

Wyoming Public Service Commission Annual Report Year 2002

General Information

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Other Locations

Does not apply

Year Established or Reorganized

Established 1915, reorganized 1919, 1963, 1968, 1991

Statutory References

Chapters 1, 2, 3, 6, 12, 15 and 16 of Title 37 of the Wyoming Statutes

Number of Authorized Personnel

31 full-time

Organization Structure

Administration, Legal, Rates & Pricing, Consumer Complaints, Facilities Engineering

Clients Served

Residential, commercial, industrial, agricultural, municipal and governmental customers of public natural gas, electric, telephone and water utilities, and the regulated utilities themselves who provide service to citizens of Wyoming.

Budget Expenditures

utility assessment funds \$2,454,973
federal funds \$97,920
total \$2,357,053

Agency Mission

The mission of the Public Service Commission (PSC) is to protect the public interest of Wyoming utility consumers, while at the same time balancing the financial and operational interests of utility ratepayers, shareholders, member-owners and utility companies.

Business Activity

During FY02, the PSC either received or initiated a total of 847 docketed utility applications or investigation matters (a decrease of 8.3 percent from the previous year). Of the 847 docketed matters, 573 were processed with a final Commission Order and 219 were processed through Administrative actions. In FY02 the PSC received the following applications: 95 certificates for authority to serve; 14 general rate case applications; 43 commodity cost changes (pass-on increases or decreases from wholesale suppliers); 227 rule, regulation and tariff cases; 15 securities issuances and other financial applications; 9 formal complaints resulting in orders; 104 contract cases; 219 rate schedule revisions of interexchange telecommunications resellers; and 35 new registrations from telecommunication resellers to conduct business in Wyoming. The PSC also initiated 85 investigations; and it issued 1 General Order. Each PSC Order was issued on or before the applicable statutory deadline.

In FY02, the PSC initiated four (4) General Order proceedings:

- 1) Docket No. 90072-XR-02-19. The Commission implemented rules and regulations relating to Wyoming Universal Service Fund eligibility and distribution criteria for telecommunications carriers using wireless technology. These rules were promulgated in response to legislation enacted during the 2001 legislative session that provided eligibility to wireless carriers, upon meeting certain established criteria, to receive Wyoming Universal Service Fund support.
- 2) Docket No. 90072-XO-02-20. The Commission established the Wyoming Universal Service Fund assessment factor at 4 percent of gross intrastate retail revenues for FY03. In this docket, the Commission established the combined statewide average residential and business local exchange service rate at \$24.56 per month and the support benchmark at \$31.93 per month.
- 3) Docket No. 90072-XI-02-21. The Commission opened an investigation into the compliance of Wyoming's local telecommunications exchange carriers with the provisions of Section 500(j) of the Commission's Rules and Regulations. At issue in this proceeding is the targeting of incremental Federal Universal Service Fund support to high cost customers in the form of a direct bill credit.
- 4) Docket No. 90071-XR-02-1. The Commission proposed revisions to its Rules and Regulations relating to non-traditional regulation for rural electric cooperatives. The proposed rules were developed in a collaborative effort between the industry and the PSC to expedite low percentage revenue increase applications and make them less costly and less time consuming.

Goals and Objectives

The Goal of the PSC is to regulate public utilities as directed by state and federal law. To accomplish this goal, the PSC has two Objectives: A) The PSC will issue decisions based upon law and factual evidence with consideration given to the public interest and the financial and operational viability of utilities; and B) The PSC will regulate utility safety, reliability and

quality of service pursuant to state and federal law; and will resolve complaints and ensure compliance with PSC Rules and applicable laws such that 90 percent of utility complaints are concluded within 60 days.

Result of Outcomes

A.1 The number and percentage of written PSC decisions over a three-year period which, after any allowed rehearing, are not successfully challenged on appeal to state or federal court.

Over the three-year period representing FY00, FY01 and FY02, the PSC decided by final written order a total of 1,575 cases (398 cases in FY00, 604 cases in FY01 and 573 in FY02). None of the 1,575 PSC decisions issued by the PSC in this time period were successfully challenged in the appellate process. Only five PSC Orders were appealed in this three-year time period; and the Wyoming Supreme Court affirmed two of the appealed PSC decisions. The Court did not act on one of the cases because the appeal was dismissed, and the remaining two cases are still active in the appellate process.

Tri County Telephone and TCT West v. PSC

Citation: 11 P.3d 938 In this case the Supreme Court affirmed the PSC decision that the PSC has regulatory authority over the prices of TSLRIC compliant non-competitive telecommunications services. The PSC Order was affirmed on October 5, 2000.

Williston Basin Interstate Pipeline Company v. PSC

Citation: 996 P.2d 663 In this case the Supreme Court found that the PSC did not err in granting a certificate of Public Convenience and Necessity to Natural Gas Transmission. The PSC Order was affirmed on February 9, 2000.

US WEST v. PSC

US WEST appealed certain provisions of the PSC's Quality of Service Rules for telecommunication services. The appeal was dismissed as part of a settlement before the Supreme Court issued an order on the appeal.

Sinclair v. PSC

The PSC granted an application by Amoco to abandon common carrier crude oil gathering services in Little Buffalo Basin; and Sinclair has appealed. An order has not been issued by the Supreme Court as of the date of this report.

RT Communications v. PSC

The Federal Communications Commission previously pre-empted the provisions of W.S. § 37-15-201(c) which protected the service territory of Wyoming independent telephone companies. The PSC granted a Certificate of Public Convenience & Necessity to Contact Communications to provide services in independent company territories, with restrictions that were later rescinded by the PSC. RT Communications and other independent local exchange service providers are appealing the PSC's decision to issue this Certificate. Oral arguments are expected to be scheduled by the Supreme Court in the near future.

