

Project Name: REDDI – PSC’s Replacement of EDDI (Electronic Data Base and Docketing system)

Funding Detail:

APPROPRIATION REQUEST 2024-25 BIENNIUM:		TOTAL PROJECT COST:	
HB 10:	\$1,496,436	\$1,331,436	2022-23 Biennium: \$1,627,846
HB 2:	\$ 308,000	\$ 308,000	2024-25 Biennium: \$1,639,436
Sub Total:	\$1,804,436	\$1,639,436	Total: \$3,267,282

REDDI Budget Tracker Montana Department of Public Service Regulation updated 1/26/23	FY 22 BUDGETED	FY 23 BUDGETED	22-23 BIENNIUM BUDGETED	FY 24 REQUESTED APPROPRIATION	FY 25 PENDING APPROPRIATION	24-25 BIENNIUM PENDING APPROPRIATION	TOTAL PROJECT COSTS including project management (FY 22, 23, 24), configuration (FY 23-24), 3 years annual software licensing (FY 23,24,25), SITSD fees (FY 22-23), and contingency.
PROJECTED COSTS:							
1. REDDI PROJECT MANAGER COSTS (Reunion Consulting Group)	\$ 85,840.00	\$ 128,637.00	\$ 214,477.00	\$ 75,000.00	\$ -	\$ 75,000.00	\$ 289,477.00
2. REDDI SYSTEM IMPLEMENTATION COSTS (Stratosphere Consulting)	\$ 687,743.00	\$ 540,103.00	\$ 1,227,846.00	\$ 939,468.00	\$ -	\$ 939,468.00	\$ 2,167,314.00
3. REDDI ANNUAL SOFTWARE LICENSE COSTS (Pega Systems)	\$ -	\$ 138,000.00	\$ 138,000.00	\$ 138,000.00	\$ 138,000.00	\$ 276,000.00	\$ 414,000.00
4. SITSD COSTS (Extra EDDI costs above budgeted)	\$ 24,523.00	\$ 23,000.00	\$ 47,523.00	\$ -	\$ -	\$ -	\$ 47,523.00
5. CONTINGENCY PLANNING (see note below)	\$ -	\$ -	\$ -	\$ 348,968.00	\$ -	\$ 348,968.00	\$ 348,968.00
TOTAL PROJECTED COSTS:	\$ 798,106.00	\$ 829,740.00	\$ 1,627,846.00	\$ 1,501,436.00	\$ 138,000.00	\$ 1,639,436.00	\$ 3,267,282.00
FUNDING SOURCES:							
1. 2021 HB 2 PSC - Initial Costs Phases 1-2 (OTO)	\$ 251,701.00	\$ 251,701.00	\$ 503,402.00	\$ -	\$ -	\$ -	\$ 503,402.00
2. 2021 HB 2 PSC - Fixed Costs (OTO)	\$ 165,000.00	\$ 255,680.00	\$ 420,680.00	\$ -	\$ -	\$ -	\$ 420,680.00
3. 2021 SB 191/OBPP - Supplemental Phases 1-2 (Biennial)	\$ 378,882.00	\$ 324,882.00	\$ 703,764.00	\$ -	\$ -	\$ -	\$ 703,764.00
4. 2023 HB 10 - Phase 3B Project Manager (OTO)	\$ -	\$ -	\$ -	\$ 75,000.00	\$ -	\$ 75,000.00	\$ 75,000.00
5. 2023 HB 10 - Phase 3B Final System Implementation (OTO)	\$ -	\$ -	\$ -	\$ 939,468.00	\$ -	\$ 939,468.00	\$ 939,468.00
6. 2023 HB 2 - Fixed Costs - Annual Software License	\$ -	\$ -	\$ -	\$ 138,000.00	\$ 138,000.00	\$ 276,000.00	\$ 276,000.00
7. 2023 HB 10 - Phase 3 Implementation Contingency (Restricted)	\$ -	\$ -	\$ -	\$ 316,968.00	\$ -	\$ 316,968.00	\$ 316,968.00
8. 2023 HB 2 - Licensing Contingency (Restricted)	\$ -	\$ -	\$ -	\$ 32,000.00	\$ -	\$ 32,000.00	\$ 32,000.00
TOTAL PROJECTED FUNDS:	\$ 795,583.00	\$ 832,263.00	\$ 1,627,846.00	\$ 1,501,436.00	\$ 138,000.00	\$ 1,639,436.00	\$ 3,267,282.00

Project Timeline: The project started up in July 2021 and will be completed in December 2023. Phases 1 and 2 are complete, Phase 3A is in progress and will be complete by June 30, 2023. Phase 3B is scheduled to be completed by December 31, 2023.

