

Service Date: January 2, 1986

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

* * * * *

IN THE MATTER Of The Application)	
Of SHELBY GAS ASSOCIATION For)	UTILITY DIVISION
Authority To Decrease Rates And)	DOCKET NO. 85.12.53
Charges For Natural Gas Service.)	INTERIM ORDER NO. 5175

FINDINGS OF FACT

1. Shelby Gas Association (Applicant) applied to this Commission for an order authorizing a decrease in the rates Applicant charges for natural gas service. The application sought authority to decrease rates in order to reflect all cost decreases resulting from rate decreases granted The Montana Power Company (Company) in Docket No. 85.12.52.
2. On December 19, 1985, the Commission's Order No. 5174 granted Montana Power Company a natural gas rate decrease.
3. Order No. 5174 will result in decreased purchased gas costs to Applicant.

CONCLUSIONS OF LAW

1. Applicant, Shelby Gas Association, is a corporation providing 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.
3. Section 69-3-304, MCA, provides in part, "The Commission may, in its discretion, temporarily approve increases or decreases pending a hearing or final decision."
4. The rate levels and spread approved herein are reasonable. The rebate provisions of Section 69-3-304, MCA protect ratepayers in the event that any revenue decreases

authorized by this order are found to be unjustified in the final order in this Docket.

ORDER

1. Applicant, Shelby Gas Association, is hereby granted interim relief reflecting Findings of Fact in this order.

2. Such relief is to become effective for meter readings on and after January 1, 1986, and remain in effect until such time as a final decision is reached in this matter.

3. The decreased rates shall be collected upon a constant uniform cents per Mcf basis.

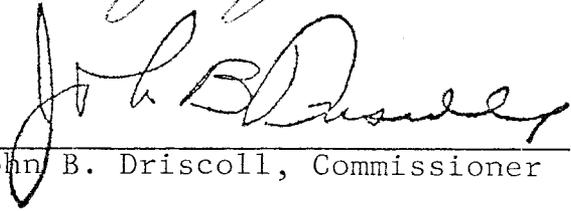
4. If the final decision is to disapprove a decrease, the Commission may order a surcharge for the amount not collected retroactive to the date of the temporary approval.

DONE IN OPEN SESSION at Helena, Montana this 30th day of December, 1985, by a 4 - 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION



Clyde Jarvis, Chairman



John B. Driscoll, Commissioner

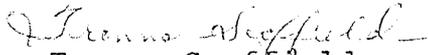


Howard L. Ellis, Commissioner



Danny Oberg, Commissioner

ATTEST:



Trena Scoffield
Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.