

DEPARTMENT OF
PUBLIC HEALTH AND HUMAN SERVICES



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Senator Alan Olson
Chairman, Energy and Telecommunications Interim Committee
Capitol Building
Helena, MT 59620

Dear Chairman Olson,

Utilities that do not have enough internal expenditures to meet their Universal Services Benefit (USB) requirements remit payment to the Department of Revenue to be used by either the Department of Public Health and Human Services (DPHHS) to complement our efforts to help meet energy related needs of low income citizens or to the Department of Environmental Quality for programs other than low income energy assistance. The only utility to remit funds regularly is Montana Dakota Utilities.

The two departments meet and come to an agreement as to how funds should be distributed to each h agency.

DPHHS operates two programs that help low income households meet their heating obligations. The Low Income Energy Assistance Program (LIEAP) helps pay a portion of winter heating bill, almost exclusively via payments to a household's energy vendor. The Weatherization program is a longer range answer by making homes more energy efficient.

We publish a notice in the state's newspapers stating we have funds available and asking for comments as to which program should receive USB funds. After reviewing any input received, we try to weigh the federal funding for each program and put the funds to meet the most pressing need.

The attached chart shows where we have spent the funds over the last eight years. No funds are used to defray administrative costs, either at the state level or by any agency we use locally.

Please let me know if I can provide further information.

Sincerely,

A handwritten signature in blue ink that reads "Jim Nolan".

Jim Nolan
Chief

DPHHS Use of USB Monies Remitted by Montana Dakota Utilities (MDU)

	Contract Amounts							
	2003	2004	2005	2006	2007	2008	2009	2010
District VII (Billings) Weatherization	\$82,759	\$11,088	\$95,721	\$26,524	\$291,164	\$62,775		\$154,140
Fort Peck Weatherization	\$37,182	\$42,164	\$41,023	\$11,368	\$124,784	\$26,903		\$45,860
Energy Share of Montana		\$10,000						
Warm Hearts in Warm Homes				\$50,000	\$50,000			\$100,000
MSU - Eastern MT. WX Training Center								\$245,327
Unobligated						\$50,000	\$335,726	\$55,925

	Completions							
	2003	2004	2005	2006	2007	2008	2009	2010
District VII (Billings) Weatherization	32	4	35	9	101	21		23
Fort Peck Weatherization	14	16	15	4	43	9		7
Energy Share of Montana		na						
Warm Hearts in Warm Homes				313	313			400
Unobligated								

* USB funds provided to MDU are matched with \$926,004 of US DOE funds designated for weatherization training center activities.