

The Legislative Fiscal Division Presents an Agency Profile of:

## The Montana Consumer Counsel

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Definition of Terms

### Agency Description

The Montana Consumer Counsel represents Montana's utility and transportation consuming public in hearings before the Public Service Commission, as well as the state and federal courts and administrative agencies. The Montana Consumer Counsel is part of the legislative branch and is overseen by the Legislative Consumer Committee. The primary statutory references defining duties and responsibilities of the department are found in Article XIII, Section 2, Montana Constitution, Title 5, Chapter 15, and Title 69, Chapters 1 and 2, MCA.

### How Services are Provided

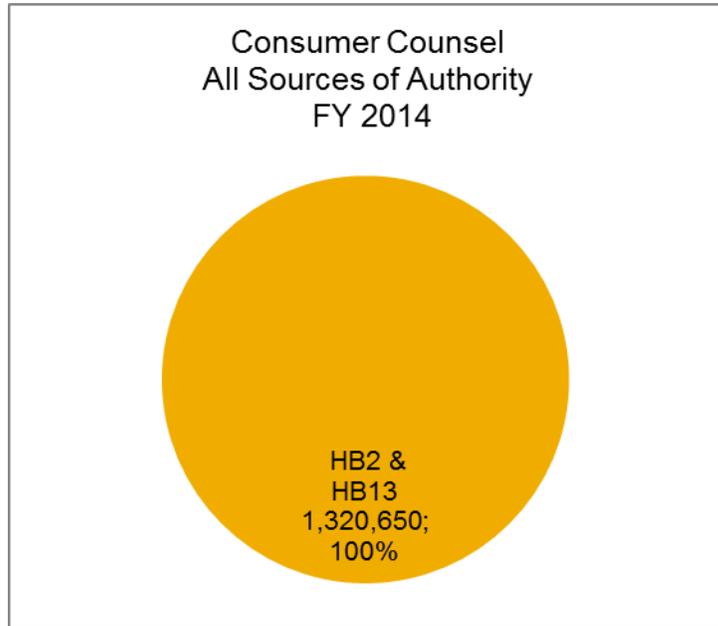
The Consumer Counsel represents Montana consumers in:

- Utility and transportation proceedings before the Public Service Commission
- Proceedings before the Federal Energy Regulatory Commission, Federal Communications Commission, and other federal administrative agencies
- Appropriate state and federal court proceedings

The Montana Consumer Counsel provides these services through one program and the use of outside consulting services to bring expertise for regulatory issues as they arise.

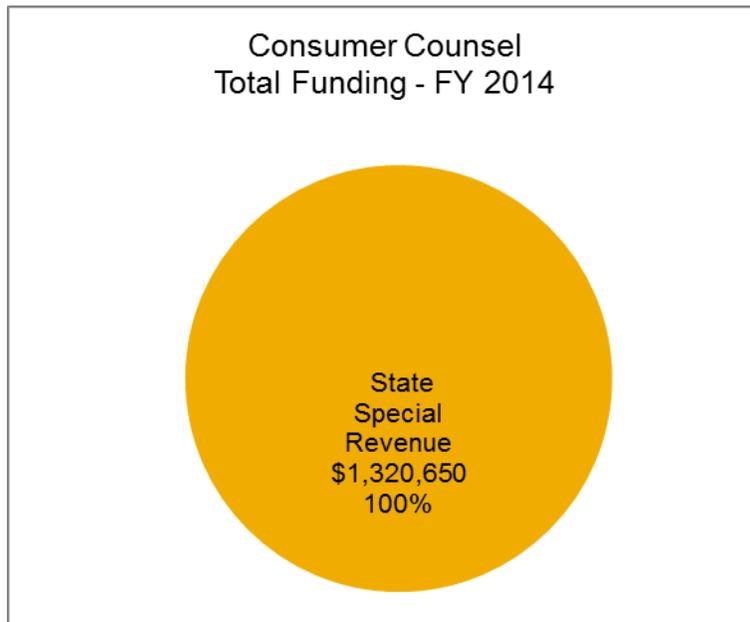
## Sources of Spending Authority

The chart shows the sources of authority for the Montana Consumer Counsel.

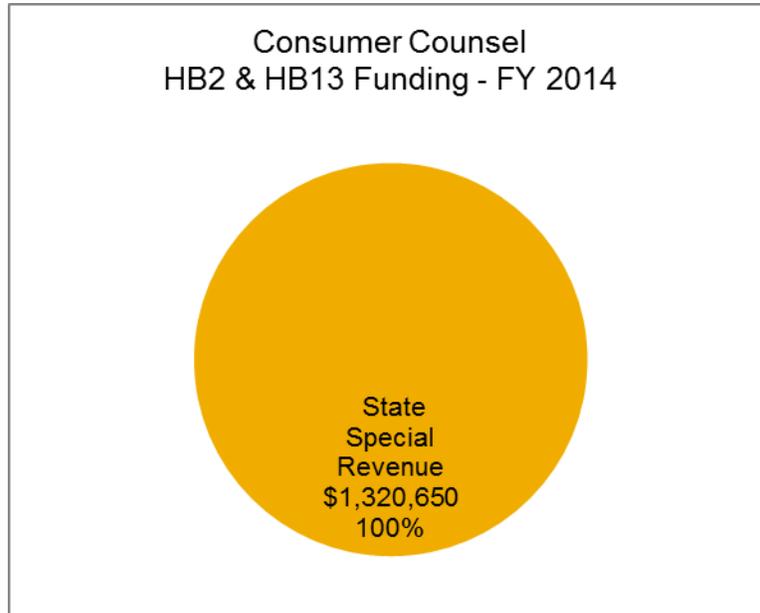


## Funding

The chart below explains total funding by fund type for the Montana Consumer Counsel.

