

Service Date: June 9, 1981

FINAL ORDER NO. 4807

DEPARTMENT OF PUBLIC SERVICE REGULATION  
MONTANA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) DOCKET NO. 80.10.47  
the Town of Hot Springs to Increase )  
Water Rates. ) ORDER NO. 4807

\*\*\*\*

APPEARANCES

FOR THE APPLICANT:

James Manley, City Attorney, Box 250, Saint Ignatius, MT 59865

FOR THE PROTESTANTS:

James C. Paine, Montana Consumer Counsel, 34 West Sixth Avenue,  
Helena, MT 59620

FOR THE COMMISSION:

Robert F. W. Smith, Staff Attorney, 1227 11th Avenue,  
Helena, MT 59620

BEFORE

HOWARD L. ELLIS, Commissioner and Hearing Examiner

The Examiner, having taken evidence and being fully advised  
in the premises, makes the following findings, conclusions and  
order:

FINDINGS OF FACT

1. On October 22, 1980, the Town of Hot Springs (Applicant) filed a petition with the Montana Public Service Commission to authorize a water rate increase that would generate \$23,800 in additional revenues annually. The Commission having received protests to this application, a hearing was held on April 16, 1981, at 10:00 a.m. in the Senior Citizens Center, Hot Springs, Montana.

2. At the April 16, 1981 hearing, two witnesses testified for the Applicant:

Virgil Mallory, Mayor; and  
Elizabeth Stokke, Town Clerk.

Also, three public witnesses testified:

Betty Swaney,  
Louis Sasse, and  
Glen Johnson.

3. The Town of Hot Springs experiencing political turmoil, Mayor Mallory testified about the water system from personal experience, having operated the system for 40 days. He testified that the tractor and pump houses need replacement, and that operation and maintenance costs have increased significantly since 1974 (the Town's last water rate increase). Maintenance costs were: Water Shed lease, repair of transmission mains, and lease of a pick-up truck. Needed capital improvements include: Main rerouting, main replacement, and a water tank cover. The Town attempted to account for the many fixed incomes in the area in arriving at a rate schedule. Lack of funds has forced the postponement of some needed repair.

4. Mrs. Stokke said that the anticipated cost of repairs was in excess of \$6,000.

5. Mrs. Swaney had several comments on the rate structure, commenting that the healthy (\$3.00 now, \$7.75 proposed) increase in the minimum charge and the change in the sprinkling rate (from anything above the average consumption, to anything above 30,000 gallons consumption) walked a hardship on single persons such as herself.

6. Mr. Sasse supported the idea of a lid on the water tank, as he did eight years ago for health reasons.

7. Mr. Johnson supported the rate increase as being much needed and fairly spread.

8. At the close of the hearing, all parties stipulated that a Proposed Order would not be necessary.

#### CONCLUSIONS OF LAW

1. The Montana Public Service Commission properly exercises jurisdiction over the subject matter and parties to this proceeding.

2. The Commission gave all interested persons notice and an opportunity to participate in this proceeding.

3. The rates approved herein are reasonable and just.

ORDER

NOW THEREFORE, at a session of the Public Service Commission, Department of Public Service Regulation of the State of Montana, held in its offices at 1227 11th Avenue, Helena, Montana, on the 1st day of June, 1981, there being present a quorum of commissioners, there came regularly before the Commission for final action the matters and things in Docket No. 80.10.47, and the Commission being fully advised in the premises;

IT IS ORDERED by the Commission that the application of the Town of Hot Springs to increase water rates is HEREBY APPROVED.

IT IS FURTHER ORDERED the rates will be effective for water service rendered on and after June 1, 1981.

IT IS FURTHER ORDERED that a full, true and correct copy of this order be sent forthwith by first class mail to the applicant and to all other appearances herein.

THE FOREGOING ORDER was adopted by the Department of Public Service Regulation of the State of Montana, Public Service Commission.

DONE IN OPEN SESSION at Helena, Montana, this 1st day of June, 1981 by a 5-0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

---

GORDON E. BOLLINGER Chairman

---

JOHN B. DRISCOLL, Commissioner

---

HOWARD L. ELLIS, Commissioner

---

CLYDE JARVIS, Commissioner

---

THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Madeline L. Cottrill  
Commission 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 Re consideration 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. 38.2.4806 ARM.