

Department of Public Service Regulation



Energy



Telecom



Transportation



Water & Sewer



Pipeline Safety



Railway Safety

Montana Public Service Commission
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psc.mt.gov

WHAT WE DO FOR MONTANA

The Montana Public Service Commission (PSC) is tasked with ensuring that rate payers have access to vital utility services that are affordable, reliable, and sustainable. In pursuit of this goal, the PSC regulates the rates and service quality for investor owned electric, natural gas, water, waste-water, and legacy telecommunication companies.

The PSC also plays a vital role in protecting public safety by inspecting railroads and ensuring the integrity of intra-state pipelines, and the agency oversees certain forms of commercial transportation, including garbage haulers and moving companies.

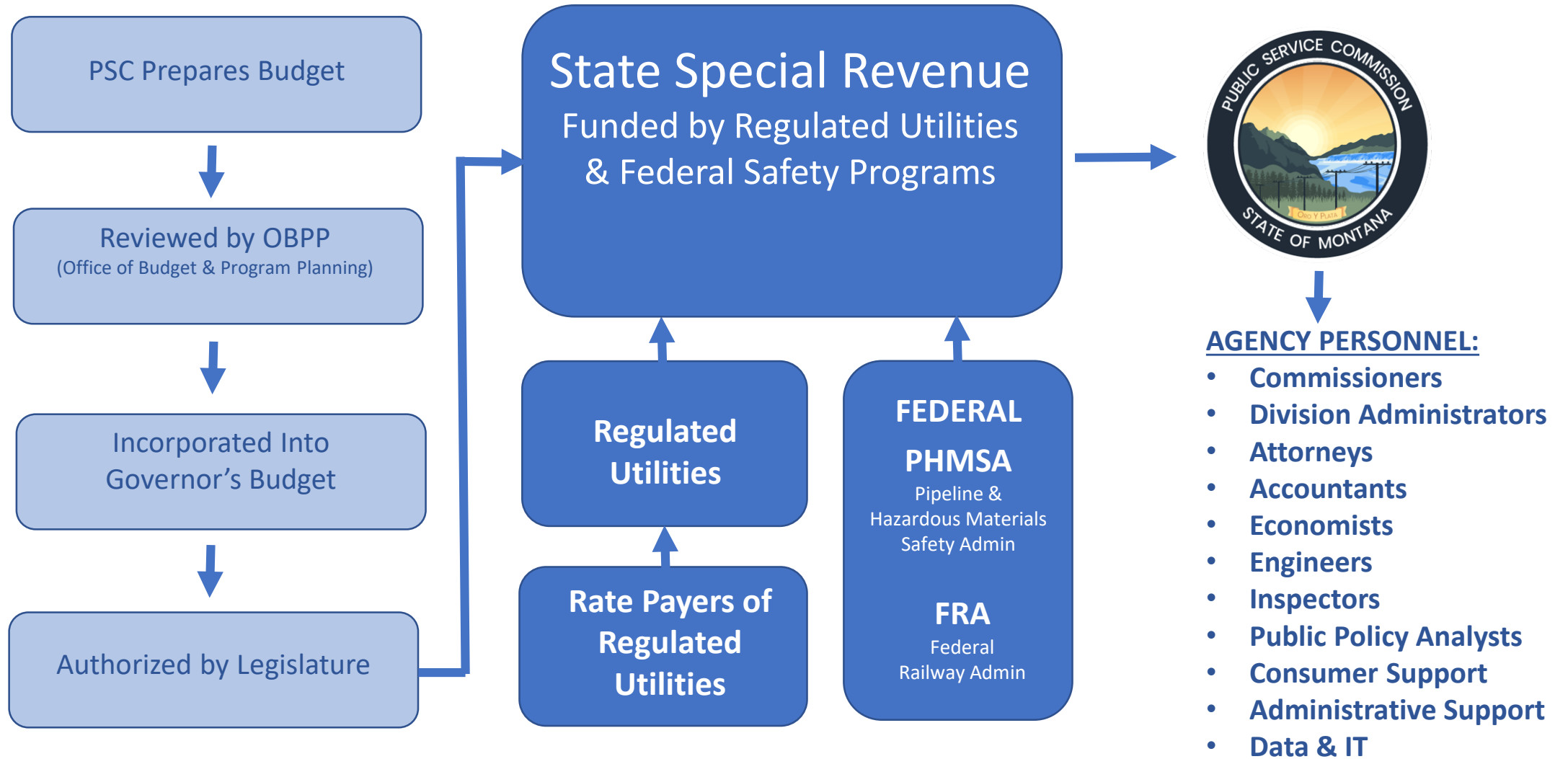
In addition, our dedicated Consumer Assistance Team fields service complaints from utility customers and helps investigate and resolve problems.

Though they differ in form and function, companies in these industries all have one thing in common, they are monopolies with a captive set of customers.

It's the PSC's job to balance the interests of ratepayers who are concerned about rate increases, with the need to maintain financially sound companies capable of providing reliable service.

