

March 21, 2012

The Public Service Commission convened in the Commission Hearing Room, State Capitol, Bismarck, North Dakota, on March 21, 2012, 1:30 p.m. Present were Commissioners Clark, Kalk and Cramer.

Minutes

Mr. Cramer: I move the minutes of February 29, March 6, 2012 be approved.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. GE-12-25  
Proseed, Inc.  
Roving Grain Buyer - Harvey, ND  
License Application

Mr. Cramer: I move the Commission approve the roving grain buyer license application in Case No. GE-12-25 for Proseed, Inc. of Harvey, North Dakota.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. GE-12-97  
Touton USA LTD  
Roving Grain Buyer  
Discontinue Business

Mr. Cramer: I move the Commission adopt an order in Case No. GE-12-97 cancelling roving grain buyer license number 3172 issued to Touton USA Ltd. of Carmel, Indiana, and ordering that all North Dakota roving grain buyer activities be discontinued.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-12-108  
Leslie Berdal  
Auctioneer  
License Application

Mr. Cramer: I move the Commission approve the auctioneer license application for Leslie Berdal, Aneta, North Dakota.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-12-109  
Rowdy Benson  
Auctioneer  
License Application

Mr. Cramer: I move the Commission approve the auctioneer license application for Rowdy Benson, Lemmon, South Dakota.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-299  
Otter Tail Power Company  
Kent Road - Cass County  
Public Convenience & Necessity

Mr. Cramer: I move the Commission adopt the Order and issue a Certificate of Public Convenience and Necessity authorizing Otter Tail Power Company to extend electric service to Kent Road at a location in Cass County, North Dakota, Case No. PU-11-299.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-392  
Otter Tail Power Company  
Keith Drake, Eddy County  
Public Convenience & Necessity

Mr. Cramer: I move the Commission adopt the Order and issue a Certificate of Public Convenience and Necessity authorizing Otter Tail Power Company to extend electric service to Keith Drake at a location in Eddy County, North Dakota, Case No. PU-11-392.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-651  
Otter Tail Power Company  
Kevin Rodine - Dickey County  
Public Convenience & Necessity

Mr. Cramer: I move the Commission adopt the Order and issue a Certificate of Public Convenience and Necessity authorizing Otter Tail Power Company to extend electric service to Kevin Rodine at a location in Dickey County, North Dakota, Case No. PU-11-651.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-24  
Otter Tail Power Company  
2012 Renewable Resource Cost  
Recovery Adj. Factor  
Tariff

Mr. Cramer: I move the Commission adopt the Order Granting Trade Secret Protection in Otter Tail Power Company's 2012 Renewable Resource Cost Recovery Factor Adjustment Tariff, Case No. PU-12-24.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-26  
Montana-Dakota Utilities Co.,  
a Division of MDU  
Ron Thompson - McKenzie County  
Public Convenience & Necessity

Mr. Cramer: I move the Commission adopt the Order and issue a Certificate of Public Convenience and Necessity authorizing Montana-Dakota Utilities Co. to extend electric service to Ron Thompson at a location in McKenzie County, North Dakota, Case No. PU-12-26.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-33  
Otter Tail Power Company  
Curwood Seefeldt - LaMoure County  
Public Convenience & Necessity

Mr. Cramer: I move the Commission adopt the Order and issue a Certificate of Public Convenience and Necessity authorizing Otter Tail Power Company to extend electric service to Curwood Seefeldt at a location in LaMoure County, North Dakota, Case No. PU-12-33.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-66  
Montana-Dakota Utilities Co.,  
a Division of MDU  
Air Liquide Industrial U.S. L.P.  
Public Convenience & Necessity

Mr. Cramer: I move the Commission issue a Notice of Opportunity for Hearing in the application of Montana-Dakota Utilities Co. to extend electric service to Air Liquide Industrial U.S. L.P. at a location in Williams County, North Dakota, Case No. PU-12-66.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-73  
Dickey Rural Telephone Cooperative  
Designated Eligible Carrier  
Application

Mr. Cramer: I move the Commission adopt the Order Granting Trade Secret Protection in Dickey Rural Telephone Cooperative's application for designation as an eligible carrier, Case No. PU-12-73, and application for certificates of public convenience and necessity to provide local exchange services, Case No. PU-12-74.

