

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

IN THE MATTER Of The Application By )  
MONTANA POWER COMPANY For Authority ) UTILITY DIVISION  
To Adopt New Rates And Charges For ) DOCKET NO.83.9.67  
Electric Service Furnished In The ) SUPPLEMENTAL ORDER NO. 5051b  
State Of Montana. )

ORDER ON THE MONTANA POWER COMPANY'S  
MOTION FOR RECONSIDERATION  
FINDINGS OF FACT

1. On March 30, 1984, the Montana Power Company (Company) filed a Motion for Reconsideration of the Montana Public Service Commission's Interim Order No. 5051 and Accounting Order No. 5051a, both issued on March 22, 1984.
2. The Company argues that the Commission should include Colstrip #3 and related facilities in its calculation of interim relief to assure the financial soundness of the utility. Further, the Company claims that the Accounting Order should be modified to include the accumulation of property taxes and depreciation.
3. The Montana Power Company has not presented any new arguments in its Motion regarding the Commission's exclusion of Colstrip #3 and related facilities. The modified Accounting Order approved herein will assure that Montana Power Company will suffer no permanent loss of revenue that the Company is ultimately found entitled to receive by the Commission. The Commission, therefore, finds that Montana Power Company's Motion For Reconsideration of Interim Order No. 5051 is DENIED.
4. In its Motion For Reconsideration of Accounting Order No. 5051a, Montana Power Company argues that if it is appropriate to accrue capital costs associated with Colstrip #3 and related facilities, then it is also appropriate to accrue operating costs. The Commission agrees with Montana Power Company that the operating costs for property taxes and depreciation should be accrued and amortized in the manner set forth in Accounting Order No. 5051a. In granting the accrual of these operating costs, the Commission also finds appropriate the accrual of revenues from Colstrip #3 and related facilities during the same time period. The Commission directs the Montana Power Company to accurately record all generation from this Unit No. 3 and all revenues associated with that generation. To the extent that such revenues ~ exceed variable running costs, the amount of capital and operating costs to be amortized shall be reduced. These revisions will help to properly reflect the effects of operating Colstrip #3 from the date of its commercial operation to the date that the Commission issues a final order in this Docket.

CONCLUSIONS OF LAW

1. The foregoing Findings of Fact are hereby incorporated as Conclusions of Law.
2. The Montana Power Company is a public utility furnishing electric service to consumers in the State of Montana, and is subject to the supervision, regulation and control of the Montana Public Service Commission. 69-3-102, MCA.
3. Section 69-3-304, MCA, provides in part, "The Commission may in its discretion temporarily approve increases pending a hearing of final decision.
4. The Montana Public Service Commission rules allow an applicant seeking an interim rate increase to request that the Commission reconsider an interim order that it has issued. ARM 38.2.4806.
5. The amount of interim relief approved by the Montana Public Service Commission in this Order meets the requirements of the administrative rules governing interim rate increase. ARM 38.5.501 et seq.

DONE IN OPEN SESSION at Helena, Montana this 2nd day of April, 1984 by a 5-0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

\_\_\_\_\_  
Thomas J. Schneider, Chairman

\_\_\_\_\_  
John B. Driscoll, Commissioner

\_\_\_\_\_  
Howard L. Ellis, Commissioner

\_\_\_\_\_  
Clyde Jarvis, Commissioner

\_\_\_\_\_  
Danny Oberg, Commissioner

ATTEST:

Madeline L. Cottrill  
Commission Secretary  
(SEAL)