

Department of Public Service Regulation Sept 15, 2021

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IMPROVING INTERNAL PRACTICES

ORGANIZATIONAL
EFFECTIVENESS

INTERNAL POLICIES &
CONTROLS

FISCAL
COMPETENANCIES

IMPROVING INTERNAL PRACTICES

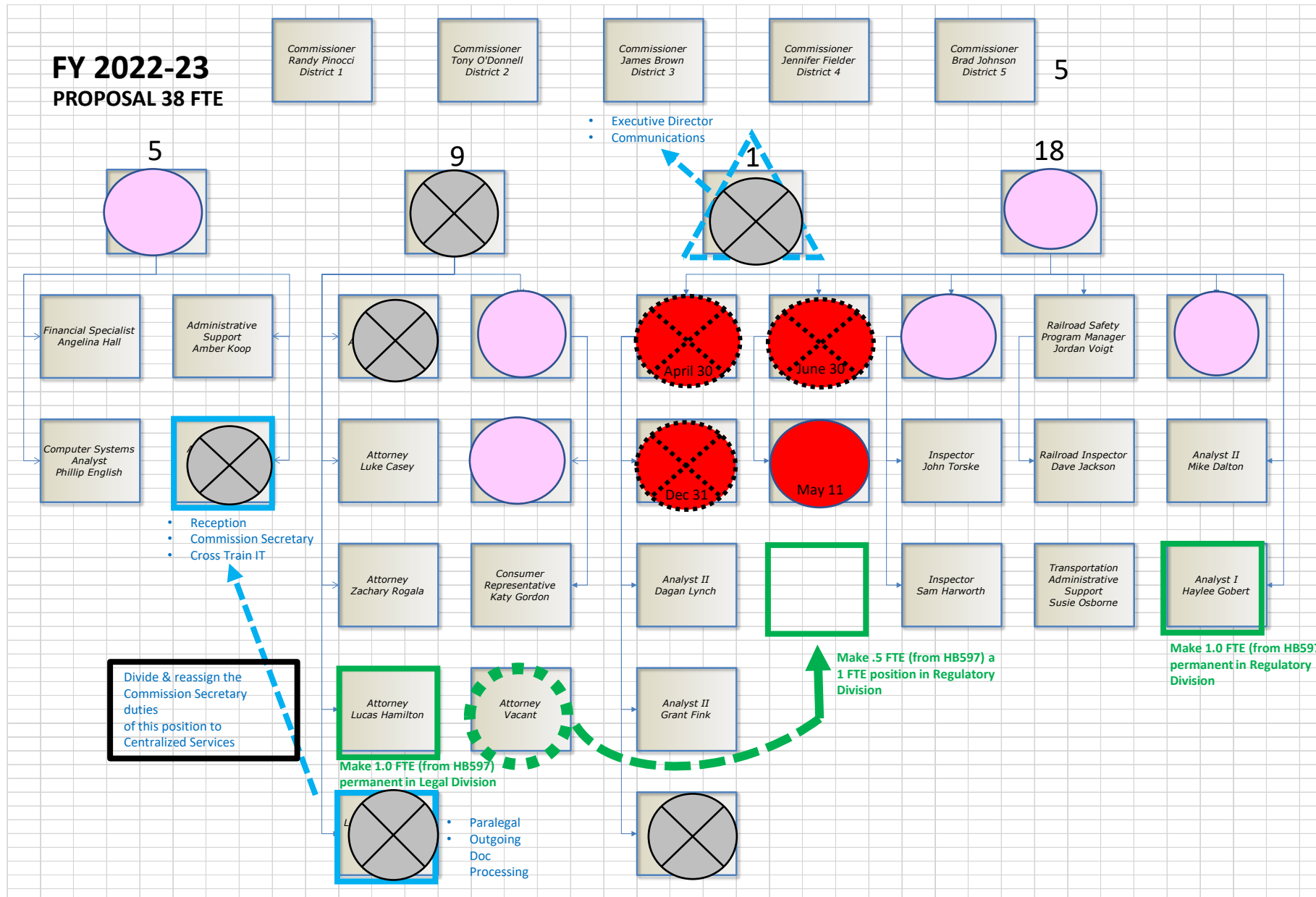
STRATEGIC PLANNING INITIATIVE

BLUE BOOK REVIEW/REVISION

ENHANCED RECRUITMENT, CROSS
TRAINING & RETENTION

SOFTWARE MODERNIZATION

Strategic Planning: January 2021



VACANCY STATUS:

- ⊗ Vacant (6)
- ⚙ Planned Retirements 2021 (3)
- Other Anticipated Vacancies (1)
- Others Eligible for Retirement (6)

38 FTE PLAN:

- Make 2 HB597 FTE's Permanent
- ➡ Change .5 HB597 FTE into 1 FTE Move to Reg Division
- Split Paralegal/Commission Sec
- ⚙ Convert Coms Director to Exec Director w/Coms Strengths

