Service Date: June 8, 1982

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

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IN THE MATTER of the Application of) MONTANA-DAKOTA UTILITIES COMPANY for) Authorization of the Issuance of up) to $45,000,000 in principal amount of) First Mortgage Bonds.)	UTILITY DIVISION DOCKET NO. 82:5.35 DEFAULT ORDER NO. 4913

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On May 26, 1982, Montana-Dakota Utilities Company, hereinafter referred to as Applicant, a corporation organized and existing under and by virtue of the laws of the State of Delaware, and qualified to transact business in Montana, filed with the Montana Public Service Commission its verified application, pursuant to Title 69, Chapter 3, Part 5, MCA, requesting an order for authority to issue up to $45,000,000 in principal amount of First Mortgage Bonds as proposed in the petition. The Application was supported by exhibits and data in accordance with the rules and regulations of the Commission governing the authorization of issuance of securities by electric and gas utility companies operating within Montana. For detailed information with respect to the general character of Applicant's business and territory served by it, reference is made to its annual report on file with the Commission.

At a regular open session of the Montana Public Service Commission, held in its offices on June 4, 1982, there came before the Commission for final action the matters and things in this docket and the Commission, having fully considered the Application and all the data and records pertaining thereto on file with the Commission and being fully advised in the premises, makes the following:

FINDINGS OF FACT

1. Applicant is a corporation organized and existing under and by virtue of the laws of the State of Delaware and is qualified to transact business in the State of Montana.

2. Applicant is operating as a public utility as defined in Sections 69-3-101 and 69-3-102, MCA (Section 70-103, RCM 1947), and as such is engaged in furnishing electric and gas service in Montana.

3. The Commission has jurisdiction over the subject matter of said Application under Title 69, Chapter 3, Part 5, MCA.

4. The securities proposed to be issued are up to $45,000,000 principal amount of one or more series under the Applicant's First Mortgage Bonds.

The Bonds will be issued pursuant to one or more Supplemental Indentures to the Mortgage and will be secured equally with the other First Mortgage Bonds of the Company.

5. The proceeds from the issuance and sale of the Bonds will be used to partially finance the Applicant's 1982 utility capital requirements and to repay the then outstanding balance of its term loan. If approved by the appropriate regulatory agencies, the Bonds will be offered by negotiated sale or private placement at a date or dates dependent upon market conditions and will be subject to the requirements of the Federal Energy Regulatory Commission under the Federal Power Act.

6. The transactions proposed by Applicant (1) are consistent with the public interest, (2) are for a purpose or purposes permitted under the laws of the State of Montana, (3) are necessary or appropriate for and consistent with the proper performance by the Applicant of service as a public utility, and (4) will not result in a situation in which the aggregate amount of the securities outstanding and proposed herein to be outstanding will exceed the fair value of the properties and business of the Applicant.

CONCLUSIONS OF LAW

The securities transactions proposed by Applicant, as herein authorized, will be for a lawful purpose and are consistent with the public interest; the same are necessary, appropriate and consistent with the proper performance of Applicant of service as a public utility; the aggregate amount of securities

outstanding and proposed to be outstanding will not exceed the fair value of the properties and business of the Applicant.

ORDER

IT IS HEREBY ORDERED by the Commission:

1. The Application of Montana-Dakota Utilities Company for authority to issue up to $45,000,000 in principal amount of one or more series of First Mortgage Bonds as proposed in the petition, is hereby approved and authority is granted.

2. Neither the issuance of securities by Applicant pursuant to the provisions of this order, nor any other act or deed done or performed in connection therewith, shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever any security authorized, issued, assumed or guaranteed hereunder.

3. The approval of this Bond issuance shall not be construed as precedent to prejudice any future action of this Commission with regard to any security issue.

4. Issuance of this Order does not constitute acceptance of the Applicant's exhibits or other material accompanying the application for any purpose other than the issuance of this Order.

DONE IN OPEN SESSION at Helena, Montana, this 4th day of June, 1982, by a vote of 3 - 0.

DOCKET NO. 82.5.35 ; DEFAULT ORDER NO. 4913

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

Gordon E. Bollinger, Chairman

John B. Driscoll, Commissioner

Howard L. Ellis, Commissioner

ATTEST:

Madeline L. Cottrill
Commission Secretary

(SEAL)

NOTE: You may be entitled to judicial review of the final decision in this matter. If no Motion For Reconsideration is filed, judicial review may be obtained by filing a petition for review within thirty (30) days from the service of this order. If a Motion For Reconsideration is filed, a Commission order is final for purpose of appeal upon the entry of a ruling on that motion, or upon the passage of ten (10) days following the filing of that moiton. cf. the Montana Administrative Procedure Act, esp. Sec. 2-4-702, MCA; and Commission Rules of Practice and Procedure, esp. 38.2.4806 ARM.