Case No. PU-12-74  
Dickey Rural Telephone Cooperative  
Local Exchange  
Public Convenience & Necessity

Mr. Kalk: I second the motion.  
Roll Call: All voting "Aye."

Case No. PU-12-75  
Montana-Dakota Utilities Co.,  
a Division of MDU  
Samsom Resource - Mountrail County  
Public Convenience & Necessity

Mr. Cramer: I move the Commission issue a Notice of Opportunity for Hearing in the application of Montana-Dakota Utilities Co. to extend electric service to Samson Resource at a location in Mountrail County, North Dakota, Case No. PU-12-75.

Mr. Kalk: I second the motion.  
Roll Call: All voting "Aye."

Case No. PU-12-99  
Otter Tail Power Company  
Cost of Energy Adjustment Clause  
Tariff

Mr. Cramer: I move the Commission suspend Otter Tail Power Company's rates filed with its Cost of Energy Adjustment Clause, Case No. PU-12-99.

Mr. Kalk: I second the motion.  
Roll Call: All voting "Aye."

Case No. PU-12-104  
BEK Communications Cooperative  
Switched Access  
Price Schedule

Mr. Cramer: I move the Commission suspend BEK Communications Cooperative's proposed switched access price schedule, Case No. PU-12-104.

Mr. Kalk: I second the motion.  
Roll Call: All voting "Aye."

Case No. PU-10-218  
BakkenLink Pipeline, LLC  
Crude Oil Pipeline –  
Williams to Billings Counties  
Siting Application

Mr. Cramer: I move the Commission execute a contract with Kadrmass, Lee & Jackson for construction inspection services concerning BakkenLink Pipeline, LLC's construction of approximately 144 miles of 8-inch and 12-inch crude oil pipeline in Billings, Dunn, McKenzie, Stark and Williams Counties, North Dakota, Case No. PU-10-218.

Mr. Kalk: I second the motion.  
Roll Call: All voting "Aye."

Case No. AM-11-27  
Beulah/Zap  
2011 Phase 12 Construction  
Project

Mr. Cramer: I move the Commission close-out Contract No. AM-606-11 with B & C Concrete Pumping, Inc. for completion of drilling and grouting and other work associated with the 2011 Beulah/Zap Phase 12 AML project.

Mr. Kalk: I second the motion.  
Roll Call: All voting "Aye."

Case No. AM-11-497  
2011 Maintenance  
Project

Mr. Cramer: I move the Commission terminate Contract No. AM-631-11 by mutual consent with Material Testing Services, LLC, for the structural survey of a house east of Williston.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-561  
Oliver Wind III, LLC  
48 MW Wind Energy Center –  
Morton County  
Siting Application

Mr. Clark: I move the Commission adopt the Findings of Fact, Conclusions of Law and Order issuing Certificate of Site Compatibility No. 27 to Oliver Wind III, LLC, authorizing construction of its proposed 48 MW Oliver III Wind Energy Center in Morton County, North Dakota, Case No. PU-11-561.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-662  
Allete Clean Energy, Inc.  
100 MW Clean Energy #1 Wind  
Project - Mercer & Morton Counties  
Siting Application

Mr. Clark: I move the Commission deem the application complete, conditioned on receiving final turbine locations one week prior to hearing, and issue a Notice of Filing and Notice of Hearing in the application of ALLETE Clean Energy, Inc. for a certificate of site compatibility to construct a 100 MW Clean Energy #1 Wind Project in Mercer and Morton Counties of North Dakota, Case No. PU-11-662.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-39  
Northern States Power Company  
230 Kv Peace Garden Switching  
Station Transmission Line  
Public Convenience & Necessity