LEGISLATIVE HELP NEEDED

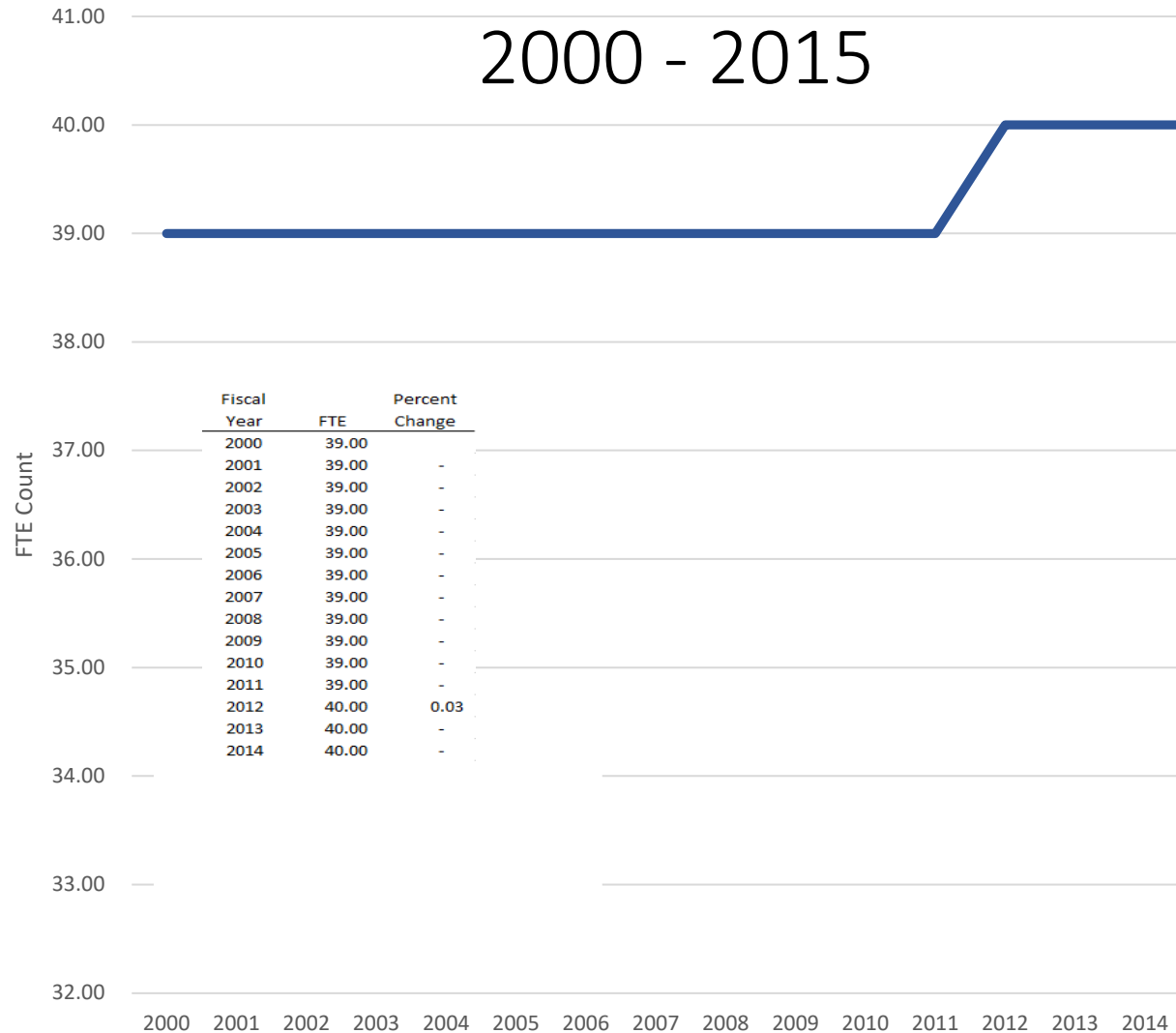
- ✗ Repeal HB 597's Hearings Examiner Mandate
- ✗ Make the 2.5 FTE from HB 597 permanent and round up to 3.0 FTE
- ❓ Complete Software Modernization

AGENCY ACTION:

- ✓ Strategic Plan/Restructure
- ✓ Ramp Up Recruitment & Retention
- ✓ Cross-Train & Succession Plan
- ❓ Repair/Replace EDDI

