



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

**DEPARTMENT OF PUBLIC SERVICE REGULATION
PERFORMANCE PLAN
2025 – 2027**

(Adopted September 1, 2025)

Pursuant to MCA 2-12-104, the Montana Department of Public Service Regulation (DPSR) must prepare an Annual Performance Plan. In compliance with Montana Code Annotated, the plan is to include:

1. A description of the functions and divisions of the department, including a discussion of the department's priorities;
2. Initiatives of the department that reflect the benefits and outcomes the department expects to achieve on behalf of the public or specific groups through its divisions; and,
3. Specific and measurable performance procedures for initiatives of each division, including the preferred outcomes and outputs with respect to each initiative.

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1. Introduction

The Department of Public Service Regulation (DPSR) was created by the legislature to regulate the rates, service quality, and business practices of investor-owned electric, natural gas, water, wastewater, and legacy telecommunications companies. The Department is headed by the Montana Public Service Commission (PSC), a five-member board of elected Commissioners.

In addition to its utility oversight, the PSC contributes to public safety through the inspection of railroads and the monitoring of intra-state natural gas pipeline infrastructure. The DPSR also grants operating authority and enforces insurance requirements for certain classes of motor carriers, like garbage hauling. These industries, while diverse in function, share a defining characteristic: they operate as monopolies in their service territories, meaning customers often have no alternative providers, or very limited alternatives. Because of this, the PSC plays a crucial role in protecting the public interest, ensuring that utility services remain reliable, affordable, and are delivered safely. The Commission must carefully balance the concerns of ratepayers who are impacted by utility costs with the financial needs of utility companies, which must remain solvent and well-maintained in order to deliver uninterrupted service.

2. Department's Core Requirements:

DUTY

It is the duty of the DPSR to supervise and regulate the operations of public utilities, common carriers, railroads, and other regulated industries listed in Montana Code Annotated (MCA) Title 69. Such regulation and supervision are limited by and shall be in conformance with Title 69.

It is the duty of the DPSR staff to provide competent, professional support to the Commission in these endeavors.

MISSION

It is the mission of the DPSR to fairly balance the interests of regulated companies and the public they serve.

It is the mission of the DPSR staff to provide competent, professional support to the Commission in this endeavor.

VISION

It is the vision of the DPSR to lead by example in establishing the DPSR as:

A model of good governance.

A great place to work.

