

December 21, 2011

The Public Service Commission convened in the Commission Hearing Room, State Capitol, Bismarck, North Dakota, on December 21, 2011, 10:00 a.m. Present were Commissioners Clark, Kalk and Cramer.

Minutes

Mr. Cramer: I move the minutes of December 7, 2011 be approved.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-395  
Montana-Dakota Utilities Co.,  
a Division of MDU  
Advance Determination of Prudence -  
88 MW Turbine  
Application

Mr. Cramer: I move the Commission execute the contract amendment with La Capra Associates, Inc. for consulting services in Montana-Dakota Utilities Co.'s Advance Determination of Prudence 88 MW Simple Cycle Combustion Turbine Application, Case No.

PU-11-395, and in Montana-Dakota Utilities Co.'s 88 MW Combustion Turbine Public Convenience and Necessity, Case No. PU-11-396.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-396  
Montana-Dakota Utilities Co.,  
a Division of MDU  
88 MW Combustion Turbine  
Public Convenience & Necessity

Case No. AU-11-703  
Monte W. Lowderman  
Auctioneer  
License Application

Mr. Cramer: I move the Commission approve the auctioneer license application for Monte W. Lowderman, Macomb, Illinois effective January 1, 2012.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-11-704  
Monte W. Lowderman  
Auction Clerk  
License Application

Mr. Cramer: I move the Commission approve the auction clerk license application for Monte W. Lowderman, Macomb, Illinois effective January 1, 2012.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-11-705  
Jasmine S. Cowell  
Auctioneer  
License Application

Mr. Cramer: I move the Commission approve the auctioneer license application for Jasmine S. Cowell, Bismarck, North Dakota effective January 1, 2012.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-11-706  
Christopher J. Dschaak  
Auctioneer  
License Application

Mr. Cramer: I move the Commission approve the auctioneer license application for Christopher J. Dschaak, Bismarck, North Dakota effective January 1, 2012.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-11-707  
Christopher J. Dschaak  
dba Jazzy Auctions  
Auction Clerk  
License Application

Mr. Cramer: I move the Commission approve the auction clerk license application for Christopher J. Dschaak dba Jazzy Auctions, Bismarck, North Dakota effective January 1, 2012.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-11-708  
Dennis M. Olson  
Auctioneer  
License Application

Mr. Cramer: I move the Commission approve the auctioneer license application for Dennis M. Olson, Bismarck, North Dakota effective January 1, 2012.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-11-709  
Kimberly Olson  
dba Olson Auction Service  
Auction Clerk  
License Application

Mr. Cramer: I move the Commission approve the auction clerk license application for Kimberly Olson dba Olson Auction Service, Bismarck, North Dakota effective January 1, 2012.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. AU-11-710  
Bret Carl Ruff  
Auction Clerk  
License Application

Mr. Cramer: I move the Commission approve the auction clerk license application for Bret Carl Ruff, Steele, North Dakota effective January 1, 2012.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-302  
Otter Tail Power Company  
Clifford Farms Cooperative Elevator  
Public Convenience & Necessity

Mr. Cramer: I move the Commission issue a Notice of Opportunity for Hearing in the application of Otter Tail Power Company to extend electric service to Clifford Farmers Cooperative Elevator at a location in Traill County, North Dakota, Case No. PU-11-302.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-504  
Otter Tail Power Company  
David Gulland - Cass County  
Public Convenience & Necessity

Mr. Cramer: I move the Commission issue a Notice of Opportunity for Hearing in the application of Otter Tail Power Company to extend electric service to David Gulland at a location in Cass County, North Dakota, Case No. PU-11-504.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-648  
Montana-Dakota Utilities Co.,  
a Division of MDU  
Oasis Petroleum - Mountrail 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 Oasis Petroleum at a location in Mountrail County, North Dakota, Case No. PU-11-648.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-649  
Otter Tail Power Company  
Mike Whitmore - Cass County  
Public Convenience & Necessity

Mr. Cramer: I move the Commission issue a Notice of Opportunity for Hearing in the application of Otter Tail Power Company to extend electric service to Mike Whitmore at a location in Cass County, North Dakota, Case No. PU-11-649.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-656  
Montana-Dakota Utilities Co.,  
a Division of MDU  
Patrick Schoemer - Ward 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 Patrick Schoemer at a location in Ward County, North Dakota, Case No. PU-11-656.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-07-759  
Northern States Power Company  
Fargo - St. Cloud MN 345 KV CapX  
Transmission Line  
Siting Application

