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**South Dakota Public Utilities Commission Meeting**  
**April 30, 2014, at 9:30 A.M. CDT**  
**Room 413, Capitol Building**  
**Pierre, South Dakota**

#### **MINUTES OF THE COMMISSION MEETING**

Chairman Gary Hanson called the meeting to order. Present were: Commissioners: Chris Nelson and Kristie Fiegen; Commission Counsel: John Smith and Rolayne Wiest; Commission Advisor: Greg Rislov; Staff Attorneys: Karen Cremer and Kristen Edwards; Staff Analysts: Brian Rounds, Brittany Mehlhaff, David Henry, Patrick Steffensen, Darren Kearney, and Eric Paulson; and Consumer Affairs Supervisor: Deb Gregg; Staff: Katlyn Gustafson

**Also present were:**

Bill VanCamp, Olinger, Lovald, McCahren & Reimers, P.C. representing SNET America, Inc.; Bob Mercer, Reporter; and Rich Coit, South Dakota Telecommunications Association

**Joining the meeting by telephone were:**

Naomi Czachura, Tina Yoder, Chuck Rea, and Jennifer Moore, MidAmerican Energy Company; Rick Edwards and Jerry Birch, NorthWestern Corporation dba NorthWestern Energy; Suzan Stewart, MidAmerican Energy Co.; Brad Morehouse; Tom Welk, Boyce, Greenfield, Pashby, & Welk, LLP, representing Montana-Dakota Utilities Co. and Otter Tail Power Company; Bob Pesall, Pesall Law Firm, representing Gerald Pesall; and Randy Schuring, Schuring Farms

(NOTE: For the purpose of continuity, these minutes are not necessarily in chronological order.)

#### **Consumer Reports**

##### **1. Status Report on Consumer Utility Inquiries and Complaints Received by the Commission (Consumer Affairs: Deb Gregg)**

The Commission received a total of 64 contacts since the last report was prepared for the April 15, 2014 Commission meeting.

11 of the contacts involved telecommunication services, 25 of the contacts involved electrical services, 6 of the contacts involved natural gas service, 1 contact involved cell phone service, 12 contacts were related to the Do Not Call Registry, 1 contact was related to One Call and 8 contacts were related to issues not regulated by the PUC.

642 of the 662 complaints received in 2014 have been resolved.

#### **Electric**

##### **1. EL13-028 In the Matter of the Application of Montana-Dakota Utilities Co. and Otter Tail Power Company for a Permit to Construct the Big Stone South to Ellendale 345 kV Transmission Line (Staff Analysts: Brian Rounds, Darren Kearney; Staff Attorney: Karen Cremer)**

Mr. Brad Morehouse and Mr. Randy Schuring, landowners, spoke on behalf of their Applications for Party Status. Mr. Tom Welk, Boyce, Greenfield, Pashby, & Welk, LLP, representing Montana-Dakota Utilities Co. and Otter Tail Power Company, stated that his clients did not object to the interventions.

**Commissioner Hanson moved to grant intervention to all the parties that have filed.** Motion carried 3-0.

**2. EL13-035 In the Matter of the Request for Approval of an Electric Service Territory Boundary Agreement between Bon Homme Yankton Electric Association, Inc. and Clay-Union Electric Cooperative, Inc. (Staff Analyst: David Henry; Staff Attorney: Kristen Edwards)**

**3. EL14-004 In the Matter of the Request for Approval of an Electric Service Territory Boundary Agreement between Beresford Municipal Electric and MidAmerican Energy Company (Staff Analyst: David Henry; Staff Attorney: Kristen Edwards)**

Mr. David Henry, staff analyst, recommended that the Commission grant approval to the proposed electric service territory boundary agreements in EL13-035 and EL14-004.

**Commissioner Nelson moved to approve the proposed electric service territory boundary agreements in EL13-035 and EL14-004. Motion carried 3-0.**

**4. EL14-030 In the Matter of the Petition of MidAmerican Energy Company for Extension of Test Period (Staff Analyst: Brittany Mehlhaff; Staff Attorney: Kristen Edwards)**

**2. NG14-002 In the Matter of the Petition of MidAmerican Energy Company for Extension of Test Period (Staff Analyst: Brittany Mehlhaff; Staff Attorney: Kristen Edwards)**

Ms. Suzan Stewart, MidAmerican Energy Company (MidAmerican), requested that the Commission approve its request for extension of time beyond its proposed test period to file an application for increase in its electric and natural gas rates, allowing MidAmerican to file general rate increase applications in early August 2014, based on a 2013 calendar year test period. Ms. Kristen Edwards, staff attorney, recommended that the Commission grant approval of MidAmerican's request for extension of time.

