

July 12, 2006

The Public Service Commission convened in the Sakakawea Room, Gound Floor, State Capitol, Bismarck, North Dakota, on July 12, 2006, 10:00 a.m. Present were Commissioners Clark, Wefald, and Cramer.

Minutes

Mr. Cramer: I move the minutes of June 22, 2006, be approved.

Mr. Clark: I second the motion.

Roll Call: All voting "Aye."

Bills

Mr. Cramer: I move the following bills, as reviewed by the Commission, be approved and paid:

Commission for Continuing Legal Education	25.00
Frontier Precision, Inc.	2,050.00
Ritchie Bros. Auctioneers (America) Inc.	35.00
FedEx	29.24
James Deutsch	7.50
Kevin Cramer	72.90
Illona Jeffcoat-Sacco	1,413.98
Timothy Erdmann	1,022.50
Susan E. Wefald	741.68
Alan Moch	534.45
Guy Welch	22.50
Bruce Johnson	15.00
Stephan A. Schroeder	558.99
David Bickel	15.00
Bruce Beechie	70.00
William E. Dodd	67.50
Larry Reisenauer	1,106.82
Mark Knell	288.78
JP Robbins	876.44
Wayne Grangaard	225.15
Bill Eide	663.37
Phyllis Richter	694.12
Rick Fillbrandt	272.50
Leo D. Praus	92.92
Larry L. Larson	15.00
AAWCO	300.00
Bain Agency, Inc.	715.00
Quality Construction, Inc.	11,103.84
Miller & Associates	1,100.00
Leo D. Praus-7/06 advance	400.50
Interstate Mining Compact Commission	12,308.00
ND Geological Survey	1,286.91
Office of Administrative Hearings	38.11
ITD-6/06 ph and misc.	11,126.97
OMB-6/06 supplies	225.90

Bills Continued

OMB–cpr training	28.50
ITD–microfilm	608.04
OMB–5/06 ups	63.76
OMB–6/06 postage	614.18
ND Insurance Dept.	694.79

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

Case No. AU-3314-06-256  
Richard Jacob Elias  
Auctioneer  
License Application

Mr. Cramer: I move the Commission approve the auctioneer license application for Richard Jacob Elias, Melville, Saskatchewan.

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

Case No. AU-06-261  
Dean Lindsey dba L & L Clerking  
Auction Clerk  
License Application

Mr. Cramer: I move the Commission approve the auction clerk license application for Dean Lindsey dba L & L Clerking, Williston, North Dakota.

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

Case No. GE-06-283  
Pro Co-op  
Roving Grain Buyer - Opheim, MT  
License Application

Mr. Cramer: I move the Commission approve the roving grain buyer license application for Pro Co-op, Opheim, Montana.

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

Case No. PU-2967-03-666  
BEK Communications Cooperative, et al.  
vs. SmartNET, Inc.  
Complaint

Mr. Cramer: I move the Commission permit attorney Glenn S. Richards to appear before the Commission pursuant to N.D. Admin. Code § 69-02-01-06 and North Dakota Supreme Court Rule 3 for the limited purpose of representing SmartNET, Inc. in Case No. PU-2967-03-666; BEK Communications Cooperative, et al. vs. SmartNET, Inc., Complaint.

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

Case No. AD-06-125  
Public Service Commission  
2007 - 2009  
Budget

Mr. Cramer: I move the Commission submit the 2007 - 2009 budget to the Office of Management and Budget in accordance with the Governor's guidelines, as discussed on June 22, 2006 and documented in Mike Diller's June 22, 2006 memo, and I further move the Commission submit the 2007 – 2009 Information Technology Plan to the Information Technology Department.

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

Case No. PU-06-207  
Montana-Dakota Utilities Co., a  
Division of MDU  
Tyson Schumacher, Mandan, ND  
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 Tyson Schumacher for a residential site near Mandan, North Dakota, Case No. PU-06-207.

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

Case No. PU-06-260  
FPL Energy, LLC  
Request for Jurisdictional  
Determination  
PSC Comments / Letters

Mr. Cramer: I move the Commission acknowledge Staffs letter opinion sent to FPL Energy, LLC regarding applicability of the Siting Act as it relates to the Oliver Wind Energy Center, Oliver County, North Dakota, Case No. PU-06-260.

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

Case No. RC-06-257  
Bentonite Performance Minerals  
Reclamation Extension 24, Permit 34  
Approval

Mr. Cramer: I move the Commission approve Reclamation Period Extension No. 24 for Surface Coal Mining Permit No. 34, held by Bentonite Performance Minerals, to allow the continuation of reclamation activities on 9.31 acres at the Gaylord Olson Mine until June 30, 2007.

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

Policy Memorandums 9, 12, 19, and 23  
to Mine Operators

Mr. Cramer: I move the Commission approve changes to Policy Memorandums 9, 12, 19 and 23 to Mine Operators pertaining to notice requirements for bond release applications, pond inspections and post-construction certifications, sedimentation pond removal, and haul road design standards and certifications.

