

Service Date: June 13, 1989

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

* * * * *

IN THE MATTER of the Application)	UTILITY DIVISION
of CONSUMERS GAS COMPANY for)	DOCKET NO. 88.9.31
Authority to Decrease Rates and)	ORDER NO. 5363a
Charges for Natural Gas Service.)	
_____)	

FINDINGS OF FACT

1. On September 26, 1988, Consumers Gas Company (Applicant, CGC, Company) filed an application seeking authority to decrease rates for natural gas service. The application sought authority to decrease rates in order to reflect lower purchased gas costs from Treasure State Pipe Line Company. The amount of the decrease from Treasure State Pipe Line Company is 88 cents per Mcf. Prior to this Docket, CGC had a two tier price structure: \$10.34 for the first Mcf or less, and \$9.32 for all additional Mcf. In this Docket CGC requests that the rate differential be eliminated. This results in the following proposed rates: \$8.54 for the first Mcf or less, and \$8.54 for all additional Mcf.

2. On October 3, 1988, the Commission issued Interim Order No. 5363 which approved the proposed rate decrease and the elimination of the two tier pricing structure.

3. The Commission grants final approval of the interim rate decrease and elimination of the two tier pricing structure requested by the Applicant, and finds that this Docket should be closed.

CONCLUSIONS OF LAW

1. Applicant 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. The rate levels and spread approved herein are reasonable.

ORDER

1. Consumers Gas Company's request to reduce rates to reflect lower purchased gas costs and to eliminate the two tier pricing structure is granted final approval.

DONE AND DATED this 12th day of June, 1989, by a 5 - 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

CLYDE JARVIS, Chairman

HOWARD L. ELLIS, Commissioner

WALLACE W. "WALLY" MERCER, Commissioner

DANNY OBERG, Commissioner

JOHN B. DRISCOLL, Commissioner

ATTEST:

Ann Purcell
Acting Commission Secretary

(SEAL)

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