**In Dockets EL14-030 and NG14-002, Commissioner Fiegen moved to approve the Petition for Extension of Test Period to allow MidAmerican to file more than six months after the end of the test period. Motion carried 3-0.**

#### **Gas & Electric**

**1. GE14-001 In the Matter of the Filing by MidAmerican Energy Company for the Approval of Its Reconciliation for 2013 and its Proposed Energy Efficiency Plan for 2014 (Staff Analyst: Darren Kearney; Staff Attorney: Karen Cremer)**

Mr. Chuck Rea, MidAmerican Energy Company (MidAmerican), requested that the Commission approve its 2013 reconciliation amounts and the 2013 performance incentive and approve the requested modifications to the 2014 Energy Efficiency Plan. Mr. Rea also asked that the Commission approve the resulting changes to the energy efficiency cost recovery rider tariff sheets. Mr. Darren Kearney, staff analyst, recommended that the Commission approve MidAmerican's 2014 energy efficiency plan and energy efficiency cost recovery rider tariff sheets.

**Commissioner Hanson moved to approve the 2013 reconciliation amounts and the 2013 performance incentive and approve the requested modifications to the 2014 Energy Efficiency Plan and approve the resulting changes to the Energy Efficiency Cost Recovery Rider tariff sheets. Motion carried 3-0.**

#### **Natural Gas**

**1. NG14-001 In the Matter of the Filing by NorthWestern Corporation dba NorthWestern Energy for Approval of Its 2014 Economic Development Proposed Budget and 2013 Economic Development Expenses (Staff Analyst: Eric Paulson; Staff Attorney: Kristen Edwards)**

Mr. Rick Edwards, NorthWestern Corporation dba NorthWestern Energy, asked that the Commission approve its proposed 2014 economic development budget and 2013 economic develop

report detailing NorthWestern's actual versus budgeted expenses. Mr. Edwards also explained the underlying basis for NorthWestern's economic report and budget. Mr. Eric Paulson, staff analyst, recommended approval of the proposed 2014 economic development budget and 2013 economic development expenses.

**Commissioner Nelson moved to approve NorthWestern's 2013 economic development report and 2014 economic development budget.** Motion carried 3-0.

### **Telecommunications**

**1. TC11-087 In the Matter of the Application of Native American Telecom, LLC for a Certificate of Authority to Provide Interexchange Telecommunications Services and Local Exchange Services in South Dakota (Staff Analyst: Patrick Steffensen; Staff Attorney: Karen Cremer)**

Ms. Karen Cremer, staff attorney, recommended that the Commission grant Sprint's Motion regarding late filed exhibits as none of the parties objected to it being admitted. Ms. Cremer further informed the Commission that Sprint's Motion to Strike NAT's Post Hearing Reply Memorandum and Sanction's had been resolved and no action was needed on that motion.

**Commissioner Fiegen moved to grant Sprint's Motion Regarding Late Filed Exhibits.** Motion carried 3-0.

**2. TC14-008 In the Matter of the Request for a Declaratory Ruling by SNET America, Inc. regarding Specifying What the Company Must do to Address the De Minimus Provision of Intrastate Long Distance Service Without a Certificate of Authority (Staff Analyst: Brian Rounds; Staff Attorney: Kristen Edwards)**

A lengthy discussion took place regarding docket **TC14-008**. An audio of the discussion can be found on the PUC website under Commission Actions, Commission Meeting Archives, 2014, April 30, 2014, recording located at: <http://puc.sd.gov/commission/media/2014/puc04302014.mp3>

**Commissioner Hanson moved to require SNET pay \$250 to the Gross Receipts Fund.** Motion carried 3-0.

There being no further business, at the hour of 10:21 a.m. the South Dakota Public Utilities Commission meeting adjourned.

/S/Joy Lashley

Joy Lashley  
Administrative Assistant  
[puc@state.sd.us](mailto:puc@state.sd.us)  
April 30, 2014