

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on April 4, 2014, the following members were present:

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

APPEARANCE

Judy Scheier, Assistant Commission Secretary

(89) In the matter of the approval of Commission Minutes for the week of March 10, 2014.

Commissioner Lake moved to APPROVE the Commission Minutes for the week of March 10, 2014. Commissioner Kavulla seconded the motion, which passed unanimously.

APPEARANCE

Kate Whitney, Administrator, Regulatory Division

(90) In the matter of out-of state staff travel requests of Elizabeth Kamback and Joel Tierney to attend the Western Region meeting of the National Association of Pipeline Safety Representatives (NAPSR), May 19-23, 2014, in Cody, Wyoming.

Commissioner Kavulla moved to APPROVE staff travel requests. Commissioner Lake seconded the motion, which passed unanimously.

APPEARANCE

Brenda Koch, Transportation Unit

(91) In the matter of Circle Z Enterprises – TN2610 – On March 25, 2014 Fred M. Zweifel d/b/a Circle Z Enterprises, requests permission to lease PSC No. 9270 to Historic Tour Company, LLC, from April 4, 2014 to July 4, 2014.

Commissioner Koopman moved to APPROVE the lease of PSC No. 9270. Commissioner Kavulla seconded the motion, which passed unanimously.

APPEARANCE

Mike Dalton, Regulatory Division

(92) In the matter of D2014.1.14: NorthWestern Energy's BPA Residential Exchange Program (REP) Credit adjustment.

Commissioner Lake moved to APPROVE the draft final order. Commissioner Kavulla seconded

the motion, which passed unanimously.

APPEARANCE

Kate Whitney, Administrator, Regulatory Division
Bob Decker, Regulatory Division
Will Rosquist, Regulatory Division
Justin Kraske, Administrator, Legal Division
Laura Farkas, Legal Division

(93) In the matter of D2013.12.85: NorthWestern Energy's application to acquire PPLM's hydro facilities in Montana.

Chairman Gallagher moved to DECLINE to make additional issues of the draft QF issues. Commissioner Koopman seconded the motion.

The question was divided by request. With respect to DECLINING to make issues of sub-parts two, three, and four of the draft issues, the motion passed 4 to 1. Commissioner Kavulla dissenting.

The question was then to DECLINE to make an additional issue the topic listed as number one on the draft.

Motion to Amend: Commissioner Kavulla moved to AMEND the motion to include issue number one as an additional issue in the draft notice and to allow staff time to review the prefatory language if in their determination there is language that is superfluous to the additional issue. Commissioner Lake seconded the motion, which passed 4 to 1. Chairman Gallagher dissenting.

The main motion as amended failed 2 to 3. Commissioners Gallagher, Koopman, and Bushman dissenting.

Chairman Gallagher moved to DECLINE to make additional issue number 1 as part of the draft issues. Commissioner Koopman seconded the motion, which passed 4 to 1. Commissioner Kavulla dissenting.

Chairman Gallagher moved to ISSUE a notice of opportunity to comment on consultant's reports as drafted by staff. Commissioner Lake seconded the motion, which passed unanimously.

Chairman Gallagher moved to ADOPT the due diligence review as an additional issue, adding O&M projections to the language in staff's memo under number two, adding a sentence about the chart at the end of the Essex memo that demonstrated a concern about future CapEx projections, and eliminating everything after the word "be" in the last sentence in number two and substituting in that location Commissioner Kavulla's suggested language about the effect on NorthWestern's net present value analysis. Commissioner Lake seconded the motion, which

passed unanimously.

APPEARANCE

Justin Kraske, Administrator, Legal Division

(94) In the matter of D2013.12.85: NorthWestern Energy's application to acquire PPLM's hydro facilities in Montana.

Chairman Gallagher moved to OVERRULE PSC-130 and MCC-202. Commissioner Kavulla seconded the motion, which passed unanimously.

Commissioner Koopman moved to OVERRULE NWE's objection to PSC-136e. Commissioner Kavulla seconded the motion, which failed 2 to 3. Commissioners Gallagher, Lake, and Bushman dissenting.

Commissioner Lake moved to SUSTAIN the objection to PSC-136e. Chairman Gallagher second the motion, which passed 3 to 2. Commissioners Koopman and Kavulla dissenting.

Commissioner Kavulla moved to OVERRULE the objection to PSC-167 as to the index portion of the data request and hold in abeyance with the rest of the data request. Commissioner Lake seconded the motion, which passed unanimously.

APPEARANCE

Commissioner Kavulla

(95) In the matter of D2013.12.85: NorthWestern Energy's application to acquire PPLM's hydro facilities in Montana.

Commissioner Koopman moved to TABLE the motion to compel and issue an NCA scheduling briefing on PSC-141a and b from interested parties. Commissioner Lake seconded the motion, which passed unanimously.

APPEARANCE

Laura Farkas, Legal Division

Jason Brown, Legal Division

(96) In the matter of D2013.12.85: NorthWestern Energy's application to acquire PPLM's hydro facilities in Montana.

Chairman Gallagher moved to ISSUE the draft protective order granting in part and denying in part NWE's Motion for Protective Order regarding UBS Investment Bank's financial models, PPLM's Confidential Memorandum, and PPLM's November 2012 Management Presentation. Commissioner Kavulla seconded the motion, which passed unanimously.

Chairman Gallagher moved to ISSUE the draft order regarding the PA consulting group data and the November 2012 Management presentation. Commissioner Bushman seconded the motion, which passed unanimously.

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:

Judy Scheier
Assistant Commission Secretary

(SEAL)