

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on July 26, 2016 the following members were present:

Brad Johnson, Chairman via phone
Travis Kavulla, Vice Chairman via phone
Kirk Bushman, Commissioner via phone
Roger Koopman, Commissioner
Bob Lake, Commissioner

APPEARANCE

Aleisha Solem, Commission Secretary

(123) In the matter of the approval of Commission Minutes for the week of July 18, 2016.

Commissioner Lake moved to APPROVE the Commission Minutes for the week of July 18, 2016. Commissioner Koopman seconded the motion, which passed unanimously.

APPEARANCE

Robin Arnold and Mike Dalton, Regulatory Division

(124) In the matter of N2015.7.54: Montana-Dakota Utilities' 2015 Integrated Resource Plan.

Chairman Johnson moved to APPROVE issuing the comments as proposed by staff. Commissioner Lake seconded the motion, which passed unanimously.

APPEARANCE

Will Rosquist, Administrator, Regulatory Division
Mike Dalton, Regulatory Division
Laura Farkas, Legal Division

(119) In the matter of D2015.7.59: Montana-Dakota Utilities' request to update its Rate 93 avoided cost tariff.

MAIN MOTION: Commissioner Bushman moved to APPROVE the proposed updates with the exception to the contract length which shall not exceed seven years. Commissioner Lake seconded the motion.

AMENDED MOTION: Commissioner Kavulla moved to amend the main motion making the prohibition on contract lengths that exceeded seven years effective only if MDU certified on a forward-looking basis that utility owned assets would also be subject to a re-evaluation of rate base on market projections on a seven-year basis. Chairman Johnson seconded the motion, which failed 4 to 1. Commissioners Johnson, Koopman, Lake, and Bushman dissenting.

AMENDED MOTION: Commissioner Kavulla moved to amend the main motion with the

contract length not to exceed fifteen years. Chairman Johnson seconded the motion.

SUBSTITUTE MOTION: Commissioner Lake moved to substitute the motion with the contract length not to exceed twenty years. Commissioner Lake withdrew his motion.

The amended motion was changed to reflect a contract length not to exceed twenty years and passed 4 to 1. Commissioner Bushman dissenting.

The main motion as amended passed 4 to 1. Commissioner Bushman dissenting.

APPEARANCE

Gary Duncan, Regulatory Division

Laura Farkas, Legal Division

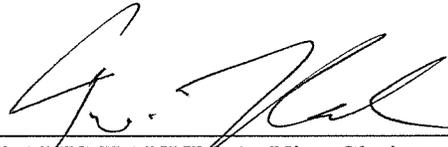
(126) In the matter of D2016.2.15: Investigation of the Commission into whether Mountain Water Company's rates are just and reasonable.

Commissioner Kavulla moved to MODIFY paragraphs 15 and 23 as recommended by staff. Chairman Johnson seconded the motion, which passed 3 to 2. Commissioners Lake and Bushman dissenting.

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



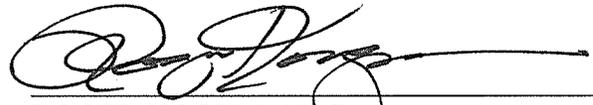
BRAD JOHNSON, Chairman



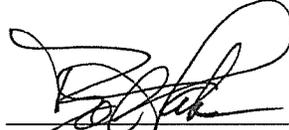
TRAVIS KAVULLA, Vice Chairman



KIRK BUSHMAN, Commissioner



ROGER KOOPMAN, Commissioner



BOB LAKE, Commissioner

ATTEST:



Aleisha Solem
Commission Secretary

(SEAL)

