

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on December 16, 2014, the following members were present:

Bill Gallagher, Chairman
Bob Lake, Vice Chairman
Kirk Bushman, Commissioner
Travis Kavulla, Commissioner
Roger Koopman, Commissioner

APPEARANCE

Aleisha Solem, Commission Secretary

(321) In the matter of the approval of Commission Minutes for the week of December 8, 2014.

Commissioner Lake moved to APPROVE the Commission Minutes for the week of December 8, 2014. Commissioner Kavulla seconded the motion, which passed unanimously.

APPEARANCE

Scott Fabel, Regulatory Division

(322) In the matter of N2014.12.97: Central Montana Communications' request to modify its tariff.

Commissioner Kavulla moved to APPROVE deleting the monthly vacation rate of \$2.00. Commissioner Koopman seconded the motion, which passed unanimously.

APPEARANCE

Nickie Eck, Transportation Unit

(323) In the matter of T-14.1.PCN: Ilan Henry Kauffmann dba Suave Sedan's request to waive ARM 38.3.601(a) the requirement to meet compliance within 30 days until March 1, 2015.

Commissioner Bushman moved to APPROVE the waiver. Commissioner Koopman seconded the motion, which passed unanimously.

APPEARANCE

Gary Duncan, Regulatory Division
Laura Farkas, Legal Division

(324) In the matter of D2014.4.44: Ronan Telephone Company and Hot Springs Telephone Company's petition for rulemaking to repeal ARM 38.5.1301 through 38.5.1315.

Chairman Gallagher moved to DENY the existing petition and APPROVE opening an informal rulemaking. Commissioner Lake seconded the motion, which passed unanimously.

APPEARANCE

Scott Fabel, Regulatory Division

(325) In the matter of D2014.11.94: Montana-Dakota Utilities Company's application for authority to implement a fuel and purchase power cost tracking adjustment rate 35.

Commissioner Bushman moved to APPROVE the Interim Order. Commissioner Kavulla seconded the motion, which passed unanimously.

APPEARANCE

Laura Farkas and Jeremiah Langston, Legal Division

Joel Tierney, Regulatory Division

(326) In the matter of D2013.9.71: The Complaint of Shoshone Condominium Hotel Owners Association v. Abaco Energy Services, LLC.

Commissioner Koopman moved to DENY the motion to dismiss and DIRECTED staff to issue a Notice of Commission Action or Order that includes limiting language on the Commission's jurisdiction and preserving current rates for the next 12 months until a tariff rate is developed. Commissioner Kavulla seconded the motion, which passed unanimously.

APPEARANCE

Will Rosquist, Regulatory Division

Jason Brown, Legal Division

(327) In the matter of D2014.4.43: NorthWestern Energy's petition to set contract terms and conditions for Greenfield Wind, LLC.

Commissioner Kavulla moved to APPROVE the settlement agreement with the following conditions:

- That it include a wind integration protection for consumers by finding that NorthWestern has done an insufficient job to analyze the wind integration capacity of Dave Gates and the incremental costs of wind integration capacity, and that it would be inappropriate to hold consumers or Greenfield responsible for the lapse, and that therefore the prudence of costs associated with the wind integration is not a question that this Commission answers here, but will be taken up in a later docket with a skepticism toward costs in excess of the settled amount;
- the stipulation is approved based on representation of the high load and low load hours production of the facility produced in discovery
- the Commission takes no position on whether a legally enforceable obligation (LEO) was created or not
- approval of the stipulation does not constitute Commission approval on the methodology depicted in section 4 of the stipulation

- with a statement from the Commission that we expect NorthWestern itself to manage its business and to make decisions regarding the entering into of power purchase agreements.

Commissioner Lake seconded the motion, which failed 2-3. Commissioners Gallagher, Bushman, and Koopman dissenting.

Chairman Gallagher moved to DENY the settlement agreement. Commissioner Koopman seconded the motion, which passed 3 to 2. Commissioners Kavulla and Lake dissenting.

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

W. A. GALLAGHER, Chairman

BOB LAKE, Vice Chairman

KIRK BUSHMAN, Commissioner

TRAVIS KAVULLA, Commissioner

ROGER KOOPMAN, Commissioner

ATTEST:

Aleisha Solem
Commission Secretary

(SEAL)