FISCAL FLOW CHART

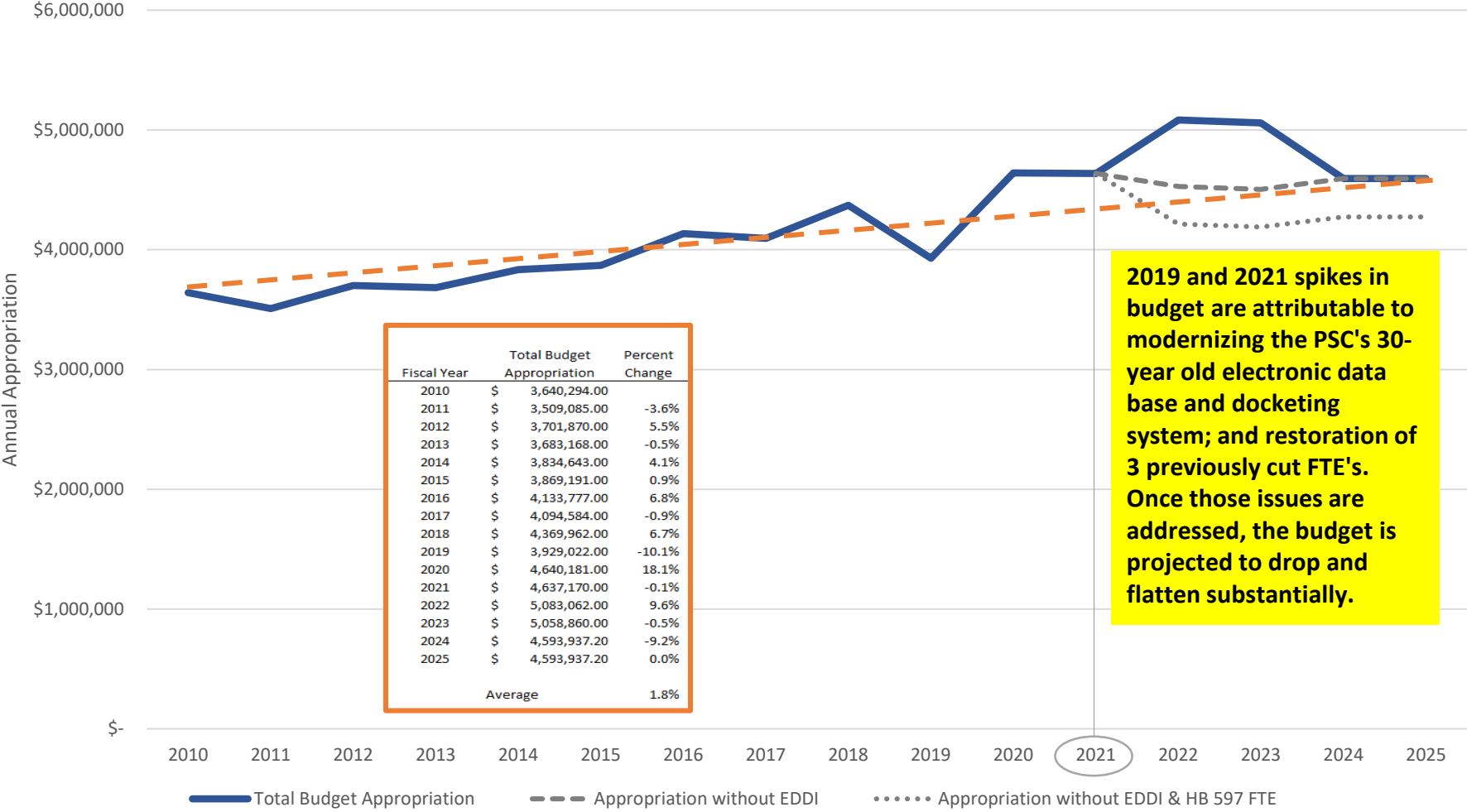
Budget Approval Process, Revenue Sources, Primary Expenses



