Service Date: October 30, 2000

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

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IN THE MATTER OF ENERGY WEST MONTANA, Application to Implement Gas Cost Tracking Procedure (includes West Yellowstone division)	))))	UTILITY DIVISION DOCKET NO. D99.10.243 ORDER NO. 6211b

FINAL ORDER

APPEARANCES

FOR THE APPLICANT:

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FOR THE INTERVENORS:

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FOR THE COMMISSION:

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BEFORE:

Bob Anderson, PSC Commissioner and Presiding Officer
Dave Fisher, PSC Chairman
Gary Feland, PSC Commissioner

INTRODUCTION

1. On October 25, 1999, Energy West Montana (EWM) filed before the Public Service Commission (PSC) an application for approval to implement EWM's 1999 annual gas cost tracking procedure. In its application EWM requests approval of an increase in rates sufficient to produce an increase of approximately $2.95 million in annual revenues.

2. If approved as requested, EWM's application would result in rate increases for EWM's Great Falls customers of about 20 percent for the residential class, 18 percent for the small general service class, and 20 percent for the large general service class. For EWM's West Yellowstone customers the rate increases would be about 9 percent for the residential class and 11 percent for the commercial class. For customers in EWM's other classes the rate increases would be about 9 percent for the large general service distribution transportation class, 20 percent for the extended general service class, and 6 percent for the extended general service distribution transportation class.

3. On November 3, 1999, the PSC publicly noticed EWM's application through a Notice of Application and Intervention Deadline. In response to that notice the Montana Consumer Counsel (MCC) requested status as a party (intervenor) in the proceeding and has been the only active intervenor in the proceeding. On May 31, 2000, a public hearing on EWM's application was held in Great Falls, Montana. At hearing evidence and public comments were received. Legal arguments (i.e., briefs) have now been submitted. The PSC has fully considered the facts underlying EWM's request and the legal arguments presented by EWM and MCC and now determines that EWM's requested increase in revenues should be granted as discussed in the following findings of fact and conclusions of law.

FINDINGS OF FACT

Preliminaries

4. All introductory statements which can properly be considered findings of fact and which should be considered as such to preserve the integrity of this order are incorporated herein as findings of fact.

5. EWM, formerly Great Falls Gas Company (GFG), is a public utility primarily providing natural gas services to consumers in the Great Falls area. EWM also provides liquified natural gas service to consumers in the West Yellowstone area. As a public utility EWM is regulated by the PSC in regard to rates charged for these services. EWM, as is the case with most Montana gas utilities, has a PSC-approved annual gas cost tracker procedure. A gas cost tracking procedure allows rates to be adjusted on a regular basis (e.g., monthly) or the end of a fixed period (e.g., annually, as is the case with EWM) to reflect changes in rates and, in some instances, projected changes in rates based on what the utility has properly paid or reasonably expects to pay in gas supply costs.

6. EWM is a restructured public utility. Restructuring occurs when an energy utility converts from a provider of bundled utility services to a provider of transportation and distribution services only, allowing customers to choose among available competitive suppliers for the energy (e.g., natural gas) itself. For a period of time, usually referred to as a transition period, the restructured public utility continues to provide PSC-regulated bundled services to customers who have not selected a competitive supplier. EWM is in a transition period and continues to provide regulated, bundled services to customers who have not selected alternative suppliers.

EWM Restructuring

7. EWM's restructuring is related to the present tracker because a bid-for-supply requirement within the PSC's 1998 order approving EWM's restructuring was still being implemented during EWM's 1999 tracker period. EWM's activities related to the bid-for-supply requirement affect EWM's gas costs.

8. By November 1, 1997, in anticipation of the restructuring of EWM, EWM and Energy West Resources (EWR), a marketing affiliate of EWM, entered a five-year gas supply and supply-administration contract, with two years of supply at a fixed price. In accordance with the contract, EWM paid $1.59 per MMBtu for gas supplies. On March 24, 1998, the PSC first became aware of EWM restructuring and the EWM / EWR contract, as EWM filed before the

PSC a request for approval of gas utility restructuring under Montana's Natural Gas Utility Restructuring and Customer Choice Act, §§ 69-3-1401 through 69-3-1409, MCA.

