

Service Date: January 16, 1990

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)	UTILITY DIVISION
Authority To Issue Common Shares)	DOCKET NO. 89.12.55
In Connection With A Stock Split)	DEFAULT ORDER NO. 5451
_____)	

On December 28, 1989, The Montana Power Company ("Applicant") filed with the Public Service Commission its verified application, pursuant to Section 69-3-501 through 69-3-507 of the Montana Code Annotated (1989) (MCA), seeking an order authorizing it to issue certain common shares in connection with a stock split.

The application is supported by exhibits and data in accordance with the Commission practice and rules and regulations governing such applications by public utilities operating within the State of Montana.

The application states that Applicant is a public utility as defined in Section 69-3-101, MCA 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.

Having fully considered the application and all the data and records pertaining thereto and being fully advised in the premises, the Commission makes the following:

FINDINGS OF FACT

Applicant 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.

Applicant is a public utility as defined in Section 69-3-101, MCA, and is engaged in furnishing electric and natural gas service in Montana.

The Commission has jurisdiction over the subject matter of the application under Section 69-3-501, MCA.

That application states that the Board of Directors of the Applicant declared a two-for-one split of its shares of common stock on December 19, 1989, effective as of the record date of January 10, 1990.

No proceeds to the Applicant will result from the stock split.

The purposes of the stock split are to enhance the liquidity of the Applicant's shares of common stock in trading on the New York and Pacific Stock Exchanges and to facilitate the conversion of odd-lot shareholders into round-lot shareholders, which are purposes allowed by Section 69-3-501, MCA.

The number of shares authorized for issuance pursuant to this Order is 24,631,503, plus such number of shares as shall be required to match the number of shares issued prior to January 10, 1990, pursuant to the various plans of the Applicant, estimated to be 19,400 additional shares.

Public notice of this application was given by its inclusion on the Commission's agenda for January 2, 1990, and no requests for a public hearing were received by January 9, 1990.

Applicant furnished complete financial data with its application, via incorporating by reference financial statements filed in Docket No. 89.12.52, in accordance

with developed practice of the Commission. The application contains a certified copy of the appropriate corporate resolution pertaining hereto.

CONCLUSION OF LAW

The stock split described in the application is for a lawful purpose and is consistent with the public interest.

ORDER

The application of the Montana Power Company for authority to issue shares of common stock in connection with its two-for-one stock split in the amounts stated in its application is approved.

In accordance with Section 69-3-507, MCA, neither the issuance of securities by Applicant pursuant to the provisions of this Order, nor any other act or deed done or performed in connection therewith, shall be construed to obligate the State of Montana to pay or guarantee, in any manner whatsoever, any security authorized, issued, assumed or guaranteed under the provisions of Section 69-3-501 through 69-3-507, MCA, 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 the issuance of this Order.

DONE IN OPEN SESSION at Helena, Montana this 8th day of January, 1990, 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 Peck
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.