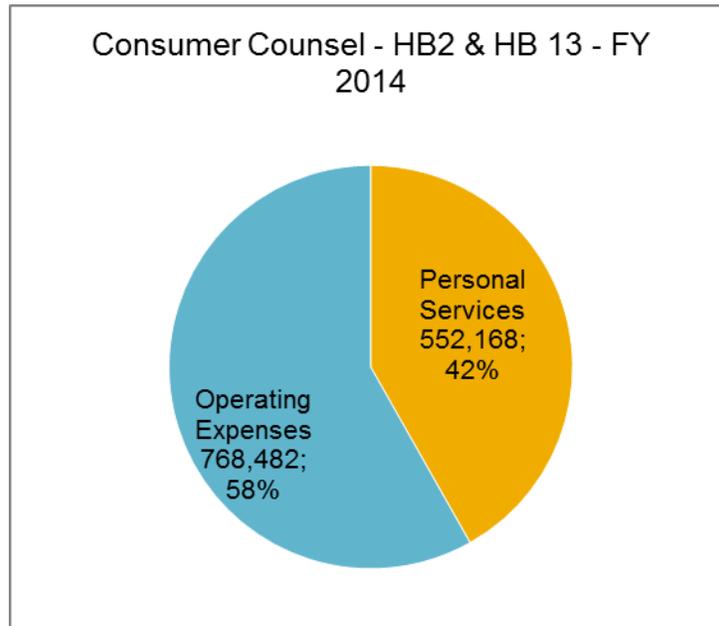


The following charts show the agency's HB 2 funding authority, which is also total authority, by fund type and all sources of funding authority. The Montana Consumer Counsel is fully funded with state special revenues collected through fees charged to the various public utility and transportation companies operating in Montana. As shown, all agency funding is included in HB 2.



## HB 2 Expenditures

The chart explains expenditures for HB 2.



## How the 2015 Legislature Can Effect Change

The legislature has the ability to change expenditure levels and/or Consumer Counsel activities through the following basic elements that drive costs:

- Impact the rates, reporting process, and fees or taxes charged to regulated utilities
- Govern which agency, if any, monitors regulated utilities (through changes to the Constitution)
- Govern agency participation in regional and/or national issues

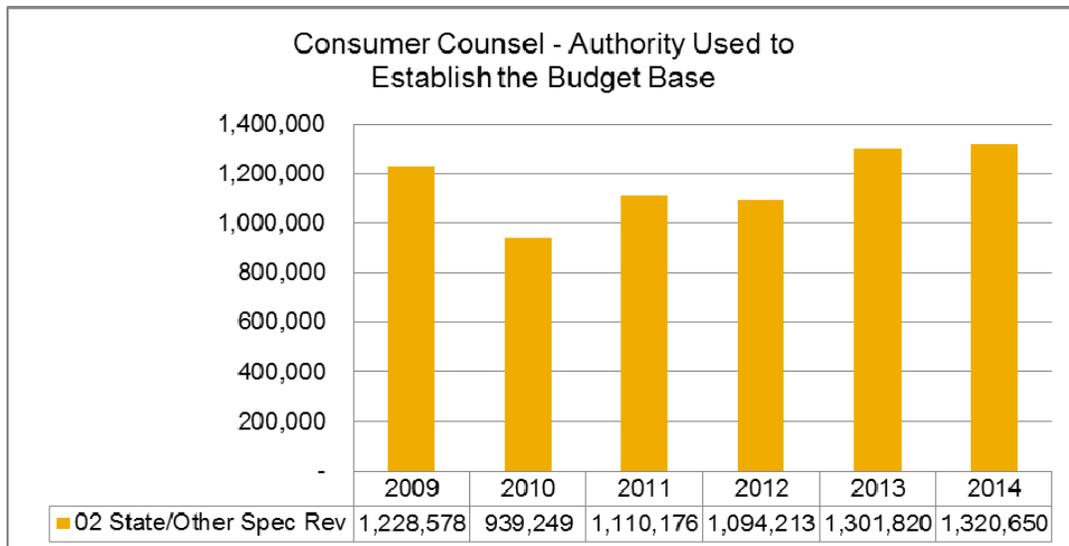
## Major Cost Drivers

Driver	FY 2004	FY 2014	Significance of Data
Contractor Fees	\$154	\$144	The Consumer Counsel primarily makes use of three contractors for the analysis of utility cases/issues. The fee is calculated based on total hours worked divided by total amount paid.
Calendar Year Dockets Before Montana Public Service Commission	249	118	As the number of dockets change, it also changes the number of cases that the Consumer Counsel is likely to intervene on, data includes all dockets of the PSC regardless of intervention. This factor influences contracting costs.

## Funding/Expenditure History, Authority Used to Establish the Base Budget

Major reasons for changes are:

- Increase in consulting and professional services
- Caseload contingency fund expenditures



## Major Legislative Changes in the Last Ten Years

- 2007—The Sixtieth Legislature passed SB 448 requiring the Montana Consumer Counsel to perform an analysis of the fiscal impacts related to permit applications for new electrical generation facilities and upgrades under the Montana Major Facility Siting Act. The analysis included an estimation of how customer rates may have been impacted. Costs of the analysis were paid by applicants.
- 2003—The Fifty-eighth Legislature passed SB 247, which established a default electricity supply procurement process and changed the regulatory role in resource planning, requiring regulators to participate in the decision making process “up-front”. The legislation increased the role, as well as associated costs, of the Montana Consumer Counsel’s representation of ratepayer interests through the adoption of a preapproval process.

For further information, you may wish to contact the agency at:

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