

Service Date: March 28, 2001

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)	
Yellowstone Pipe Line Company To)	UTILITY DIVISION
Increase Rates And Charges For Its)	DOCKET NO. D2001.2.15
Billings, Montana to Bozeman, Helena,)	ORDER NO. 6329
Great Falls, Missoula and Alkali Creek)	
Junction Montana Petroleum Products)	
Common Carrier Pipeline.)	

* * * * *

DEFAULT ORDER

FINDINGS OF FACT

1. On February 1, 2001, the Montana Public Service Commission (PSC) received an application from Yellowstone Pipeline Company (Yellowstone) for authority to increase rates and charges for transportation of refined petroleum products on its common carrier pipeline from Billings, Montana to Bozeman, Helena, Great Falls, Missoula and Alkali Creek Junction Montana.

2. The proposed tariff increase of approximately 53 percent is to recover significantly higher power costs in Montana. In the year 2000, power costs increased 148 percent and are projected to increase an additional 77 percent in 2001 above the 2000 cost increase. Applicant proposes to monitor operating costs and adjust the tariffs, up or down, to reflect the movement of future power costs.

3. The current shippers have concurred with this increase.

4. On February 26, 2001, the PSC issued and published a Notice of Application and

Intervention Deadline, requiring intervention by March 19, 2001 in order to conduct a public hearing. The PSC received no petitions for intervention.

5. On March 16, 2001, Yellowstone requested a withdrawal of the increase for the section between Billings and Alkali Creek Junction.

6. The proposed versus the current rates are as follows:

<u>SEGMENT</u>	<u>CURRENT (\$/BBL)</u>	<u>PROPOSED (\$/BBL)</u>
Bozeman	\$0.5451	\$0.7038*
Helena	\$0.7229	\$0.9333*
Great Falls	\$0.9362	\$1.2087*
Missoula	\$1.0191	\$1.3158*

(* Indicates that there is a surcharge added on per barrel to cover Bitterroot Project Costs)

7. The PSC has reviewed the Application and finds the proposed increase and the withdrawal of the Billings to Alkali Creek Junction tariff acceptable.

CONCLUSIONS OF LAW

1. The Montana Public Service Commission has jurisdiction over the rates and charges of common carrier pipelines pursuant to Title 69, Chapter 13, Montana Code Annotated (MCA).

2. Yellowstone Pipe Line Company is a common carrier pipeline transporting refined petroleum products and therefore is subject to the jurisdiction of the Commission.

ORDER

IT IS HEREBY ORDERED THAT:

1. The PSC approves the rates and charges as follows for Yellowstone Pipe Line Co.

<u>SEGMENT</u>	<u>\$/BBL</u>
Bozeman	\$0.7038*
Helena	\$0.9333*
Great Falls	\$1.2087*
Missoula	\$1.3158*

(* Indicates that there is a surcharge added on per barrel to cover Bitterroot

Project costs)

2. This Order shall be effective for service rendered on and after March 20, 2001.

DONE IN OPEN SESSION at Helena, Montana on this 20 day of March, 2001 by a 5-0
vote.

BY THE ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

GARY FELAND, Chairman

JAY STOVALL, Vice Chairman

BOB ANDERSON, Commissioner

MATT BRAINARD, Commissioner

BOB ROWE, Commissioner

ATTEST:

Rhonda J. Simmons
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.