



**Department of Public Service Regulation
Montana Public Service Commission**

**ANNUAL PERFORMANCE REPORT
FOR THE DEPARTMENT OF PUBLIC SERVICE
REGULATION (DPSR)
Fiscal Year 2024 (July 1, 2023 through June 30, 2024)**

In accordance with Mont. Code Ann. §2-12-105, the Montana Department of Public Service Regulation (DPSR) provides this Annual Performance Report. The DPSR Annual Performance Report provides:

1. A description of the objective and mission of the DPSR;
2. A description of the divisions of the department and the functions of each division; and
3. Fiscal Year 2024 outcomes and outputs with respect to the performance measures identified in the 2023 Annual Performance Plan.

The objective of the DPSR is to fairly balance the interests of regulated companies and the public they serve. Further, it is the mission of each division of the DPSR to provide competent, professional support to the Public Service Commission in pursuit of this objective.

Listed below are the 3 divisions within the DPSR: Regulatory; Legal; and Centralized Services and a description of each division's functions, responsibilities, and performance measures.

REGULATORY DIVISION

The Regulatory Division conducts financial, economic, and technical analyses of the operations of regulated public utilities and common carriers; administers tariffs; performs railroad and pipeline safety inspections; monitors compliance; manages enforcement; assists consumers of regulated services; drafts and implements commission rules, orders, and other directives; administers applications for operating authority; participates in regional market and transmission forums; assists with developing and modifying regulations and policies; and advises the commission regarding all of these matters. The Regulatory Division comprises four programs/teams: An economic and financial/accounting analysis team (9 FTE); a regulatory compliance & consumer assistance team (4.5 FTE); a pipeline safety inspection team (3 FTE); and a railroad inspection team (2 FTE).

LEGAL DIVISION

The Legal Division provides competent legal representation to the Public Service Commission. The Legal Division facilitates the commission's legal and quasi-judicial proceedings and provides legal counsel to the commission, and divisions, in matters requiring legal representation, interpretation, or opinion. The Legal Division represents the agency and the commission in court; issues legal opinions; and analyzes contracts and advises the commission on

interpretations of law on matters within the scope of the department's jurisdiction and responsibility. The Legal Division also processes all public records requests submitted to the agency.

The Regulatory and Legal Divisions work in tandem to process applications from regulated companies and provide technical and legal advice to public service commissioners.

Fiscal Year 2024 Outcomes and Outputs with Respect to Performance Measures (Regulatory and Legal Division):

Total orders issued:	92
Default orders	22
Interim orders	7
Final orders:	18
Reconsiderations	2
Order to show cause	1
Procedural orders	42
Notices of Commission Action:	23
Dockets Initiated:	115
Staff analysis memoranda issued:	39
Staff prehearing fact sheets issued:	3
Listening Sessions:	6
Rulemaking Hearings:	1
Public Hearings:	4
New Petitions for Judicial Review:	0
District Court Arguments:	2
Public Records Requests:	7

In its 2023 Annual Performance Plan, the Commission identified average times to process various procedural steps in contested cases as one method of tracking performance. That data is reported in the table below for all dockets opened between July 1, 2023, and June 30, 2024.

Number of Days . . .	Average (All Dockets)	Std. Dev.
From Filing to Initial Notice	26	25.32
From Initial Notice to Procedural Order	46	23.04
From Filing to Conclusion of Process	86	80.04
From Conclusion of Process to Disposition	40	34.63
From Filing to Disposition	122	84.92

For purposes of this analysis:

- The *filing* date is the day the docket was first opened, even if the docket was opened with an incomplete filing. After the filing date, Commission staff must review the filing to determine whether it is complete and in compliance with relevant Commission rules.
- The *initial notice* date is the day the Commission provided public notice of the filing. Depending on the nature of the filing, the Commission will provide notice on its weekly agenda, in a document entered into REDDI, and/or in a legal notice published in a newspaper of general circulation in the area affected by the filing. The initial notice may set a deadline for comments and/or intervention.
- The *procedural order* date is the day the Commission staff published an order outlining the planned procedure and schedule for the docket. Not all dockets require procedural orders, and not all procedural orders contemplate a full contested case process, including a hearing. Many dockets begin with limited procedural orders that allow for discovery and set deadlines by which parties may request additional process, including hearings. Before issuing procedural orders that schedule hearings, Commission staff typically requests proposed schedules from the parties.

- The *conclusion of process* is either the deadline for parties to request additional process, or the deadline for parties to submit final briefs or other materials for the Commission’s consideration. After this date, the matter is considered submitted for the Commission’s decision. Alternatively, this date may reflect the withdrawal of an application by the original filer, which often ends the docket.
- The *disposition* is the date the docket is formally closed. A docket may be closed in a variety of ways, including through the issuance of a final order, an order on reconsideration, or a default order. Default orders are issued when no issues are disputed by the parties. The Commission has delegated authority to its staff to prepare and issue default orders, unless any Commissioner requests that the Commission vote on the matter. Alternatively, some dockets are deemed approved by operation of statute or administrative rule, in which case they are closed automatically.

