

Agency Budget Comparison

The following table summarizes the total legislative budget for the agency by year, type of expenditure, and source of funding.

Agency Budget Comparison								
Budget Item	Base Fiscal 2010	Approp. Fiscal 2011	Budget Fiscal 2012	Budget Fiscal 2013	Biennium Fiscal 10-11	Biennium Fiscal 12-13	Biennium Change	Biennium % Change
FTE	39.00	39.00	40.00	40.00	39.00	40.00	1.00	2.56%
Personal Services	2,866,511	3,092,742	3,055,764	3,056,595	5,959,253	6,112,359	153,106	2.57%
Operating Expenses	573,095	596,398	640,026	620,493	1,169,493	1,260,519	91,026	7.78%
Debt Service	6,080	6,080	6,080	6,080	12,160	12,160	0	0.00%
Total Costs	\$3,445,686	\$3,695,220	\$3,701,870	\$3,683,168	\$7,140,906	\$7,385,038	\$244,132	3.42%
State Special	3,420,213	3,669,577	3,595,359	3,577,734	7,089,790	7,173,093	83,303	1.17%
Federal Special	25,473	25,643	106,511	105,434	51,116	211,945	160,829	314.64%
Total Funds	\$3,445,686	\$3,695,220	\$3,701,870	\$3,683,168	\$7,140,906	\$7,385,038	\$244,132	3.42%

Agency Description

Mission Statement: To fairly balance the long-term interests of Montana utility and transportation companies and the customers they serve.

The Department of Public Service Regulation (PSR) regulates the operations of public utility and transportation industries that operate in the state. Five commissioners, elected from districts throughout Montana, form the Montana Public Service Commission (PSC) that oversees the Public Service Regulation Program (PSR). Each commissioner serves a four-year term.

Agency Highlights

Public Service Regulation Major Budget Highlights
<ul style="list-style-type: none"> ◆ The agency budget increases about 3.4% between the 2011 and 2013 biennia primarily due to present law adjustments increasing federal grant funds ◆ Funding for the agency comes primarily from state special revenue derived from a tax on regulated entities <ul style="list-style-type: none"> • Funding from this source increases about 1.2% between the two biennia

Summary of Legislative Action

The legislature provided funding for the agency that is 3.4% greater than 2011 biennium funding primarily due to increases in federal pipeline safety grant funds. State special revenue support for the agency, derived from a tax on regulated entities, increases 1.2% between the two biennia. Increases are due primarily to statewide present law adjustments and federal grant increases.

The number of FTE for the agency increases by 1.00 FTE between the two biennia due to the addition of a pipeline safety engineer.

Executive Budget Comparison

The following table compares the legislative budget in the 2013 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2010	Executive Budget Fiscal 2012	Legislative Budget Fiscal 2012	Leg - Exec. Difference Fiscal 2012	Executive Budget Fiscal 2013	Legislative Budget Fiscal 2013	Leg - Exec. Difference Fiscal 2013	Biennium Difference Fiscal 12-13
FTE	39.00	40.00	40.00	0.00	40.00	40.00	0.00	
Personal Services	2,866,511	3,045,532	3,055,764	10,232	3,007,785	3,056,595	48,810	59,042
Operating Expenses	573,095	652,331	640,026	(12,305)	639,229	620,493	(18,736)	(31,041)
Debt Service	6,080	6,080	6,080	0	6,080	6,080	0	0
Total Costs	\$3,445,686	\$3,703,943	\$3,701,870	(\$2,073)	\$3,653,094	\$3,683,168	\$30,074	\$28,001
State/Other Special	3,420,213	3,597,432	3,595,359	(2,073)	3,547,660	3,577,734	30,074	28,001
Federal Special	25,473	106,511	106,511	0	105,434	105,434	0	0
Total Funds	\$3,445,686	\$3,703,943	\$3,701,870	(\$2,073)	\$3,653,094	\$3,683,168	\$30,074	\$28,001

The legislature provided funding that is \$28,000 state special revenue greater than the executive budget. The legislature reduced the applied vacancy savings rate for the agency from 4% to 2% but did not approve the executive request for increased funding to pay retirement benefits or rental costs.

Funding

The following table shows program funding, by source, for the base year and for the 2013 biennium.

Program Funding Table							
Public Service Regulation Prog							
Program Funding	Base FY 2010	% of Base FY 2010	Budget FY 2012	% of Budget FY 2012	Budget FY 2013	% of Budget FY 2013	
02000 Total State Special Funds	\$ 3,420,213	99.3%	\$ 3,595,359	97.1%	\$ 3,577,734	97.1%	
02281 Public Service Commission	3,420,213	99.3%	3,595,359	97.1%	3,577,734	97.1%	
03000 Total Federal Special Funds	25,473	0.7%	106,511	2.9%	105,434	2.9%	
03011 Natural Gas Safety Pgm	25,473	0.7%	81,511	2.2%	80,434	2.2%	
Grand Total	\$ 3,445,686	100.0%	\$ 3,701,870	100.0%	\$ 3,683,168	100.0%	

