

Service Date: August 25, 2004

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)	UTILITY DIVISION
Front Range Pipeline, LLC To Increase Rates)	DOCKET NO.D2004.7.101
And Charges To Shippers On Its Crude)	ORDER NO. 6586
Petroleum Pipeline From The International)	
Boundary, Santa Rita Station, and Cut Bank)	
To Cut Bank , Great Falls and Laurel, Montana.)	

* * * * *

DEFAULT ORDER

FINDINGS OF FACT

1. On July 1, 2004, the Montana Public Service Commission (PSC) received an application from Front Range Pipeline (Front Range) for authority to increase rates and charges to shippers on its International Boundary to Cut Bank, International Boundary to Laurel, Santa Rita Station to Great Falls, Santa Rita Station to Cut Bank, Cut Bank to Laurel, Cut Bank to Great Falls and Santa Rita Station to Laurel, Montana crude petroleum pipeline. The total requested increase is based on the Oil Pipeline Index as published by the Federal Energy Regulatory Commission (FERC). This methodology allows oil pipelines to change rates through the use of an index system that has established ceiling levels for such rates. Front Range has filed a new tariff (Montana PSC No. 16).

2. On July 8, 2004, the PSC issued a Notice of Application and Intervention Deadline with requests for intervention due no later than August 3, 2004.

3. No request for intervention has been received.

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. Front Range Pipeline is a common carrier pipeline transporting crude petroleum and therefore is subject to the jurisdiction of the Commission.

ORDER

IT IS HEREBY ORDERED THAT:

1. The PSC approves the increase for rates and charges on this pipeline
2. This Order shall be effective for service rendered on and after September 1, 2004.

DONE IN OPEN SESSION at Helena, Montana on this 17th day of August, 2004 by a 4-1 vote.

BY THE ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

BOB ROWE, Chairman

TOM SCHNEIDER, Vice Chairman

MATT BRAINARD, Commissioner

GREG JERGESON, Commissioner (Dissenting)

JAY STOVALL, Commissioner

ATTEST:

Connie Jones
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.