Timelines and procedures for dockets vary widely based on the needs of the parties and the complexity of the issues involved. For example, dockets with limited procedural orders are generally resolved much faster than dockets with full procedural schedules:

Number of Days . . .	Dockets with Limited Process		Dockets with Full Process	
	Average	Std. Dev.	Average	Std. Dev.
From Filing to Initial Notice	27	26.7	23	22.4
From Initial Notice to Procedural Order	43	14.1	51	30.0
From Filing to Conclusion of Process	78	71.8	173	86.3
From Conclusion of Process to Disposition	43	33.0	31	29.8
From Filing to Disposition	114	74.3	204	110.1

The nature of the issues and the parties’ positions determine whether a docket can be processed with limited procedures. The Commission generally accommodates parties’ requests for additional process.

REGULATORY COMPLIANCE / CONSUMER SERVICES

Within the Regulatory Division, there is a regulatory compliance/consumer services program. This program provides consumer assistance; facilitates and responds to public comments; facilitates access to commission proceedings; processes and evaluates applications and other filings from regulated motor carriers, telecommunications providers, and water and sewer companies; recommends corrective actions for violations of laws, rules, tariffs and policies; and assists with the department’s public information, public policy, document processing, reception, and other administrative support functions.

Fiscal Year 2024 Outcomes and Outputs with Respect to Performance Measures:

1. Entered 2,728 new consumer assistance cases into REDDI (The DPSR’s document tracking system).
2. Processed 1,902 public comments.
3. With very limited exceptions, acknowledged all calls, e-mails, and letters within 24-hours.
4. Follow-up on open cases did not occur at least once every 8 business days in all cases due to staff workload. Processes are being put into place to comply with this performance measure in the future.
5. The program strives to process public comments within 5 business days. In FY 2024, there was one instance in which the volume of comments submitted overwhelmed staff’s ability to process them all in the 5-day period, despite redeployment of staff resources from other workload.
6. All new telecommunications registrations were acknowledged within 24-hours and processed within 3 business days.
7. Applications from telecommunications, water/sewer, and motor carriers were all timely processed.

RAILROAD SAFETY

The Railroad Safety Program, which is also within the Regulatory Division, ensures safe railroad operations by enforcing federal safety regulations to all types of locomotives and freight cars operating in Montana. The primary responsibility of the program is to protect the public from the hazards related to railroad derailments and accidents. The program relies on two federally-certified Motive Power and Equipment inspectors to fulfill that responsibility.

Fiscal Year 2024 Outcomes and Outputs with Respect to Performance Measures:

In FY 2024, Program inspectors:

1. Conducted 342 inspections (268 inspection days)
2. Identified 2,200 Non-compliant Defects
3. Reported 62 Accidents / Incidents, compared to 79 Accidents / Incidents in FY 2023
4. Participated in the Operation Lifesaver program
5. Participated in the State Emergency Response Committee
6. Actively engaged with the National Association of State Rail Safety Managers
7. Actively engaged with federal inspectors and conducted multiple joint inspections and audits
8. Created an annual inspection plan, targeting the highest risk locations based on previous data, and focused oversight and enforcement efforts on those highest risk locations
9. Collaborated monthly with FRA and Montana DES coordinators to identify safety risks/trends.
10. Participated in Local Emergency Planning Committee meetings.

PIPELINE SAFETY

Another program within the Regulatory Division, the Pipeline Safety Program, ensures the safe construction, operation, and maintenance of intrastate gas pipelines in Montana.

Fiscal Year 2024 Outcomes and Outputs with Respect to Performance Measures:

The Pipeline Safety program does not have a means of measuring performance on a fiscal year basis as it relies on a federal reporting system. For calendar year 2023, this program:

1. Achieved a total 179 field inspection days (federal requirement for 2023 was 170)
2. Completed a total of 75 inspections
3. Issued 4 violations
4. Enforced the correction of 11 violations
5. Reported no accidents or incidents
6. Achieved perfect scores in audits by the federal Pipeline and Hazardous Materials Safety Administration (PHMSA) for pipeline and storage program requirements.

CENTRALIZED SERVICES DIVISION

The Centralized Services Division (CSD) manages the commission calendars, agendas, meetings, reception area, mail processing services, records management, and provides administrative support to commissioners and PSC staff. The division is also responsible for human resources; fiscal activities; payroll and procurement; facilities furnishing and inventory; office equipment and inventory; and office safety and security. Within the CSD, the PSC Information Technology staff purchases and services computers, communications, asset inventory and security products to promote

completion of agency objectives. It also assists PSC commissioners, staff, and the public in utilizing agency hardware and software resources.

Fiscal Year 2024 Outcomes and Outputs with Respect to Performance Measures:

1. System load times – We do not have system performance data from our previous case management system, EDDI; however, internal and external users have reported greater satisfaction with performance in our new case management system, REDDI.
2. All SITSD security audits were passed, with some needed improvements identified. Those improvements are being actively worked on.
3. Public participation is increasing on a regular basis – As of 10/11/2024 our REDDI system has 2,991 credentialed public users.
4. Members of the public used the REDDI system 48 times to submit requests for assistance (1.76% of the total requests for assistance) and 63 times to submit public comments in dockets (3.31% of total public comments).
5. A desk reference guide has been created and is consistently used by staff
6. Workflow processes and checklists are used regulatory
7. Bi-weekly staff meetings are held
8. Performance reviews for Fiscal Year 2024 were complete
9. Facilitated trainings (Know Be 4, EEO, Lunch & Learn)

Submitted by: JAMES BROWN, PSC President

Dated: November 27, 2024

