

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

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

APPEARANCE

Kate Whitney, Administrator, Regulatory Division

(267) In the matter of the approval of Commission Minutes for the week of May 30, 2011.

Commissioner Vincent moved to APPROVE the Commission Minutes for the week of May 30, 2011. Commissioner Gutsche seconded the motion, which passed unanimously.

APPEARANCE

Mike Dalton, Regulatory Division

(268) In the matter of the Commission's discussion in Docket No. D2011.5.42: NorthWestern Energy, BPA residential exchange credit filing.

Commissioner Gutsche moved to APPROVE NorthWestern Energy's proposed BPA residential exchange program rate credit effective July 1, 2011, on an interim basis in Docket No. D2011.5.42. Commissioner Kavulla seconded the motion, which passed unanimously.

APPEARANCE

Scott Fabel, Regulatory Division

(269) In the matter of the Commission's discussion in Docket No. D2011.5.38: NorthWestern Energy 2011-2012 Electric Tracker.

Commissioner Kavulla moved to APPROVE NorthWestern Energy's request for interim relief in Docket No. D2011.5.38. Commissioner Vincent seconded the motion, which passed unanimously.

APPEARANCE

Dagan Lynch, Regulatory Division
Justin Kraske, Legal Division

(270) In the matter of the Commission's discussion in Docket No. D2011.6.45: NorthWestern Energy/Townsend Propane, application for propane supply cost account balance amortization

and rate adjustment. Interim order.

Commissioner Vincent moved to APPROVE the interim order in Docket No. D2011.6.45. Commissioner Kavulla seconded the motion, which passed unanimously.

APPEARANCE

Justin Kraske, Legal Division

(271) 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: 1) Motion for Protective Order, 2) Carlyle's objections to Public Service Commission, Clark Fork Coalition and Montana Consumer Counsel data request.

MOTION 1: Commissioner Kavulla moved to GRANT Carlyle's motion for protective order in Docket No. D2011.1.8. Commissioner Gallagher seconded the motion, which passed 4-1. Commissioner Molnar voted Nay.

MOTION 2: Commissioner Gutsche moved to OVERRULE Carlyle's objection to Public Service Commission data requests PSC-209e and PSC-010, and Clark Fork Coalition data request No. 14 in Docket No. D2011.1.8. Commissioner Vincent seconded the motion, which passed 4-1. Commissioner Gallagher voted Nay.

APPEARANCE

Eric Dahlgren, Regulatory Division

(272) In the matter of the Commission's discussion of Jim's Taxi, discuss and act on issuing an order to show cause for violation of final order 7098.

Commissioner Gutsche moved to DIRECT staff to issue a show cause order for violation of Final Order 7098. Commissioner Gallagher seconded the motion, which passed unanimously.

APPEARANCE

Jim Paine, Legal Division

(273) In the matter of the Commission's discussion of Commission direction to legal staff to draft memorandum addressing Commissioner Kavulla's attendance at Las Vegas seminar, March, 2011. Commissioner Kavulla appointed Commissioner Gutsche as chairman *pro tem* for this work session item.

Commissioner Vincent moved to ADOPT the report of the chief legal counsel and conclusions and declare Commissioner Kavulla broke no commission policy or law, and is entitled to commission legal representation whether through a staff attorney or outside counsel hired at the discretion of the chief legal counsel if a complaint is filed against him at the Commissioner of Political Practices. Commissioner Gutsche seconded the motion, which passed 3-2. Commissioner Molnar and Commissioner Gallagher voted Nay.

APPEARANCE
Commissioner Gallagher

(274) In the matter of the Commission's discussion of request for approval of a special accounting provision.

Commissioner Gallagher moved that the Commission approve a special accounting provision for the fiscal year beginning July 1, 2011 and ending June 30, 2012 authorizing PSC Centralized Services to hold, accumulate, and account for that portion of Commissioner Gallagher's salary constituting the "raise" or increase in salary scheduled to take effect July 1, 2011, for the above described period; and further authorize and direct Centralized Services to divide Commissioner Gallagher's "raise" equally, and pay the same, as a bonus to each non-exempt, not elected, PSC employee that: a) is employed during the pay period ending July 15, 2011, and b) who, on that date, has been continuously employed by the state of Montana since June 30, 2010 or earlier, and c) who has not (excepting longevity increases, training assignment progression, and promotion) received an increase in compensation since July 1, 2009, and d) does not decline said bonus by making a written request to Centralized Services by July 10, 2011. Commissioner Molnar seconded the motion, which passed unanimously.

APPEARANCE
Staci Litschauer, Administrator, Centralized Services
Angie Hall, Centralized Services

(275) In the matter of the Commission's discussion of state fiscal years 2012 and 2013 travel allocations.

Commissioner Vincent moved for fiscal years 2012 and 2013 each commissioners' travel budget be reduced by \$1,800 which would bring the travel budget to \$6,000 for each commissioner to include commissioners being able to access my travel account for up to \$4,000, so if that were done equally that would bump each commissioners travel budget back up to \$7,000 included in that motion is the total saved of \$18,000 and that money be placed in a special account, or that \$4,500 be added to each of the following: Staff out of state travel, staff in state travel, field staff travel and pipeline safety travel that allocates the \$18,000 equally to staff for their travel purposes. Commissioner Gutsche seconded the motion, which passed unanimously.

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

TRAVIS KAVULLA, Chairman

GAIL GUTSCHE, Vice Chair

W. A. GALLAGHER, Commissioner

BRAD MOLNAR, Commissioner

JOHN VINCENT, Commissioner

ATTEST:

Verna Stewart
Commission Secretary

(SEAL)