

February 29, 2012

The Public Service Commission convened in the Commission Hearing Room, State Capitol, Bismarck, North Dakota, on February 29, 2012, 10:00 a.m. Present were Commissioners Clark, Kalk and Cramer.

Minutes

Mr. Cramer: I move the minutes of February 15, 24, 2012 be approved.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-10-164
Montana-Dakota Utilities Co.,
a Division of MDU
230kV Transmission Line –
McIntosh, Dickey County
Siting Application

Mr. Cramer: I move the Commission execute a contract with Wenck Associates, Inc. for construction inspection services concerning Montana-Dakota Utilities Co.'s construction of approximately 30 miles of 230 kV electric transmission line and associated facilities in McIntosh & Dickey Counties of North Dakota, Case No. PU-10-164.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-57
Allete, Inc.
Bison 2 Wind Project –
Oliver-Morton Counties
Siting Application

Mr. Cramer: I move the Commission execute a contract with Wenck Associates, Inc. for construction inspection services concerning ALLETE, Inc.'s construction of a 105 MW Bison 2 Wind project in Morton and Oliver Counties of North Dakota, Case No. PU-11-57.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-69
Meadowlark Wind I, LLC
New Frontier Wind Energy Project -
McHenry County
Siting Application

Mr. Cramer: I move the Commission execute a contract with Carlson McCain, Inc. for construction inspection services concerning Meadowlark Wind I, LLC's construction of the 102 MW New Frontier Wind Energy Project in McHenry County, North Dakota, Case No. PU-11-69.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-162
Allete, Inc.
Bison 3 Wind Project –
Oliver – Morton Counties
Siting Application

Mr. Cramer: I move the Commission execute a contract with Keitu Engineers & Consultants, Inc. for construction inspection services concerning ALLETE, Inc.'s construction of the 105 MW Bison 3 Wind Project in Morton and Oliver Counties, North Dakota, Case No. PU-11-162.

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. Cramer: I move the Commission execute a contract with Carlson McCain, Inc. for construction inspection services concerning Oliver Wind III, LLC's construction of a 48 MW Wind Energy Center in Morton County, North Dakota, Case No. PU-11-561

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-620
Allete, Inc.
230 kV Transmission Line-
Mercer, Morton, Oliver Counties
Siting Application

Mr. Cramer: I move the Commission execute a contract with Wenck Associates, Inc. for construction inspection services concerning ALLETE, Inc's construction of a 230 kV transmission Line and associated facilities in Mercer, Morton and Oliver Counties of North Dakota, Case No. PU-11-620.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-646
Wilton Wind IV, LLC
99 MW Wind Energy Center –
Burleigh County
Siting Application

Mr. Cramer: I move the Commission execute a contract with Keitu Engineers & Consultants, Inc. for construction inspection services concerning Wilton Wind IV, LLC's construction of the 99 Megawatt Wilton IV Wind Energy Center in Burleigh County, North Dakota, Case No. PU-11-646.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-12-85
Milton Brandner
Auction Clerk
License Application

Mr. Cramer: I move the Commission approve the auction clerk license application for Milton Brandner, Zeeland, North Dakota.

Mr. Kalk: 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. Cramer: I move the Commission assess a filing fee of \$10,000 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. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-12-92
Timothy Paul Oistad
Auctioneer
License Application

Mr. Cramer: I move the Commission approve the auctioneer license application for Timothy Paul Oistad, Gary, Minnesota.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-12-93
Timothy Paul Oistad
Auction Clerk
License Application

Mr. Cramer: I move the Commission approve the auction clerk license application for Timothy Paul Oistad, Gary, Minnesota.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-12-95
Jon Leadbetter
Auctioneer
License Application

Mr. Cramer: I move the Commission approve the auctioneer license application for Jon Leadbetter, Finley, North Dakota.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-18
Otter Tail Power Company
Cogeneration - Small Power
Production
Tariff

Mr. Cramer: I move the Commission approve Otter Tail Power Company's updated Cogeneration and Small Power Production Rates, Case No. PU-12-18.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-38
Montana-Dakota Utilities Co.,
a Division of MDU
Cary Garmann - McKenzie 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 Cary Garmann at a location in McKenzie County, North Dakota, Case No. PU-12-38.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-69
Northern States Power Company
Cogeneration - Small Power
Production
Rates