BUDGET TRAJECTORY

2010-2025

Projected as of 1-26-21

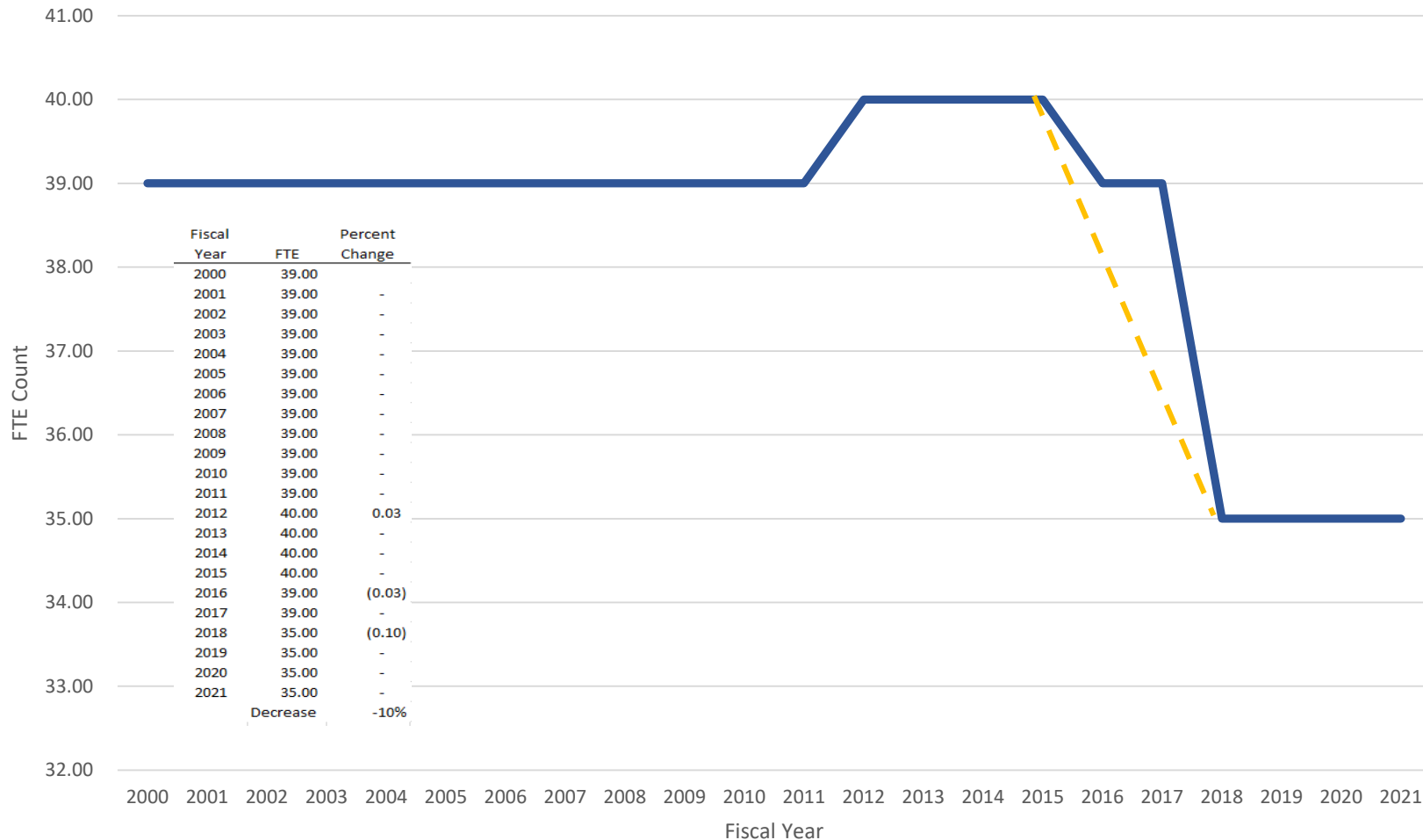


2019 and 2021 spikes in budget are attributable to modernizing the PSC's 30-year old electronic data base and docketing system; and restoration of 3 previously cut FTE's. Once those issues are addressed, the budget is projected to drop and flatten substantially.

Projected 1.8% Total Average Growth Over 15 Years

*The above average does not include cost for repair or replacement of the failing, antiquated software system

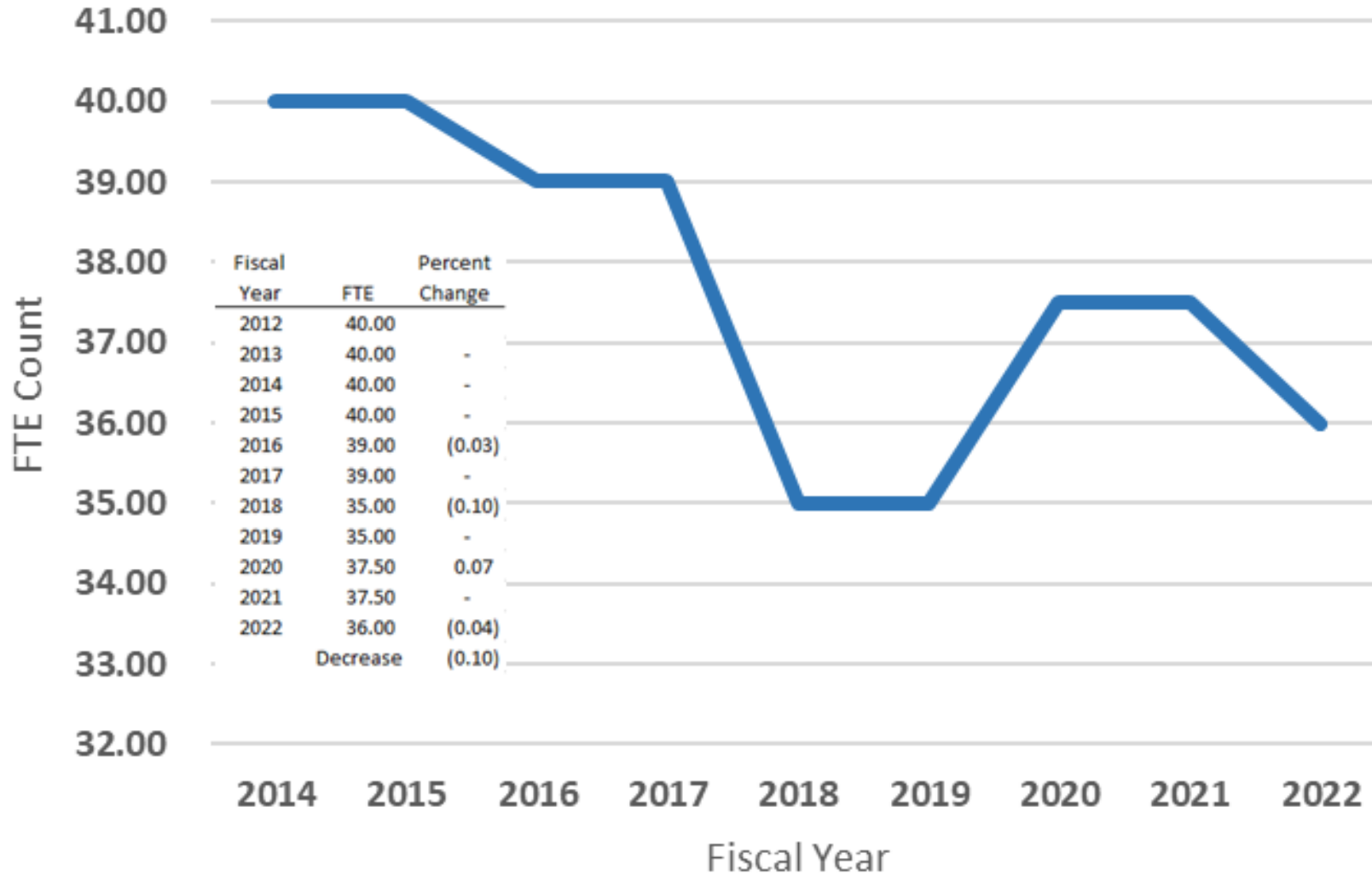
FTE SNAPSHOT 2000 - 2021



For over 15 years the PSC had 39 to 40 FTE (2000-2015).

