

Total Public Service Regulation Funding by Source of Authority
2015 Biennium Budget

| Funds | HB 2 | Non- Budgeted Proprietary | Statutory Appropriation | Total All Sources | % Total All Funds |
|------------------------------------|---------------|---------------------------------|----------------------------|----------------------|----------------------|
| State Special Total | \$7,264,824 | \$0 | \$0 | \$7,264,824 | 98.2% |
| 02281 Public Service Commission | \$7,264,824 | \$0 | \$0 | \$7,264,824 | 98.2% |
| Federal Special Total | \$131,214 | \$0 | \$0 | \$131,214 | 1.8% |
| 03011 Natural Gas Safety Pgm | \$131,214 | \$0 | \$0 | \$131,214 | 1.8% |
| Total All Funds | \$7,396,038 | \$0 | \$0 | \$7,396,038 | 100.0% |
| Percent - Total All Sources | 100.0% | 0.0% | 0.0% | | |

Goals and Measurable Objectives

| Goal | Measurable Objectives |
|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>To consider and process rate, service, and authority applications.</p> | <p style="text-align: center;"><u>Historical benchmarks</u> <u>Dockets opened:</u> FY2011 - 163 FY2012 - 188</p> <p>Process and complete consideration of any utility rate and/or service filings submitted in FY14 or 15 in compliance with statutory timeframes.</p> <p>Process and complete consideration of any transportation authority applications and/or requests for rate increases submitted in FY 14 or 15 in compliance with statutory timeframes</p> <p>Process and complete consideration of NorthWestern Energy’s natural gas rate case in 2013.</p> <p>Process and complete consideration of Montana-Dakota Utilities Co.’s natural gas rate case in 2013.</p> |
| <p>To investigate regulatory issues and develop policies/rules as needed.</p> | <p>Conduct research and analysis on the following issues and, as determined by the PSC, consider the resulting policy recommendations in PSC proceedings.</p> <ul style="list-style-type: none"> - electricity supply planning and procurement - energy efficiency and conservation - electricity transmission - renewable energy - appropriate regulation for small water utilities |
| <p>To administer the Natural Gas Pipeline Safety Program.</p> | <p>Conduct comprehensive on-site pipeline safety inspections of each pipeline operator, including Operator Qualification, at intervals not to exceed 5 years in order to verify compliance with the PSC’s Pipeline Safety rules (Subchapter 22 of the Administrative Rules of Montana). When warranted, incident and follow-up or construction and specialized inspections will be conducted also.</p> <p>Implement the new federal requirements regarding operators’ Distribution Integrity Management Programs.</p> <p>Meet the criterion for pipeline safety program certification with the U.S. Department of Transportation of achieving the minimum of 85 PSC field days per year.</p> |
| <p>To assist utility customers with their inquiries and complaints about service.</p> | <p style="text-align: center;"><u>Historical benchmarks</u> <u>Utility consumer complaints:</u> FY2011 - 817 FY2012 - 798</p> <p style="text-align: center;"><u>Volume of calls to PSC toll-free consumer complaint line</u> FY 2012 – 7,686</p> <p>The PSC’s Consumer Unit will return calls the same day 100% of the time (excluding weekends and holidays) to consumers who have left messages on the PSC’s toll-free consumer complaint line.</p> |
| <p>To provide timely public access to information about regulated firms and PSC actions.</p> | <p>Continue to refine the PSC website, electronic filing process for utility dockets, and use of various media to provide access to and communications regarding PSC information.</p> |



Elected Official Request

Exempt Agency from Vacancy Savings

This request is to exempt the Public Service Commission (PSC) from the vacancy savings requirement in order to allow the PSC to maintain its current level of service. The PSC is a small agency of 35 permanent staff and 5 elected commissioners. The cost of this exemption is approximately \$100,000 in each year of the biennium with zero General Fund impact.

Career Ladder Increases

The PSC Pay Plan Policy includes career ladder increases for Policy Analysts, Rate Analysts, Attorneys, and Engineers in order to retain the service of these highly specialized employees. It is anticipated that 9 staff in FY 2014 and 3 staff in FY 2015, will be eligible for career ladder increases for a total of \$45,000 in FY 2014 and \$15,000 in FY 2015. There is no General Fund impact.