FTE Stability

2000 - 2015

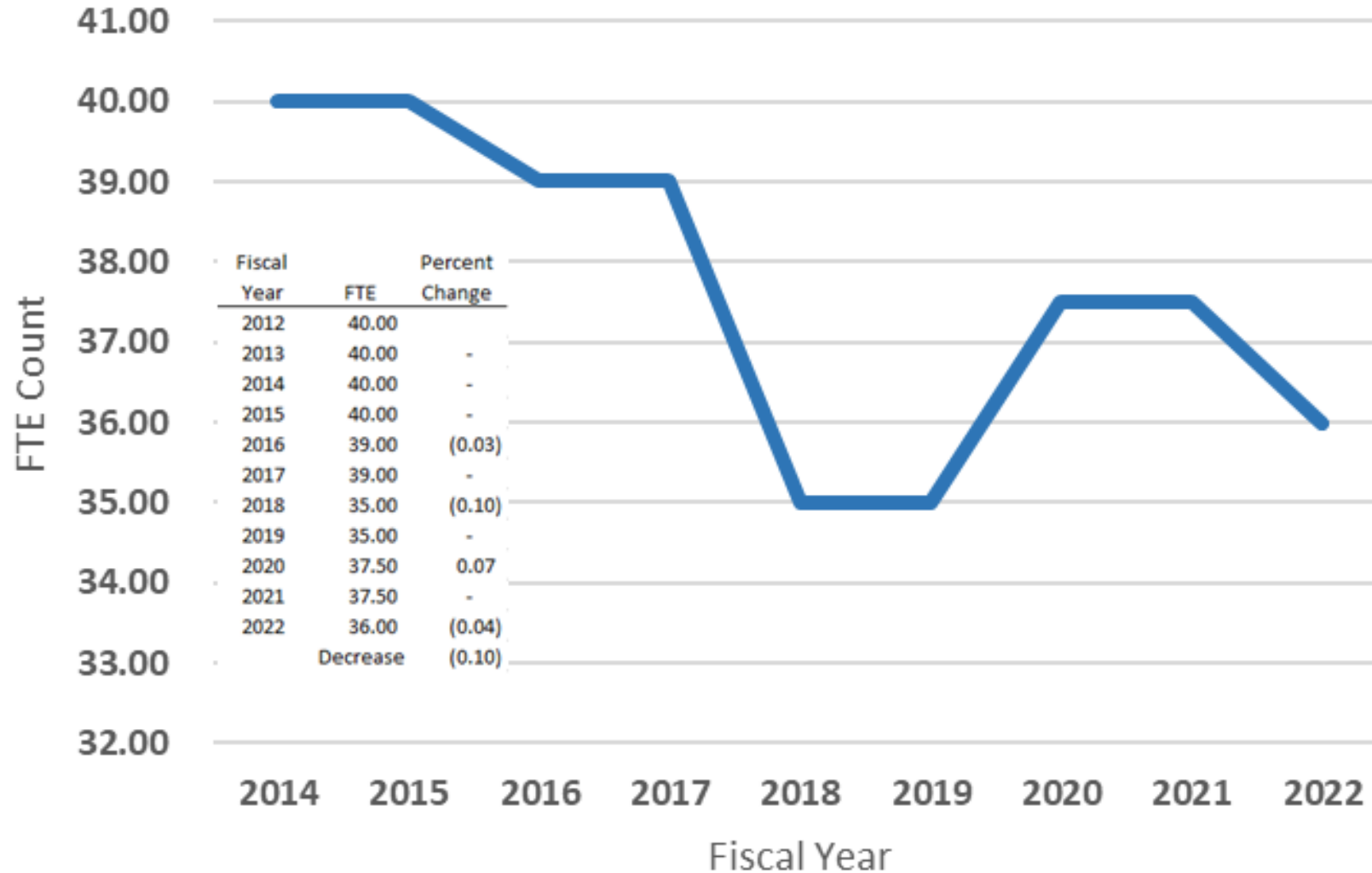


**For 15 years the PSC
had 39 - 40 FTE**

In 2015-17, the legislature
cut the agency down to 35
FTE, a net loss of 14.3% of
our staff.