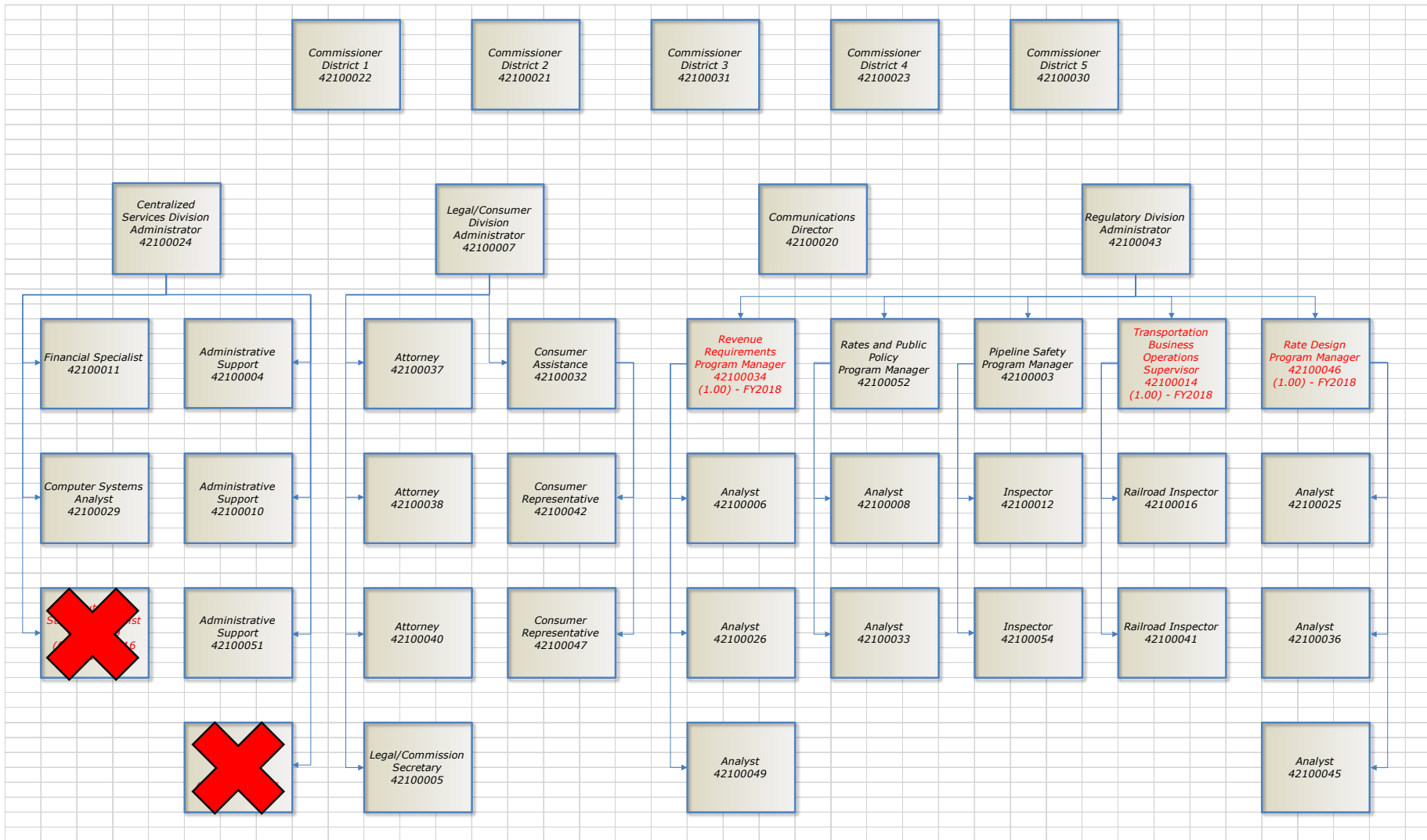
The legislature cut the agency down from 40 to 35 FTE, a net loss of 14.3% of agency staff, in the 2015-17 sessions.

