

**BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING**

IN THE MATTER OF THE APPLICATION OF MONTANA-  
DAKOTA UTILITIES CO., FOR AUTHORITY TO PASS ON  
A GAS COST ADJUSTMENT DECREASE OF \$1.097/DK

)  
) DOCKET NO. 30013-GP-01-111  
) (RECORD NO. 6431)  
)

**NOTICE AND ORDER**

**(Issued March 8, 2001)**

This matter is before the Commission upon the application of Montana-Dakota Utilities Company, hereinafter referred to as MDU or the Company, for authority to pass on a gas cost decrease of \$1.097 per decatherm for its residential, general service and interruptible service customers.

The Commission, having reviewed the application, 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 has filed its monthly commodity balancing account application requesting authority to pass on, to its customers, a gas cost decrease of \$1.097 per decatherm for its residential, general service customers and its interruptible service customers, proposed to be effective for bills rendered on or after March 1, 2001. The Company states that the request is due to an decrease in the market price of natural gas and the Company's election to switch its fuel reimbursement method with Williston Basin Interstate Pipeline Company (WBI) from in-kind basis to cash basis.
3. MDU's current and proposed rates for residential service customers, per decatherm, are detailed in the following table:

COMMODITY ITEM	PROPOSED	CURRENT	DIFFERENCE
<b>GAS COST</b>	\$7.156	\$8.253	(\$1.097)
<b>SURCHARGE ADJUSTMENT</b>	\$0.075	\$0.075	\$0.000
<b>INCENTIVE ADJUSTMENT</b>	\$0.008	\$0.008	\$0.000
<b>NON-CORE REVENUE CREDIT</b>	(\$0.183)	(\$0.183)	\$0.000
<b>TOTAL COMMODITY RATE</b>	\$7.056	\$8.153	(\$1.097)
<b>NON-COMMODITY RATE (1<sup>ST</sup> 5 DK)</b>	\$1.069	\$1.069	\$0.000
<b>TOTAL RATE (1<sup>ST</sup> 5 DK)</b>	<b>\$8.125</b>	<b>\$9.222</b>	<b>(\$1.097)</b>
<b>NON-COMMODITY RATE (over 5 DK)</b>	\$0.819	\$0.819	\$0.000
<b>TOTAL RATE (over 5 DK)</b>	<b>\$7.875</b>	<b>\$8.972</b>	<b>(\$1.097)</b>

4. The average residential customer may expect to incur a monthly gas cost decrease of \$16.45, based on 15 decatherms

of usage.

5. The application reflects a similar reduction for general service customers which have a slightly different non-commodity rate scale, as well as a reduction of \$1.097 per decatherm for interruptible service customers. Detailed calculations for each rate class are contained in the application.
6. The proposed pass on will decrease MDU's revenues by approximately \$292,131 in March.
7. 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.
8. MDU's application generally conforms to the above-referenced requirements and is in compliance with the authorized use of a balancing account which was granted to the Company by the Commission in previous dockets.
9. MDU's application is on file with the Commission at its offices in Cheyenne, Wyoming, and at the Company's offices located in Bismarck, North Dakota, and may be inspected by any interested person during regular business hours.
10. Anyone desiring to file a statement, representation, protest or request a hearing in this matter must do so, in writing, on or before April 10, 2001. Please include reference to Docket No. 30013-GP-01-111.
11. If you wish to intervene in this matter and/or request a public hearing, which you will attend, and you require reasonable accommodation for a disability, please contact the Wyoming Public Service Commission at (307) 777-7427, or write to the Commission at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002, to make arrangements. Communications impaired persons may also contact the Commission by accessing Wyoming Relay at 1-800-877-9965. Please mention the docket number in your communications. Please contact us as soon as possible to help us serve you better.
12. The Commission directs that the public notice in this matter be in the following form:

#### PUBLIC NOTICE

Montana-Dakota Utilities Company (MDU) has filed a monthly commodity balancing account application with the Wyoming Public Service Commission (PSC) for authority to pass on a gas cost decrease of \$1.097 per decatherm for its residential, general service and interruptible customers. The Company states that the request is due to an decrease in the market price of natural gas and the Company's election to switch its fuel reimbursement method with Williston Basin Interstate Pipeline Company (WBI) from in-kind basis to cash basis. The proposed rate changes for residential service customers are as follows:

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<b>TOTAL RATE (over 5 DK)</b>	<b>\$7.875</b>	<b>\$8.972</b>	<b>(\$1.097)</b>

The average residential customer may expect to incur a monthly gas cost decrease of \$16.45, based on 15 decatherms of usage. The application reflects a similar reduction for general service customers which have a slightly different non-commodity rate scale, as well as a reduction of \$1.097 per decatherm for interruptible service customers. Detailed calculations for each rate class are contained in the application.

You may review MDU's application at the Commission's offices, in Cheyenne, Wyoming, or at MDU's offices in Bismarck, North Dakota, during regular business hours.

To intervene, request a hearing, file a statement or protest this application, you must file with the Commission, in writing, mentioning Docket No. 30013-GP-01-111, on or before April 10, 2001.

If you wish to participate and require reasonable accommodation for a disability, call the Commission at (307) 777-7427 or write the Commission at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002. Communications impaired persons may contact the Commission through Wyoming Relay at 1-800-877-9965. Please mention the docket number when you contact us. Please contact us as soon as possible to help us serve you better.

Dated: March 8, 2001

**IT IS THEREFORE ORDERED THAT:**

1. Pursuant to open meeting action taken on February 27, 2001, the application of Montana-Dakota Utilities Company for authority to pass on a gas cost decrease of \$1.097 per decatherm, effective for bills rendered on and after March 1, 2001, should be, and hereby is, approved, subject to notice, protest, opportunity for hearing, change, refund or other such order as the Commission may deem appropriate.

2. This Notice and Order is effective immediately.

MADE and ENTERED at Cheyenne, Wyoming, this 8<sup>th</sup> day of March, 2001.

PUBLIC SERVICE COMMISSION OF WYOMING

STEVE ELLENBECKER, Chairman

STEVE FURTNEY, Deputy Chairman

KRISTIN H. LEE, Commissioner

(SEAL)

ATTEST:

EDNA YOUNG, Assistant Secretary