FTE Instability

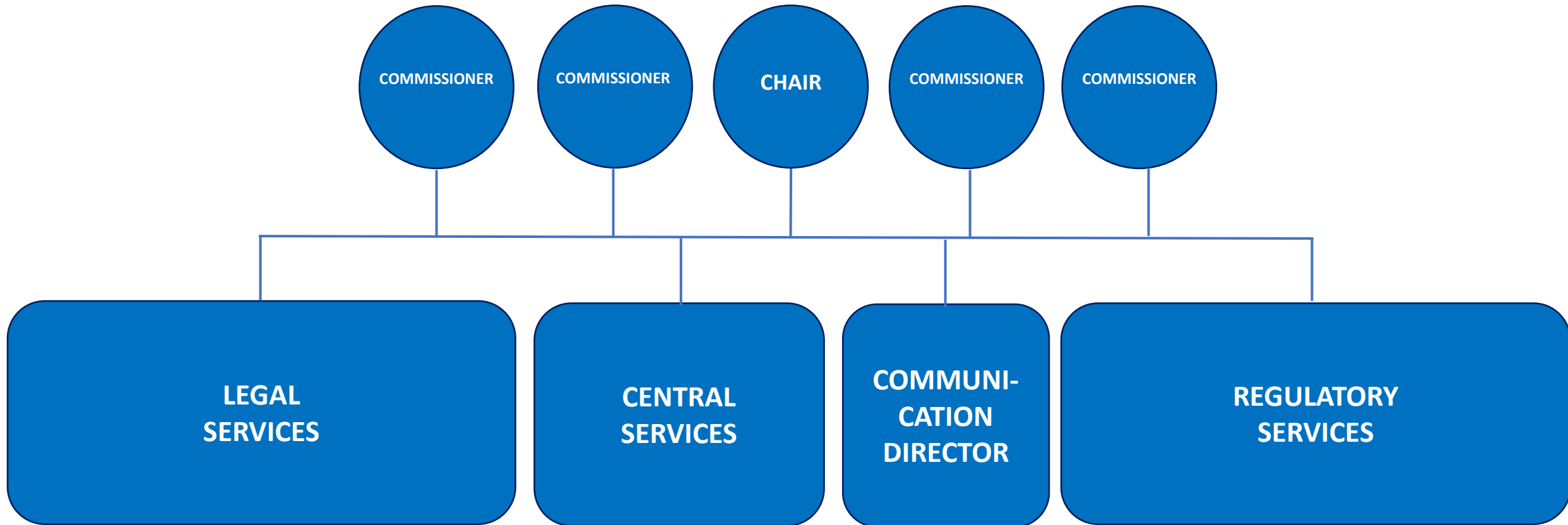
2015 – 2022



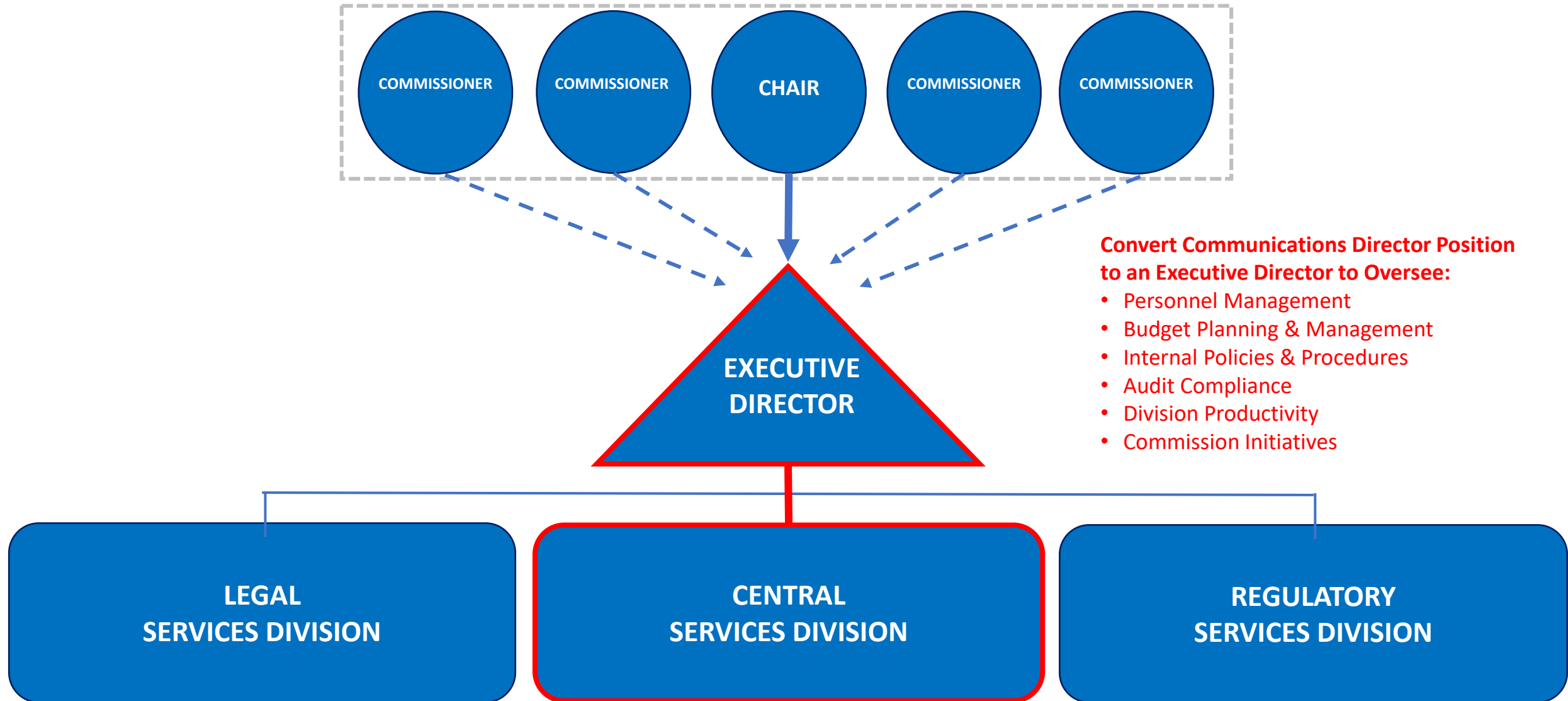
The PSC has been hit with wild fluctuations in FTE levels over the last 6 years.

Old Administrative Structure

2015-2020



New Administrative Structure



New Administrative Chain of Command & Core Duties

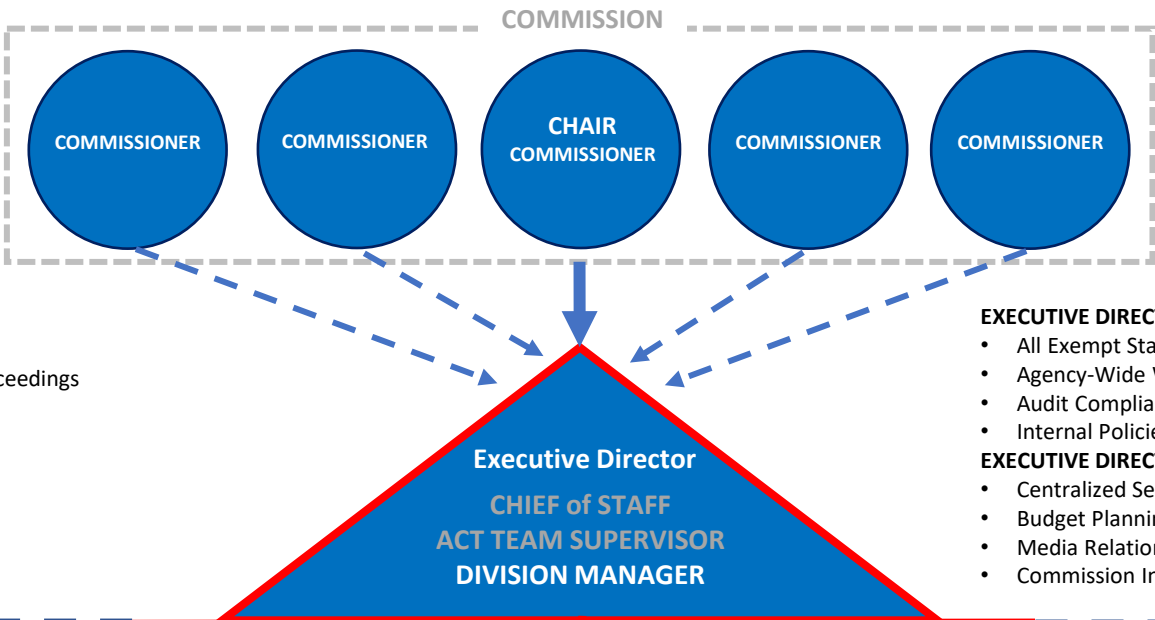
**ADOPTED
6/29/21**

COMMISSION EXECUTES:

