

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Monday, March 21, 2011, the following members were present:

Bill Gallagher, Chairman
Brad Molnar, Vice Chairman
Travis Kavulla, Commissioner
John Vincent, Commissioner, via telephone

Commissioner Gutsche was excused, but left proxy with Commissioner Vincent.

APPEARANCE

Kate Whitney, Administrator, Regulatory Division
Al Brogan, Administrator, Legal Division

Al Brogan updated the Commission on Senate Bill 226, continue to monitor. Molnar will testify. Senate Bill 330 will continue to monitor.

(151) In the matter of Senate Bill 320 for the 2011 Legislative Session.

Commissioner Molnar moved to OPPOSE SB320. Commissioner Vincent seconded the motion, which passed 4-1. Commissioner Kavulla voted Nay.

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

W.A. GALLAGHER, Chairman

BRAD MOLNAR, Vice Chairman

GAIL GUTSCHE, Commissioner

TRAVIS KAVULLA, Commissioner

JOHN VINCENT, Commissioner

ATTEST:

Verna Stewart
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 Tuesday, March 22, 2011, the following members were present:

Bill Gallagher, Chairman
Brad Molnar, Vice Chairman
Gail Gutsche, Commissioner
Travis Kavulla, Commissioner
John Vincent, Commissioner

APPEARANCE

Kate Whitney, Administrator, Regulatory Division

(152) In the matter of the approval of Commission Minutes for the week of February 28, 2011.

Commissioner Vincent moved to APPROVE the Commission Minutes for the week of February 28, 2011. Commissioner Kavulla seconded the motion, which passed unanimously.

APPEARANCE

Eric Dahlgren, Regulatory Division

(153) In the matter of TN2497: Fred M. Zweifel d/b/a Circle Z Enterprises, Virginia City, Montana requests permission to continue to suspend PSC No. 9270 for the period March 19, 2011 to May 9, 2011.

Commissioner Vincent moved to APPROVE the continued suspension of PSC No.9270. Commissioner Kavulla seconded the motion, which passed unanimously.

APPEARANCE

Eric Eck, Regulatory Division

(154) In the matter of D97.11.219: On March 8, 2011, NorthWestern Energy filed its semi-annual true-up Advice Letter pursuant to Order No. 6035a.

Commissioner Vincent moved to APPROVE NorthWestern Energy's requested rate changes for the semi-annual true-up of NorthWestern Energy's Natural Gas Transition Bonds. Commissioner Gutsche seconded the motion, which passed unanimously.

APPEARANCE

Justin Kraske, Legal Division
Eric Dahlgren,

(155) In the matter of the Commission's discussion in Docket No. T-10.30.PCN: Aaron Romero d/b/a A&A Moving application for certificate of public convenience and necessity.

Commissioner Gallagher moved to GRANT Aaron Romero d/b/a A&A Moving's application for Certificate of Public Convenience and Necessity and issue a Class B certificate for Yellowstone County in Docket No. T-10.30.PCN. Commissioner Kavulla seconded the motion, which passed 4-0. Commissioner Molnar was recused.

APPEARANCE

Al Brogan, Legal Division, Administrator

(156) In the matter of the Commission's discussion in Docket No. N2011.2.17: Ronan Telephone Company application for term protective order for forbearance contracts re: §69-3-808, MCA.

Commissioner Kavulla moved to DIRECT Ronan Telephone Company to file a brief addressing the relationship between the filing requirements in §69-3-808(6), MCA, and the "except as required by law" proviso in 47 U.S.C. 222(c)(1) in Docket No. N2011.2.17. Commissioner Gutsche seconded the motion, which passed unanimously.

(157) In the matter of the Commission's discussion of executive compensation in utilities annual reports.

Commissioner Molnar moved to WAIVE the need to file salary schedules pending resolution of district court litigation. Commissioner Gallagher seconded the motion, which passed 4-1. Commissioner Vincent voted Nay.

APPEARANCE

Al Brogan, Legal Division, Administrator
Sarah Norcott, Legal Division

(158) In the matter of the Commission's discussion in Docket No. N2011.3.19: Avista Corporation motion for protective order.

Commissioner Kavulla moved to DENY Avista's motion for protective order from disclosure of Schedule 16 of its 2010 Annual Report in Docket No. N2011.3.19. Commissioner Vincent seconded the motion, which passed 4-1. Commissioner Molnar voted Nay.

APPEARANCE

Justin Kraske, Legal Division

(159) In the matter of the Commission's discussion in Docket No. D2009.9.117: Landmark Water Company application for authority to increase rates and charges and establish a pass through mechanism for water service.

Commissioner Vincent moved to CANCEL the tentative hearing date of March 23 and direct

staff to reschedule hearing date. Commissioner Gutsche seconded the motion, which passed unanimously.

APPEARANCE

Al Brogan, Legal Division, Administrator
Justin Kraske, Legal Division

(160) In the matter of the Commission's discussion in Docket No. D2011.1.8: Mountain Water Company consolidated petition by Mountain Water for declaratory rulings and application for approval of sale, Clark Fork Coalition's Petition to Intervene.

