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Service Date: November 4, 1993

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

\* \* \* \* \*

|  |   |                    |
|--|---|--------------------|
| IN THE MATTER Of The Application         | ) | UTILITY DIVISION   |
| Of The Town of Culbertson To Increase    | ) | DOCKET NO. 93.8.36 |
| Rates And Charges For Water Service      | ) | ORDER NO. 5754     |
| In Its Culbertson, Montana Service Area. | ) |                    |

\* \* \* \* \*

DEFAULT ORDER GRANTING WATER RATE INCREASE APPLICATION

BACKGROUND

1. On August 19, 1993, the Town of Culbertson (Applicant or Town) filed a Petition with Montana Public Service Commission (Commission) pursuant to Sections 69-7-101 et seq., MCA, for an order authorizing the Applicant to increase water rates in its Culbertson, Montana service area. The Application requested a revenue increase of 39.95% or approximately \$21,916.95 in additional annual revenues to defray increased costs of operation and maintenance.

2. On September 7, 1993, the Commission issued a Notice of Opportunity For Public Hearing. A provision in that notice stated, "If no hearing is requested by October 7, 1993, no hearing will be held and an appropriate order may be issued based upon evidence submitted with the Application."

3. On October 4, 1993, the Commission received an amended Application from the Town, stating that the original Application incorrectly reflected proposed revenues at the new rates for seven (7) months instead of twelve (12) months.

The amended Application reflects revenues at the new rates for twelve (12) months, pursuant to Commission rule. As amended in its Application, the Town proposes a revenue increase of 32.23% or approximately \$42,848.00 in additional annual revenues.

4. On October 6, 1993, the Commission issued an Amended Notice of Opportunity For Public Hearing. A provision in that notice stated, "If no hearing is requested by October 26, 1993, no hearing will be held. An appropriate order may be issued based upon evidence submitted with the Application."

#### FURTHER FINDINGS OF FACT AND DISCUSSION

5. The Commission has received no protest or request for hearing.

6. On August 9, 1993, the Town Council of the Town of Culbertson passed a resolution to request Commission approval of the proposed rates.

7. The Town needs additional revenue to meet operation and maintenance expenses.

8. The proposed rates as amended will increase annual revenues by approximately \$42,848.00, or an increase of 32.23% in total annual revenues from water rates.

#### CONCLUSIONS OF LAW

1. The Applicant, the Town of Culbertson, is a public utility as defined in Section 69-3-101, MCA. The Montana Public Service Commission properly exercises jurisdiction over municipal utility rate increase applications in excess of 12% in total annual revenues. Section 69-7-102, MCA.

2. The Commission has provided adequate public notice and an opportunity to be heard as required by Section 69-3-303, MCA, and Title 2, Chapter 4, MCA (Montana Administrative Procedures Act).

3. The rates and rate structure approved in this order are just and reasonable. Sections 69-3-201 and 69-3-330, MCA.

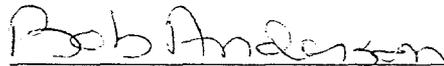
ORDER

IT IS HEREBY ORDERED THAT:

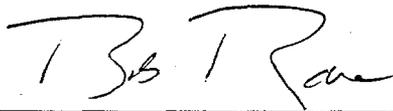
1. The rates as filed by the Town with its Application are authorized.
2. The rates shall be effective for service rendered on and after November 1, 1993.

DONE IN OPEN SESSION at Helena, Montana on this 1st day of November, 1993, by a 5-0 vote.

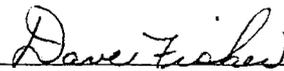
BY THE ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION



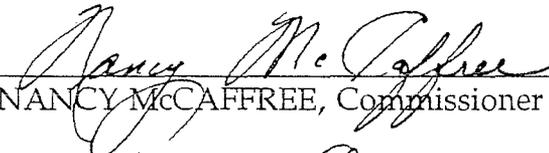
BOB ANDERSON, Chairman



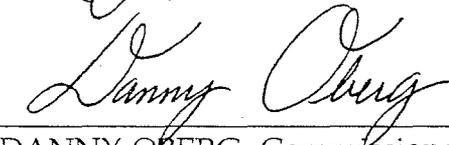
BOB ROWE, Vice Chairman



DAVE FISHER, Commissioner



NANCY McCAFFREE, Commissioner



DANNY OBERG, Commissioner

ATTEST:



Kathlene M. Anderson  
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.