Service Date: July 8, 1976

BEFORE THE UTILITY DIVISION

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

IN THE MATTER OF THE APPLICATION OF THE TOWN OF CHESTER FOR AUTHORITY TO ADOPT INCREASED WATER RATES	))))	DOCKET NO. 6396 DEFAULT ORDER NO. 4268

On November 24, 1975, TOWN OF CHESTER petitioned the Montana Public Service Commission for an Order authorizing the Applicant a two step water rate increase, the first step to cover the cost of bonds for the water main project (Water I), and the second step to cover the cost of bonds for a proposed water treatment plant (Water II) and increased operating expenses.

Having considered the petition and the documentation furnished by Applicant in support of its petition and deeming itself fully advised in the premises, the Commission makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. A notice of a proposed public hearing to be held, if requested, was published in the May 28, 1976 edition of the Liberty County Times. The notice stated that if no requests for a public hearing were received by June 18, 1976, an appropriate order would be issued based upon evidence submitted with the application.

2. No requests for a hearing were received and no hearing was scheduled.

3. On January 20, 1976, the Town Council of the Town of Chester unanimously adopted a resolution setting water rates at the proposed level.

4. The increases in Water I are needed for the annual repayment of water revenue bonds sold to finance replacement of all of the water mains in town.

5. The increases in Water II are needed for the annual repayment of water revenue bonds sold to finance the construction of a new water treatment plant.

CONCLUSIONS OF LAW

1. The increase applied for is needed to insure continued service to Applicant's customers.

2. The resulting rate structure and rate levels are reasonable and just.

ORDER

1. The following changes to the old rate tariff are authorized:

SERVICE	WATER I	WATER II
Town Residential Rate (unmetered)	$12.00	$16.00
Town Commercial Rate (metered)		
First 1,000 gallons	8.25	10.00
Second 1,000 gallons	1.50	2.00
Succeeding 1,000 gallons	.75	1.00
Non-Town Residential and Commercial (metered)		
First 1,000 gallons	16.50	20.00
Second 1,000 gallons	3.00	4.00
Succeeding 1,000 gallons	1.50	2.00

SERVICE	WATER I	WATER II
Rural Water Line Lessors (6)		
First 5,000 gallons	$ -0-	$ -0-
Next 1,000 gallons	8.25	10.00
Next 1,000 gallons	1.50	2.00
Succeeding 1,000 gallons	.75	1.00

2. The filed tariffs shall be for water delivered during the next full billing period after the sale of bonds for projects Water I and Water II.

DONE IN OPEN SESSION in Helena, Montana, on June 30, 1976, by a 4-0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

GORDON E. BOLLINGER, Chairman

P. J. GILFEATHER, Commissioner

THOMAS G. MONAHAN, Commissioner

JAMES R. SHEA, Commissioner

ATTEST:
GAIL E. BEHAN
Secretary

(Seal)

NOTICE: You are entitled to judicial review of this Order. Judicial review may be obtained by filing within thirty (30) days from the service of this Order a petition for review pursuant to Section 82-4216, RCM 1947.