

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 GREAT FALLS GAS COMPANY For) UTILITY DIVISION
Authority To Establish Decreased) DOCKET NO. 85.12.56
Rate For Natural Gas Service.) INTERIM ORDER NO. 5178
_____)

FINDINGS OF FACT

1. On December 23, 1985, Great Falls Gas Company (GFG) filed its application to pass-through a price decrease from its supplier, The Montana Power Company (MPC). The decrease was identified to be \$.218/Mcf @14.9 psia in Docket No. 85.12.52, Order No. 5174.

2. GFG seeks to pass the decrease through to its tail-block rate (over 15 Mcf winter and all summer Mcf) for all customers except the interruptible industrial class. Interruptible customers currently receive service priced at rates comparable to propane.

3. The Commission finds the application to be proper and consistent with pass practices, and therefore approves it with an exception. GFG has been billing customers whose meters were read in December for December consumption at the "old, higher" rate. MPC will read GFG's city gate meter January 1, 1986 and will bill GFG at the "new, lower" rate for December consumption. The Commission has been informed that GFG will not be able to calculate the exact amount of its overcollection until sometime in late January. Accordingly, the Commission requests that GFG provide the Commission with workpapers as soon as they become available. The Commission intends to reflect the over collection in the context of the final order in the currently pending GFG general rate case.

4. With the above exception the Commission finds a decrease in revenues of \$961,749.00 to be proper. The resulting tail-block for all classes except the interruptible industrial class will be \$4.5314, a decrease of \$.2783 from its previous level of \$4.8097.

CONCLUSIONS OF LAW

1. Applicant, Great Falls Gas Company, 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, Great Falls Gas Company, 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.

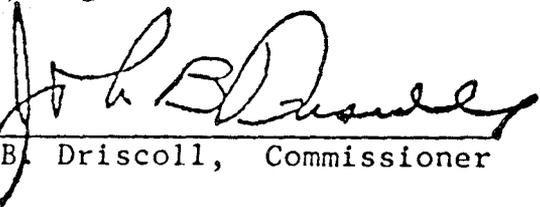
3. If the final decision is to disapprove a decrease, the Commission may order a surcharge for the amount not collected retroactive to the date of the temporary approval.

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

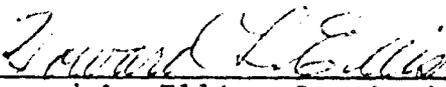
BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION



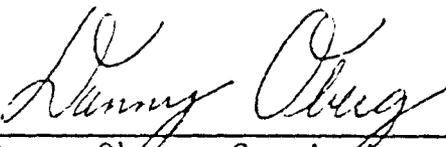
Clyde Jarvis, Chairman



John B. Driscoll, Commissioner

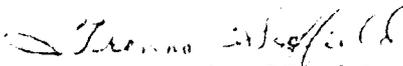


Howard L. Ellis, Commissioner



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.