Mr. Clark: I move the Commission deem the application complete, conditioned upon filing of final transmission structure locations one week prior to the hearing, and issue a Notice of Filing and Notice of Hearing in the combined application of Northern States Power Company for a waiver of procedures and time schedules, a corridor certificate and a route permit to construct the North Dakota portion of a new Fargo to St. Cloud MN 345 kV electric transmission line in Cass County, North Dakota, Case No. PU-07-759.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. GE-11-379  
Earth Harvest Mills, Inc.  
dba Dakota Prairie Organ  
License No. 1155 - Harvey, ND  
Suspension

Mr. Clark: I move the Commission adopt the Order Reinstating Warehouse License Number 1155 of Earth Harvest Mills, Inc. dba Dakota Prairie Organic Flour Company at its Harvey, North Dakota warehouse, effective December 7, 2011 in Case No. GE-11-379.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-696  
Basin Electric Power Cooperative  
345 kV Trans. Line - Mercer, Dunn,  
McKenzie, Williams Counties  
Siting Application

Mr. Clark: I move the Commission acknowledge the Letter of Intent and assess a filing fee of \$100,000 due upon filing of an application in Case No. PU-11-696, Basin Electric Power Cooperative's proposed Antelope Valley Station to Neset 345 kV Transmission Project in Mercer, Dunn, McKenzie and Williams Counties of North Dakota.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-686  
Lake Region State College  
1.6 MW Wind Turbine –  
Ramsey County  
Siting Application

Mr. Clark: I move the Commission issue a Notice of Filing and Notice of Opportunity for Hearing in Case No. PU-11-686, Lake Region State College's proposed 1.6 MW wind turbine project in Ramsey County, North Dakota.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-659  
Otter Tail Power Company /  
North Central Electric  
Bottineau Area  
Service Area Agreement

Mr. Kalk: I move the Commission adopt the Order Approving Electric Service Area Agreement and issue Certificate of Public Convenience and Necessity No. 5459 to Otter Tail Power Company authorizing the extension of electric service to customers around the City of Bottineau, North Dakota as established by the Electric Service Area Agreement, Case Nos. PU-11-659 and PU-11-660.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-660  
Otter Tail Power Company  
Bottineau Area - Bottineau County  
Public Convenience & Necessity

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

Mr. Kalk: I move the Commission find Missouri Valley Communications, Inc.'s November 21, 2011 Motion to Dismiss the Petition for Arbitration a prima facie case, and serve the Motion on the Respondent, Midcontinent Communications, in Case No. PU-11-697.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

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

Mr. Kalk: I move the Commission issue a Notice of Motion and Notice of Hearing in the application of Midcontinent Communications for arbitration of unresolved issues arising out of interconnection agreement negotiations between Midcontinent Communications and Missouri Valley Communications, Inc., Case No. PU-11-697.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-701  
North Central Electric Cooperative,  
Incorporated vs. Otter Tail Power  
Company  
Complaint

Mr. Kalk: I move the Commission find the December 12, 2011 complaint filed by North Central Electric Cooperative, Incorporated states a prima facie case, and serve the complaint on the Respondent, Otter Tail Power Company, in Case No. PU-11-701.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-11-567  
Whiting Oil and Gas Corporation /  
Plains Pipeline  
Transfer of Corridor Certificate &  
Route Permit  
Siting Application

Mr. Cramer: I move the Commission adopt the Order Reissuing Certificate and Permit in the joint application of Whiting Oil and Gas Corporation and Plains Pipeline, L.P. to transfer Certificate of Corridor Compatibility Number 109 and Route Permit Number 119 from Whiting Oil and Gas Corporation to Plains Pipeline, L.P., Case No. PU-11-567.

Mr. Kalk: I second the motion.

Roll Call: All voting "Aye."

Public Service Commission  
1-04-92 (1) Delinquent Debt  
Policy  
Revoke

Mr. Kalk: I move the Commission revoke Policy 1-04-92 (1), Delinquent Debt.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Public Service Commission  
1-06-95 (0) Handling Cash and  
Checks Policy  
Revoke

Mr. Kalk: I move the Commission revoke Policy 1-06-95 (0), Handling Cash and Checks.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Public Service Commission  
6-09-11 (0) Delinquent Debt  
Policy  
Adopt

Mr. Kalk: I move the Commission adopt Policy 6-09-11 (0), Delinquent Debt. I further move that 6-09-11 (0) be incorporated into the revised policy manual conditioned on and effective when the revised policy manual is formally adopted by the Commission.