Mr. Clark: I move the Commission adopt the Order Granting Certificate and issue Certificate of Public Convenience and Necessity No. 5465 to Northern States Power Company authorizing the construction and operation of a proposed 230 kV Peace Garden Switching Station and approximately 300 feet of 230 kV electric transmission line necessary to interconnect the Border Winds Energy Project in Rolette County, North Dakota, Case No. PU-12-39.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-76  
Otter Tail Power Company  
115 KV Transmission Line –  
Buffalo-Casselton Line  
Public Convenience & Necessity

Mr. Clark: I move the Commission issue a Notice of Opportunity for Hearing in the application of Otter Tail Power Company for a certificate of public convenience and necessity to construct, own and operate approximately 16 miles of 115 kV electric transmission line from Buffalo to Casselton in Cass County, North Dakota, Case No. PU-12-76.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-697  
Midcontinent Communications /  
Missouri Valley Comm  
Interconnection Arbitration  
Application

Mr. Kalk: I move the Commission adopt the Findings of Fact, Conclusions of Law and Order denying Missouri Valley Communications, Inc. Motion to Dismiss Midcontinent Communication's Petition for Arbitration, Case No. PU-11-697.

Mr. Clark: I second the motion.  
Roll Call: All voting "Aye."

Case No. PU-12-24  
Otter Tail Power Company  
2012 Renewable Resource Cost  
Recovery Adj. Factor  
Tariff

Mr. Kalk: I move the Commission adopt the order concerning Otter Tail Power Company's 2012 Renewable Resource Cost Recovery Adjustment Factor tariff, Case No. PU-12-24.

Mr. Cramer: I second the motion.  
Roll Call: All voting "Aye."

Case No. PU-12-99  
Otter Tail Power Company  
Cost of Energy Adjustment Clause  
Tariff

Mr. Kalk: I move the Commission issue a Notice of Opportunity for Hearing in Otter Tail Power Company's application for its Cost of Energy Adjustment Clause, Case No. PU-12-99.

Mr. Cramer: I second the motion.  
Roll Call: All voting "Aye."

Case No. RC-11-30  
Basin Cooperative Services  
Bond Release No. 7,  
Permit BCGH-8204  
Approval

Mr. Cramer: I move the Commission approve Bond Release No. 7 for Surface Coal Mining Permit BCGH-8204, held by Basin Cooperative Services for the Glenharold Mine, to release all reclamation liabilities on 2,378.8 acres of land located in portions of Sections 13 and 14, T144N, R85W and portions of Sections 18, 21, 27, 30, 31, 32 and 33, T144N, R84W, Mercer County, and portions of Sections 4, 5 and 9, T143N, R84W, Oliver County. The amount of the bond release is \$4,617,060.92 and it will become effective April 20, 2012, unless a formal hearing is requested.

Mr. Kalk: I second the motion.  
Roll Call: All voting "Aye."

Case No. RC-11-31  
Basin Cooperative Services  
Bond Release No. 8,  
Permit BCGH-8204  
Approval

Mr. Cramer: I move the Commission approve Bond Release No. 8 for Surface Coal Mining Permit BCGH-8204, held by Basin Cooperative Services for the Glenharold Mine, to release all reclamation liabilities on 325 acres of land located in Section 31, T144N, R84W, Mercer County. The amount of the bond release is \$801,688.23 and it will become effective April 20, 2012, unless a formal hearing is requested.

Mr. Kalk: I second the motion.  
Roll Call: All voting "Aye."

Case No. PU-11-605  
Enbridge Pipelines (North Dakota) LLC  
Grenora Station Upgrade Project -  
Williams County  
Siting Application

Mr. Cramer: I move the Commission adopt the Order adopting the Hearing Officer's March 14, 2012 Recommended Findings of Fact, Conclusions of Law and Recommended Order in the request of Enbridge Pipelines (North Dakota) LLC for a waiver of procedures and time schedules, a corridor certificate and a route permit for the construction of upgrades at its Grenora Station in Williams County, North Dakota, Case No. PU-11-605.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-606  
Enbridge Pipelines (North Dakota) LLC  
Little Muddy Station Connection  
Project – Williams County  
Siting Application

