

Service Date: December 3, 1981

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

IN THE MATTER OF THE Application ) UTILITY DIVISION  
of Montana-Dakota Utilities Co. ) DOCKET NO. 81.7.62  
for Authority to Establish ) AMENDED INTERIM ORDER  
Increased Rates for Gas Service ) NO. 4834b

FINDINGS OF FACT

1. On January 5, 1981, Montana-Dakota Utilities Company (MDU) filed an application with the Montana Public Service Commission (Commission) requesting authority to increase rates for electric service (Docket No. 81.1.2).

2. On October 20, 1981, Orders No. 4799b and 4799c were issued in the above mentioned docket. Those orders called for a substantial revision to the Company's capital structure.

3. Because the Company's authorized rates, not only for electric service but also for natural gas service, are reflective of the Company's capital structure, such a revision necessarily affects rates charged for natural gas service.

4. The Commission finds that the revision to the Company's capital structure found appropriate in Docket No. 81.1.2 calls for a revision to the Company's natural gas rates. This revision calls for a reduction in annual gas revenues in the amount of \$273,000.00.

5. MDU currently has before the Commission an application for authority to increase rates for natural gas service pursuant to the gas cost tracking mechanism (Docket No. 81.10.98) and also an application for authority to increase rates for natural gas service in conjunction with general rates proceedings (Docket No. 81.7.62)

6. On November 30, 1981, MDU filed with the Commission a Consent to Order that stated in part, "...MDU consents to issuance of an order in Docket No. 81.7.62 without notice or hearing, reducing the rates

therein in the amount of \$273,000 conditioned upon the full authorization of the Purchased Gas Cost Adjustment in Docket No. 81.10.98 on an interim basis, both interim rates increase and decrease effective with service rendered on and after December 1, 1981."

7. The Commission finds that the appropriate place to affect a reduction in natural gas rates stemming from the revision to the Company's capital structure is within the confines of the general rate proceeding, Docket No. 81.7.62.

8. On November 30, 1981, the Commission issued Interim Order No. 4855 in Docket No. 81.10.98. That order provided for the full authorization of the Purchased Gas Cost Adjustment on an interim basis effective with service rendered on and after December 1, 1981, as stipulated to in MDU's Consent to order.

### CONCLUSIONS OF LAW

1. Montana-Dakota Utilities Company is a corporation providing electric and natural gas service within the State of Montana, and as such is a "public utility" within the meaning of Section 69-3-101, MCA.

2. The Montana Public Service Commission properly exercises jurisdiction over the Applicant's Montana operations pursuant to Title 69, Chapter 3, MCA.

### ORDER

1. Applicant, MDU, is hereby ordered to reduce rates for natural gas service in Montana by an amount resulting in a \$273,000 reduction in annual revenues.

2. Such a reduction is to be accomplished by reducing rates on a uniform cents per MCF basis across all customer classes .

3. Applicant will file tariff sheets reflecting the combined effect of the increase in rates arising from Order No. 4855 in Docket No. 81.10.098 and the decrease in rates stemming from the reduction ordered herein. The tariff sheets will be effective for service rendered on and after December 1, 1981.

5. All rates will be filed in such a manner as to maintain the twenty-five percent (25%) rate differential between "winter" and "remainder of the year" rates.

DONE IN OPEN SESSION this 30th day of November, 1981, by a vote of 4 - 0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

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GORDON E. BOLLINGER, Chairman

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JOHN B. DRISCOLL, Commissioner

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HOWARD L. ELLIS, Commissioner

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CLYDE JARVIS, 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 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 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.