9. On December 29, 1998, the PSC approved EWM's application for restructuring, with conditions, including a requirement that EWM competitively bid its existing supply contract (i.e., the EWM / EWR contract) by November 1, 1999. Additionally, the price paid by EWM for supply under the EWM / EWR contract ($1.59 per MMBtu) had become one of the contested issues in EWM's restructuring case. The PSC deferred the issue of reasonableness of that price into EWM's then-pending 1998 tracker, PSC Docket No. D98.9.213. *See, Matter of Great Falls Gas (Restructuring), PSC Docket No. D98.3.68, Order No. 6064b (December 29, 1998).*

10. PSC action on the EWM / EWR contract for gas supply and gas supply administration services (i.e., the PSC's bid-for-supply requirement) had nothing to do with prices paid under the contract. The action was directed at the anti-competitive nature of the contract. Regardless of the good intentions of EWM in entering the contract and regardless of the possible benefits of the contract that might eventually flow to EWM customers, it was and remains an unavoidable conclusion that the EWM / EWR contract is an anti-competitive, sealed, favorable position for both EWM and EWR in the restructured environment and clearly in conflict with fundamental principles underlying restructuring. To correct this problem, the PSC determined that EWM "should bid all services (e.g., supply, balancing, ...) presently obtained [by EWM] through the [EWM] / EWR contract for services beginning November 1, 1999." *See, id., Order No. 6064b, para. 88*.

EWM 1998 Tracker

11. EWM's 1998 tracker is related to the present tracker primarily because at least part of the gas costs incurred by EWM during EWM's 1999 tracker period also pertain to the EWM / EWR contract and EWM has requested that the methodology underlying the PSC's order on EWM's 1998 tracker remain applicable to its 1999 tracker.

12. On September 17, 1998, EWM filed before the PSC for approval of its 1998 annual gas tracker, requesting an $892 thousand increase in annual revenues. On November 17,

1998, the PSC approved a $718 thousand increase on an interim basis. *Matter of Great Falls Gas (1998 Tracker), PSC Docket No. D98.9.213, Order No. 6102a, November 17, 1998.* On August 3, 1999, the PSC issued an order on EWM's 1998 tracker, approving the interim increase, less a disallowance of about $159 thousand on the basis the EWM / EWR contract resulted in unreasonably excessive gas costs. *See, id., PSC Order No. 6102c, para. 32, August 3, 1999.*

13. As mentioned above, the $159 thousand issue had been deferred into EWM's 1998 tracker from EWM's restructuring case. Applicable to the period November 1997 (beginning of EWM / EWR contract) through June 1998 (end of 1998 tracker period) the PSC denied that amount of the EWM-requested increase for the reason that EWM had contractually aligned itself with an affiliate for fixed-price gas supply with no provision for price adjustment and the contract price resulted in gas costs higher (by the $159 thousand) than prices would have been had EWM continued to purchase gas under previous EWM gas supply contracts (which had been assigned by EWM to EWR through the EWM / EWR contract).

14. The PSC order required EWM to refund the $159 thousand with interest at a rate equivalent to EWM's approved return on equity (11.5 percent). EWM "refunded" the amount through offsetting its existing tracker balance and did not include interest.

<u>EWM Present Tracker – Gas Costs</u>

15. In its present tracker EWM requests PSC approval of an increase in annual revenues of about $2.95 million. The PSC has issued an interim order on EWM's request, *PSC Order No. 6211, December 8, 1999*, approving increases in EWM rates sufficient to produce about a $1.20 million increase in EWM's annual revenues, subject to refund plus interest if this final order were to authorize a lower increase in rates on a final basis.

16. In regard to EWM's present tracker period the EWM / EWR supply contract remained in effect until April 1, 1999. During this period market prices were above the EWM / EWR contract price in total amount of about $143 thousand.

17. On April 1, 1999, the EWM / EWR contract was terminated. The date on which EWM and EWR actually made the agreement to terminate the contract remains uncertain. The

agreement appears to have been reached at sometime after April 14, 1999. EWM states that, as a part of activities which EWM viewed as necessary to comply with the PSC's 1998 order on restructuring it began negotiations with EWR to terminate the EWM / EWR contract as early as January 1, 1999. Nevertheless, the date of the actual agreement remains a mystery. A proceeding before the PSC (EWM's 1998 tracker) was pending at the times close to April 1, 1999, and, although EWM submitted testimony in that proceeding on March 24, 1999, and appeared and testified at the April 14, 1999, hearing on the matter, and filed briefs in the matter, reply briefs being filed as late as June 23, 1999, EWM made no mention of the termination of the contract and continued to imply the contract remained in effect and that ratepayers would benefit from the contract. Additionally, in responses to discovery in this proceeding, EWM could produce nothing in the form of documentation that evidenced the date of the termination agreement. EWM states that it was busy preparing for the pending case and did not finalize negotiations on the termination until after the hearing.

