

Service Date: October 1, 1980

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER of the APPLICATION)
of the BUTTE WATER COMPANY for) Utility Division
authority to increase its rates) Docket No. 6802
and charges for service to its) Order No. 4700
ANACONDA, MONTANA, customers.)

INTERIM RATE ORDER

APPEARANCES

FOR THE APPLICANT:

James A. Robischon, Attorney at Law, Poore, Roth, Robischon and
Robinson, P.C., 1341 Harrison Avenue, Butte, Montana 59701

Dennis R. Lopach, Attorney at Law, Scribner, Huss and Hjort, P.
O. Box 514, Helena, Montana 59601

FOR THE INTERVENOR:

James C. Paine, Montana Consumer Counsel, 34 West Sixth Avenue,
Helena, Montana 59601

FOR THE COMMISSION STAFF:

Eileen E. Shore, Chief Legal Counsel, 1227 Eleventh Avenue,
Helena, Montana 59601

BEFORE:

James R. Shea, Commissioner and Hearing Examiner
Clyde Jarvis, Commissioner
George Turman, Commissioner

FINDINGS OF FACT

1. On March 5, 1980, the Butte Water Co. Applicant) filed an

application with this Commission for authority to increase rates and charges for water service in its An Montana, service area. The application sought a permanent annual revenue increase of \$125,874, or approximately 69%.

2. Applicant on April 3, 1980, sought an interim increase of \$75,524.40, which was denied on April 14, 1980.

3. On July 18, 1980, Applicant sought an interim revenue increase of \$82,641, the amount of Applicant's annual revenue deficiency as determined by the expert witnesses of the Montana Consumer Counsel in their pre-filed testimony. This request was denied by the Commission on August 11, 1980.

4. A public hearing was held in Anaconda, Montana on September 5, 1980, to consider the merits of Applicant's proposed permanent rate increase.

5. On September 12, 1980, Applicant renewed its request for an interim rate increase of \$82,641, and requested that the increase be spread to services other than sprinkling since seasonal sprinkling bills had been rendered months earlier.

6 The Montana Consumer Counsel on September 22, filed revised exhibits in this Docket which would support a revenue increase of \$83,229. An increase in this amount, therefore, would be uncontested by any party. The proposed interim increase is less than that amount.

7. Applicant alleges that an interim revenue increase is needed to offset its current expenses.

8. The Commission finds that additional annual revenues in the amount of \$82,641 are reasonable as a level for interim rate relief to Applicant.

9. The annual revenue increase shall be spread to all services provided by Applicant, other than sprinkling, on the basis of a uniform percentage increase.

CONCLUSIONS OF LAW

1. The Butte Water Co. is a public utility furnishing water service to customers in the Anaconda area. As such it is subject to the supervision, regulation and control of this Commission pursuant to Section 69-3-102, MCA.

2. Section 69-3-304, MCA, provides in part, "The Commission may in its discretion, temporarily approve increases pending a hearing or final decision".

3. The Commission concludes that the grant of an interim rate increase in the manner set forth herein is just, reasonable and within the discretion granted by Section 69-3-304, MCA.

4. If the Commission's final decision in this matter is to disapprove in whole or in part the increase granted herein, the Commission will order a rebate thereof to all consumers under Section 69-3-304, MCA.

ORDER

THEREFORE, THE MONTANA PUBLIC SERVICE COMMISSION ORDERS
THAT:

1. The Butte Water Co. is hereby granted authority to implement on an interim basis increased rates designed to generate an additional \$83,229 in revenue on an annual basis for its water service.
2. The Butte Water Co. is to file revised tariff schedules spreading the increased revenues as a uniform percentage increase to all services except sprinkling.
3. The interim relief granted in this Order is to be effective for service rendered on and after October 1, 1980.
4. The increase granted herein is subject to rebate should the Commission grant a lesser amount in its final order in this docket.

DONE IN OPEN SESSION this 29th day of September, 1980,
by a vote of 3-0.

CLYDE JARVIS, Commissioner

GEORGE TURMAN, Commissioner

JAMES R. SHEA, Commissioner

ATTEST:

Madeline L. Cottrill

(SEAL)

NOTE: An order of the Commission approving or denying a temporary rate increase is an intermediate agency action subject to judicial review under the Montana Administrative Procedures Act.