PHASE 1 – Discovery: November 2021 – January 2022

- A) Contract a Project Manager Software Analyst (PMSA)
- B) Evaluate EDDI Functionality & Determine Repair/Replace Feasibility

PHASE 2 – Procurement: February 2022 – June 2022

- A) Create System Requirements and Statement of Work
- B) Issue Request for Quotes, Evaluate and Procure Product & Services

PHASE 3 - Implementation July 2022 – December 2023

- A) Implement Minimum Viable Product
- B) Implement Most Valuable Functionality

Project Description:

REDDI is a highly configurable case management system that efficiently and securely facilitates tracking, organization, public interaction, and automation of documents, data, workflows, reports, and communications associated with the Department of Public Service Regulation’s supervision and regulation of Montana’s monopolistic industries. The system facilitates the department’s work in investigating and resolving conflicts between consumers and regulated companies; performing railway and pipeline safety inspections; managing administrative rules and public policy; and issuing orders regarding the licensure, rates, service quality, and conduct of regulated companies. REDDI includes a reliable online customer portal capable of handling the massive data uploads associated with rate cases and other filings.

BACKGROUND:

A decades-old electronic system that had been used by PSC for basic regulatory functions was deemed by the state to be obsolete in 2015 because it could not be integrated with emerging technologies and meet State IT requirements.

In 2017, the legislature appropriated approximately \$450,000 to have SITSD build EDDI, an Electronic Database for Docket Information system for PSC. EDDI met some but not all of the PSC's business needs and funding ran out before it could be made fully sound or fit for its intended purposes.

In 2021, the legislature appropriated \$1.9 million for PSC to pursue proper repair or replacement of EDDI. However, due to a bill drafting error, \$1 million of the intended appropriation was left out of HB 2. PSC kept the Interim Budget Committee apprised of the situation, received some supplemental funding from the Office of Budget Program and Planning, and revised the project schedule so that a portion of the final Phase (Implementation) could be held off until the final necessary appropriation could be authorized.

Phase 1 of the REDDI project began in the fall of 2021 with Discovery in which a contracted Project Manager/Software Analyst (PMSA) assessed the agency's existing Electronic Database for Docket Information (EDDI) system with the goal of determining whether it could and should be repaired or replaced. The PMSA recommended replacement and his report received concurrence from the Commission in January 2022.

Phase 2 began in February 2022 with formal identification of the department's technology needs and development of a Statement of Work which documented the functionality requirements associated with the prospective new system. A Request for Quotes was issued through the state-approved National Association of Procurement Officers (NASPO) list in March 2022. After a thorough evaluation of all options, the selected providers were contracted to begin Phase 3, Implementation.

Phase 3 (Implementation) began on July 1, 2022. This phase is broken into two parts. Part A, or Year 1 Implementation, is underway and includes development of a Minimum Viable Product for the Department's Consumer Assistance, Public Policy, Regulatory, Legal, Safety, and Licensing work. This Phase has been fully funded and progress remains on schedule with two of six planned releases currently live. Part B, or Year 2 Implementation, is pending the final appropriations necessary to complete the project to full functionality of all releases and pay annual licensing fees through fiscal year 2025.

BUDGET TRACKER NOTES:

- 1) Total known costs are \$2,918,314. Restricted contingency funds totaling \$348,968 (11% of total project cost) are listed to cover potential/unplanned cost increases within the next 2 years. Such costs may occur due to increased annual license fees if the number of users increase, contracted outside technical support if IT Analyst FTE is not provided, unknown/unplanned SITSD costs, possible additional platform integrations, data migration, security measures, project management, or other post Minimum Viable Product (MVP) components found necessary for project completion.
- 2) HB 10 incorrectly shows the REDDI appropriation amount of \$1,496,436. The actual amount should be \$1,331,436. The \$165,000 difference is due to the following factors:
 - When our requested appropriation amount was input, a number was transposed. \$1,496,436 was input but the correct amount is actually \$1,469,436. This resulted in a \$27,000 overage which should be removed from HB 10.
 - The final Phase 3B Implementation cost plus a 1-year annual licensing fee of \$138,000 is included in HB 10. However, all annual licensing fees for the biennium are included in HB 2 so \$138,000 should be removed from HB 10.