18. However, regardless of when the agreement was reached, it is clear that the termination of the EWM / EWR contract was effective April 1, 1999, and EWM then began purchasing gas at market prices, primarily through reassignment by EWR of a contract known as the Coral contract and a separate contract with EWR. This continued until about November 1, 1999, when supply services for EWM were provided by successful bidders for EWM's gas supply in accordance with PSC direction that EWM competitively bid for its supply services.

19. As a result of termination of the EWM / EWR contract EWM paid higher prices for gas than it would have paid under the EWM / EWR contract. Under the EWM / EWR contract the price EWM paid for gas was $1.59 per MMBtu. Following termination of the EWM / EWR contract EWM paid an average of about $2.00 per MMBtu. Information that the prices EWM would pay for gas would be higher with termination of the contract was reasonably available to EWM at and before the time of termination. For the applicable period, the prices paid by EWM are a total of approximately $686 thousand more than would have been the case had EWM retained the EWM / EWR contract.

20. Although EWM's termination of the EWM / EWR contract resulted in EWM's payment of higher gas prices, EWM suggests that the termination actually resulted in lower overall gas costs and that termination actually saved customers in excess of $200 thousand for the period April 1, 1999, to November 1, 1999. Reasons supporting EWM's position, primarily include reasons related to savings in storage costs.

<u>EWM Present Tracker -- Carrying Charges and Reasonable Tracker Provisions</u>

21. In its March 16, 2000, rebuttal testimony in this proceeding, for the first time in the proceeding, EWM requested approval of carrying charges on EWM's tracker balance. EWM states that it has customarily attempted to maintain its tracker balance at zero, but has been unsuccessful. EWM believes that having no carrying charges has eroded its margin by $833 thousand since November 1, 1997. The PSC has not allowed carrying charges on EWM's tracker balance in the past.

22. In its rebuttal testimony, for the first time in this proceeding, EWM also requested approval of what EWM refers to as "reasonable tracker provisions." EWM suggests that at the times during transition to full customer choice, where gas cost remains regulated, all costs must be considered, including all costs associated with the commodity purchase, storage, transportation, balancing, and gas supply management, so that there will be appropriate competitive price signals. EWM suggests light-handed regulation, such as PSC monitoring of competitive bidding and assumption that resulting costs are prudently incurred and allowing of recovery of costs on a real-time basis.

<u>EWM Present Tracker – Implementation of Interim Order</u>

23. The interim order in this proceeding, *PSC Order No. 6211, December 8, 1999*, approved increases in EWM rates sufficient to produce about a $1.2 million increase in EWM's annual revenues. EWM implemented the approved rate increases on a meters-read basis, rather than on the services-rendered basis required by the order. EWM's error in implementation has generated an issue in this proceeding, primarily involving the PSC and EWM, regarding whether

EWM should be required to refund that portion of customer bills attributable to the implementation error.

24. In response to a show cause issued by the PSC, EWM acknowledges its mistake in implementation, but argues it was inadvertent, PSC direction on implementation was not consistent with prior orders, the refunds would be confusing and relatively small, the refund process would be complicated and administratively burdensome, and the matter involves not only overbilling to some customers (refund) but underbilling to some customers (surcharge).

CONCLUSIONS OF LAW

Preliminaries

25. All findings of fact which can properly be considered conclusions of law and which should be considered as such to preserve the integrity of this order are incorporated herein as conclusions of law.

26. The PSC's jurisdiction over this matter is provided at Title 69, MCA. The substantive and procedural law applicable is Title 69, MCA, especially at Ch. 3 (public utilities), ARM Title 38, Ch. 5 (utilities), Title 2, Ch. 4, MCA (MAPA), ARM Title 38, Ch. 2 (PSC procedural rules), and any prior orders of the PSC which may bear on the issues presented.

