

Service Date: March 10, 1980

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

IN THE MATTER of the Application)
of THE MONTANA POWER COMPANY For) DOCKET NO. 6741
Authority to Increase Rates and) ORDER NO. 4574a
Charges For Natural Gas Service.)

APPEARANCES

FOR THE APPLICANT:

MARK A. CLARK, Attorney at Law, 40 East Broadway, butte,
Montana, appearing on behalf of the
applicant.

INTERVENORS:

JAMES C. PAINE, Montana consumer counsel, 34 West Sixth
Avenue, Helena, Montana, appearing on
behalf of the consuming public of the
State of Montana.

FOR THE COMMISSION:

EILEEN E. SHORE, COUNSEL
DAN ELLIOTT, Administrator, Utility Division

BEFORE:

GORDON E. BOLLINGER, CHAIRMAN
CLYDE JARVIS, COMMISSIONER
THOMAS J. SCHNEIDER, COMMISSIONER
JAMES R. SHEA, COMMISSIONER
GEORGE TURMAN, COMMISSIONER

1. On October 1S, 1979, The Montana Power Company made
application to this Commission for authority to increase
rates in order to offset the effect of an increase in the
border price of Canadian Natural Gas to \$3.45 per MMBtu.

2. Based on the gas supply source mix employed by the Commission in Order Nos. 4521 and 4521A, the annual impact on Montana Power Company's nature'' gas utility operations produced by the increased border price is \$11,911,000.

3. The application utilizes the rate base, rate of return, natural gas supply mix and expenses, other than those affected by the increased border price, which were utilized in the Commission's Order Nos. 4521 and 4521A.

4. The application included a Motion for Temporary rate Increase and a Motion for Waiver of Filing Requirements.

5. On October 22, 1979, the Commission granted Applicant's Motion for Waiver of filing Requirements.

6. On November 5, 1979, the Commission authorized an Interim Rate increase in Order No. 4574.

7. The Montana Consumer Counsel, Great Falls Gas Company, and Champion International Corporation were admitted as intervenors in Docket No. 6741.

8. A notice of public hearing was given on January 14, 1980.

9. On February 14, 1980 at 10:00 a.m. pursuant to the notice, a hearing was held at the Commission's offices in Helena to receive evidence and allow cross-examination.

10. Montana Power Company witness Joseph A. McElwain, Donald K. Percival and J. F. Doran prefiled testimony in this proceeding and the latter two were cross-examined on their testimony at the hearing. Mr. McElwain's testimony was admitted pursuant to his affidavit.

11. No other parties to this preceding sponsored witnesses.

12. No proof was offered that the Applicant is not in fact paying the applied for amount in increased Canadian gas costs; nor was proof offered that the Applicant is not conforming to Order No. 4521A, Docket No. 6618 in the matter of other ratemaking revenues, expenses, rate base, rate of return, and rate structure

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over parties and proceedings in this matter.

2. The rates authorized are just and reasonable.

ORDER

1. The rates increase authorized by Interim Order No. 4545 are to continue as a final order in this Docket.

2. The increased rates shall be collected upon a constant, uniform cents per Mcf basis.

3. All motions and objections not specifically ruled upon are hereby denied.

DONE IN OPEN SESSION at a meeting of the Montana Public Service Commission held on March 10, 1980 by a 5 - 0 vote.

Gordon E. Bollinger, Chairman

Clyde Jarvis, Commissioner

Thomas J. Schneider, Commissioner

George Turman, Commissioner

ATTEST:

Madeline L. Cottrill
Secretary

(SEAL)

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

NOTE: You are 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 the 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-P2 750, ARM.