

Service Date: June 24, 1982

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

* * * *

IN THE MATTER Of The Application)	
Of The GREAT FALLS GAS COMPANY)	UTILITY DIVISION
For Authority To Increase Rates)	DOCKET NO. 82.4.25
and Charges For Natural Gas Ser-)	INTERIM ORDER NO. 4914
vice.)	
_____)	

FINDINGS OF FACT

1. On April 16, 1982 Great Falls Gas Company (Applicant or GFG) filed an application with this Commission for authority to increase natural gas rates by \$545,240. At the time of the original filing the Applicant made a motion for interim relief in the amount of \$545,240.
2. At its regular agenda meeting held April 26, 1982, the Commission determined that the Company's application patently failed to substantially comply with Commission rules, due to the absence of a system cost analysis for a twelve (12) month historical test year as required in Section 38.5.106, A.R.M.
3. On May 7, 1982, GFG filed a revised application with this Commission for authority to increase natural gas rates by \$1,000,058. The Applicant renewed its motion that the Commission approve the \$545,240 increase requested in the initial application on an interim basis.
4. In a letter dated May 21, 1982 the company was directed to provide calculations

6. On June 8, 1982, staff and representatives from GFG met to discuss concerns staff had with the interim relief calculation. As a result of that meeting the Applicant filed revised schedules and workpapers on June 15, 1982, which calculate an interim increase of \$215,901.

7. The following table shows the derivation of the interim relief:

GREAT FALLS GAS COMPANY

Overall Cost of Service

Line No.	(A) 12 Months Actual <u>At 4/30/82</u>	(B) <u>Adjustments</u>	(C) <u>Present Rates</u>	(D) Test Period <u>Adjustment</u>	(E) Proposed <u>Rates</u>
1 Operating Revenues	23,428,051	(3,947)	23,424,104(1)	215,901	23,640,005
2 Cost of Service:					
3 Gas Purchased	19,819,386	265,624	20,085,010		20,085,010
4 Other Operation:					
5 Distribution	420,770	14,121	434,891		434,891
6 Customer Accounts	478,568	9,206	487,774		487,774
7 Customer Services	106,480	12,191	118,671		118,671
8 Administrative & General	1,724,954	124,102	849,056		849,056
9 Maintenance	177,699	49,490	227,189		227,189
10 Depreciation	310,214		310,214		310,214
11 Taxes:					
12 Other than Income	177,762		177,762		177,762
13 Federal Income-Current					
14 (Net-Inv. Cr.)	126,784	(20,146)	106,638	72,861	179,499
15 Federal Income - Deferred	275,254	(225,131)	50,123		50,123
16 State Income	<u>26,711</u>	<u>(5,059)</u>	<u>21,652</u>	<u>14,573</u>	<u>36,225</u>
17 Total	<u>22,644,582</u>	<u>224,398</u>	<u>22,868,980</u>	<u>87,434</u>	<u>22,956,414</u>
18 Utility Operating Income	<u>783,469</u>	<u>(228,345)</u>	<u>555,124</u>	<u>128,467</u>	<u>683,591</u>
19 Rate Base	6,031,912		5,980,675		5,980,675
20 Rate of Return			9.28%		11.43%

(1) Includes \$55,706 adjustment for earned interest income, per Order 4804b.

CONCLUSIONS OF LAW

1. Great Falls Gas Company is a public utility furnishing natural gas service to consumers in the State of Montana. As such it is subject to the supervision, regulation and control of this Commission, 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. If the final decision of the Commission is to disapprove the increase granted on an interim basis, the Commission will order a rebate thereof with interest of 14.50% to all customers, as was agreed by the Applicant.

ORDER

THEREFORE THE MONTANA PUBLIC SERVICE COMMISSION ORDERS THAT:

1. Great Falls Gas Company is hereby granted authority to implement on an interim basis increased rates designed to generate \$215,901 in additional revenues on an annual basis.

2. Great Falls Gas is to file revised rate schedules spreading the increased revenues to the existing customer classes on a uniform percentage basis.

3. Nothing in this Interim Order precludes the Commission from adopting in its final order after reviewing the entire record in this Docket a revenue requirement different from that contained in this Order.

4. The interim relief granted in this Order is to be

effective for natural gas service rendered on and after June 21, 1982

DONE IN OPEN SESSION this 21st day of June, 1982 by a
4- 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

HOWARD L. ELLIS, Commissioner

CLYDE JARVIS, Commissioner

THOMAS J. SCHNEIDER, Commissioner

JOHN B. DRISCOLL, 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 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.