Overview of Legal Issues

27. In the present case EWM requests an increase in annual revenues of about $2.95 million. Most of the components of the requested increase are not disputed. Those which are disputed, and therefore in issue, include:

a. Whether there should be a disallowance of about $143 thousand which EWM includes in its requested revenues on the basis that it would properly continue the PSC methodology which resulted in a disallowance of $159 thousand in gas costs in EWM's next previous (1998) tracker.

b. Whether there should be an adjustment (reduction) in EWM's request by an amount equal to the interest which EWM did not include in the "refund" of the $159 thousand 1998 tracker disallowance.

c. Whether there should be a disallowance of $686 thousand, included by EWM in its request for increased revenues, which MCC argues resulted from an imprudent EWM decision to terminate the EWM / EWR contract prior to November 1, 1999.

d. Whether the PSC should allow recovery of carrying charges on EWM's tracker balance and implement certain EWM-recommended tracker provisions.

e. Whether EWM should be required to refund charges resulting from EWM's error in implementation of the interim order in this proceeding.

<u>$143,000 Issue</u>

28. EWM has included in its gas costs for this tracker period an amount of $143,287. EWM acknowledges that this amount is "hypothetical" and is not a cost actually incurred by EWM. It is EWM's position that EWM is compelled to include this amount to continue the same methodology as the PSC applied in the next previous tracker (which resulted in a $159 thousand disallowance). EWM argues that it would be arbitrary and capricious for the PSC to apply a different methodology.

29. MCC disputes EWM's rationale for including the amount, primarily from a technical standpoint regarding EWM's stated basis (i.e., continuing previous PSC methodology) and because the cost has not been actually incurred by EWM. However, MCC does point out that there is a way, at least arguably valid, through which EWM might have better presented and supported the amount, suggesting that the EWM / EWR contract, instead of being considered by the PSC on its merits through year-by-year, single period segments, be considered from the standpoint of its duration (i.e., the two years the fixed price under the supply contract was in effect).

30. Between EWR and MCC there may be some confusion on semantics. MCC presents a clear argument on how EWM's apparent approach to the issue is not sound and how

the issue could have been better approached, but it might be the case that EWM's arguments are intending the same thing. EWM references the previous EWM tracker's "look forward" aspect related to the EWM / EWR contract price and suggests the PSC reserved judgment on that aspect in the PSC's order in EWM's previous (1998) tracker. This appears to the PSC to at least approximate an EWM intent to argue that the PSC should view the EWM / EWR contract from a overall duration standpoint rather than individual tracker-period standpoints.

31. The PSC anticipated that its treatment of EWM's gas prices and costs for the previous tracker period would be consistent in regard to subsequent trackers. The PSC did not commit to viewing the EWM / EWR contract on a net basis through tracker periods, but now believes that it is a fair and appropriate approach. The $143,287 is an amount EWM purchases under the EWM / EWR contract essentially "saved" ratepayers during this tracker period, as market prices for gas were above the EWM / EWR contract price ($1.59 MMBtu) for a period of time, believed to be July 1998 through March 1999, during EWM's 1999 tracker period. The PSC determines that it will view the effect of the EWM / EWR contract on a net basis for its duration through more than one tracker period, not by individual tracker periods, and therefore approves the $143,287 requested by EWM.

Interest on $159,000 Refund

32. EWM was required to include interest in its refund of the $159 thousand disallowance resulting from EWM's 1998 tracker. EWM did not include interest. EWM states that the refund was applied to reduce its then-existing tracker balance and, because the PSC order in which the disallowance was included was issued August 3, 1999, and EWM had renegotiated the EWM / EWR contract effective April 1, 1999, the gas cost disallowance had been "washed out."

33. EWM's unilateral, self-help approach to processing the refund probably achieved a fair result in this instance. However, the PSC suggests that EWM, in the future, preferably through the PSC reconsideration process, obtain PSC approval or clarification when EWM's views on proper compliance with PSC orders depart in any way from what the PSC order

actually says. The PSC determines that no adjustment to EWM's requested increase in revenues for interest applicable to the $159 thousand "refund" is justified in this instance.

