



MONTANA LEGISLATIVE AUDIT DIVISION

FINANCIAL-COMPLIANCE AUDIT

Department of Public Service Regulation

For the Two Fiscal Years Ended June 30, 2010

SEPTEMBER 2010

10-26

REPORT SUMMARY

The Department of Public Service Regulation operates under the direction of the Public Service Commission which consists of five voting members who are elected on a district basis. The commissioners serve four year terms.

Context

The Executive Act of 1971 created the Department of Public Service Regulation (department). Responsibilities of the department consist of: assuring the public receives safe, adequate, and economical utility and transportation services at just and reasonable rates; regulating certain public utilities, motor carriers, railroads, and pipelines within the state; and performing safety inspections of regulated activities listed above, except for motor carriers.

The department has 42 full-time equivalent (FTE) positions that include the five commissioners, the executive director, a public relations position, the Regulatory Division (20 FTE), the Centralized Services Division (7 FTE), and the Legal and Consumer Division (8 FTE).

Most department funding comes from a tax on the gross operating revenue of regulated companies. In fiscal years 2009-10 and 2008-09, this tax brought in \$2.6 million and \$3.6 million in revenue, respectively.

Results

The current audit did not have any findings and thus no recommendations.

The prior audit report had one audit recommendation concerning the documentation of monitoring and testing of internal controls in accordance with state policy. The department has partially implemented this recommendation and we make no further recommendation at this time.

Recommendation Concurrence	
Concur	0
Partially Concur	0
Do Not Concur	0
Source: Agency audit response included in final report.	

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