**PUBLIC SERVICE COMMISSION**

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**DELINQUENT DEBT**

**POLICY 6-09-11**

**A. PURPOSE**

To provide the basis for the Commission's commitment to collect fees, penalties, or other monies owed to the state for which the

Public Service Commission  
6-09-11 (0) Delinquent Debt  
Policy  
Adopt  
(Continued)

Commission has jurisdiction.

B. DEFINITIONS

C. POLICY

1. Each division director responsible for revenue generating services or imposition of a penalty is responsible to ensure monies owed to the Commission are collected in a timely manner and may establish procedures to ensure compliance.
2. A fee, penalty, or other monies not collected within 90 days of the date service was provided will be reported to the Commission. The Commission may initiate appropriate legal action to collect unpaid fees for services, penalties assessed, license fees, bonds, or any other state revenue or public monies for which the Commission has jurisdiction if doing so is in the best interest of the state.

D. GUIDANCE

An affected division director should establish clear collection procedures for staff to ensure monies are collected within 90 days of the date service was provided.

E. APPLICABILITY

Divisions that generate revenue fees, penalties, or other monies owed to the state for which the Commission has jurisdiction.

F. EFFECTIVE DATE:

G. NON-COMPLIANCE:

Disciplinary action up to and including termination.

Public Service Commission  
6-09-11 (0) Delinquent Debt  
Policy  
Adopt  
(Continued)

H. EXPLANATORY NOTE:

Formerly Policy 1-04-92 (1).

I. REVISION DATES:

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Public Service Commission  
6-08-11 (0) Handling Cash and  
Checks Policy  
Adopt

Mr. Kalk: I move the Commission adopt Policy 6-08-11 (0), Handling Cash and Checks. I further move that 6-08-11 (0) be incorporated into the revised policy manual conditioned on and effective when the revised policy manual is formally adopted by the Commission.

**PUBLIC SERVICE COMMISSION**

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**HANDLING CASH AND CHECKS**

POLICY 6-08-11

A. PURPOSE

The purpose is to identify the steps to be followed by Commission employees who receive monetary remittances to insure accountability and proper handling of funds received.

B. DEFINITIONS

“Employee” is a person employed by the Public Service Commission, not including the Public Service Commissioners or the Secretary to the Commission.

C. POLICY

- a. All employees who handle cash and checks are expected to safeguard them from fraud, misuse, and loss.
- b. An employee, Commissioner, or Secretary to the Commission who receives a check payable to the Commission for fees or services shall have the check immediately

Public Service Commission  
6-08-11 (0) Handling Cash and  
Checks Policy  
Adopt  
(Continued)

restrictively endorsed, posted to the appropriate software application, and forwarded along with other remittances to Accounting for receipting and depositing. A receipt may be provided to the payer upon request.

- c. Checks received as the cash deposit for a collateral bond, payment of proposed penalties for alleged violations, and for grain elevator insolvencies must be taken to the Bank of North Dakota and deposited into an escrow or trust account in accordance with established procedures.
- d. Checks that are not payable to the Commission will not be restrictively endorsed or posted to a software application. These will be given to the Public Outreach Specialist for tracking and disposition.
- e. Cash received that is payable to the Commission must be posted to the appropriate application and a receipt must be prepared and given to the payer. A copy of the receipt must be maintained on file.
- f. An employee, other than the one posting the receipts and depositing the funds, will be responsible for reconciling the in-house application and receipts to deposits as reflected by corresponding financial statements. Under no circumstances will the employee receipting and depositing funds prepare the reconciliation.
- g. Receipts will be issued in consecutive order. If an error is made, the numbered receipt will be marked as "VOID".

D. GUIDANCE

E. APPLICABILITY:

Employees who handle cash or checks.



Public Service Commission  
6-08-11 (0) Handling Cash and  
Checks Policy  
Adopt  
(Continued)

F. EFFECTIVE DATE:

G. NON-COMPLIANCE:

Disciplinary action up to and including  
termination.

H. EXPLANATORY NOTE:

Formerly 1-06-95 (0).

I. REVISION DATES:

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

Post Probationary Salary Adjustment

Mr. Kalk: I move the approval of a salary increase  
effective December 6, 2011 for the employee in Position  
No. 27940, upon the satisfactory completion of a six  
month probationary period, in an amount consistent with  
the terms set forth in the Commission's May 9, 2011  
offer of employment plus \$138 as budgeted during the  
last general salary increase.

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

ATTEST

THE COMMISSION ADJOURNED AT 10:48 A.M.

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

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TONY CLARK, CHAIRMAN