER, Vice Chairman

MATT BRAINARD, Commissioner

GREG JERGESON, Commissioner

JAY STOVALL, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Friday, September 25, 2004, the following members were present:

Greg Jergeson, Commissioner
Matt Brainard, Commissioner- via telephone
Jay Stovall, Commissioner- via telephone

Commissioner Rowe and Commissioner Schneider were absent. Commissioner Rowe did not leave a vote on this matter. Commissioner Schneider voted later that day.

APPEARANCE

Martin Jacobson, Legal Division
Mike Lee, Utility Division

(379) In the matter of the Commission's discussion of Annual ETC Certifications- Docket No. N2004.7.121:

Commissioner Brainard moved to approve the letter for certification on rate comparability. Commissioner Stovall seconded the motion, which passed 4-0. Commissioner Schneider later voted Aye.

Commissioner Stovall moved to add Citizens to the list of telecom Companies for certification of Montana ETCs. Commissioner Brainard seconded the motion, which passed 4-0. Commissioner Schneider later voted Aye.

There being no further business to come before the Commission the meeting was adjourned.

BOB ROWE, Chairman

THOMAS J. SCHNEIDER, Vice Chairman

MATT BRAINARD, Commissioner

GREG JERGESON, Commissioner

JAY STOVALL, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)