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South Dakota Public Utilities Commission Meeting January 17, 2017, at 1:30 P.M. CST Matthew Training Center, Foss Building Pierre, South Dakota

MINUTES OF THE COMMISSION MEETING

Vice Chairperson Gary Hanson called the meeting to order. Present were: Commissioner: Chris Nelson; Commission Attorneys: Karen Cremer and Adam de Hueck; Commission Advisor: Greg Rislov; Staff Attorney: Kristen Edwards; Staff Analysts: Eric Paulson, Patrick Steffensen, Joseph Rezac, Brittany Mehlhaff, Jon Thurber, and Lorena Reichert; and Staff: Katlyn Gustafson

Also present:

Cheri Whittler, Court Reporter; Brett Koenecke, May, Adam, Gerdes & Thompson LLP; Pam Bonrud, Reed McKee, Melissa Baruth, Tim Olson, and Jeff Decker, NorthWestern Corporation dba NorthWestern Energy; and Rich Coit, South Dakota Telecommunications Association.

Joining the meeting by telephone were:

Chairperson: Kristie Fiegen, Staff Attorney, Amanda Reiss; Eric Pauli, Northern States Power Company dba Xcel Energy; Greg Porter, Northern Natural Gas Company; and Brett Ferenchak, Morgan, Lewis & Bockius LLP, representing Consolidated Communications Enterprise Services, Inc.

Consumer Reports

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

The Commission received a total of 80 contacts since the last report was prepared for the January 3, 2017, Commission meeting.

Eleven contacts involved telecommunication services, 22 contacts involved electrical services, 15 contacts were related to natural gas services, five contacts were related to wireless service, three contacts were related to Dakota Access Pipeline, six contacts were related to the Do Not Call Registry, one contact was related to Wind Energy and 17 contacts were related to issues not regulated by the PUC.

Complaints received in 2014: 1,914 of the 1,916 have been resolved.

Complaints received in 2016: 1,598 of the 1,598 have been resolved.

Complaints received in 2017: 67 of the 80 have been resolved.

Electric

1. EL16-038 In the Matter of the Joint Request for Revocation of a Service Rights Exception between West Central Electric Cooperative, Inc., and Oahe Electric Cooperative, Inc. (Staff Analyst: Joseph Rezac; Staff Attorney: Amanda Reiss)

Mr. Joseph Rezac, staff analyst, recommended that the Commission approve the joint request for revocation of a service rights exception between West Central Electric Cooperative, Inc. and Oahe Electric Cooperative, Inc.

Commissioner Nelson moved to approve the joint request for revocation of a service rights exception. Motion carried 3-0.

- 2. EL16-040 In the Matter of the Request by Inter-Lakes Community Action Partnership for a Variance from the Individual Metering Requirement in ARSD 20:10:26:03 for Three Multi-Family Facilities in Sioux Falls, South Dakota (Staff Analyst: Eric Paulson; Staff Attorney: Amanda Reiss)
- 2. EL16-041 In the Matter of the Request by Trinity Point Limited Partnership for a Variance from the Individual Metering Requirement in ARSD 20:10:26:03 for a 48-Unit Multi-

Family Housing Structure in Sioux Falls, South Dakota (Staff Analyst: Eric Paulson; Staff Attorney: Amanda Reiss)

Mr. Eric Paulson, staff analyst, recommended that the Commission dismiss and close dockets EL16-040 and EL16-041.

Commissioner Fiegen moved to dismiss and close dockets EL16-040 and EL16-041. Motion carried 3-0.

Natural Gas

1. NG16-014 In the Matter of Commission Staff's Petition for Declaratory Ruling Regarding Farm Tap Customers (Staff Analysts: Brittany Mehlhaff, Mary Zanter, Patrick Steffensen; Staff Attorney: Kristen Edwards)

A lengthy discussion took place regarding docket NG16-014. An audio of the discussion can be found on the PUC website under Commission Actions, Commission Meeting Archives, 2017, January 17, 2017, recording located at:

http://puc.sd.gov/commission/media/2017/puc01172017.mp3.

Commissioner Nelson moved to grant Commission Staff's Motion for Judicial Notice. Motion carried 3-0.

Commissioner Hanson moved to deny Northern Natural Gas Company's Motion to Reopen the Record, Take Judicial Notice, and Correct the Record. Motion carried 3-0.

Commissioner Hanson moved to declare that the Commission does have jurisdiction over the utility providing natural gas to farm tap customers taking natural gas from the transmission line owned and operated by Northern Natural Gas Company. Motion carried 3-0.

Commissioner Hanson moved to declare that both Northern Natural Gas Company and Northwestern are public utilities as defined by SDCL Chapter 49 with respect to these farm tap customers. Commissioner Nelson moved a substitute motion to find that Northwestern Energy is a public utility as defined by SDCL Chapter 49. Motion carried 3-0.

Commissioner Hanson moved to declare that Northern Natural Gas has made itself a public utility in the State of South Dakota for the providing of natural gas to the farm tap customers. Motion failed 2-1.

Commissioner Nelson moved to declare farm taps in whole or in part, are not subject to state jurisdiction for the purposes of pipeline safety pursuant to SDCL Chapter 49-34B. Motion carried 3-0.

Telecommunications

1. TC16-067 In the Matter of the Application of Consolidated Communications Enterprise Services, Inc. for a Certificate of Authority to Provide Local Exchange and Interexchange Long Distance Services in South Dakota and the Transfer of Crystal Communications, Inc. and Enventis Telecom, Inc.'s Certificates of Authority to Consolidated Communications Enterprise Services, Inc. (Staff Analyst: Joseph Rezac; Staff Attorney: Amanda Reiss)

Mr. Brett Ferenchak, Morgan, Lewis & Bockius LLP, representing Consolidated Communications Enterprise Services, Inc. (CCES), asked that the Commission approve the transfer of the Certificate of Authority of Enventis to CCES. Mr. Joseph Rezac, staff analyst, recommended that the Commission grant approval to CCES with the conditions that, for retail purposes, CCES not offer any prepaid services, including prepaid calling cards, and not accept or require any deposits or advance payments without prior approval of the Commission, and that the applicant be subject to rural safeguards.

Commissioner Hanson moved to approve the transfer of the Certificate of Authority of Enventis to CCES. Motion carried 3-0.

There being no further business, at the hour of 2:35 p.m., the South Dakota Public Utilities Commission meeting adjourned.

/s/Joy Lashley
Joy Lashley
Administrative Assistant
PUC Email
January 17, 2017