

Service Date: February 25, 1980

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

In the Matter of the Application)
of the TOWN OF CHESTER for an order) DOCKET NO. 6632
authorizing an increase in sewer) DEFAULT ORDER NO. 4481a
rates)

On November 29, 1978, the TOWN OF CHESTER (Applicant) a petition with the Commission to increase sewer rates under 82-4209, RCM 1947 pursuant to jurisdiction granted by 70-101, et seq., RCM 1947 and interpretation by the Montana Supreme Court of 11-1001 (1) RCM 1947 in Cause No. 14145 and to the requirements of Article II, Sections 8 and 9 of the Montana Constitution for an order authorizing Applicant to increase its sewer rates for additional revenue to finance its share (\$25,000.00) of a proposed additional sewer treatment cell required by the Environmental Protection Agency and to offset the rising costs of operations.

FINDINGS OF FACT

1. On January 23, 1979 Default Order No. 4481 was issued in Docket No. 6632. This order granted the applicants requested increase subject to the provisions of item 2 in the order portion.

On January 8, 1980 the applicant notified this Commission that the EPA had authorized the funding of the Step 1 project costs of \$10,500 of the \$14,000 total Step 1 project costs.

3. The Applicant requested that this Commission therefore authorize full implementation of Order No. 4481.

4. The Applicant was authorized to raise the residential rate from \$4.00 per month to \$6.00 per month. Finding of Fact 8 in Order No. 4481 recognized that this would generate \$750 per month.

5. The Commission finds that in order to generate the \$3,500 requested by the applicant the following calculation be made:

$$\frac{\text{Present request}}{\text{Initial request}} = \frac{3,500}{25,000} = 14\%$$

Therefore the \$2.00 increase shall be multiplied by 14% to achieve an increase of \$.28 per month per residential user.

CONCLUSIONS OF LAW

1. The Applicant is a municipal sewer utility subject to the regulatory jurisdiction of this Commission according to Section 11-1001 (1) RCM 1947 as interpreted by the Montana Supreme Court Case No. 14145.

2. The Commission concludes that the rates calculated in FF5 (above) are reasonable and just and should be granted as hereafter ordered.

ORDER

1. The Applicant shall file rates schedules reflecting a residential unit charge of \$4.28 per month. The metered commercial establishment shall reflect no change.

2. The rates shall be effective for all sewer services rendered on and after February 1, 1980.

DONE IN OPEN SESSION in Helena, Montana on January 14, 1980
by a 5-0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

Gordon E. Bollinger

Gordon E. Bollinger, Chairman

Clyde Jarvis

Clyde Jarvis, Commissioner

Thomas J. Schneider

Thomas J. Schneider, Commissioner

James R. Shea

James R. Shea, Commissioner

George Turman

George Turman, Commissioner

ATTEST:

Madeline L. Cottrill
Madeline L. Cottrill
Secretary

(SEAL)

NOTE: You may be entitled to judicial review of the final decision in this matter. If no Motion for Reconsideration is filed, judicial review may be obtained by filing a petition for review within thirty (30) days from the service of this order. If a Motion for Reconsideration is filed, a Commission order is final for purpose of appeal upon the entry of a ruling on that motion, or upon the passage of ten (10) days following the filing of that motion. cf. the Montana Administrative Procedure Act, esp. Sec. 2-4-702, MCA; and Commission Rules of Practice and Procedure, esp. 38-2.2(64)-P2750, ARM.