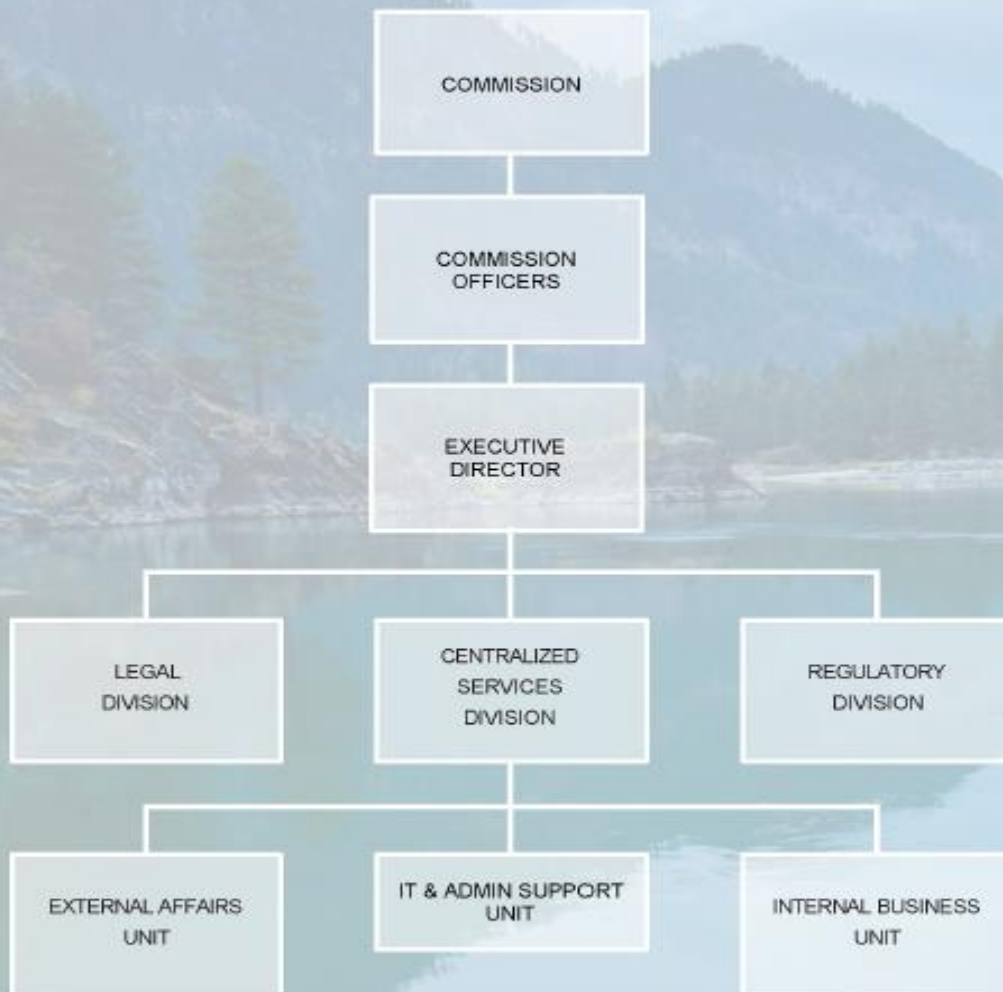
The state's most credible source of information and guidance regarding the industries we regulate.

3. ORGANIZATIONAL STRUCTURE



DEPARTMENT OF PUBLIC SERVICE REGULATION

ORGANIZATIONAL STRUCTURE



4. ORGANIZATIONAL FUNCTION

Commission: The Commission is a deliberative body comprised of five commissioners. When acting as a body and adhering to applicable laws, rules, plans, and policies, the Commission gives effect to the decisions that govern the department and determine the disposition of legal and regulatory matters within its jurisdiction.

Commission Officers: The officers of the Commission are the President, who is the presiding officer pursuant to MCA 69-1-107; and the Vice President. The officers are selected by the Commission from its membership at the Commission's first business meeting of each year after a general election.

Executive Director: The Executive Director is the Chief Administrative Officer of the department and serves as its Chief of Staff and the administrator of the Centralized Services Division. The Executive Director supervises management staff and is ultimately responsible for the performance of all staff across all divisions. The Executive Director works closely with commission officers on all matters under his/her charge and is supervised by the President.

Legal Division: 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. Its activities include managing dockets before the Commission and related document intake and distribution; drafting Commission notices, orders, and decisions; drafting, revising, and managing administrative rules; conducting legal research; and acting as hearing officers for the agency.

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.

Economic and Rate Analysts: Economic Analysts assist in interpretation and application of public policy, analyze utility costs of service and long-range planning, and develop rate design recommendations. Rate Analysts analyze operating costs, revenue requirements, and performance of regulated entities.

Pipeline Inspectors: This unit performs safety inspections on intrastate natural gas lines and storage facilities.

Railway Inspectors: These specialists, which include both track and operating inspectors, perform safety inspections on locomotives, freight cars, and railway fencing.

Compliance Specialists: This group provides consumer assistance and public outreach functions, and administers applications from regulated motor carriers, telecommunications carriers and water and sewer companies.

Centralized Services: The Centralized Services Division (CSD) provides essential operational support and guidance to the entire agency, ensuring smooth and efficient internal functions. CSD staff manage key areas including accounting, budgeting, and payroll; human resources; contract management and procurement; information technology; executive and agency support; facilities and inventory; and records retention. This division plays a mission-critical role in enabling the agency to fulfill its regulatory responsibilities effectively.

