

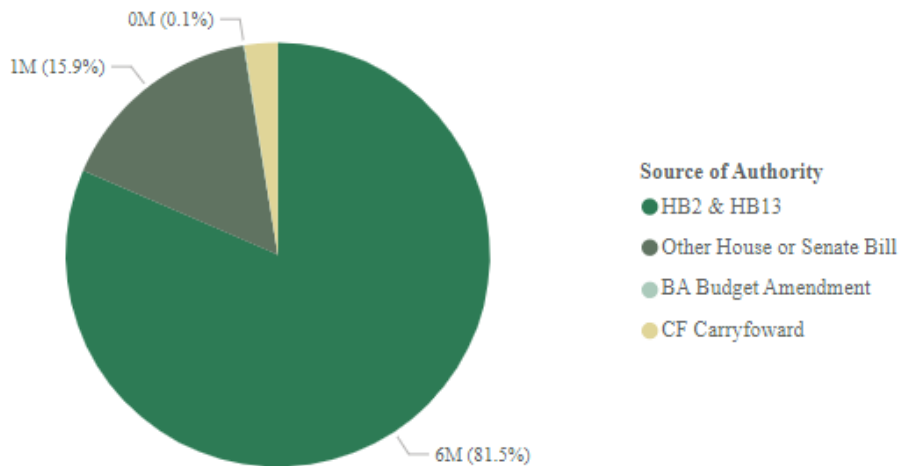
PUBLIC SERVICE COMMISSION

(Spending report July 1, 2023 through February 29, 2024)

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the Public Service Commission is shown in the pie chart below. HB 2 and HB 13 provide 81.5% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

Total Modified Budget by Source of Authority



Source of Authority	Modified Budget	Expended Budget	% Expended
Other House or Senate Bill	1,082,000	936,366	86.5%
CF Carryforward	170,235		
BA Budget Amendment	5,503		
HB2 & HB13	5,541,368	2,966,940	53.5%
Total	6,799,106	3,903,306	57.4%

Budget Amendments

The Public Service Commission (PSC) continued \$5,503 in federal budget amendment authority into FY 2024 from FY 2022 for the inspection of underground natural gas storage facilities. No expenditures were made from this funding which has expired as of September 30, 2023.

Other House and Senate Bill Authority

House bill 10 provides authority for the REDDI software modernization project. An amount of \$1.1 million has been authorized for this project this fiscal year, and \$936,000 has been spent. REDDI has “incrementally replace[d] EDDI to support the entire range of Commission business including Public Participation, Docket

Management, Rate Cases, Cost Trackers, Investigations, Rulemaking Proceedings, Legislative Tracking, Licensing & Registration, Annual Reports, Consumer Assistance, Railway and Pipeline Inspections, Litigation Management, Online Payments, and related document processing, data management, and security.”¹

Carryforward

The PSC has \$170,235 in carryforward authority in FY 2024, including \$68,941 of federal special revenue which is for the Natural Gas Safety Program. The carryforward authority includes \$50,000 in personal services authority and \$120,235 for operating expenses. \$83,675 of the carryforward authority is from 2022, and the remaining \$86,560 of the carryforward authority is from 2023. No expenditures have been made from carryforward authority through February 29, 2024.

HB 2 BUDGET MODIFICATIONS

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the HB 2 modified budget from July 1, 2023 through February 29, 2024. Net modifications to the budget include operating plan changes from one expenditure account to another, program transfers, reorganizations, and agency transfers of authority. The **positive modifications** and **negative modifications** are shown by program, expenditure account, and fund type.

Legislative Budget Compared to Modified Budget - HB 2 Only

Agency Name	HB 2 Budget	Modified Budget	Net Modifications
Public Service Regulation	5,541,368	5,541,368	
Total	5,541,368	5,541,368	

Expenditure Type	HB 2 Budget	Modified Budget	Net Modifications
61000 Personal Services	4,156,998	4,156,998	
62000 Operating Expenses	1,079,994	1,079,994	
69000 Debt Service	304,376	304,376	
Total	5,541,368	5,541,368	

Fund Type	HB 2 Budget	Modified Budget	Net Modifications
02 State/Other Spec Rev	5,267,608	5,267,608	
03 Fed/Other Spec Rev	273,760	273,760	
Total	5,541,368	5,541,368	

