

**BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING**

IN THE MATTER OF THE APPLICATION OF MONTANA-  
DAKOTA UTILITIES COMPANY, DIVISION OF MDU  
RESOURCES GROUP, INC., FOR AUTHORITY TO PASS  
ON ITS COST OF NATURAL GAS AND ESTABLISH  
RATES FOR NATURAL GAS SERVICE

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)  
) DOCKET NO. 30013-GP-00-102  
) (RECORD NO. 5649)  
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IN THE MATTER OF THE TARIFF FILING OF MONTANA-  
DAKOTA UTILITIES CO., FOR AUTHORITY TO PASS ON  
A GAS COST ADJUSTMENT INCREASE OF \$79,5000  
(\$1.382/DK)

)  
) DOCKET NO. 30013-GP-00-103  
) (RECORD NO. 5787)  
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IN THE MATTER OF THE APPLICATION OF MONTANA-  
DAKOTA UTILITIES CO. FOR AUTHORITY TO PASS ON  
A GAS INCREASE OF \$0.624/DK FOR PURCHASED GAS  
COST ADJUSTMENT

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) DOCKET NO. 30013-GP-00-104  
) (RECORD NO. 5875)  
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IN THE MATTER OF THE APPLICATION OF MONTANA-  
DAKOTA UTILITIES CO. FOR AUTHORITY TO PASS ON  
A GAS DECREASE OF \$2.033/DK

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) DOCKET NO. 30013-GP-00-105  
) (RECORD NO. 5945)  
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**ORDER**

**(Issued October 31, 2000)**

This matter is before the Commission upon the above-entitled applications of Montana-Dakota Utilities Company,

hereinafter referred to as MDU or the Company, for authority to pass on gas cost adjustments for its residential, general service and large interruptible service customers.

The Commission, having reviewed the applications, its files regarding MDU, applicable Wyoming utility law and otherwise being fully advised in the premises, FINDS and CONCLUDES:

1. MDU is a public utility as defined by W.S. §§ 37-1-101(a)(vi), and as such, subject to the Commission's jurisdiction pursuant to the provisions of W.S. § 37-2-112.
2. MDU filed the above-entitled commodity balancing account applications, which included its mandatory annual commodity balancing account filing, in Docket No. 30013-GP-00-102, requesting authority to pass on to its customers net gas cost increases and decreases for the months of May, July, August, and September, 2000. Due to ongoing concerns about the Company's pass on procedures, compliance with Commission Rule Sections 249 and 250, and the provisions of Commission Letter PSC No. 00-86, issued July 14, 2000, the Commission approved the applications on an interim basis, subject to notice, protest, further Commission investigation, change, refund, possible hearing and such further action as the Commission may deem appropriate.
3. The Commission issued a Notice and Order approving the application in each docket on an interim basis. The intervention and protest periods expired without any petitions for intervention or requests for hearing having been filed.
4. As part of the MDU's gas cost adjustment filing for October, in Docket No. 30013-GP-00-106, on September 29, 2000, the Company submitted information addressing the concerns expressed by the Commission in its letter of July 14, 2000.
5. Pursuant to Sections 249 and 250 of the Commission's Procedural Rules and Special Regulations, a utility may pass on, to its customers, known or prospective wholesale commodity cost increases or decreases, under the following circumstances, subject to public notice, opportunity for hearing and refund:
  - a. The pass on is for wholesale commodity cost changes which are not under the Commission's jurisdiction.
  - b. The pass on does not increase a utility's rate of return and the utility is earning at or below its last authorized rate of return.
  - c. The pass on is applied to all rate classes in an equal or proportional manner.
  - d. The pass on charges are filed as a separate, cumulative rate rider.
  - e. There are provisions for interest on over collections.
  - f. The utility provides documentation that the commodity costs are the most economical option reasonably available.
6. MDU's applications generally conform to the above-referenced requirements and are in compliance with the authorized use of the Company's balancing account and tariffs relating thereto, which was granted to the Company, by the Commission, in previous dockets. Therefore, the Commission concludes that the applications should be approved on a permanent basis.
7. The Commission further concludes that its approval of these applications does not preclude any future review of MDU's pass on procedures or compliance with Commission Rules.

IT IS THEREFORE ORDERED THAT:

1. Pursuant to open meeting action taken on October 25, 2000, the above-entitled applications of Montana-Dakota Utilities Company for authority to pass on gas cost adjustments, should be and hereby are, approved on an permanent basis.

2. This Order is effective immediately.

MADE and ENTERED at Cheyenne, Wyoming, this 31<sup>st</sup> day of October, 2000.

PUBLIC SERVICE COMMISSION OF WYOMING

STEVE ELLENBECKER, Chairman

STEVE FURTNEY, Deputy Chairman

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KRISTIN H. LEE, Commissioner

(SEAL)

ATTEST:

EDNA YOUNG, Assistant Secretary