A.2 The average price of electricity per kwh in Wyoming for residential, commercial, and industrial customers as a percentage of the national average price per kwh.

Average Wyoming residential price of electricity:	6.9 cents/kwh	
Average national residential price of electricity:	8.5 cents/kwh	
Wyoming residential price as a percentage of the national average:		81 percent

Average Wyoming commercial price of electricity:	5.6 cents/kwh	
Average national commercial price of electricity:	7.7 cents/kwh	
Wyoming commercial price as a percentage of the national average:		72 percent

Average Wyoming industrial price of electricity:	3.5 cents/kwh	
Average national industrial price of electricity:	5.0 cents/kwh	
Wyoming industrial price as a percentage of the national average:		69 percent

Source: Rate information is obtained from the Energy Information Administration and may include missing state or rate class data that could skew the comparisons illustrated above.

A.3 The average price of natural gas per mcf in Wyoming for residential, commercial and industrial customers as a percentage of the national average price per mcf.

Average Wyoming residential price of natural gas:	\$8.23 /mcf	
Average national residential price of natural gas:	\$8.92 /mcf	
Wyoming residential price as a percentage of the national average:		92 percent

Average Wyoming commercial price of natural gas:	\$7.24 /mcf	
Average national commercial price of natural gas:	\$6.68 /mcf	
Wyoming commercial price as a percentage of the national average:		108 percent

Average Wyoming industrial price of natural gas:	\$6.39 /mcf	
Average national industrial price of natural gas:	\$3.84 /mcf	
Wyoming industrial price as a percentage of the national average:		166 percent

Source: Rate information is obtained from the Energy Information Administration and may include missing state or rate class data that could skew the comparisons illustrated above.

A.4 The percentage of Wyoming local service telephone lines which are priced in compliance with the Wyoming Telecommunications Act of 1995 on the basis of TSLRIC provisions or on a valid TSLRIC waiver.

A total of 320,644 local exchange access lines for incumbent telephone companies exist in Wyoming as reported to the PSC in the calendar year 2000 annual reports. In FY02, a total of 296,811 access lines or 93 percent have prices that comply with TSLRIC pricing; 19,009 access lines or 6 percent have been approved for TSLRIC pricing and are awaiting future implementation dates, and; 4,824 access lines or 1 percent either have waivers or the waivers have expired and applications to change prices are expected in the near future.

A.5 The percentage of eligible local telephone customers (based upon line count) who receive support payments from the Wyoming Universal Service Fund pursuant to provisions in the Wyoming Telecommunications Act of 1995.

In FY02, 100 percent of eligible Wyoming local telephone customers received support payments from the Wyoming Universal Service Fund. To be eligible, local service rates must exceed 130 percent of the statewide average local service rate after taking into consideration support from the federal Universal Service Fund. In FY02, the statewide average monthly rate for residential and business service was \$24.56. Therefore, to be eligible for support from the Wyoming Universal Service Fund, the local service rate must exceed \$31.93 after all other forms of support are considered. There are 277,133 local service access lines in Wyoming subject to the Wyoming Universal Service Fund (note that local service access lines used in the administration of the WUSF are fewer than the total access lines reported in A.4 above because the WUSF supports essential services as defined in W.S. § 37-15-103(a)(iv) whereas total access lines may include competitive or non-essential services). After taking into consideration support from the federal Universal Service Fund, a total of 55,477 local service access lines were eligible to receive and did received support from the Wyoming Universal Service Fund.

B.1 The percentage of person-days inspecting natural gas utilities in comparison to the established target.

During FY02, the PSC facility engineers accomplished 144 person-days of field inspections of natural gas distribution systems, intrastate pipelines and other natural gas utility facilities. This was 103 percent of the established target of 140 person-days of field inspection of natural gas facilities. As a result of these inspections, the PSC issued 99 citations for natural gas safety code violations.

B.2 The percentage of person-days inspecting electric utilities in comparison to the established target.

During FY02, the PSC facility engineers accomplished 61 person-days of field inspections of electric distribution systems, electric transmission lines, substation facilities and other electric utility facilities. This was 102 percent of the established target of 60 person-days of field inspection of electric utility facilities. As a result of these inspections, the PSC issued 178 citations for electrical safety code violations.

B.3 The percentage of customer complaints resolved through an informal complaint resolution process.

In FY02, the PSC received and processed a total of 1,963 utility complaints. Five customer complaints were formally docketed and one went to hearing before the Commission. Of the complaints received by the PSC, 327 concerned service issues; 546 involved billing and payment matters; 176 related to rates and tariffs; 174 pertained to slamming, cramming and held orders; 121 involved disconnection of service; 14 were related to construction problems; 10 concerned deposits; 4 involved safety violations; and 591 fell into other categories. There were also 116 requests for information that were not adversarial in nature. On average, the Consumer Complaint Section handled 401 telephone calls from utility customers each month.

The PSC uses two strategic planning output measures for complaint matters and the first indicates the type of utility complaint received by the PSC which is as follows:

Customer Responsibility	461	24 percent
Utility Error	949	48 percent
Informational	471	24 percent
Unresolved Complaints	<u>82</u>	<u>4 percent</u>
Total	1,963	100 percent

The second strategic planning output measure for complaint matters relates to the efficiency and productivity of the PSC in responding to consumer complaints. In FY02, the PSC Consumer Complaint Section closed 1,517 complaints or 77 percent within 30 days of receipt. The number of complaints closed within 60 days of receipt was 1,749 or 87 percent and the number of complaints closed within 90 days was 1,881 or 95 percent.

Strategic Plan Changes for Next Year

The PSC does not anticipate making changes to its Strategic Plan in FY03.