Mr. Cramer: I move the Commission approve Northern States Power Company's updated Cogeneration and Small Power Production Rates, Case No. PU-12-69.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-720
IdeaOne Telecom Group LLC
Change of Ownership
Application

Mr. Cramer: I move the Commission acknowledge IdeaOne Telecom Group LLC's request to withdraw its application for authorization of change of ownership, Case No. PU-11-720.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-90
Numbering Issues - 2012
Investigation

Mr. Cramer: I move the Commission acknowledge its response to the North American Numbering Plan Administration System that MLGC, LLC has activated number blocks assigned in the 581-Northwood and 718-Kindred calling prefixes in North Dakota, Case No. PU-12-90.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. RC-12-79
Coteau Properties Company
Performance Bond Increase
Approval

Mr. Cramer: I move the Commission approve the rider that increases the amount of Self-Bond No. SB-9501-1 and approve Collateral Bond No. CB-9501-7 that covers all permits held by the Coteau Properties Company for the Freedom Mine. I further move the approval of the cancellation of Collateral Bond Number CB-9501-6.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-10-630
Plains Pipeline, L.P.
Crude Oil Pipeline - Williams County
Siting Application

Mr. Cramer: I move the Commission execute a contract with Keitu Engineers & Consultants, Inc. for construction inspection services concerning Plains Pipeline, L.P.'s construction of a 32.1 mile, 12.75 inch outside diameter, crude oil pipeline in Williams County, North Dakota, Case No. PU-10-630.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-10-637
Rangeland Pipeline, LLC
Crude Oil Pipeline - Williams County
Siting Application

Mr. Cramer: I move the Commission execute a contract with Keitu Engineers & Consultants, Inc. for construction inspection services concerning Rangeland Pipeline, LLC's construction of approximately 20 miles of crude oil pipeline in Williams County, North Dakota, Case No. PU-10-637.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-66
Bear Paw Energy, LLC
Garden Creek to Riverview NGL
Pipeline, McKenzie
Siting Application

Mr. Cramer: I move the Commission execute a contract with Keitu Engineers & Consultants, Inc. for construction inspection services concerning Bear Paw Energy, LLC's construction of a 10-inch natural gas liquids pipeline located in McKenzie County, North Dakota, Case No. PU-11-66.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-102
Whiting Oil and Gas Corporation
Crude Oil Pipeline –
Billings and Stark Counties
Siting Application

Mr. Cramer: I move the Commission execute a contract with Wenck Associates, Inc. for construction inspection services concerning Whiting Oil and Gas Corporation's construction of 6.8 miles of 8-inch crude oil pipeline located 6 miles northeast of Belfield, in Billings and Stark Counties, North Dakota, Case No. PU-11-102.

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 execute a contract with Wenck Associates, Inc. for construction inspection services concerning Enbridge Pipelines (North Dakota) LLC's construction of the Grenora Station Upgrade Project 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 execute a contract with Wenck Associates, Inc. for construction inspection services concerning Enbridge Pipelines (North Dakota) LLC's construction of the Little Muddy Station 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. PU-10-554
Hiland Operating, LLC
6-Inch Natural Gas Liquids Pipeline
Siting Application

Mr. Cramer: I move the Commission execute a contract with E3 Environmental, LLC for construction inspection services concerning Hiland Operating, LLC's construction of a 14.1 mile, 6-inch natural gas liquids pipeline and associated facilities in McKenzie County, North Dakota, Case No. PU-10-554.

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. Clark: I move the Commission issue a Notice of Opportunity for Hearing in Northern States Power Company's application for Advance Determination of Prudence for three power purchase agreements with Manitoba Hydro Electric Board, Case No. PU-12-70.

Mr. Cramer: 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 file an application with the Cass County District Court, East Central Judicial District, for appointment as trustee of Anderson Seed Co., Inc. of Mentor, Minnesota, under North Dakota Century Code Chapters 60-02 and 60-04, in Public Service Commission Case No. GE-12-78.