External Affairs Unit: This unit is responsible for coordinating the department's public policy tracking and analysis, governmental affairs, public meeting notices and other external communications, media relations, public involvement, and consumer relations activities. The unit manages the department's public information content, including website, social media, branding, and messaging, monitors service outages and billing changes, and assists consumers with questions or complaints regarding regulated entities.

IT and Admin Support Unit: The unit oversees administrative operations, technology systems, reception, and office resources while managing mail, purchasing, travel, and meeting facilitation. It prepares and distributes commission agendas and records, provides individualized support to commissioners, and ensures compliance with recordkeeping requirements.

Internal Business Unit: This unit is responsible for the department's budget, accounting, procurement, revenue collection, and related reporting; facility maintenance and workplace safety; furnishings and equipment; human resources; and payroll processing.



5. DEPARTMENT PRIORITIES

Ensure Safe, Reliable, and Affordable Utility Services

(All Divisions)

- The PSC's core mission is to regulate investor-owned utilities to ensure that services are:
 - Reliable – uninterrupted and well-maintained
 - Fair – rates are fair to consumers
 - Safe – services and infrastructure comply with safety standards
- The Commission must balance ratepayer protections with utility financial health, ensuring that:
 - Consumers receive fair rates
 - Utilities are solvent and able to invest in infrastructure

Staff Performance and Development

(All Divisions)

- The agency prioritizes effective leadership, oversight and investment in staff:
 - The Executive Director supervises all staff, ensuring accountability
 - Staff receive support for professional responsibilities, training, and development
 - Offer competitive pay and benefits to attract top talent and support long-term employee retention

Transparency, Public Involvement, Accountability

(External Affairs, IT/Admin Support, Internal Business)

- The PSC emphasizes transparent operations and public trust, achieved through:
 - Open Commission meetings, expanded public comment opportunities, and clear public notices
 - Accessible consumer complaint and inquiry processes associated with regulated companies
 - Comprehensive documentation and records retention

Operational Efficiency and Internal Support

(Centralized Services, IT & Admin Support, Internal Business)

- Internal support systems enable effective regulation, with priorities including:
 - Consistently review and update Internal Policy Manual and Risk Assessment
 - Technology and administrative support
 - Robust budget, procurement, and HR systems

Legal and Regulatory Integrity

(Legal and Regulatory Division)

- Maintaining a strong legal and procedural foundation is key:
 - Timely and accurate legal filings and rulemaking
 - Adherence to statutory authority, due process and a biennial review of administrative rules

Interagency and Public Communication

(External Affairs)

- Clear, coordinated external messaging and public policy engagement:
 - Monitoring and communicating legislative and policy developments
 - Media relations, department press releases, social media posts, and website maintenance

Infrastructure and Safety Oversight

(Regulatory Division)

- Ensuring safety in public infrastructure through:
 - Pipeline and railroad safety inspections
 - Monitoring of outages and compliance enforcement

Strengthen Intergovernmental and External Relations

(External Affairs)

- Build and maintain respectful, collaborative relationships with the Legislative and Executive branches
- Work cooperatively with legislative committees, the Governor's Energy Office, other key agencies and regional groups

LEGAL DIVISION GOALS

1: Reduce Time-to-Completion of Default Orders by 10%

Tasks:

- ✓ Set and prioritize reasonable deadlines for preparing and processing default orders in routine cases.
- ✓ Identify and differentiate cases that will not be candidates for default orders.

Resources:

- Staff attorneys
- REDDI data
- Excel docket tracking
- Weekly legal division meetings

2: Reduce Time-to-Completion of Intermediate, Procedural Tasks by 10%

Tasks:

- ✓ Assign high-volume procedural tasks, like drafting initial notices, procedural orders, and protective orders, to support staff.
- ✓ Create new docket procedural checklists to clearly delegate tasks between paralegal and staff attorneys.