Mr. Cramer: I move the Commission adopt the Order adopting the Hearing Officer's March 14, 2012 Recommended Findings of Fact, Conclusions of Law and Recommended Order in the request of Enbridge Pipelines (North Dakota) LLC for a waiver of procedures and time schedules, a corridor certificate and a route permit for the construction of its Little Muddy Connection Project in Williams County, North Dakota, Case No. PU-11-606.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AM-12-80  
Exploratory Drilling  
Project

Mr. Cramer: I move the Commission approve the award of a contract to T & C Drilling, Inc., in the amount of \$170,500 to conduct exploratory drilling at several abandoned underground coal mines in southwestern North Dakota.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-109  
Vantage Pipeline US LP  
Natural Gas Liquids Pipeline –  
Williams and Divide Counties  
Siting Application

Mr. Cramer: I move the Commission deem the applications complete and issue a Notice of Filings and Notice of Hearing in the request of Vantage Pipeline US LP for waiver of procedures and time schedules, for a corridor certificate, and for a route permit for the construction of approximately 79.8 miles of 10-inch liquid ethane pipeline from near Tioga to the Canada border in Williams and Divide Counties, North Dakota, Case No. PU-11-109.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-70  
Northern States Power Company  
Advance Determination of Prudence -  
Manitoba Hydro  
Application

Mr. Cramer: I move the Commission appoint Mike Diller, Mark Gruman, Annette Bendish, and Christopher Marohl as advocacy staff in Northern States Power Company's application for advance determination of prudence concerning three power purchase agreements and associated transactions with the Manitoba Hydro Electric Board, Case No. PU-12-70.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-692  
Basin Electric Power Cooperative  
345/230 kV Transmission Line -  
Williams County  
Siting Application

Mr. Cramer: I move the Commission appoint the Administrative Law Judge from the Office of Administrative Hearings to preside as a substantive hearing officer, effective March 6, 2012, in Case No. PU-11-692, Basin Electric Power Cooperative, 345/230 kV Transmission Line in Williams County, North Dakota.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-109  
Vantage Pipeline US LP  
Natural Gas Liquids Pipeline –  
Williams and Divide Counties  
Siting Application

WITHDRAWN

New Hire  
Environmental Scientist III

Mr. Cramer: I move the Commission acknowledge the offer to and acceptance of Zanna Ternes to fill Position No. 5020, Environmental Scientist III, effective March 26, 2012, under the terms specified in the March 8, 2012 written offer of employment.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

New Hire  
Light Duty Weights and Measures  
Inspector

Mr. Cramer: I move the Commission acknowledge the offer to and acceptance of Bradley Lavold to fill Position No. 5006, Weights and Measures Inspector, effective April 9, 2012, under the terms specified in the March 9, 2012 written offer of employment.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

AML Construction Inspector

Mr. Cramer: I move the Commission hire Raymond Kelsch for seasonal part-time employment as Construction Inspector for the AML Division with a period of employment starting on or after April 2, 2012, and ending no later than November 30, 2012, at a salary of \$17.00 per hour plus time and a half for hours in excess of the standard 40 hour work week.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

New Hire  
Accounting/Budget Specialist I

Mr. Cramer: I move the Commission acknowledge the offer to and acceptance of Krista Schmidt to fill Position No. 5027, Accounting/Budget Specialist I, effective March 26, 2012, under the terms specified in the March 15, 2012 written offer of employment.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. GE-12-78  
Anderson Seed Co., Inc.  
Grain Warehouse  
Insolvency

Mr. Clark: I move the Commission request legal assistance from the Office of the Attorney General in Anderson Seed Co., Inc., Grain Warehouse, Insolvency, Case No. GE-12-78.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-104  
Hess Corporation  
HGL Pipelines – Williams County  
Siting Application

Mr. Cramer: I move the Commission request the Director of the Office of Administrative Hearings to appoint the Administrative Law Judge to preside as a substantive hearing officer in Case No. PU-11-104, Hess Corporation proposed natural gas liquids pipeline in Williams County, North Dakota.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

ATTEST

THE COMMISSION ADJOURNED AT 2:40 P.M.

\_\_\_\_\_  
Executive Secretary

\_\_\_\_\_  
TONY CLARK, CHAIRMAN