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

Case No. PU-05-395  
Qwest Corporation  
Section 272 Biennial Audit  
Investigation

Mr. Clark: I move the Commission issue a Notice of Filing and Notice of Opportunity to File Written Comments in Qwest Corporation's Section 272 Biennial Audit Investigation, Case No. PU-05-395.

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

Case No. GE-06-267  
Hadley Seed Farm  
Roving Grain Buyer - Hadley, PA  
Discontinue Business

Mr. Clark: I move the Commission issue an order in Case No. GE-06-267 granting the request of Larry G. McCloskey doing business as Hadley Seed Farm, Hadley, Pennsylvania, to discontinue business as a North Dakota roving grain buyer, effective August 1, 2006.

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

Case No. GE-06-282  
Red Trail Energy, LLC  
Grain Warehouse - Richardton, ND  
License Application

Mr. Clark: I move the Commission issue an order in Case No. GE-06-282 granting the request of Red Trail Energy, LLC to operate a 1,500,000 bushel grain warehouse at Richardton, North Dakota, effective July 6, 2006.

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

Case No. PU-06-278  
Capital Electric Cooperative Inc. vs.  
Montana-Dakota Utilities Co.  
Complaint

Mrs. Wefald: I move the Commission find the complaint states a prima facie case, and serve the complaint on Montana-Dakota Utilities Co.

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

Case No. PU-06-255  
Otter Tail Corporation  
July 2006  
Fuel Cost Adjustment

Discussion Items Only

Case No. PU-06-268  
Montana-Dakota Utilities Co., a  
Division of MDU  
July 2006  
Fuel Cost Adjustment

Case No. PU-06-272  
Northern States Power Company  
July 2006  
Fuel Cost Adjustment

Case No. AM-06-271  
AML Coal Fire Suppression  
2006 Grant  
Application

Mrs. Wefald: I move the Commission submit a grant application to the Office of Surface Mining Reclamation and Enforcement to acquire federal funds to extinguish coal outcrop fires in McKenzie County, North Dakota.

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

Case No. PU-06-277  
Northern States Power Company  
July 2006  
Cost of Gas Adjustment

Mr. Cramer: I move the Commission approve Northern States Power Company's cost of gas adjustment for July 2006, Case No. PU-06-277.

Mr. Clark: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-06-289  
Great Plains Natural Gas Co.  
July 2006  
Cost of Gas Adjustment

Mr. Cramer: I move the Commission approve Great Plains Natural Gas Co.'s Cost of Gas adjustment for July 2006, Case No. PU-06-289.

Mr. Clark: I second the motion.

Roll Call: All voting "Aye."

Case No. GS-05-631  
North Dakota One-Call  
CY2006 - R079-07  
Application

Mr. Cramer: I move the Commission execute a contract with Odney Advertising Agency, PO Box 2035, Bismarck, North Dakota in the amount of \$11,125.52 for CY2006 One-Call Radio Advertising.

Mrs. Wefald: I second the motion.

Roll Call: All voting "Aye."

Case No. RC-05-255  
BNI Coal, Ltd  
Bond Release No. 8, Permit No. BNLS-8109  
Approval

Mr. Cramer: I move the Commission approve Bond Release No. 8 for Surface Coal Mining Permit No. BNLS-8109, held by BNI Coal, Ltd. for the Larson Mine, to release all remaining reclamation liabilities on 149.49 acres located in Section 18, T162N, R94W, Burke County. The amount of the bond release is \$41,148 and it will become effective August 11, 2006, unless a formal hearing is requested.

Mr. Clark: I second the motion.

Roll Call: All voting "Aye."

Case No. RC-06-198  
GeoResources, Incorporated  
Notice of Violation 0601  
Violation

Mr. Cramer: I move the Commission adopt the Order in Case No. RC-06-198, Notice of Violation No. 0601 issued to GeoResources, Inc., to assess a \$300 civil penalty and close the case.

Mr. Clark: I second the motion.

Roll Call: All voting "Aye."

Salary Adjustments

Mr. Cramer: I move the Commission, consistent with the intent of the 2005 Legislature, grant all nonprobationary, permanent employees whose documented performance levels meet standards a salary increase as identified in the Executive Secretary's 9 June 2006 supporting memorandum effective 1 July 2006.

Mr. Clark: I second the motion.

Roll Call: All voting "Aye."

Case No. RR-439-03-271  
Public Service Commission  
Rail Rates on Grain  
Investigation  
Consulting Contract

Mr. Clark: I move that the Commission enter into a contract with Thompson Hine LLP and McCarthy, Sweeney & Harkaway, P.C. for \$1,000.00 for consulting and legal services associated with the rail rate complaint case authorized by the 2005 Legislature; Case No. RR-439-03-271.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. RR-439-03-271  
Public Service Commission  
Rail Rates on Grain  
Investigation  
Consulting Contract

Mr. Clark: I move that the Commission enter into a contract with Upper Great Plains Transportation Institute for \$1,000.00 for consulting services associated with the rail rate complaint case authorized by the 2005 Legislature; Case No. RR-439-03-271.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

ATTEST

THE COMMISSION ADJOURNED AT 11:40 A.M.

---

Executive Secretary

---

TONY T. CLARK, PRESIDENT