

Service Date: August 30, 1982

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 OF THE )	
MONTANA POWER COMPANY FOR AUTHORITY TO )	UTILITY DIVISION
ISSUE A NOTE OR NOTES NOT TO EXCEED \$50, )	DOCKET NO. 82.8.57
000,000 PURSUANT TO A REVOLVING CREDIT )	DEFAULT ORDER
AGREEMENT AMONG THE APPLICANT AND CER- )	NO. 4925
TAIN BANKS. )	

On August 19, 1982, The Montana Power Company (Applicant) filed with the Public Service Commission its verified Application, pursuant to Sections 69-3-501 through 69-3-507 of the Montana Code Annotated (MCA), seeking an order authorizing it to issue a note or notes not to exceed in the aggregate \$50,000,000. The Application is supported by exhibits and data in accordance with the Commission practice and rules and regulations governing the authorization of issuance of securities by public utilities operating within the State of Montana.

The Application states that Applicant is a public utility, as defined in MCA §69-3-101, in that it furnishes electric and natural gas service in the State of Montana; that Applicant's principal executive office is at 40 East Broadway, Butte, Montana; and that Applicant is duly qualified to do business in the States of Montana, Wyoming and Idaho. For detailed information with respect to the general character of Applicant's business and the territory served by it, reference is made to the Application.

The Application states that:

(1) Borrowing up to an aggregate of \$50,000,000 may be made by the Applicant in multiples of \$2,000,000 for a Fixed Rate Loan and \$250,000 for a Floating Rate Loan.

(2) The Revolving Credit Agreement to be entered into provides for three interest options: (a) Floating Rate, (b) Domestic Fixed Rate, available for interest periods of 30, 60 and 90 days, and (c) Eurodollar rate, available

for interest periods of 3 and 6 months. The Applicant will examine each option on the occasion of each borrowing and the expiration of each interest period and to select the most favorable alternative rate.

(3) Expenses in connection with the negotiation of the loan are estimated to be \$2,500.

(4) The purpose of the borrowing is to provide Applicant with funds to be used (a) to repay short-term borrowings and (b) for other lawful corporate purposes.

The Application includes an opinion of counsel regarding the legality and the propriety of the proposed borrowings.

Having fully considered the Application and all the data and records pertaining thereto on file with the Commission and being fully advised in the premises, the Commission makes the following:

#### FINDINGS OF FACT

1. That Applicant, The Montana Power Company, is a corporation organized and existing under and by virtue of the laws of the State of Montana and is qualified to transact business in the State of Montana.

2. That Applicant is operating as a public utility, as defined in MCA §69-3-101, and, as such, is engaged in furnishing electric and natural gas utility service in the State of Montana.

3. That the Commission has jurisdiction over the subject matter of the Application under MCA §§69-3-501 through 69-3-507, inclusive.

4. That the issuance of a note or notes not to exceed in the aggregate \$50,000,000 proposed herein by Applicant, as hereinafter authorized, will be for a lawful purpose and are consistent with the public interest; that such issuance is appropriate for and consistent with the proper performance by Applicant of service as a public utility; and that the aggregate amount of the securities outstanding, including the borrowing subject to this proceeding, will not exceed the fair value of the properties and business of Applicant.

5. That notice of the filing of the Application has been duly given; that due consideration has been given to

the matters presented and filed in connection therewith; and that the Application should be approved as hereinafter ordered.

### CONCLUSION OF LAW

That the Application herein complies with MCA §§69-3-501 through 69-3-507, inclusive, and other laws of Montana as aforesaid and the same should be granted as hereinafter ordered.

### ORDER

NOW, THEREFORE, at a session of the Public Service Commission of the State of Montana, held in its office at 1227 11th Avenue, Helena, Montana, on August 30, 1982, there regularly came before the Commission for final action the matters and things in this Docket. The Commission being fully advised in the premises makes and enters the following Orders:

IT IS ORDERED that the Application of Applicant, The Montana Power Company, for an order authorizing the issuance of a note or notes not to exceed in the aggregate \$50,000,000 is hereby approved and the issuance of such note or notes be, and the same is, hereby authorized subject to the provisions of this Order pursuant to MCA §§69-3-501 through 69-3-507, inclusive.

IT IS FURTHER ORDERED that the foregoing authorization is without prejudice to the regulatory authority of this Commission with respect to rates, service, accounts, valuations, estimates or determinations of cost, or any other matter subject to its jurisdiction as provided by law.

IT IS FURTHER ORDERED that nothing in this Order or any act or deed done and performed in connection herewith shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever any security authorized by this Order or authorized, issued, assumed, or guaranteed under the provisions of MCA §§69-3-501 through 69-3-507, inclusive.

Issuance of this Order does not mean acceptance of the Applicant's exhibits or other material accompanying the Application for any purpose other than in connection with this proceeding.

DONE IN OPEN SESSION at Helena, Montana, this 30th day of August, 1982, by a vote of 5-0.

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

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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 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.