

Service Date: May 28, 1980

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

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IN THE MATTER of the Application by )	
MONTANA-DAKOTA UTILITIES CO. to )	UTILITY DIVISION
adopt increased rates for natural )	DOCKET NO. 6695
gas and electric service in the )	ORDER NO. 4635a
State of Montana. )	
_____ )	

1. By application filed July 18, 1979, Montana-Dakota Utilities Company (MDU or Applicant), sought authority from this Commission to increase rates and for the approval of tariff charges for electric and natural gas services provided its customers in the State of Montana. The proposed permanent rate charges would generate \$3,627,780. For natural gas service and \$2,276,513. for electric service.

2. Following legal notice, hearings commenced on January 22, 1980 and concluded January 24, 1980.

3. Through Order 4635, served on April 23, 1980 MDU was authorized to submit rates schedules designed to increase natural gas revenues by \$1,653,000, and electric revenues by \$1,180,000.

4. On May 5 and 6th MDU, Great Western Sugar Co., and the group of Lovell Clay Products Co., Pierce Packing Co., Midland Empire Packing Co., Midland Foods, Inc., Midland Foods Distributing Co., and Conoco, Inc. filed motions for reconsideration.

5. At its next two agenda meetings the Commission decided to reconsider its decision with regard to certain points raised by MDU's motion, they declined to do so with regard to the motions of the other parties, since they dealt with rate structure findings which were fully explained in the Commission's order and fully supported on the record.

6. MDU's motion contends that electric revenues should be increase. It requests reconsideration of Findings of Fact, Part C. Nos. 12,13,14,15,16,17, and 18 wherein the Commission finds MDU's coal purchase expense to be excessive.

7. The Commission finds that the order paragraphs referred to are based on evidence in the record and are consistent with the position taken by the Commission in its last MDU general rate case order, Order 4467a. The Commission finds that the points raised by MDU have been addressed in the order and, therefore, reconsideration is not warranted at this time.

8. MDU's motion contends that natural gas revenues should be increased. It requests reconsideration of Finding 19, wherein the gas royalty expense adjustment of Mr. Hess is accepted. In its motion MDU points out the Mr. Hess admitted under cross-examination (Tr. p. 705-706), that gas royalty expenses should be increased by \$9,000 because this amount was being paid currently,

as opposed to the rest of the adjusted amount which was not. The Commission therefore finds that gas royalty expense should be increased by \$9,000.

CONCLUSION OF LAW

1. The Montana Public Service Commission has jurisdiction over all rates and charges levied for utility services rendered by MDU.

ORDER

The Montana Public Service Commission Orders that:

1. Order No. 4635 in Docket No. 6695 issued April 23, 1980, is hereby incorporated by reference into this order with the following exception pursuant to this order: Findings 20 and 21 in Order No. 4635 shall be modified to provide additional revenue to appropriately reflect the inclusion of \$9,000 of additional gas royalty expense.

2. MDU shall file rate schedules to reflect the above change, which will become effective upon approval.

DONE IN OPEN SESSION at a meeting of the Montana Public Service Commission held on the 27th day of May, 1980 by a vote of 5 - 0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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GORDON E. BOLLINGER, Chairman

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Clyde Jarvis, Commissioner

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Thomas J. Schneider, Commissioner

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James R. Shea, commissioner

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George Turman, Commissioner

ATTEST:

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 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.