FTE FLUCTUATIONS 2014 – 2022

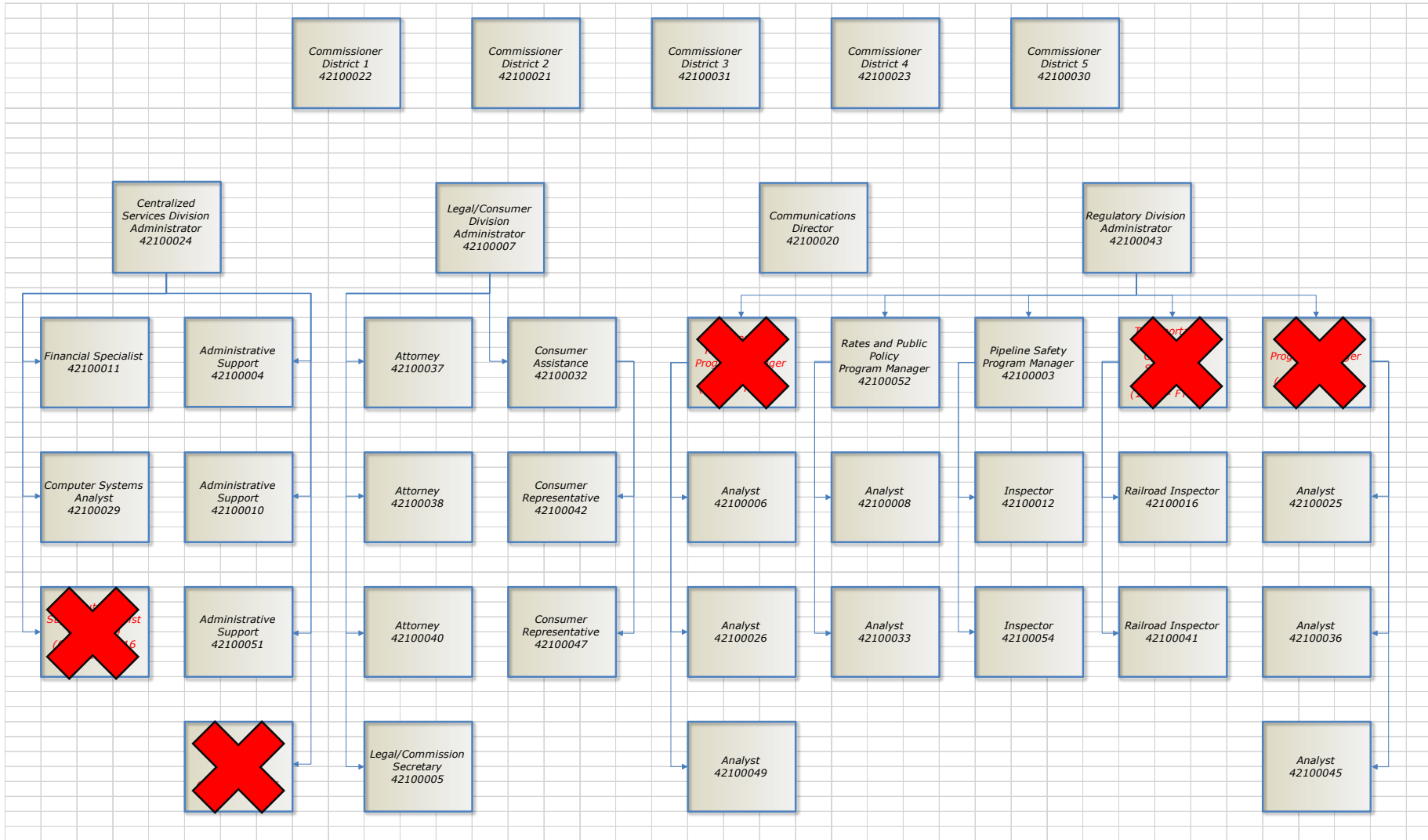


FTE INSTABILITY

The PSC has experienced unpredictable fluctuations in FTE levels since 2014.



