

At the out of cycle meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Monday, November 19, 2012, the following members were present:

Travis Kavulla, Chair
Gail Gutsche, Vice Chair via phone
Bill Gallagher, Commissioner via phone
John Vincent, Commissioner via phone

Commissioner Molnar was excused.

APPEARANCE

Justin Kraske, Legal Division

(329) In the matter of the Docket No. D2010.10.99: iSmart Mobile, LLC's application for eligible telecommunications carrier.

Chairman Kavulla moved to VACATE the hearing scheduled for November 19, 2012.
Commissioner Vincent 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:

Aleisha Solem
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, November 20, 2012, the following members were present:

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

APPEARANCE

Aleisha Solem, Commission Secretary

(330) In the matter of the approval of Commission Minutes for the week of November 12, 2012.

Commissioner Gutsche moved to APPROVE the Commission Minutes for the week of November 12, 2012. Commissioner Vincent seconded the motion, which passed unanimously.

APPEARANCE

Justin Kraske, Legal Division
Scott Fabel and Neil Templeton, Regulatory Division

(331) In the matter of Docket No's D2007.9.108, D2008.9.112, D2009.9.121, and D2010.9.92: Montana Dakota Utilities application for approval to implement a gas cost tracking adjustment.

Chairman Kavulla moved to APPROVE the Final Order. Commissioner Molnar seconded the motion, which passed unanimously.

APPEARANCE

Jason Brown, Legal Division

(332) In the matter of Docket No. D2012.3.24: Montana Dakota Utilities petition for certification of eligible renewable resources and community renewable energy resources.

Chairman Kavulla moved to GRANT the motion in limine, VACATE the contested case hearing, and INSTRUCT Montana Dakota Utilities to submit a final brief. Commissioner Gallagher seconded the motion, which passed unanimously.

APPEARANCE

Brian Dekiep and Bob Decker, Regulatory Division
Jason Brown, Legal Division

(333) In the matter of Docket No. N2012.1.11: 2011 RPS compliance.

Discussion only, no action was taken.

APPEARANCE

Bob Decker, Regulatory Division
Dennis Lopach, Legal Division

(334) In the matter of Docket No. D2008.8.95: NorthWestern Energy's public comments on implementation of carbon offset program at the Dave Gates Generating Station.

Main Motion: Commissioner Gutsche moved to APPROVE staff's recommendation for an annual, ongoing implementation process for carbon offset projects; the cost cap to be for carbon offset projects to be 2.5% of the annual revenue requirement for the year in which offset projects are proposed; that cost effectiveness of offset projects is defined as certified actions that collectively do not increase the cost of electricity produced annually on a per-megawatt-hour basis by more than 2.5%; and that NorthWestern Energy submit on or before March 1, 2013, a revised carbon offset plan. Commissioner Vincent seconded the motion.

Motion to Amend: Commissioner Gallagher moved to AMEND the staff's draft Notice of Commission Action by replacing the original numbers 1 through 3 and inserting Chairman Kavulla's numbers 1 through 3, and establishing a due date of March 1, 2013. Chairman Kavulla seconded the motion which passed 3 to 2. Commissioners Gutsche and Vincent dissenting.

The main motion as AMENDED passed 3 to 2. Commissioners Gutsche and Vincent dissenting.

APPEARANCE

Will Rosquist, Regulatory Division
Jason Brown, Legal Division

(335) In the matter of Docket No. D2012.1.3: NorthWestern Energy's standard avoided cost tariff updates.

Main Motion: Commissioner Gutsche moved to DIRECT staff to draft a final order incorporating the staff recommendations presented at the work session and set forth in the staff memorandum dated November 15, 2012. Commissioner Vincent seconded the motion.

Commissioner Gallagher moved to DIVIDE THE QUESTION the Motion into two parts: (1) to ELIMINATE the 50 MW installed capacity limit from Schedule QF-1; and (2) to adopt all other staff recommendations. Chairman Kavulla seconded the motion to amend, which passed 4 to 1. Commissioner Gutsche dissenting.

The motion to ELIMINATE the 50 MW installed capacity limit from Schedule QF-1 passed 3 to 2. Commissioners Gallagher and Molnar dissenting.

The Motion to ADOPT all other staff recommendations passed 4 to 1. Commissioner Molnar dissenting.

At the meeting of the Public Service Commission Committee on the Blue Book held at the Commission's Offices in Helena, Montana, on Tuesday, November 20, 2012, the following members were present:

Gail Gutsche, Chair
Bill Gallagher, Commissioner
Travis Kavulla, Commissioner

In attendance was Commissioner Brad Molnar. Commissioner Vincent was excused, and left his proxy with Commissioner Kavulla.

APPEARANCE

Aleisha Solem, Commission/Legal Secretary
Brenda Elias, Legal Division

(336) Blue Book Committee meeting:

Discussion of the Commission Manual. Staff was asked to implement the suggested edits and bring the final version of the entire bluebook before the Commission. The committee voted 3-0 to submit the draft Blue Book with changes outlined in the meeting to the full Commission's consideration.

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:

Aleisha Solem
Commission Secretary

(SEAL)