- Regulatory Decisions
- Legal Decisions
- Public Policy Decisions
- Agency Budget, Plans & Policies
- Appointments of Exempt Staff

CHAIR:

- Sets the Agenda and Presides Over Commission Proceedings
- Directs Chief of Staff on Day-to-Day Matters
- Appoints Special Committees and Work Groups
- Designates Commissioners for Special Assignments

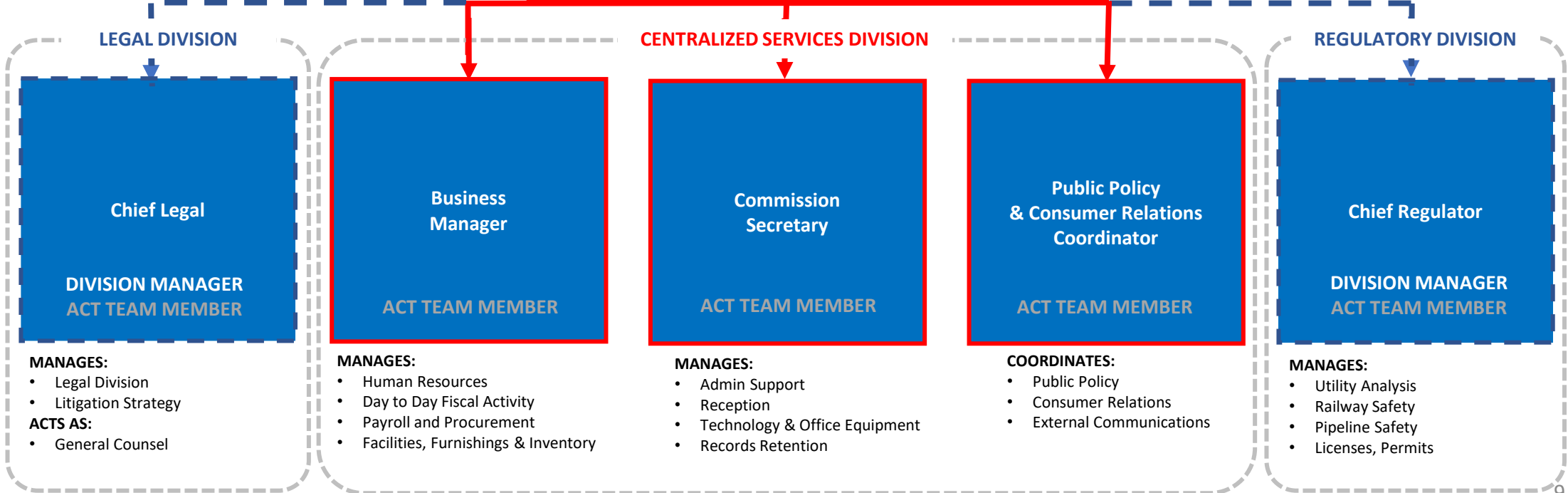


EXECUTIVE DIRECTOR OVERSEES:

- All Exempt Staff
- Agency-Wide Workload Balance/Buffering/Productivity/Performance
- Audit Compliance
- Internal Policies & Procedures