$686,000 Issue

34. Gas cost tracking procedures may vary in frequency and matters considered, depending on the particular utility involved, but most, including EWM's, primarily pertain to PSC review of the utility's gas costs incurred during the period, and in some instances projected gas costs. The standard for PSC review of gas costs incurred or to be incurred is whether the utility acted prudently in deciding to incur the costs and the result is rates that are just and reasonable. EWM's gas purchases being considered in this tracker involve EWM's decision to terminate EWM's gas supply and supply administration contract with EWR and the resulting gas costs incurred from the point of termination of that contract to the point at which replacement supplies were obtained through a competitive bid process.

35. In regard to EWM's decision to terminate the contract EWM argues it had no choice, as termination was, in effect, compelled by the PSC. The PSC disagrees. What the PSC compelled EWM to do was to replace the EWM / EWR contract with a competitively bid contract, which could have also been with EWR, by November 1, 1999. EWM's decision to terminate the contract effective before that time is a decision of EWM's, not a mandate from the PSC. EWM also suggests that its affiliate EWR could have terminated the contract at any time because of unfavorable regulatory treatment by the PSC (resulting from the PSC order in EWM's restructuring case). This might be true, but there is no evidence of EWR's desire for termination based on any reason, including unfavorable regulatory treatment. EWM's decision to terminate the contract is a decision of EWM's, not a mandate from EWR.

36. At the same time, EWM's decision to terminate the EWM / EWR is not a violation of any PSC requirement. The PSC did nothing in previous orders pertaining to the EWM / EWR contract that would prohibit EWM from terminating it. However, EWM's decision to do so, which relates to gas purchases during the present tracker's effective period, although not reviewed according to a PSC mandate, an EWR requirement, or a PSC prohibition, must still be

reviewed according to prudence, the same as any other discretion EWM might have exercised in regard to incurring gas costs.

37. In issue is a $686,113 disallowance recommended by MCC for what MCC refers to as EWM's imprudent, premature termination of the EWM / EWR contract. MCC argues that the termination resulted in unreasonably excessive gas costs for the period between April 1, 1999 (date of EWM / EWR contract termination) and October 31, 1999 (last date before EWM competitively bid supplies were to be in effect). EWM disagrees with MCC's arguments and suggests that its activities in terminating the EWM / EWR contract actually resulted in a savings to ratepayers of $230,053.

38. EWM argues that the volumes serving as a basis for MCC's recommended disallowance be reduced by the October 1999 volumes, because EWM was never intending to retain the EWM / EWR contract past September 30, 1999. According to EWM this would result in a $204,413 reduction to the $686,113 disallowance recommended by MCC. The PSC disagrees with EWM on this point. Any decision by EWM to terminate the EWM / EWR contract, including a decision that the contract would not be effective during October, 1999, would be subject to a prudence review, which is being conducted now. There is nothing apparent in the record or arguments on this matter that would lead the PSC to believe that there is any reason why a decision by EWM that the EWM / EWR contract would not extend past September 30, 1999, needs review separate from the review of EWM's decision to terminate the contract on April 1, 1999.

39. EWM also argues that the information before it at the time it agreed to terminate the EWM / EWR contract (the time is not known), the spot price was trending down, the futures price was up but would likely come down during the summer months. This may be the case, but as MCC has pointed out in testimony and arguments on this matter, reasonably available to EWR, during the times at which EWM and EWR were negotiating termination and at the time of termination, was information indicating that the prices to be paid for gas outside the EWM / EWR contract would be higher.

40. EWM also argues that MCC incorrectly assumes that all volumes purchase by EWM between April 1, 1999, and October 31, 1999, would have been purchased at the EWM / EWR contract price of $1.59 per MMBtu. According to EWM certain volumes purchased by EWM were placed into storage. EWM argues EWR had no obligation to, and would not have, filled storage inventory at a loss following the PSC's order requiring that EWM competitively bid for supply and supply services. EWM suggests that any disallowance recommended by MCC would have to be confined to volumes actually sold to consumers. According to EWM this would result in a $102,202 reduction to the $686,113 disallowance. EWM also argues that at the time it terminated the EWM / EWR contract EWM had to know whether it would be receiving reassignment of contracts from EWR, which would affect storage. EWM argues that it knew it could capture storage savings by reducing its storage allocation from 25,000 MMBtu deliverability to 15,000 MMBtu deliverability, if it could escape reassignment. According to EWM, if contracts would have been reassigned from EWR, supply contract take or pay obligations would have made it necessary for EWM to retain related storage obligations. For this reason, according to EWM, its termination of the contract on April 1, 1999, results in approximately a $610 thousand reduction to the $686 thousand disallowance recommended by MCC.

