

The Commission met on **Thursday, September 11, 2014**, with Chair Heydinger, and Commissioners Boyd, Lange, Lipschultz, and Wergin present.

The following matters were taken up by the Commission:

TELECOMMUNICATIONS AGENDA

P-430,521/PA-14-472

In the Matter of the Joint Petition of Embarq Minnesota, Inc. d/b/a CenturyLink and Emily Cooperative Telephone Company for the Sale of a Portion of CenturyLink's Crosby Exchange to the Emily Cooperative Telephone Company

Commissioner Wergin moved to take the following action:

Approve the purchase and sale of assets between CenturyLink and Emily and the transfer of a small area of Century Link's Crosby exchange to Emily.

- The Transfer Area to be acquired by Emily is described as follows:
The Western ½ of Section 6, T136N, R26W, all of Sections 1,2,3, T136N, R27W, and all of Section 12, T136N, R27W (the official service area maps are to be modified to reflect the change). With the Commission's approval of the Transaction, the Department will make the corrections to the maps.
- The Department of Public Safety is placed on the service list for this docket.
- Emily Telephone Company must fulfill the basic service requirements for a local service provider as a carrier of last resort in the Transfer Area.
- Emily Telephone Company must offer discounted local service to any customer who requests and qualifies for the Lifeline and TAP credits in the Transfer Area.

Petitioners must satisfy the following compliance requirements:

- Petitioners shall inform the Commission that the proposed transaction has closed within 20 days of its consummation.
- Within 30 days of the Commission's order, Emily Telephone Company must file changes to its tariffs to incorporate the Transfer Area of the Crosby exchange from CenturyLink's tariffs.
- Emily Telephone Company must contact the Department of Public Safety regarding any update its 911 contract if any changes occur as a result of the proposed transaction.

The motion passed 5-0

Docket No. P-6823/M-09-802

In the Matter of the Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier (ETC) for the Limited Purpose of Offering Lifeline Service to Qualified Households

Docket No. P-6823/CI-10-519

In the Matter of an Investigation into TracFone's Compliance with Remittance Responsibilities under Minn. Stat. §§ 403.11 and 237.52

Commissioner Lipschultz moved that the Commission:

1. Approve TracFone's ETC application with the following conditions recommended by the Department:
 - a. TracFone must provide customers with access to usable phones. Frequent static or other interference on the line, lack of clarity, dropped calls, inability to place a call, or receive a call under normal circumstances are not acceptable. If the buttons on phones are too small to use, for example, TracFone must provide customers an opportunity to try a different make or model. TracFone must make hearing-aid compatible handsets available to Lifeline-qualified customers, at no charge.
 - b. Policies regarding repair, maintenance, replacement of handsets, batteries, and chargers and options to purchase handsets must be clear to consumers, and available to consumers who do not have web access. TracFone must provide detailed information in writing, at the time of enrollment, of repair and replacement policies for phones and accessories (batteries, chargers) and purchase options.
 - c. TracFone must offer instruction manuals to consumers at the point of sale and make them available upon request. TracFone must continue to maintain cell phone instruction manuals for the free handsets it distributes.
 - d. TracFone must provide its customers access to customer service without lengthy hold-times and without use of air-time minutes.
 - e. To the extent that TracFone conducts, or employ agents to conduct, in-person distribution events, it must provide consumers with access to information, via telephone as well as website, on its Minnesota distribution events, locations, and times. At a minimum, TracFone must provide such information, when available, to social service agencies whose clients may qualify for Lifeline in order that consumers may make reasoned decisions about the Lifeline provider that best suits their needs.

2. Close the investigation in Docket No. P-6823/CI-10-519.

The motion passed 5-0.

ENERGY AGENDA

E-017/M-14-201

In the Matter of Otter Tail Power Company's 2013 Demand-Side Management Financial Incentives and Annual Filing to Update the CIP Rider

Chair Heydinger moved to take the following actions:

1. Approve Otter Tail's 2013 CIP tracker account as indicated at page four of the DOC's May 1, 2014 comments.
2. Approve Otter Tail's 2013 financial incentive for CIP achievements.
3. Grant the rule variance to allow Otter Tail to combine the CCRA in with the fuel clause adjustment (FCA) line item on customer's bills.
4. Approve Otter Tail's request to record the incentive in a lump sum fashion following the issuance of the Commission's Order.

