

Service Date: February 26, 1998

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

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IN THE MATTER OF MONTANA-DAKOTA)	UTILITY DIVISION
UTILITIES CO., Application for Approval of	
a Contract Service Rate (Market Retention )	DOCKET NO. D98.1.14
Rate) for Electric Service )	ORDER NO. 6055

FINAL ORDER

1. On January 28, 1998, Montana-Dakota Utilities, Co. (MDU), filed an application before the Public Service Commission (PSC), requesting approval to implement Contract Services Rate 35, which reflects an electric services contract between MDU and Shell Western E & P, Inc. (Shell). In its application MDU states that Shell, MDU's largest electric customer in its Montana jurisdiction, has been replacing MDU electric service with self generation, due in part to price, and the contract's approximate 10 percent reduction in unit price will avoid further displacement and regain load previously lost. In its application MDU suggests that the contract services rate is in the best interests of the public as it will minimize price increases through both retention of future power sales and regaining of lost electric power sales.

2. On February 3, 1998, the PSC issued a public Notice of Opportunity for Hearing, establishing the date for comments and requests for hearing from interested persons at February 23, 1998. No comments or requests for hearing were received.

3. The PSC has considered MDU's application and determines that it should be approved as filed, effective for bills rendered on or after March 2, 1998. For convenience a copy of MDU's application is attached to this Final Order.

Done and dated this 24th day of February, 1998, by a vote of 5-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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DAVE FISHER, Chairman

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NANCY MCCAFFREE, Vice Chair

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BOB ANDERSON, Commissioner

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DANNY OBERG, Commissioner

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BOB ROWE, Commissioner

ATTEST:

Kathlene M. Anderson  
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 ARM 38.2.4806.