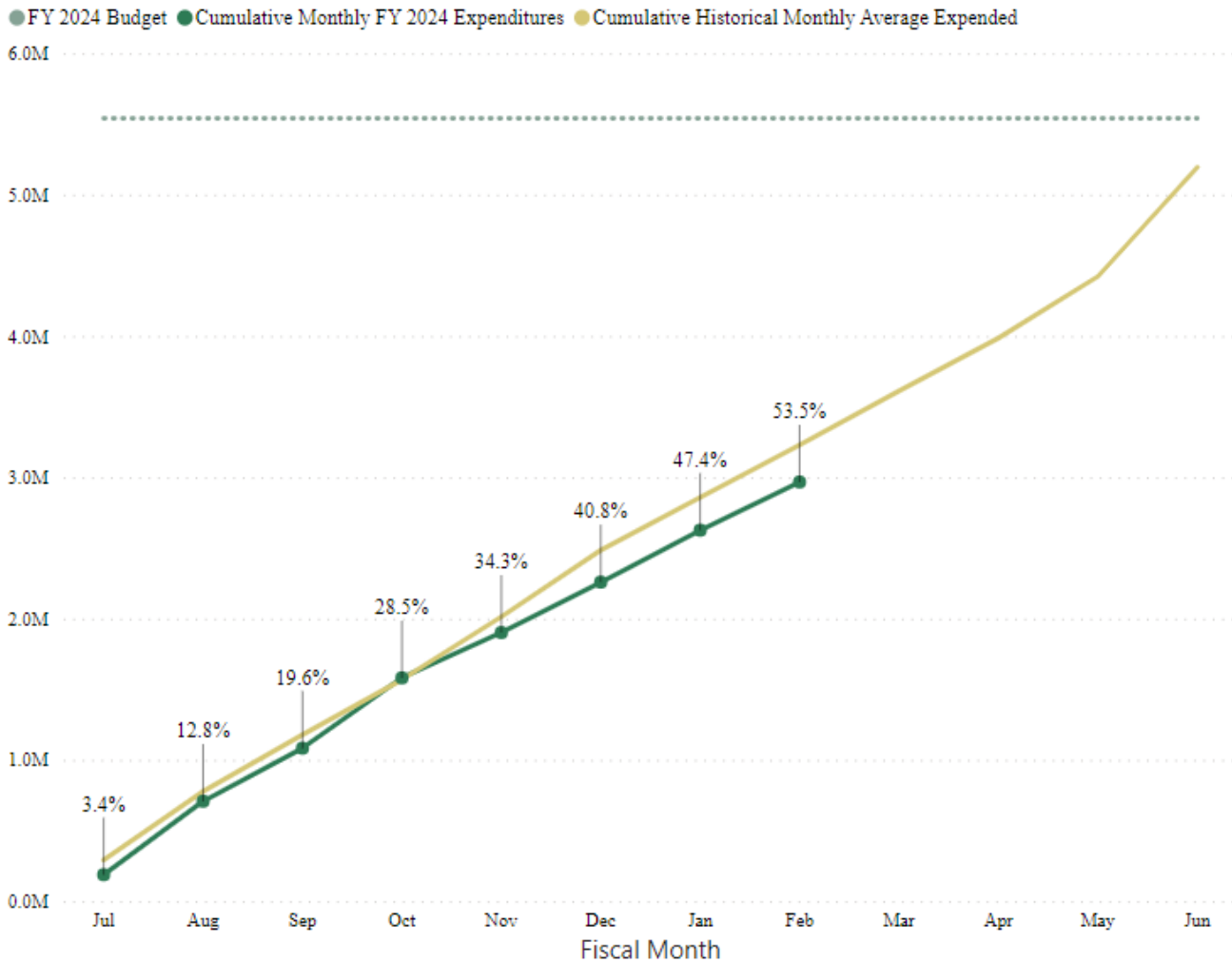
¹ <https://psc.mt.gov/News/news-article1>

As seen in the figures above, the PSC has made no modifications to the HB 2 budget through February 29,2024.

HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through February 29, 2024.