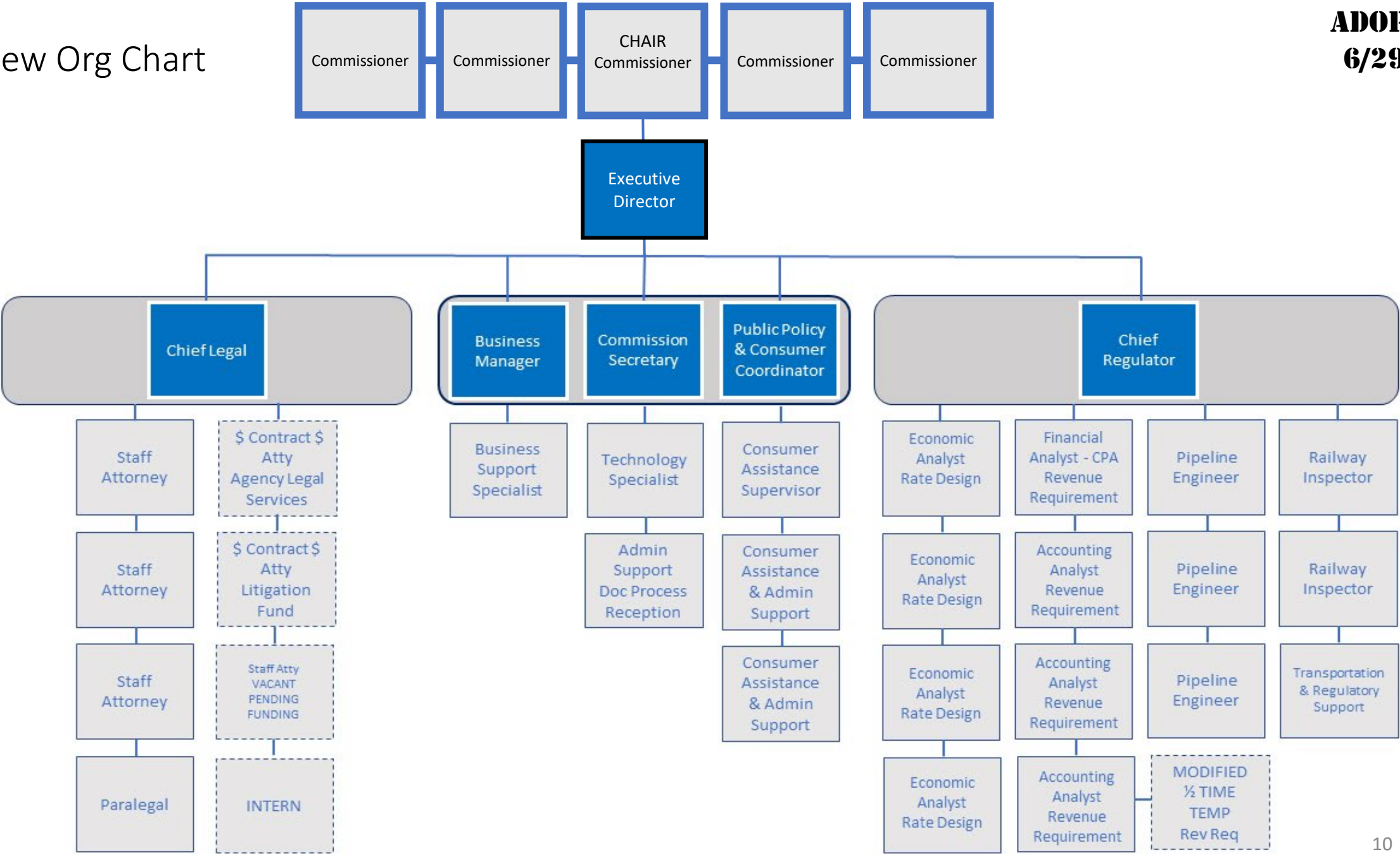
EXECUTIVE DIRECTOR MANAGES:

- Centralized Services Division
- Budget Planning & Management
- Media Relations
- Commission Initiatives



New Org Chart

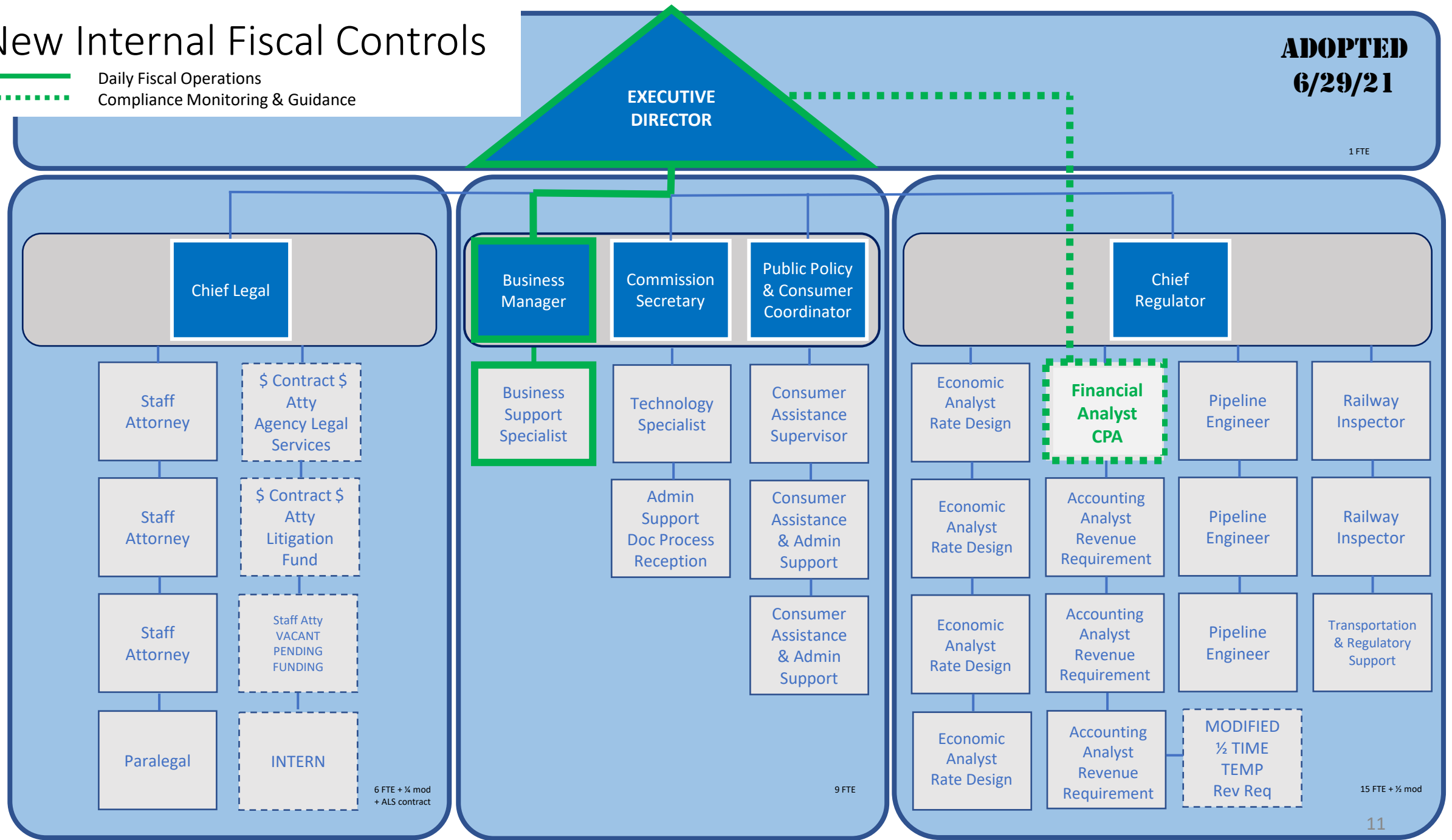
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6/29/21



