

The Commission met on **Thursday, December 2, 2010**, with Commissioners Boyd, O'Brien, Pugh, and Wergin present.

The following matters were taken up by the Commission:

### **ENERGY AGENDA**

#### **E-002/TL-09-38**

**In the Matter of an Application by Northern States Power Company for a Route Permit for Two 115 kV High Voltage Transmission Lines in the Midtown Area of South Minneapolis, Hennepin County**

Commissioner Pugh moved that the Commission approve the petition for a variance to allow replies to exceptions.

The motion passed, 4 - 0.

### **TELECOMMUNICATIONS AGENDA**

#### **P-5681/RL-10-1198**

**In the Matter of Digital Telecommunications Application to discontinue Services, Application for Variance, and Request for Expedited Handling**

Commissioner Wergin moved that the Commission:

1. Authorizes DTI to relinquish its certificate of authority and disconnect service on or after January 14, 2011, subject to the following conditions.
  - A. DTI shall provide 30-day written notice to all customers and interconnected carriers.
  - B. DTI shall publish a notice of discontinuance on DTI's website.
  - C. DTI shall file a report, one week prior to the disconnection date, listing the numbers of remaining customers in each service class. The report should also list the names and contact information of the remaining customers.
  - D. DTI shall notify all incumbent local exchange carriers that have interconnection agreements with DTI that DTI no longer has authority to provide telecommunications services in Minnesota and services should no longer be offered under its interconnection agreement(s).
  - E. DTI shall file report on its 2010 and 2011 revenues to the Commission on an expedited basis.

- F. DTI shall file its 2010 Jurisdictional Annual Report with the Minnesota Department of Commerce.
  - G. DTI shall contact all remaining customers seven days prior to final close of business to inform them of the need to change carriers.
2. Following the completion of the conditions set forth in Ordering Paragraph 1, DTI shall file a report affirming that the above conditions have been satisfied; that it has disconnected all customers; or, if it has not, how many customers still remain with DTI as of the shut-down date.
  3. The Commission hereby varies Minnesota Rules, Part 7811.0600, subp. 6, and authorizes a 30-day customer notification period.
  4. DTI shall utilize the modified customer notice, as set forth in Exhibit 1 to this Order, and mail the modified notice to its customers. DTI shall mark the envelope containing the customer notice, "IMPORTANT SERVICE DISCONNECTION NOTICE."
  - 5.. DTI remains responsible for all outstanding fees and assessments.

The motion passed, 4 – 0.

**PT-2000, P-424, 3141/PA-10-1005**

**In the Matter of the Joint Petition of Redwood County Telephone Company, Redwood Long Distance Company and Arvig Enterprises, Inc. for Approval of Transfer of Assets**

Commissioner Pugh moved that the Commission approve Arvig Enterprises, Inc.'s acquisition of the regulated assets of Redwood County Telephone Company and its subsidiaries, including Redwood Long Distance Company, through newly formed wholly owned subsidiaries of Arvig Enterprises, Inc.

- A. Arvig Enterprises, Inc. shall continue to operate the acquired assets in operations as (a) an incumbent local telephone company under the name, Redwood County Telephone Company, and (b) a long distance service reseller under the name, Redwood Long Distance Company.
- B. Redwood Tel Acquisition, Inc. and Redwood LD Acquisition, Inc. shall be granted name changes to Redwood County Telephone Company and Redwood Long Distance Company respectively upon:
  1. Commission approval of this transaction;
  2. Closing of this transaction; and
  3. Providing the Articles of Amendment made to the Minnesota Secretary of State and updating the Commission's records and tariffs/price lists for a change in address and any other necessary changes for Redwood County Telephone Company and Redwood Long Distance Company.

- C. Upon satisfying all Commission-ordered compliance requirements for this transaction, grant Eligible Telecommunication Carrier (ETC) status for Redwood Tel Acquisition, Inc.
- D. Redwood County Telephone Company's interconnection and traffic exchange agreements are assigned to Redwood Tel Acquisition, Inc, and notice should be provided to other parties to the agreement as required under the terms of those agreements.
- E. Petitioners must satisfy the following compliance requirements:
  - 1. Petitioners shall inform the Commission that the proposed transaction has closed and provide address and any other required tariff changes within 20 days of its consummation.
  - 2. Redwood Tel Acquisition, Inc. must contact the Department of Public Safety and the system integrator regarding any update to Redwood County Telephone Company's 911 contract if any changes occur as a result of the proposed transaction.
  - 3. Petitioners must notify Redwood County Telephone Company and Redwood Long Distance Company customers of a change in their service providers and inform the Commission when customer notice has been completed.
  - 4. Redwood Tel Acquisition, Inc. and Redwood LD Acquisition, Inc. are responsible for any remaining regulatory assessments of Redwood County Telephone Company and Redwood Long Distance Company.
  - 5. Redwood Tel Acquisition, Inc. and Redwood LD Acquisition, Inc. are responsible for filing 2010 Jurisdictional Annual Reports to the Minnesota Department of Commerce for Redwood County Telephone Company and Redwood Long Distance Company.
  - 6. Redwood Tel Acquisition, Inc. and Redwood LD Acquisition, Inc. must also coordinate Telephone Assistance Plan (TAP) reports for Redwood County Telephone Company and Redwood Tel Acquisition, Inc.

The motion passed, 4 – 0.

**E-017/D-10-953**

**In the Matter of the Petition for Approval of the Company's 2010 Annual Review of Depreciation**

Commissioner Wergin moved that the Commission:

- 1. Certify Otter Tail Power Company's proposed service lives, net salvages values and resulting depreciation rates proposed in its August 31, 2010 Petition, to be effective January 01, 2011;

2. Require OTP to file its next annual depreciation study by September 1, 2011 (and its five-year depreciation study by September 1, 2013); and
3. Require OTP to continue to include in future depreciation filings a table comparing the resource plan lives and the remaining lives used for depreciation purposes and explain any differences. For example, OTP should specifically address the uncertainty of the remaining life of the Fergus Control Center Diesel as a result of the EPA requirements in its next 2011 depreciation filing.

The motion passed, 4 – 0.

**E, G-002/M-10-691**

**In the Matter of a Request for Approval of Service Quality Plan Tariff Modifications**

Commissioner Wergin moved that the Commission approve the Petition.

The motion passed, 4 – 0.

**E-002/M-10-1057**

**In the Matter of Northern States Power Company's Petition for Approval of its 2010 Mercury Cost Recovery Rider Rate Adjustment Factors, and 2010 MCR Tracker Report**

Commissioner Pugh moved to direct Northern States Power Company to do the following:

1. Return the end of the year 2010 Mercury Cost Recovery (MCR) tracker balance (a) to customers that are exempt from paying for Conservation Improvement Programs (CIP) by making direct credits to those customers account and (b) to all other customers by crediting the 2011 CIP adjustment rider.
2. Stop collecting the MCR adjustment from customers after December 31, 2010.
3. Make a compliance filing by March 1, 2011 which reports on the actual balance in the MCR tracker account on December 31, 2010, uses actual 2010 sales to calculate the amount to be returned to CIP-exempt customers, calculates the amount to be transferred to the CIP tracker, and specifies the method for returning the overcharges to CIP-exempt customers including an explanation of whether it is going to be a one-time credit or multiple credits.
4. Work with Commission staff to draft a bill message explaining this adjustment to customers' bills.

The motion passed 4 – 0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: DECEMBER 15, 2010**

A handwritten signature in black ink, appearing to read "Burl W. Haar". The signature is written in a cursive style with a large initial "B".

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**Burl W. Haar, Executive Secretary**