

Service Date: April 27, 1995

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 Dillon To Increase)	DOCKET NO. 95.3.7
Rates And Charges For Water Service)	ORDER NO. 5843
In Its Dillon, Montana Service Area.)	

* * * * *

DEFAULT ORDER GRANTING WATER RATE INCREASE APPLICATION

BACKGROUND

1. On March 9, 1995, the City of Dillon (Applicant) filed an Application with the Montana Public Service Commission (PSC) pursuant to Sections 69-7-101 et seq., MCA, for an order authorizing the Applicant to increase water rates in its Dillon, Montana service area. This increase will provide revenues to conduct capital improvements to the water system. The rate increase will generate approximately \$240,676 in additional annual revenues, or an increase of 152 percent in total annual revenues to the water utility.

2. On March 22, 1995, the PSC issued a Notice of Opportunity For Public Hearing. A provision in that notice stated, "If no hearing is requested by April 19, 1995, 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 March 1, 1995, the City Council of the City of Dillon passed a resolution to request PSC approval of the proposed rates.

5. The City needs additional revenue to conduct capital improvements to the water system.

6. The proposed rates will increase annual revenues by approximately \$240,676, or an increase of 152 percent in total annual revenues to the water utility.

CONCLUSIONS OF LAW

1. The Applicant, the City of Dillon, 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 percent 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 Section 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 April 21, 1995.

DONE IN OPEN SESSION at Helena, Montana on this 21st day of

April, 1995, by a 5-0 vote.

BY THE ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

NANCY McCAFFREE, Chair

DAVE FISHER, Vice Chair

BOB ANDERSON, Commissioner

DANNY OBERG, Commissioner

BOB ROWE, 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.