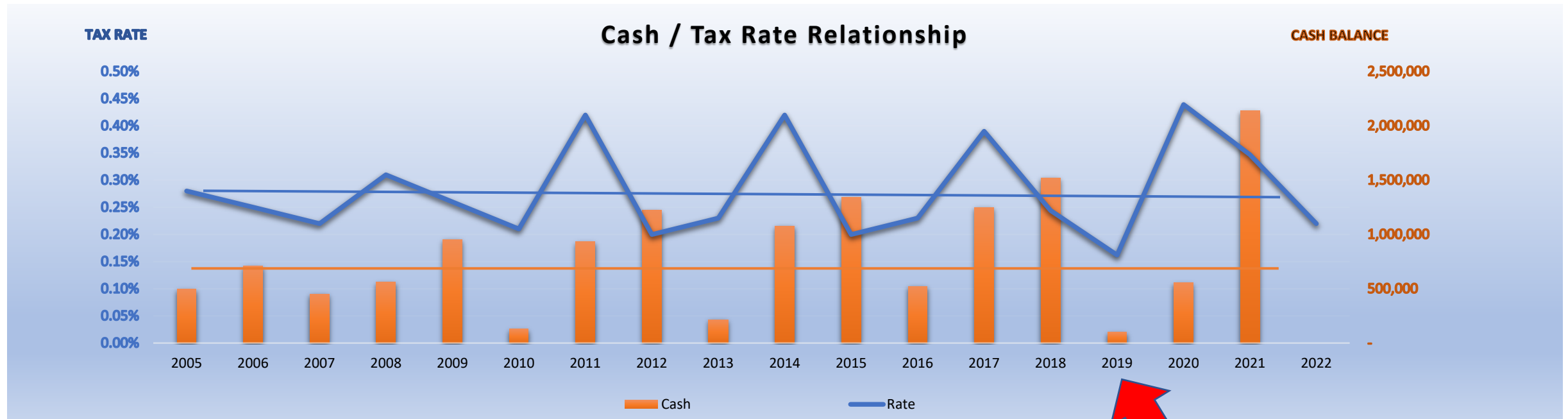
New Internal Fiscal Controls

— Daily Fiscal Operations
- - - Compliance Monitoring & Guidance

ADOPTED
6/29/21



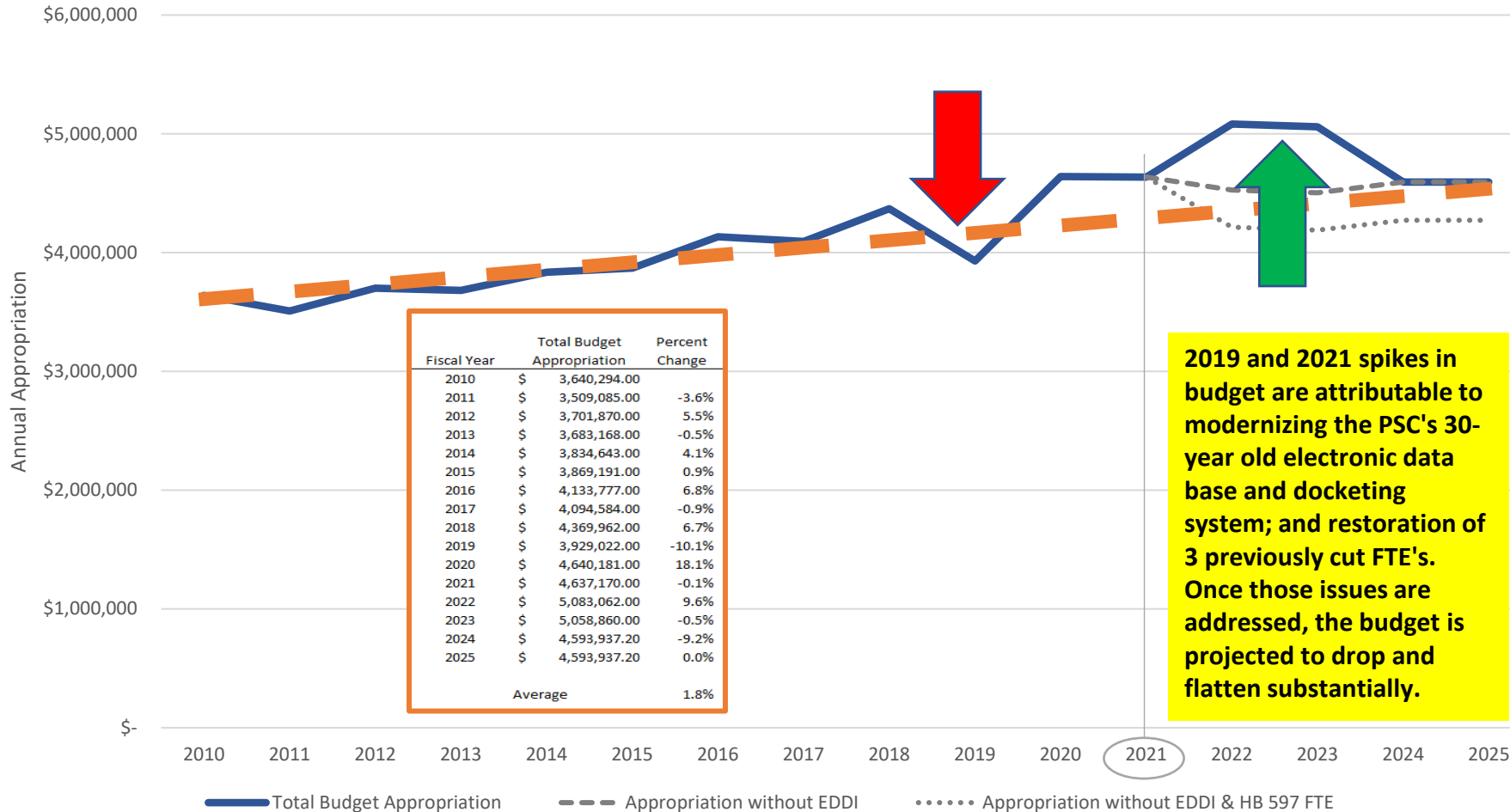
CASH BALANCES FLUCTUATE ON TWO/THREE YEAR CYCLE