Commissioner Gutsche moved to GRANT Clark Fork Coalition's petition to intervene and amended to clearly indicate in the notice of commission action that it is based on the standing for administrative purposed only in Docket No. D2011.1.8. Commissioner Vincent seconded the motion, which passed 4-1. Commissioner Molnar voted Nay.

APPEARANCE

Justin Kraske, Legal Division
Leroy Beeby, Regulatory Division

(161) In the matter of the Commission's discussion in Docket Nos. D2010.4.41 and D2009.9.127: Mountain Water Company general rate case and 2009 purchased power tracker, Final Order.

MOTION 1: Commissioner Gutsche moved to DIRECT staff to issue the final order with the only adjustment to the R.O.E. of 9.5 percent in Docket Nos. D2010.4.41 and D2009.9.127. Commissioner Vincent seconded the motion, which passed unanimously. A vote was taken. The Chairman nullified the vote to entertain further questions for staff.

AMENDED MOTION 1: Commissioner Vincent moved to ACCEPT the stipulation with the exception that the ROE be set at 9.75 in Docket Nos. D2010.4.41 and D2009.9.127. Commissioner Gutsche seconded the motion, which failed 2-3. Commissioner Gallagher, Commissioner Molnar and Commissioner Kavulla voted Nay.

SECOND MOTION TO AMEND MOTION 2: Commissioner Kavulla moved to amend the motion to accept the stipulation as presented in Docket Nos. D2010.4.41 and D2009.9.127. Commissioner Gallagher seconded the motion, which passed 3-2. Commissioner Gutsche and Commissioner Vincent voted Nay.

APPEARANCE

Sarah Carlson, Public Information Division

(162) In the matter of the Commission's discussion of Public Service Commission quarterly meeting with Congressional delegation staff.

Commissioner Molnar moved to DIRECT staff to proceed with setting up a public forum in May 2011 with the congressional delegation and/or staff and any other interested individuals on the topic of upcoming EPA regulations. Commissioner Gallagher seconded the motion, which passed unanimously.

APPEARANCE

Kate Whitney, Administrator, Regulatory Division
Eric Dahlgren, Regulatory Division

(163) In the matter of the Commission's discussion of out of state staff travel:

Commissioner Kavulla moved to APPROVE Mike Dalton's travel to "The Basics" course by the New Mexico State Center for Public Utilities, on May 8-13, 2011, in Albuquerque, New Mexico. Commissioner Gutsche seconded the motion, which passed unanimously.

APPEARANCE

Kate Whitney, Administrator, Regulatory Division
Al Brogan, Legal Division, Administrator
Will Rosquist, Regulatory Division

(164) In the matter of the Commission's discussion in Docket No. DDB 2011-79: Montana Consumer Counsel v. Public Service Commission, discuss settlement proposal.

MOTION 1: Commissioner Gallagher moved to CLOSE the work session pursuant §2.3.203(4)(a), and continue in executive session. Commissioner Kavulla seconded the motion, which passed 3-2. Commissioner Gutsche and Commissioner Vincent voted Nay.

CLOSED SESSION

APPEARANCE

Al Brogan, Legal Division, Administrator

Al Brogan reviewed options available to the commission:

MOTION 1: Commissioner Gallagher moved to REJECT NorthWestern Energy's offer and to counter offer with 1) modification of timing dialog, expansion of paragraph 236, and waiver of §§24.6.22 and 23, MCA; 2) elimination of modified LRAM and inverted block rates; 3) retain ROE at 10%, amended to affirm current levels of DSM and energy efficiency and continuance of workshops on decoupling and inverted block rates. Commissioner Kavulla seconded the motion, which passed 4-1. Commissioner Molnar voted Nay.

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

W.A. GALLAGHER, Chairman

BRAD MOLNAR, Vice Chairman

GAIL GUTSCHE, Commissioner

TRAVIS KAVULLA, Commissioner

JOHN VINCENT, Commissioner

ATTEST:

Verna Stewart
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 Thursday, March 24, 2011, the following members were present:

Bill Gallagher, Chairman
Brad Molnar, Vice Chairman
Gail Gutsche, Commissioner
Travis Kavulla, Commissioner, via telephone

John Vincent was excused, but left proxy with Commissioner Gutsche.

APPEARANCE

Kate Whitney, Administrator, Regulatory Division
Jim Paine, Legal Division
Eric Dahlgren, Regulatory Division

(165) In the matter of Senate Bill 423 for the 2011 Legislative Session.

Commissioner Gallagher moved to OPPOSE SB423. Commissioner Gutsche seconded the motion, which passed unanimously.

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

W.A. GALLAGHER, Chairman

BRAD MOLNAR, Vice Chairman

GAIL GUTSCHE, Commissioner

TRAVIS KAVULLA, Commissioner

JOHN VINCENT, Commissioner

ATTEST:

Verna Stewart
Commission Secretary

(SEAL)