

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE PUBLIC ) ORDER APPROVING TARIFFS  
UTILITIES COMMISSION INVESTI- ) AND CLOSING DOCKET  
GATION INTO THE EFFECTS OF )  
THE 1986 TAX REFORM ACT ON ) (F-3647-7)  
SOUTH DAKOTA UTILITIES. )

On October 22, 1986, President Reagan signed into law the Tax Reform Act of 1986 (TRA-86). Subsequently, on October 29, 1986, the Public Utilities Commission Staff (Staff) requested information from Iowa Public Service Company (Company) concerning the cost of service effects of the Tax Reform Act of 1986 on Company's jurisdictional utility operations. On January 30, 1987, Company made its initial filing in this docket utilizing data presented in Dockets F-3454 (electric) and F-3546 (natural gas). Subsequently, Company filed revisions on March 5, 1987.

On June 18, 1987, Staff filed a motion requesting the Commission to require Company to make a formal filing with the Commission which would reflect the effects of the Tax Reform Act of 1986 and TRA-86 associated adjustments. The Commission granted this motion in its Interim Order issued June 26, 1987. Pursuant to that Order, Company filed the following tariffs applicable to its natural gas and electric consumers in South Dakota:

Electric

Section II, 5th Revised Sheet No. 2

Section IV, Rider 55 Fifth Revised Sheet No. 3

- 1 Fifth Revised Sheet No. 6
- 3 Sixth Revised Sheet No. 8
- 4 Fifth Revised Sheet No. 10
- 10 5th Revised Sheet No. 14
- 12 5th Revised Sheet No. 18
- 13 5th Revised Sheet No. 20
- 40 5th Revised Sheet No. 24
- 41 6th Revised Sheet No. 25
- 42 6th Revised Sheet No. 27
- 60 5th Revised Sheet No. 29
- 61 5th Revised Sheet No. 30
- 62 5th Revised Sheet No. 33
- 101 6th Revised Sheet No. 36
- 113 5th Revised Sheet No. 37
- 151 5th Revised Sheet Nos. 38, 39, 40
- 161 2d Revised Sheet No. 41
- 166-167 4th Revised Sheet No. 42
- 170 5th Revised Sheet No. 43
- 180 5th Revised Sheet No. 44
- 190 7th Revised Sheet No. 45

4th Revised Sheet No. 47

Natural Gas  
Section IV

#201, 9th Revised Sheet No. 9  
Sub. #202, 9th Revised Sheet No. 10  
#215, 8th Revised Sheet No. 11  
#216, 8th Revised Sheet No. 12  
#221, 9th Revised Sheet No. 13  
#222, 9th Revised Sheet No. 14  
#241, 4th Revised Sheet No. 14A  
#242, 4th Revised Sheet No. 14C  
#261, 8th Revised Sheet No. 15  
#262, 8th Revised Sheet No. 16  
#290, 3rd Revised Sheet No. 17  
#291, 7th Revised Sheet No. 18  
#295, 7th Revised Sheet No. 21  
#296, 3rd Revised Sheet No. 22

The Company proposal reflects rate decreases of \$21,750 (electric) and \$38,438 (natural gas) on an annualized basis for South Dakota customers.

The Commission has carefully reviewed the Company proposal and finds as a matter of fact:

1. Company has formally presented its position on the TRA-86 to the Commission.

2. The Commission has fully reviewed the impact of the TRA-86 on Company and no further proceedings in this docket are necessary. Therefore, the docket in this matter should be closed.

3. Due to the federal legislation's effective date of July 1, 1987, the full impact of the Tax Reform Act should be reflected in Company's rates on that date.

4. The Company has filed tariffs designed to implement a July 1, 1987 decrease upon the final order of the Commission in this docket.

The Commission concludes as a matter of law that pursuant to SDCL 49-34A-6, the Public Utilities Commission must regulate all rates in a manner that requires the public to pay only just and reasonable rates for service rendered. It is therefore

ORDERED, that Company's proposed rates be and are hereby approved, effective July 1, 1987; and it is

FURTHER ORDERED, that the docket in this matter be and hereby is closed.

Dated at Pierre, South Dakota, this \_\_\_\_\_ day of July, 1987.

BY ORDER OF THE COMMISSION:

\_\_\_\_\_  
DENNIS EISNACH, Chairman

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KENNETH STOFFERAHN, Commissioner

(OFFICIAL SEAL)

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JAMES A. BURG, Commissioner