

Service Date: August 16, 2001

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

IN THE MATTER of MONTANA	)	UTILITY DIVISION
POWER COMPANY'S Request for an	)	
Accounting Order to Accrue and Defer	)	DOCKET NO. D2001.3.30
Costs Associated with Implementing	)	
the Electrical Energy Pool.	)	ORDER NO. 6355b
	)	

**Order on MPC's Motion for Reconsideration of the  
Electrical Energy Pool Cost Accounting Order**

**Findings Of Fact**

1. On July 23, 2001, the Commission approved Order No. 6355a which approved MPC's request for an accounting order to accrue and defer costs associated with implementing the electrical energy pool.

2. On August 3, 2001, MPC filed a Motion for Reconsideration of Order No. 6355a. MPC is concerned with the following sentence set forth in Finding of Fact No. 6:

Most importantly, this Order does not imply or direct in any fashion that costs associated with implementation of the electrical energy pool deferred pursuant to this Order will be at any time reflected in rates.

MPC has concluded on the basis of "some discussion" surrounding this issue that the sentence may mean that costs associated with implementation of the electrical energy pool may not be recovered in any of MPC's rates. MPC stated it is generally understood that the costs of administering the electrical power pool will come from the proceeds of the electrical energy pool. If those proceeds are insufficient to cover those costs, it is MPC's view that the costs should then be recovered through MPC's other rates. MPC is concerned that the sentence noted above would preclude that from happening.

3. The Commission has included the language cited by MPC in prior accounting orders. Since this language has been included in prior accounting orders, it is clear that the disclaimer referenced by MPC is not unique to the electrical energy pool. The accounting order is for accounting purposes only. Any determination of rate treatment will be made at the appropriate time in the future.

### CONCLUSIONS OF LAW

1. The Montana Power Company is a public utility furnishing electric and natural gas service to consumers in the State of Montana, subject to the supervision, regulation and control of the Public Service Commission. § 69-3-102, MCA.

### ORDER

1. Order No. 6355a is clarified as indicated above. MPC's Motion for Reconsideration of Order No. 6355a is **Denied**.

Done and Dated this 14<sup>th</sup> day of August, 2001, by a vote of 5 - 0 .

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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GARY FELAND, Chairman

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JAY STOVALL, Vice Chairman

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BOB ANDERSON, Commissioner

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MATT BRAINARD, Commissioner

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BOB ROWE, Commissioner

ATTEST:

Rhonda J. Simmons  
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.