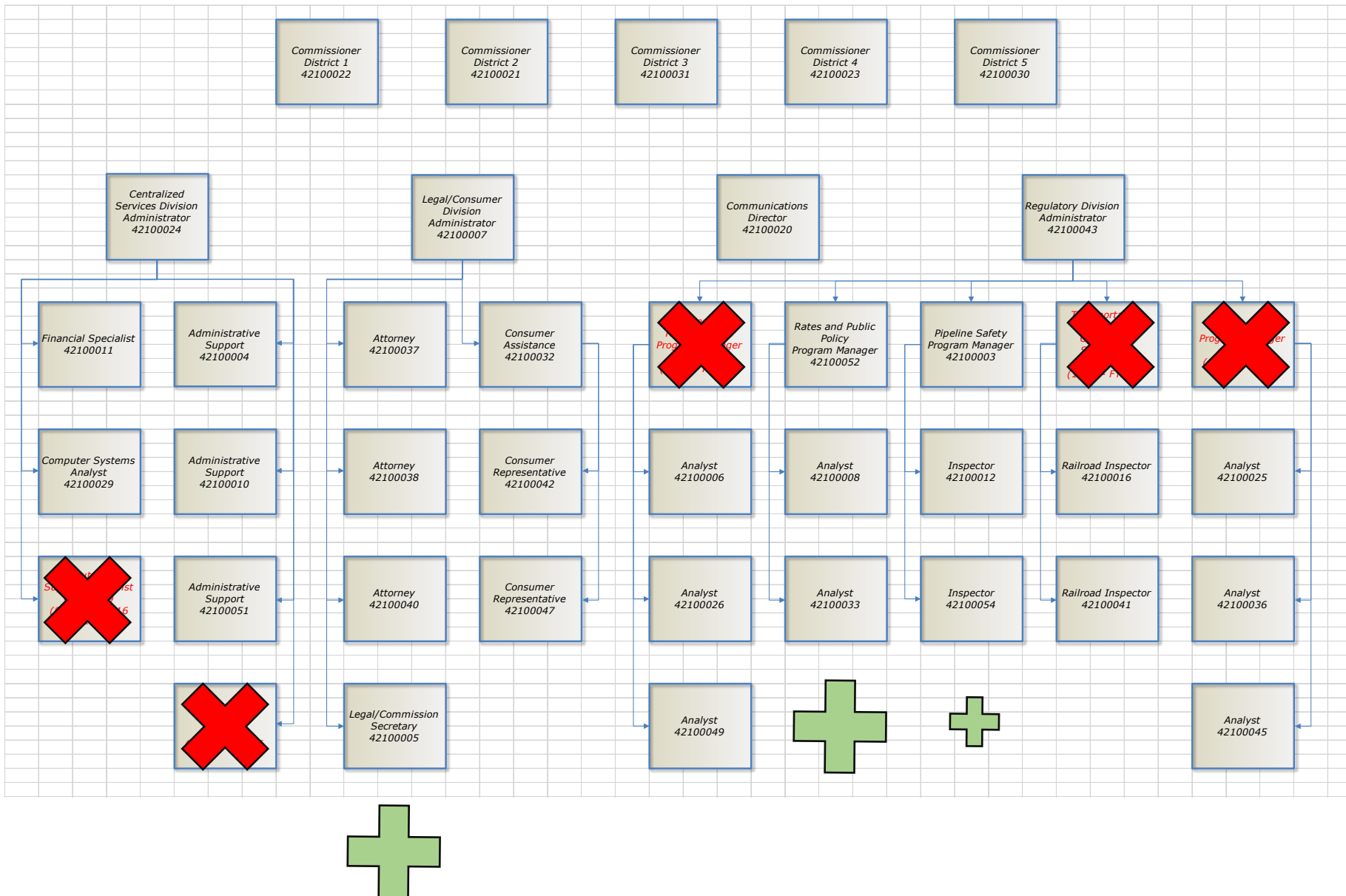
2015
2 FTE CUT
 TOTAL
 40 - 2 = 38



2017

3 FTE CUT

TOTAL
38 - 3 = 35

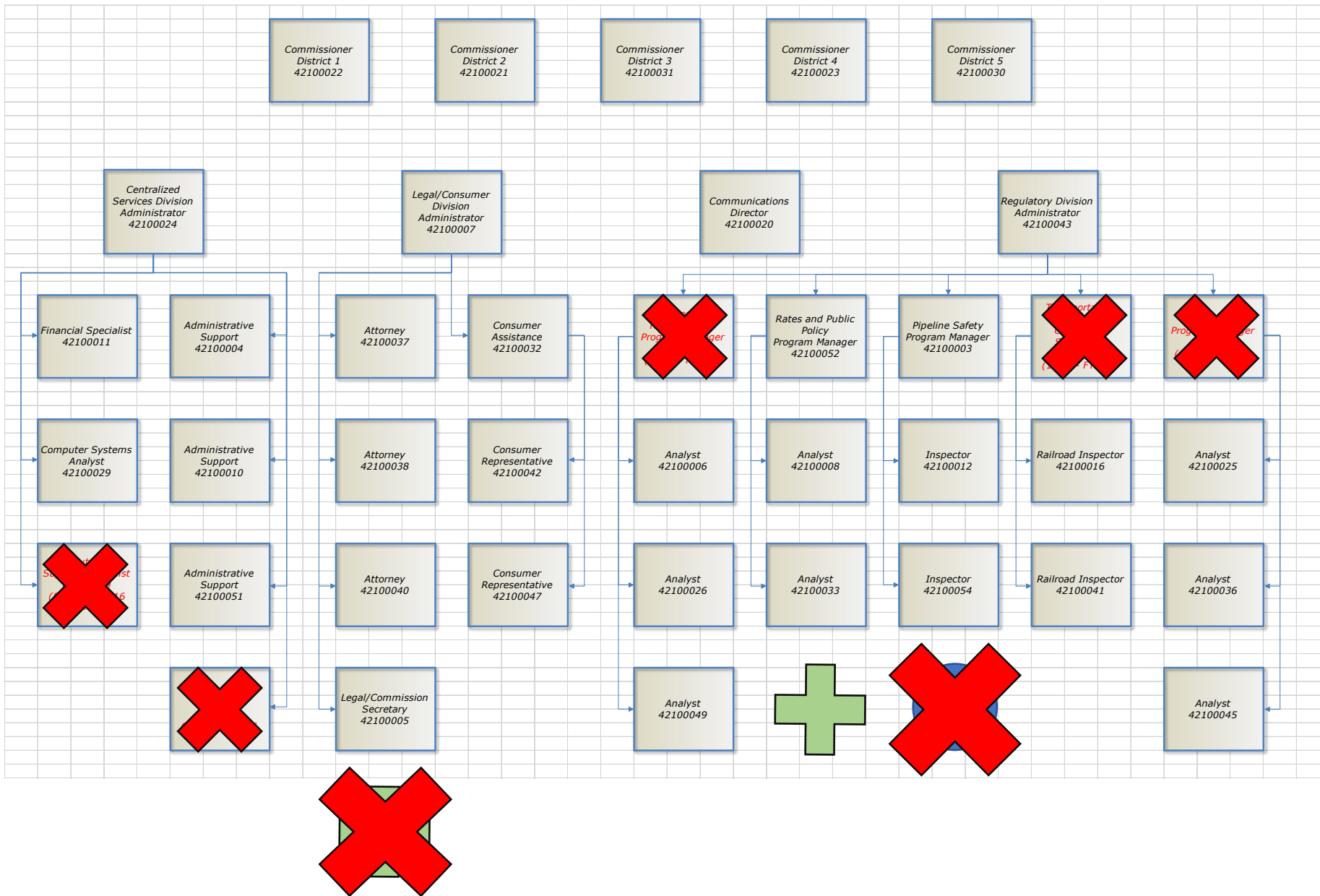


2019

2.5 FTE ADDED

TOTAL
35 + 2.5 =
37.5

But...
H.E. Mandate
& Temporary



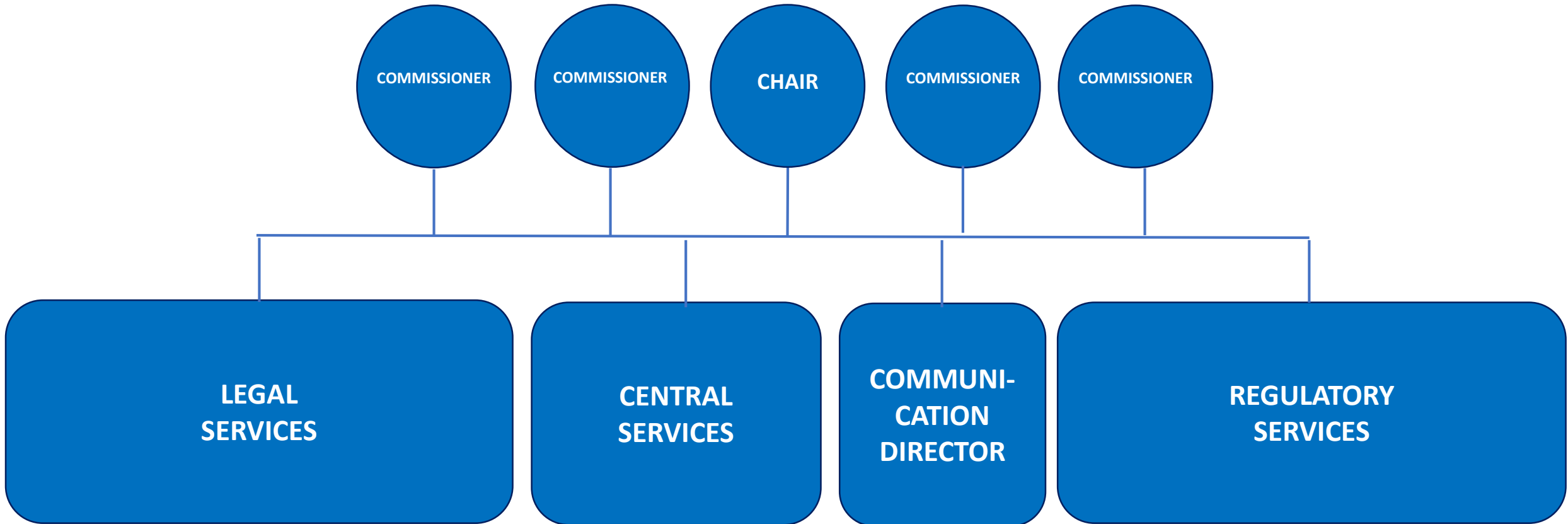
2021

1.5 FTE CUT

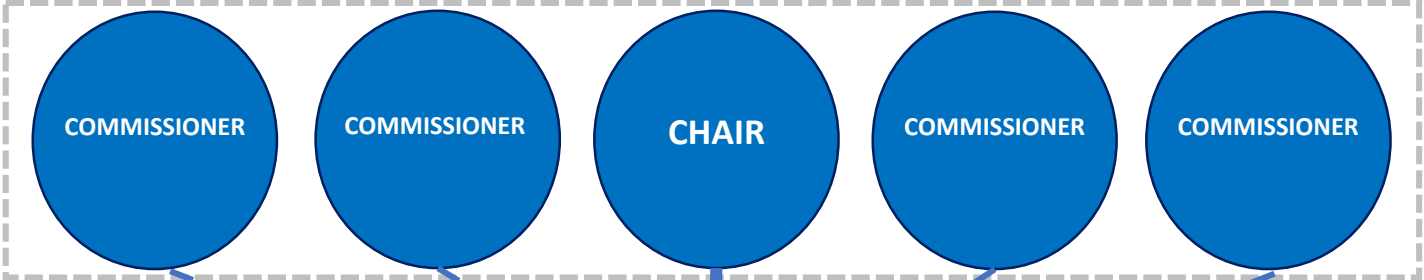
TOTAL
37.5 – 1.5 =
36

But...
H.E. Mandate
Remains

ORGANIZATIONAL STRUCTURE: 2019-2020



ORGANIZATIONAL STRUCTURE: 2021-2025



Convert Communications Director Position to an Executive Director to Oversee:

- Personnel Management
- Budget Planning & Management
- Internal Policies & Procedures
- Audit Compliance
- Division Productivity
- Commission Initiatives



STRATEGIC PLAN: Functional FTE Level = 40

STAFF POSITIONS:	CURRENT FTE FY 22:	NEEDED ADDITIONAL:	PROPOSED TOTAL:	NOTE:
INTERNAL CPA	0	1	1	Centralized Services Division: Add a dedicated full time CPA to administer the agency's internal fiscal operations and controls
DATA/IT	1	1	2	Centralized Services Division: Restore a dedicated full time technician to support the agency's data management and technology systems
ATTORNEYS	4	1	5	Legal Division: Restore 1 FTE to assist Legal Division with increasing demands of complex/contested energy issues
UTILITY ECONOMISTS	4	1	5	Regulatory Division: Restore 1 FTE to assist Regulatory Division with increasing demands of complex/contested utility rate design
COMMISSIONERS	5		5	
DIVISION ADMINISTRATORS	3		3	
UTILITY ACCOUNTANTS	4		4	
PIPELINE ENGINEERS	3		3	
RAILWAY INSPECTORS	2		2	
POLICY ANALYSTS	2		2	
CONSUMER SUPPORT	3		3	
ADMINISTRATIVE SUPPORT	5		5	
TOTAL STAFF FTE	36	4	40	