Monthly Expenditures Compared to Historical Average



Program Name	Modified Budget	Expended Budget	% Expended
01 PUBLIC SERVICE REGULATION PROG	5,541,368	2,966,940	53.5%
Total	5,541,368	2,966,940	53.5%

Expenditure Type	Modified Budget	Expended Budget	% Expended
Personal Services	4,156,998	2,369,194	57.0%
Operating Expenses	1,079,994	415,811	38.5%
Debt Service	304,376	181,935	59.8%
Total	5,541,368	2,966,940	53.5%

Fund Type	Modified Budget	Expended Budget	% Expended
02 State/Other Spec Rev	5,267,608	2,966,940	56.3%
03 Fed/Other Spec Rev	273,760		
Total	5,541,368	2,966,940	53.5%

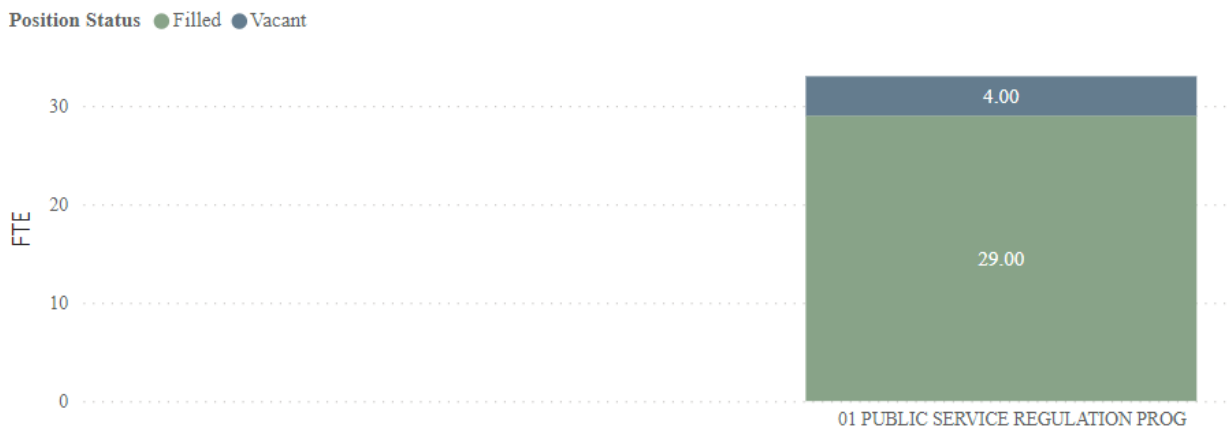
The Public Service Commission expended 53.5% of its \$5.5 million modified budget through February 29, 2024. This is close to the five-year Olympic average of 58.2%.

The PSC was provided restricted one-time-only authority of \$80,225 for retirement payouts, which has not been spent as the expected retirements have not yet occurred. The appropriation is biennial and can be spent in either fiscal year.

The biennial authority for the Software Modernization Project (REDDI) has been expended at 83.8% of the original appropriation of \$170,000. In FY 2024, the appropriation includes only licensing fees, and not implementation costs. This appropriation is only 7.7% of the operating budget, and the larger categories of the operating budget are mostly unspent. Agency comment on the lower operating budget spending than usual: The agency has several proposed projects that, if implemented, will increase agency spending, although the total amount has not yet been calculated. In addition, the agency received \$324,000 in transfer authority in FY 2023 that increased the agency base budget.

Personal Services

The following chart shows the filled and vacant FTE within the agency as of February 29, 2024.



In FY 2024, the PSC is budgeted for 33.00 staff FTE within HB 2 serving 5.00 elected positions. The PSC had 29.00 FTE positions filled with 4.00 positions vacant as of February 29, 2024. These positions can be seen in the table provided further down in the report.

The chart below shows the hourly utilization percentage for the PSC between July 1 and February 29 for each fiscal year. Overall, the department has utilized 89.7% of the available hours for FY 2024, as shown in the chart below, which is close to the previous five-year average of 92.3%.



The chart below shows the vacant FTE in the PSC, the number of months each position has been vacant, and the midpoint hourly pay rate. The PSC’s vacant positions have a median of 2.2 months vacant. The PSC has experienced turnover in three positions so far in FY 2024 with one position retiring, another position transferring to a new agency within state government, and one leaving state employment.

