

Service Date: July 1, 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) UTILITY DIVISION
of THE MONTANA POWER COMPANY) DOCKET NO. 6786
for Authority to Increase Rates) ORDER NO. 4610a
and 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.

RICHARD F. GALLAGHER, Attorney at Law, P. O. Box 1645, Great
Falls, Montana, appearing on behalf of Great Falls Gas
company.

FOR THE COMMISSION:

ROBERT F. W. SMITH, Counsel

BEFORE:

GORDON E. BOLLINGER, Chairman CLYDE JARVIS, Commissioner
THOMAS J. SCHNEIDER, Commissioner JAMES R. SHEA. Commissioner

FINDINGS OF FACT

1. On February 1, 1980, 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 \$4.47 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 natural gas utility operations

produced by the increased border price is \$18,224,000.

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 February 25, 1980, the Commission granted Applicant's Motion for Waiver of Filing Requirements.

6. On February 13, 1980, the Commission authorized an Interim Rate increase in Order No. 4610.

7. The Montana Consumer Counsel, Great Falls Gas Company, and Champion International Corporation were admitted as intervenors in Docket No. 6786.

8. A notice of public hearing to be held May 20, 1980, was given on April 22, 1980.

9. On May 19 the May 20 hearing was postponed to June 9, 1980 because of Mount St. Helens volcanic disaster. On May 20, 1980 a Notice of Public Hearing was issued.

10. On June 9, 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.

11. Montana Power Company witnesses, Donald K. Percival and J. F. Doran prefiled testimony in this proceeding. Mr. Doran was cross-examined on his testimony at the hearing. Mr. Percival's testimony was admitted pursuant to stipulation.

12. No other parties to this proceeding sponsored witnesses.

13. 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 rate making 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. 4610 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 June 30, 1980 by a 5 - 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

ATTEST:

Madeline L. Cottrill
Secretary

(SEAL)

Gordon E. Bollinger, Chairman

Clyde Jarvis, Commissioner

Thomas J. Schneider, Commissioner

James R. Shea, Commissioner

George Turman, Commissioner,
Voting to Concur

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 his 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