I further move that the Commission file an Ex Parte Order to Preserve Trust Assets until the Court issues its order granting or denying the application.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. GE-12-91
North Dakota Oilseed Mills, LLC
License No. 1230 - Northwood, ND
Discontinue Business

Mr. Clark: I move the Commission issue an order in Case No. GE-12-91 cancelling warehouse license number 1230 issued to North Dakota Oilseed Mills, LLC at Northwood, North Dakota and ordering that business at Northwood is discontinued effective immediately.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-10-657
Northern States Power Company
2011 Electric Rate Increase
Application

Mr. Kalk: I move the Commission adopt the Order on Settlement in Northern States Power Company's 2011 electric rate increase application, Case No. PU-10-657, Northern States Power Company's 2012 electric rate increase application, Case No. PU-11-55, and Northern States Power Company's Customer Credit – DOE Settlement application, Case No. PU-11-557.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-55
Northern States Power Company
2012 Electric Rate Increase
Application

Case No. PU-11-557
Northern States Power Company
Customer Credit - DOE Settlement
Application

Case No. PU-11-672
Montana-Dakota Utilities Co.,
a Division of MDU
Transmission Facility Cost Recovery
Rates

Mr. Kalk: I move the Commission issue a Notice of Filing, Notice of Informal Hearing, and Notice of Opportunity for Hearing for Montana-Dakota Utilities Co.'s application for a transmission cost recovery rate, Case No. PU-11-672, and a transmission cost recovery tariff, Case No. PU-11-681.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-681
Montana-Dakota Utilities Co.,
a Division of MDU
Transmission Facility Cost Recovery
Tariff

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

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

Mr. Kalk: I move the Commission issue a Notice of Opportunity for Hearing in the application of Dickey Rural Telephone Cooperative for certificates of public convenience and necessity to provide facilities-based incumbent local exchange telecommunication services in the Gwinner, Lisbon, Ashley, Edgeley, Ellendale, Forman, Kulm, LaMoure, and Oakes exchanges in North Dakota, Case No. PU-12-74; and the application of Dickey Rural Telephone Cooperative for designation as an essential telecommunications carrier to receive federal universal service funding in those exchanges, Case No. PU-12-73.

Mr. Clark: 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

Moved to Administrative Matters Discussion B 1-A

Case No. PU-10-637
Rangeland Pipeline, LLC
Crude Oil Pipeline - Williams County
Siting Application

Mr. Cramer: I move the Commission adopt the Amended Findings of Fact, Conclusions of Law and Order concerning Rangeland Pipeline, LLC's construction of approximately 20 miles of crude oil pipeline in Williams County, North Dakota, Case No. PU-10-637.

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 adopt the Findings of Fact, Conclusions of Law and Order issuing Certificate of Corridor Compatibility No. 127 and Route Permit No. 136 to BakkenLink Pipeline, LLC for the construction of approximately 144 miles of crude oil pipeline in Billings, Dunn, McKenzie, Stark and Williams Counties, North Dakota, with the Certificate and Permit conditioned upon applicant receiving appropriate approval from the State Historical Preservation Office (SHPO), Case No. PU-10-218.

Not specified: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-40
Plains Pipeline, L.P.
Nelson to Ross Pipeline –
Mountrail County
Siting Application

Mr. Cramer: I move the Commission appoint the Administrative Law Judge, Patrick Ward, to preside as a substantive hearing officer in Case No. PU-12-40, Plains Pipeline's proposed crude oil pipeline in Mountrail County, North Dakota.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-12-42
Magellan Midstream Partners, L.P.
Fargo Relocation Project - Cass
County
Siting Application

Mr. Cramer: I move the Commission appoint the Administrative Law Judge, Patrick Ward, to preside as a substantive hearing officer in Case No. PU-12-42, Magellan Midstream Partners, L.P., Fargo Relocation Project - Cass County, Siting Application.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

New Hire – Heavy Duty Weights and
Measures Inspector

Mr. Cramer: I move the Commission acknowledge the offer to and acceptance of Teddy W. Scott to fill Position No. 5009, Weights and Measures Inspector, effective March 5, 2012, under the terms specified in the February 8, 2012 written offer of employment.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Resignation - Gas Pipeline Safety
Inspector/Program Manager

Mr. Cramer: I move the Commission accept, with regret, the resignation of Bob Bachmeier effective March 16, 2012.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Legal Division Reorganization

Mr. Cramer: I move the Commission move Position No. 5029, Attorney I, from the Legal Division to the Economic Regulation and Compliance and Competitive Markets Divisions effective March 1, 2012.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

ATTEST

THE COMMISSION ADJOURNED AT 11:40 A.M.

Executive Secretary

TONY CLARK, CHAIRMAN