

Service Date: May 14, 1999

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

\* \* \* \* \*

IN THE MATTER OF MONTANA-DAKOTA	)	UTILITY DIVISION
UTILITIES CO., Application for Approval of	)	
an Incremental Expansion Surcharge Option	)	DOCKET NO. D99.4.101
in the Gas Extension Policy Rate 120	)	ORDER NO. 6171

FINAL ORDER

On April 19, 1999, Montana-Dakota Utilities Co. (MDU) filed before the Public Service Commission (PSC) a request for approval to amend MDU's existing Gas Extension Policy Rate 120 to include an optional Incremental Expansion Surcharge. MDU's proposal was noticed as a notice item on the agenda for the PSC's May 3, 1999, weekly business meeting. No comments on MDU's proposal have been received.

MDU's proposed Incremental Expansion Surcharge applies to natural gas line extensions when the costs resulting from MDU's existing extension policy might discourage potential customers from participating. Under the incremental surcharge option MDU, in its discretion, when 10 or more customers participate in a gas line extension, would assess per participating customer a \$100.00 initial charge, a \$5.00 per month charge, and a per dekatherm charge designed to provide recovery of the required customer contribution within a 5-year period.

In its proposal MDU also requests that certain Rate 120 references to specific tax rates be deleted. This eliminates tariff changes each time a tax rate changes.

The PSC determines that MDU's proposals should be approved. The PSC hereby orders that MDU will amend its Rate 120 to include the Incremental Expansion Surcharge as proposed by MDU and to remove references to specific tax rates as proposed by MDU.

Done and dated this 10th day of May, 1999, by a vote of 5-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

---

DAVE FISHER, Chair

---

NANCY MCCAFFREE, Vice Chair

---

BOB ANDERSON, Commissioner

---

GARY FELAND, Commissioner

---

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 38.2.4806, ARM.