

**MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 08-09-23**

Date Published: September 18, 2008
For Work Week Commencing: September 22, 2008
Commission Meeting: September 23, 2008, 9:00 a.m.

General Introduction *This agenda is the Commission's Utility Division agenda for the work week designated. In the latter part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://www.psc.mt.gov>.*

Place of Meetings *All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.*

Live webcast *Unless otherwise noted on this agenda, all Commission meetings held during regular business hours that are noticed on this agenda will be webcast live via the audio and video feed links on the PSC website (<http://psc.mt.gov/eDocs/#Calendars>). The audio feeds of meetings are also archived at the same website location.*

Inquiries *General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.*

Accommodation for Persons with Disabilities *Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.*

9:00 a.m. Weekly Scheduling (Commission Conference Room – No Web Audio Feed)

9:30 a.m. Business (Bollinger Room)

Public Comments

Action Items All items identified below are for action at the Commission business meeting.

1. NORTHWESTERN ENERGY D97.11.219 (Eric)

On September 8, 2008, NWE filed its semi-annual true-up Advice Letter pursuant to Order No. 6035a. This filing is made by NWE in its role as servicer of the Natural Gas Transition Bonds. If the previous six-month period variance between the scheduled debt service and the actual amounts available to satisfy the scheduled debt service for such period exceeds 2 percent NWE is required to apply for adjustment to the Fixed Transition Amount (FTA) charges. The variance for the period was an over collection of 17.68 percent or \$644,535. A decrease in FTA-GP, FTA-RA (Core), FTA-RA (Utility) and FTA-RA (Non-Core) rates is necessary based on future payment obligations and projected market load. The new FTA rates should ensure enough funds are collected to make the next principal and interest payment.

Also on September 8, 2008, NWE filed new schedules for the CTC-GP-Credit and CTC-RA-Credit. These two credit rate schedules pertain to certain rate base credits associated with the gas production and regulatory asset transition costs. There are slight decreases to the FTA-GP and FTA-RA (Core) credits and slight increases to the FTA-RA (Utility) and FTA-RA (Non-Core) credits.

Staff recommends that the changes in the FTA charges and credits be approved effective October 1, 2008. Probable Motion: Approve NWE's requested rate changes for the semi-annual true-up of the Natural Gas Transition Bonds.

Work Sessions All items identified below are for Commission discussion or action on the day designated.

1. D2008.1.3 – Qwest Corporation, Ronan Telephone Company and Hot Springs Telephone Company - Petitions to Open Contested Case Proceeding to Adjudicate Issues Referred to the Commission by the U.S. District Court – Consider possible re-setting of hearing date. (9/23/08)
2. Placeholder - D2008.1.6 – PSC Investigation of Qwest Regarding the Justness and Reasonableness of Rates, Schedules and Terms and Conditions of Service – Possible consideration of procedural matters. (9/23/08)

3. D2008.9.111 – PSC Initiated Investigation of Alltel Communications LLC’s Compliance with PSC ETC Designation Requirements – Discuss any and all matters necessary that are related to the purpose of initiating an investigation into Alltel’s compliance with the Commission’s eligible telecommunication carrier designation requirements. (9/23/08)
4. D2008.4.36 – PSC Investigation of NorthWestern Corporation’s Compliance with Order 6505e – Discuss and act on Richard J. Johnson’s application for admission pro hac vice; discuss and act on any pre-hearing procedural matters that may arise. (9/23/08)
5. Staff travel – Request authorization for Al Brogan to travel to Seattle for oral argument before the 9th circuit on the appeal of the FERC decision on PPL market based rates (MCC and PSC v. PPL). Oral argument is scheduled for October 22. (9/23/08)
6. Exempt staff pay raises – Request approval to provide a 3% raise to exempt staff (Wayne, Kate, Robin and Sarah) effective with the pay period ending 10/10/08. This is the same percentage received by non-exempt staff. (9/23/08)
7. **9/25/08 8:00 a.m.** – N2008.7.90 – Montana PSC Annual Certification of ETCs to the FCC – Discuss any and all matters involving the PSC annual certification of ETCs to the FCC including any motions or procedural matters. (9/25/08)

Other Meetings

Weekly Scheduling, Review of Monthly Calendars, and Docket Status Updates (if requested by a Commissioner).

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.mt.gov/Consumers/comments>. Comments should reference the docket number of the matter.

1. AT&T Communications N2008.9.114 (Scott)

On September 15, 2008, AT&T filed Tariff Transmittal 2008-09. This filing corrects the Name of "ABN Loyalty Plan" to "ABN Pricing." AT&T requests an effective date of October 15, 2008.

2. Verizon Business Service N2008.9.115 (Scott)

On September 16, 2008, Verizon filed Transmittal Letter No. 08-09, Changes to its Tariff No. 2. In this filing Verizon is requesting textual revisions and to revise Verizon Business Service 90 Day Satisfaction Guarantee and Verizon Business Service Install Guarantee. The Company is requesting an effective date of October 1, 2008.

3. Verizon Business Service N2008.9.116 (Scott)

On September 16, 2008, Verizon filed Transmittal Letter No. 08-05, Changes to its Price List Tariff. In this filing Verizon is requesting to revise Verizon Business Service 90 Day Satisfaction Guarantee and Verizon Business Service Install Guarantee. The Company is requesting an effective date of October 1, 2008.

Protective Orders – Notice Items The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person wanting a copy of a protective order request should contact the Commission at (406) 444-6199.

1. PSC Investigation of Qwest (AFOR) D2008.1.6 (Jim)

3 Rivers Telephone Cooperative, Inc. is filing a Motion for Protective Order seeking a Commission order protecting from public disclosure information regarding its finances (revenues, expenses and investments) and confidential plant information, e.g., access line counts.

2. PSC Investigation of Qwest (AFOR) D2008.1.6 (Jim)

Blackfoot Telecommunications is filing a Motion for Protective Order seeking a Commission order protecting from public disclosure information regarding plant facilities and plant investment, wholesale and individual case pricing, operating costs, market area and availability of services, revenues, and access lines/services by market and customer type.

Protective Orders – Information Items The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008. Copies of these orders may be obtained by calling the Commission at (406) 444-6199.

1. NorthWestern Corporation D2008.4.36 (AI)

On September 4, 2008, the Commission issued Order 6906e granting NorthWestern Corporation's (NorthWestern) motion for a protective order for portion of the coal supply agreement between the owners of Colstrip Unit 4 and Westmoreland Coal Co.

2. NorthWestern Corporation D2008.4.36 (AI)

On September 5, 2008, the Commission issued Order 6906f granting NorthWestern Corporation's (NorthWestern) motion for a protective order for confidential, non-public company-wide forward-looking financial information and financial models.

Information Items All items identified below are for information only.

New Filings Received in Past Week

D2008.9.112 – Montana-Dakota Utilities Co. – Application to Implement a Gas Cost Tracking Adjustment Change Effective October 1, 2008, and Calculation of Unreflected Gas Cost Adjustment for the Period October 1, 2008 through September 30, 2009

D2008.9.113 – Mountain Water Company – Application to Implement a Power Cost Tracking Adjustment

N2008.9.114 – AT&T Communications – Tariff Revision Correcting the Name of “ABN Loyalty Plan” to “ABN Pricing”

N2008.9.115 – MCI Communications Services, Inc. dba Verizon Business Services – Transmittal Letter No. 08-09, Changes to its Tariff No. 2

N2008.9.116 – MCA Communications Services, Inc. dba Verizon Business Services – Transmittal Letter No. 08-05, Changes to its Price List Tariff