The motion passed 5-0.

Chair Heydinger moved to take the following actions:

1. Modify the carrying charge ~~so that it is based on~~ to reflect the Company's Short-term cost of debt: established in the Company's last rate case, Docket No. E- 017/GR-10-239. The modification shall be effective as of the date of the Commission's Order in this docket.
2. Set the CCRA at \$0.00263 as recommended by the Company and the DOC.

Commissioner Lipschultz moved to amend the motion to include the following action:

Modify the application of the carrying charge to exclude Company's financial incentive when determining the amount of carrying charges allowed for recovery.

The motion to amend failed 3-2. Chair Heydinger and Commissioners Boyd and Wergin voted no.

Chair Heydinger renewed her motion. The motion passed 5-0.

IP-6650/WS-07-1073

In the Matter of the Large Wind Energy Conversion System Site Permit of Glacial Ridge Wind Project, LLC

Commissioner Lipschultz moved that the Commission revoke without prejudice the Glacial Ridge Wind Project, LLC, site permit issued by the Commission on April 27, 2009, and amended on June 1, 2011, for an up to 20 Megawatt Large Wind Energy Conversion System in Pope County.

The motion passed 5 – 0.

E-015/TL-14-21

In the Matter of the Application of Minnesota Power for a Route Permit for the Great Northern Transmission Line Project in Roseau, Lake of the Woods, Beltrami, Koochiching, and Itasca Counties

Commissioner Wergin moved to take the following actions:

1. Amend the Commission's July 2, 2014 order in this docket to delete ordering paragraphs 2 and 3, which concern the appointment of an advisory task force.
2. Request that the Department develop a workgroup for respondents who have expressed an interest in the advisory task force and, in conducting the workgroup, to:
 - a. provide at least two meetings; and
 - b. consult directly with local governmental units, requesting that they identify any potential zoning conflicts with the possible route alternatives before the scoping decision is issued.
3. Require Minnesota Power to make a geographical information system available at one or both workgroup meetings.

The motion passed 5 – 0.

PL-6668/PPL-13-474

In the Matter of the Application of North Dakota Pipeline Company LLC for a Pipeline Routing Permit for the Sandpiper Pipeline Project in Minnesota

PL-6668/CN-13-473

In the Matter of the Application of North Dakota Pipeline Company LLC for a Certificate of Need for the Sandpiper Project

Chair Heydinger moved to take the following action:

1. Based on the record, find good cause to separate the certificated of need proceedings from the route permit proceedings;
2. Based on the record, find good cause to postpone action on the route permit application until a Commission decision has been made on the certificate of need, thereby extending the deadline for a decision on the route permit; and
3. Authorize environmental review by the EERA staff of the six system alternatives identified by the MPCA in its August 21, 2014 comments, to be completed prior to commencement of the contested case hearings.

The motion passed 3-2, with Commissioners Boyd and Wergin voting no.

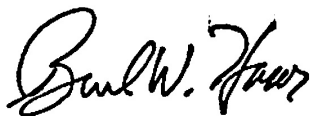
Commissioner Lipschultz moved to also adopt the following action:

Refer the six system alternatives identified by the MPCA in its August 21, 2014 comments for consideration in the Certificate of Need proceeding with the understanding that those alternatives and the Applicant's proposed Sandpiper alternative will be examined to the extent advanced by parties or developed in the record, at a minimum, with respect to (a) assessing their relative human, socioeconomic and environmental impacts; and (b) determining whether, to what extent and where a need exists for additional crude oil pipeline capacity from the perspective of the Applicant and the public interest.

The motion failed by a vote of 2-3, with Chair Heydinger and Commissioners Boyd and Wergin voting no.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: November 5, 2014



Burl W. Haar, Executive Secretary