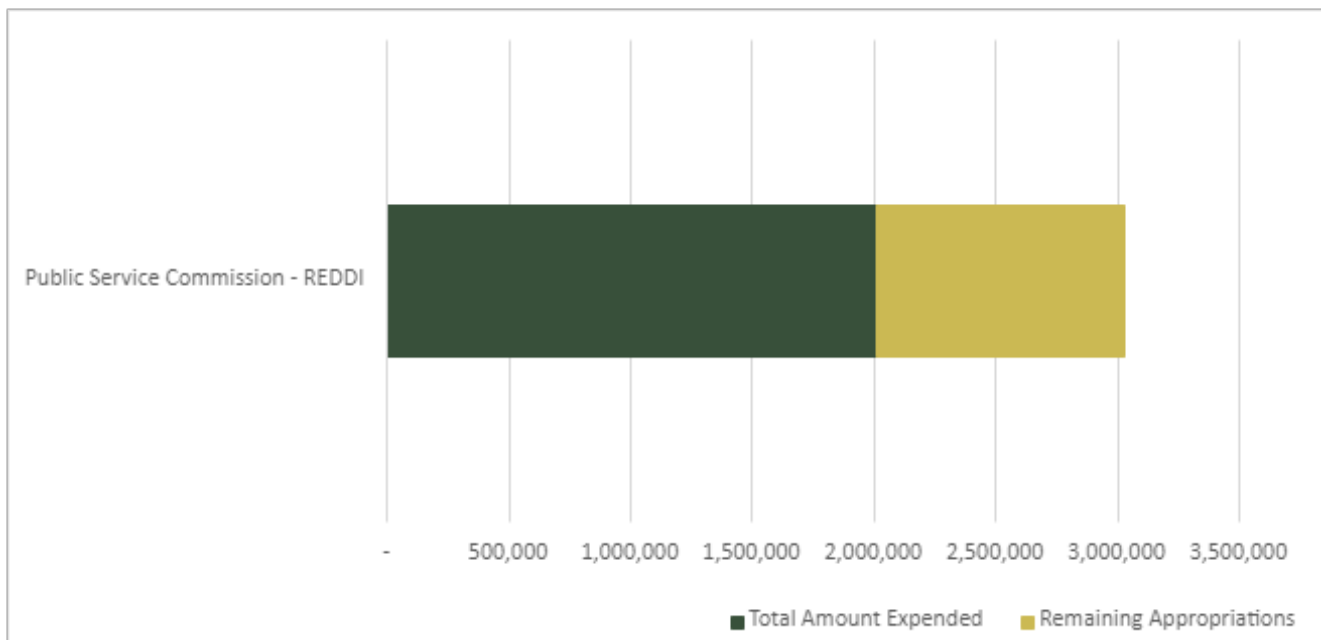
The personal staff position was hired March 4, 2024, the lawyer and engineering analyst positions are both advertised, and the utility rate analyst position is under review for potential reclassification.

Vacant Positions Report

DEPT NUM/NAME	FTE	Median Months Vacant	Market Midpoint (Hourly)
42010 PUBLIC SERVICE COMMISSION	4.00	2.15	38.43
01 PUBLIC SERVICE REGULATION PROG	4.00	2.15	38.43
Engineering Analyst 2	1.00	1.38	37.90
Lawyer 2	1.00	7.05	55.14
Personal StaffEO-Admin	1.00	0.43	
Utility Rate Analyst 1	1.00	2.92	38.96
TableTotalLabel	4.00	2.15	38.43

OTHER ISSUES

Information Technology Project Expenditures



The department has provided more updated information than is reflected in these charts. The REDDI project was essentially complete as of January 22, 2024 and the agency is now working on bug fixes and improvements. An addendum to the contract will allow \$237,619 of the contingency HB 10 funding to be used for this purpose. \$2.69 million of the \$3.3 million revised budget has been spent. The revised delivery date is June 30, 2024. The original delivery date was September 1, 2023 and the original budgeted amount was \$2.3 million. The final budget of \$3.3 million factors in configuration, project management, SITSD fees, and licensing costs through FY 2024.

The REDDI project assesses the agency’s software needs and manages the procurement and implementation of a new and/or enhanced software solution to fulfill the agency’s technology needs for case management, data management, and customer relations.

Large Information Technology Projects Original and Revised Budgets			
Project	Original Budget	Revised Budget	Change from Original Budget
Public Service Commission - REDDI	2,305,314	3,032,282	726,968

ADDENDUM: CONTRACTORS

No contractors have been paid as a result of staff vacancies in FY 2024. Temporary employees (up to one year) were hired to assist with existing workloads, including document processing, and compliance and customer service. The cost of these temporary hires from the pay period beginning November 4, 2023 through the pay period ending January 26, 2024 was \$15,580 in salaries and benefits.

Staff who are exempt (from FLSA) worked 269.50 hours of compensatory time because of workload requirements for an approximate salary cost of \$12,129.

Nonexempt (from FLSA) staff also worked additional hours because of workload requirements. These employees earned 32 hours of nonexempt comp time for an approximate salary cost of \$966. Compensatory time was elected by the employees, rather than overtime.