CENTRAL SERVICES

**+1 CPA
+1 DATA/IT**

LEGAL

+1 ATTORNEY

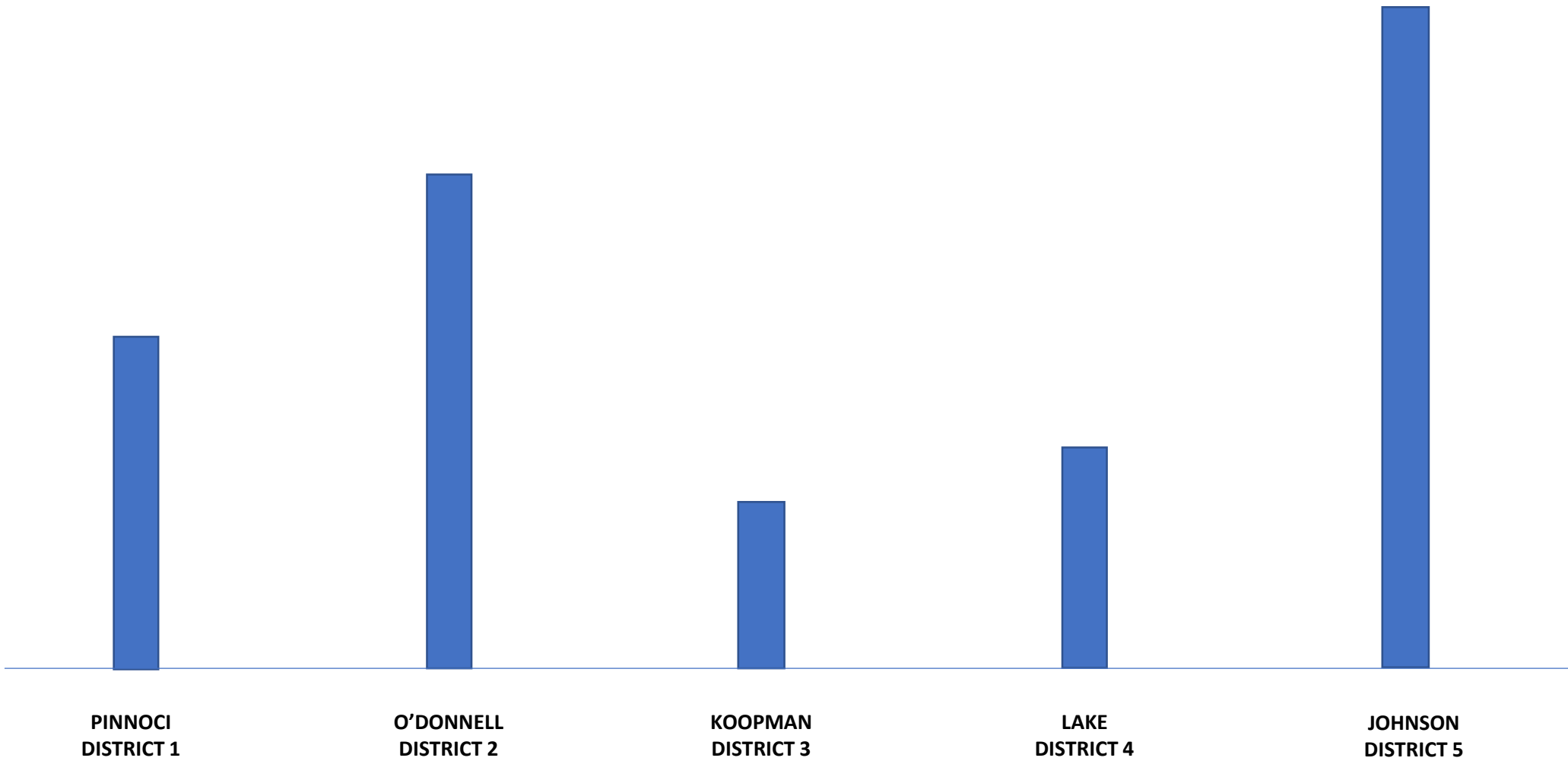
REGULATORY

+1 UTILITY ANALYST

HOW THE LEGISLATURE CAN HELP IMPROVE DPSR OPERATIONS & PERFORMANCE:

- **Restore FTE to Fully Functional Level (40 total)**
 - +2 Central Services Division (CPA & DATA/IT TECH)
 - +1 Regulatory Division (UTILITY ANALYST)
 - +1 Legal Division (ATTORNEY)
- **Correct Budget Language to Update/Repair Failing Software System**
- **Repeal Hearings Examiner Mandate/Make Optional**
- **Increase Understanding of Agency Process for Regulating Monopolies**
- **Coordinate/Cooperate with Commission on Proposed Legislation**

COMMISSIONER TRAVEL
AVERAGE ANNUAL EXPENSE RATIO - PAST PRACTICE 2017-2020
UNEQUAL – NO CAP PER COMMISSIONER



COMMISSIONER TRAVEL
AVERAGE ANNUAL EXPENSE RATIO - PROJECTED 2022-23
EQUALLY CAPPED FOR EACH COMMISSIONER