41. MCC argues that EWR was contractually obligated to supply gas to EWM and this would have included through storage inventory. MCC argues that EWM's storage savings argument is not valid because EWM's fear that it would be reassigned contracts from EWR has no legitimate basis, because, if reassignment would happen, EWM would be out of compliance with the PSC order on restructuring (i.e., the competitive bid process would be meaningless) and EWM did not at any time advise the PSC that reassignment would in essence preclude EWM from bidding for supplies or make savings under the bid process unlikely. MCC argues EWM has not submitted evidence in this case that it was contractually obligated to accept reassignment of the contracts. Furthermore, MCC argues, there is no evidence in this proceeding that EWR insisted on termination of the contract.

42. The PSC determines that the question surrounding storage injections and storage deliverability savings remains one of prudence. Certainly EWM paying higher prices for gas, whether injected into storage or used to serve customers, by itself tends to demonstrate imprudence on EWM's part. However, although as MCC points out the EWM and EWR approach to accomplishing termination is somewhat of a mystery and EWM did so in a way that cannot be easily followed or presented to the PSC, the PSC determines that EWM's fear that EWR would terminate the contract is reasonable, EWM's fear that EWR would refuse to inject into storage at a loss is reasonable, and EWM's belief that it was at risk that EWR would request termination of the contract and force reassignment of the gas supply contracts is reasonable, as EWR was essentially in a position of purchasing gas at a higher market price and selling gas at a lower fixed price. If any of these things were to occur, especially at times after April 1, 1999, and closer to November 1, 1999, storage injection and deliverability savings options might not have been available to EWM.

43. The PSC determines that EWM acted prudently in terminating the EWM / EWR contract on April 1, 1999. On balance the higher prices paid by EWM for gas supplies are offset by other, lower costs included in the overall costs of gas that could have, and in all probability would have, resulted in the absence of termination of the EWM / EWR contract on April 1, 1999. The PSC denies the $686 thousand disallowance recommended by MCC.

Carrying Charges and Reasonable Tracker Procedures

44. The issues of carrying charges and reasonable tracker procedures were submitted by EWM late in the proceeding. The PSC determines that issues of this magnitude, if to be considered in a tracker proceeding at all, rather than a separate proceeding or general rate case, should be made part of the initial filing so that they can be properly noticed and thoroughly explored. The PSC denies EWM's requests for carrying charges and changes to EWM's tracker procedures.

EWM Error in Implementation of Interim Order

45. The interim order in this proceeding (PSC Order No. 6211, December 8, 1999) approved increases in EWM rates sufficient to produce a $1.2 million increase in EWM's annual revenues. EWM implemented the approved rate increases on a meters-read basis, rather than on the services-rendered basis required by the order. This has generated an additional issue in this proceeding as to whether EWM should be required to refund that portion of customer bills attributable to the implementation error. EWM argues that its mistake in implementation was inadvertent, PSC direction on implementation was not consistent with prior orders, the refunds would be confusing and relatively small, the refund process would be complicated and administratively burdensome, and the matter involves not only overbilling to some customers but underbilling to some. The PSC determines that EWM should read PSC orders carefully and do what they say. However, the PSC also determines that PSC orders should be consistent and when a change in policy on items such as implementation details, which are relatively innocuous order provisions, occurs, the change should be emphasized. The PSC agrees with EWM that a refund should not be required.

ORDER

46. All conclusions of law which can properly be considered an order and which should be considered as such to preserve the integrity of this order are incorporated herein as an order.

47. All pending objections, motions, and arguments not specifically having been ruled on in this order (if any) shall be deemed denied, to the extent that such denial is consistent with this order.

48. The Montana Public Service Commission, being fully apprised of all premises, HEREBY ORDERS that Energy West Montana's 1999 application to implement its gas cost tracker is granted. In accordance with the provisions of this order, Energy West Montana may increase rates in a manner that produces the EWM requested increase in annual revenues, effective for services rendered on and after November 1, 2000.

Done and dated this 26th day of September, 2000, by a vote of 3-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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BOB ANDERSON Commissioner / Presiding Officer

____
DAVE FISHER, Chairman

____
GARY FELAND, Commissioner

ATTEST:

Kathleen 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 38.2.4806, ARM.