

Service Date: November 15, 1994

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 |) | UTILITY DIVISION |
| Of The City of Big Timber To Increase |) | DOCKET NO. 94.9.38 |
| Rates And Charges For Sewer Service |) | ORDER NO. 5812 |
| In Its Big Timber, Montana Service Area. |) | |

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DEFAULT ORDER GRANTING SEWER RATE INCREASE APPLICATION

BACKGROUND

1. On September 13, 1994, the City of Big Timber (Applicant or City) filed an Application with the Montana Public Service Commission (Commission or PSC) requesting that, pursuant to its jurisdiction established by Title 69, including Chapters 3 and 7, MCA, the Commission authorize a sewer rate increase to provide revenues to meet increased operation and maintenance expenses and to conduct capital improvements to the system. The proposed 34% increase in user fees will generate approximately \$35,905 in additional revenue from the user fees. However, the increase will only amount to 20% or \$24,111 in additional total annual revenues to the sewer utility.

2. On October 3, 1994, the PSC issued a Notice of Opportunity For Public Hearing. A provision in that notice stated, "If no hearing is requested by November 3, 1994, no hearing will be held and an appropriate order may be issued based upon evidence submitted with the Application."

3. The PSC has received no protest or request for hearing.

FINDINGS OF FACT

4. On September 6, 1994, the City Council of the City of Big Timber passed a resolution to request PSC approval of the proposed rates.

5. The City needs additional revenue to meet increased operation and maintenance expenses.

6. The proposed rates will increase annual revenues by approximately \$24,111, or an increase of 20% in total annual revenues from water rates.

7. The proposed 34% increase in user fees will generate approximately \$35,905 in additional revenue from the user fees.

CONCLUSIONS OF LAW

1. The Applicant, the City of Big Timber, is a public utility as defined in '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 PSC has provided adequate public notice and an opportunity to be heard as required by '69-3-303, MCA, and Title 2, Chapter 4, MCA (Montana Administrative Procedures Act).

3. The rates and rate structure 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 Applicant with its Application are authorized.
2. The rates shall be effective for service rendered on and after November 14, 1994.

DONE IN OPEN SESSION at Helena, Montana on this 14th day of November, 1994, 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.