25 Year Budget Trajectory

2010-2025

Projected as of January 2021



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

Regulated Industries



Energy



Telecom



Transportation



Water & Sewer



Pipeline Safety



Railway Safety

We Saved Utility Customers \$73 Million in 4 Years

Examples of Customer Benefits from the Regulatory Process PSC Oversees

Year	Docket No.	Utility	Customer Savings vs Utility Request
2016	2016.12.103	MTSUN (after MSC decision)	\$31 Million (25 yr NPV)
2017	2017.09.079	Montana-Dakota - Gas	\$1 Million
2017	2017.09.080	Energy West - Gas	\$1 Million
2018	2018.02.012	NorthWestern - Electric	\$28 Million
2018	2018.09.060	Montana-Dakota - Gas	\$3 Million
2019	2019.09.058	NorthWestern - Electric	\$9 Million
Total			\$73 Million

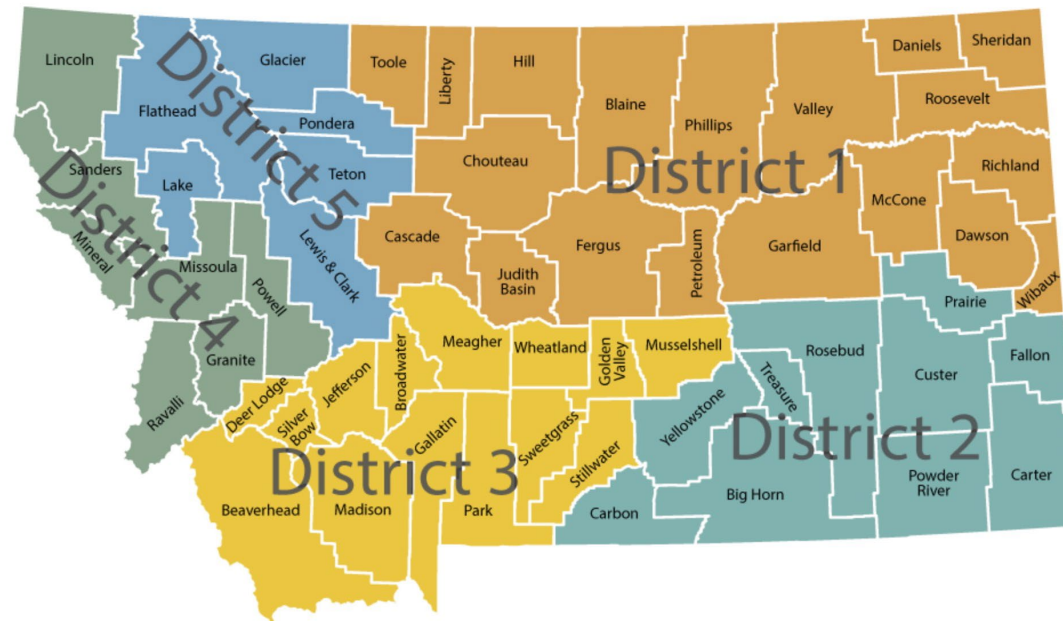
We Prevent Train Derailments Nationwide





EAGER TO IMPROVE

Elected Regional Representation



HOW THE LEGISLATURE CAN HELP IMPROVE DPSR OPERATIONS & PERFORMANCE

Correct	Repeal	Stabilize	Learn	Coordinate	Streamline
<p>CORRECT BUDGET For Software Modernization</p>	<p>REPEAL Hearings Examiner Mandate</p> <p>RESTORE LITIGATION FUND \$\$\$</p>	<p>STABILIZE FTE To functional level</p> <ul style="list-style-type: none">• Railway Inspector• Accountant• Technology• Attorney <p>COMPETITIVE SALARIES</p>	<p>LEARN About Agency Process for Regulating Monopolies</p> <p>Field Visit 1701 Prospect Ave</p>	<p>COORDINATE with PSC on Proposed Legislation</p> <p>Draw Upon Agency Expertise & Institutional Knowledge When Considering Legislation</p>	<p>STREAMLINE Statutes To Improve Efficiencies</p>

How We Are Funded

Budget Approval Process, Revenue Sources, Primary Expenses