Public Service Regulation (PSR) is funded primarily by a fee that is levied on regulated companies, based on funding appropriated by the legislature for a specific fiscal year. Fees are deposited directly into a state special revenue account and are based upon a percentage of the gross operating revenue from all activities regulated by the commission for the calendar quarter of operation (69-1-402, MCA). The department also administers a small amount of federal pipeline safety grant funds.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2012	Budget Fiscal 2013	Biennium Fiscal 12-13	Percent of Budget	Budget Fiscal 2012	Budget Fiscal 2013	Biennium Fiscal 12-13	Percent of Budget
Base Budget	0	0	0	0.00%	3,445,686	3,445,686	6,891,372	93.32%
Statewide PL Adjustments	0	0	0	0.00%	83,044	59,497	142,541	1.93%
Other PL Adjustments	0	0	0	0.00%	136,679	147,911	284,590	3.85%
New Proposals	0	0	0	0.00%	36,461	30,074	66,535	0.90%
Total Budget	\$0	\$0	\$0		\$3,701,870	\$3,683,168	\$7,385,038	

Present Law Adjustments

The “Present Law Adjustments” table shows the changes to the adjusted base budget adopted by the legislature. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2012-----					-----Fiscal 2013-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					159,445					159,874
Vacancy Savings					(97,532)					(97,620)
Inflation/Deflation					(4,574)					(4,505)
Fixed Costs					25,705					1,748
Total Statewide Present Law Adjustments		\$0	\$83,044	\$0	\$83,044		\$0	\$59,497	\$0	\$59,497
DP 3 - Pipeline Safety Federal Award and Match	0.00	0	1,893	14,595	16,488	0.00	0	1,893	14,595	16,488
DP 5 - Computer Replacement	0.00	0	0	0	0	0.00	0	6,955	0	6,955
DP 6 - Building Rent	0.00	0	12,305	0	12,305	0.00	0	18,736	0	18,736
DP 7 - One Call	0.00	0	0	25,000	25,000	0.00	0	0	25,000	25,000
DP 8 - Pipeline Safety Engineer	1.00	0	41,443	41,443	82,886	1.00	0	40,366	40,366	80,732
Total Other Present Law Adjustments	1.00	\$0	\$55,641	\$81,038	\$136,679	1.00	\$0	\$67,950	\$79,961	\$147,911
Grand Total All Present Law Adjustments	1.00	\$0	\$138,685	\$81,038	\$219,723	1.00	\$0	\$127,447	\$79,961	\$207,408

DP 3 - Pipeline Safety Federal Award and Match - The legislature provided funding for anticipated increases in the pipeline safety federal grant. The federal grant supports inspection of natural gas pipeline construction, transmission integrity management, and operator qualifications as well as other related activities.

DP 5 - Computer Replacement - The legislature provided funding for replacement of computer equipment based upon a five year replacement cycle as recommended by the Information Technology Services Division, Department of Administration. The funding provided is the difference between the amount included in the base budget and the total estimated cost of replacement equipment.

DP 6 - Building Rent - The legislature provided funding for increased rental costs per the contract (3% per year) negotiated by the General Services Division, Department of Administration. Funding for this increase is removed in decision package 97101.

DP 7 - One Call - The legislature provided funding for the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration, State Pipeline Safety, One Call Grant program to support efforts of state pipeline safety offices to reduce the incidence of damage to underground facilities during excavation.

DP 8 - Pipeline Safety Engineer - The legislature provided funding for 1.00 FTE pipeline safety engineer and associated operating expenses. An additional pipeline safety engineer was provided to fulfill the responsibility to effectively audit and monitor pipeline operators and to ensure the pipeline safety regulations are followed.

New Proposals

New Proposals										
-----Fiscal 2012-----						-----Fiscal 2013-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 700 - Reduce Applied Vacancy Savings to 2%										
01	0.00	0	48,766	0	48,766	0.00	0	48,810	0	48,810
DP 95100 - 5% Plan - Operating Budget Reductions										
01	0.00	0	(117,405)	0	(117,405)	0.00	0	(117,405)	0	(117,405)
DP 95101 - 5% Plan Personal Service Reductions										
01	(1.00)	0	(53,208)	0	(53,208)	(1.00)	0	(53,208)	0	(53,208)
DP 96100 - Restore 5% Plan - Operating Budget Reductions										
01	0.00	0	117,405	0	117,405	0.00	0	117,405	0	117,405
DP 96101 - Restore 5% Plan - Personal Service Reductions										
01	1.00	0	53,208	0	53,208	1.00	0	53,208	0	53,208
DP 97101 - Non Dept. of Admin Rent Reduction										
01	0.00	0	(12,305)	0	(12,305)	0.00	0	(18,736)	0	(18,736)
Total	0.00	\$0	\$36,461	\$0	\$36,461	0.00	\$0	\$30,074	\$0	\$30,074

DP 700 - Reduce Applied Vacancy Savings to 2% - The legislature reduced the applied vacancy savings rate for this agency from 4% to 2%.

DP 95100 - 5% Plan - Operating Budget Reductions - The legislature reduced operating expenditures by 5%. The funds were later restored in DP 96100.

DP 95101 - 5% Plan Personal Service Reductions - The legislature reduced personal services by 5%. The funds were later restored in DP 96101.

DP 96100 - Restore 5% Plan - Operating Budget Reductions - The legislature restored funding for the reductions made in DP 95100.

DP 96101 - Restore 5% Plan - Personal Service Reductions - The legislature restored funding for the reductions made in DP 95101.

DP 97101 - Non Dept. of Admin Rent Reduction - The legislature reduced funding for selected non Department of Administration rental costs increases (see DP 6).