Resources:

- Paralegal
- REDDI data
- Procedural checklists by docket type
- Excel docket tracking

3: Complete all Required Rulemaking Related to 2025 Legislation within 12 Months

Tasks:

- ✓ In coordination with the regulatory division, identify legislation that will require new rulemaking.
- ✓ Identify need for preliminary, informal rulemaking procedures for each new rulemaking.
- ✓ Follow existing rulemaking procedure checklists from start to completion.

Resources:

- Legal and regulatory division staff
- REDDI data
- Rulemaking procedure checklists
- Excel rulemaking tracking

4: Continue Reinforcement of Agency Legal Obligations

Tasks:

- ✓ Prepare and administer agency-wide training on: (1) Robert's Rules of Order, (2) Records Retention and Management, (3) Preparing Hearing Questions and Discovery.
- ✓ Identify three additional topics in consultation with staff and Commissioners.

Resources:

- Legal and regulatory division staff
- Training materials from other agencies, as available

CENTRALIZED SERVICES DIVISION GOALS

1: Prepare Weekly Business Meeting Items Accurately and On Time

Tasks:

- ✓ Send weekly reminder emails to staff and Commissioners regarding submission deadlines
- ✓ Collect work session request forms and follow up on missing documentation
- ✓ Post agenda and work session materials for public access
- ✓ Prepare binders with weekly materials for Commissioners and Executive Staff
- ✓ Coordinate IT support and video streaming as needed.

Resources:

- IT support
- Commission Secretary and Assistant Commission Secretary time and expertise

3: Complete All Job Postings Within 30 Days & Fill Positions in 90 Days

Tasks:

- ✓ Collaborate with Executive Director to develop or revise job descriptions.
- ✓ Define application requirements and determine appropriate salary ranges.
- ✓ Obtain salary range approval from Commission President.
- ✓ Post job openings on state website and job boards.
- ✓ Coordinate with selection committee to review applications and schedule interviews.
- ✓ Prepare and issue job offer letters
- ✓ Coordinate onboarding for new hires.

Resources:

- IT support
- Staffing
- Access to job boards

6: Meet All Budget Preparation, Execution, and Submission Deadlines

Tasks:

- ✓ Review Governor's Budget Office (OBPP) Timeline when published.
- ✓ Provide information to management and leadership team per agency policies.
- ✓ Leadership team provides feedback prior to OBPP deadlines.

Resources:

- Staffing
- Access to SABHRS, IBARS and other budgeting tools

2: Conduct Eight Commission-Wide Trainings Per Year

Tasks:

- ✓ Develop an annual training plan that includes ad-hoc and recurring sessions.
- ✓ Schedule trainers and subject matter experts.
- ✓ Advertise training topics and schedules to staff and Commissioners.

Resources:

- Budget for external training materials
- IT support

4: Resolve All Findings from Previous Audit Within One Year

Tasks:

- ✓ Review all findings from the previous audit.
- ✓ Consult with auditors for clarification or guidance, as needed.
- ✓ Identify required resolutions and create a detailed timeline for implementation.

Resources:

- Staffing

5: Ensure All Managers Complete Annual Performance Reviews

Tasks:

- ✓ Communicate performance review deadlines and expectations to all managers.
- ✓ Audit submitted reviews and provide feedback for improvement.
- ✓ Plan at least one professional development or training session per staff member annually.

Resources:

- Staffing / Training

7: Operate a Robust Safety and Security Committee

Tasks:

- ✓ Conduct quarterly Safety and Security Committee meetings.
- ✓ Facilitate security briefings prior to public hearings and listening sessions.
- ✓ Provide at least one annual safety and security training for Commissioners and staff.

Resources:

- Staffing / Outside trainers

REGULATORY DIVISION GOALS

Economic and Rate Analysts:

#1: Gain Expertise in Cost of Service Model

Tasks:

- ✓ Schedule sessions with utility SMEs
- ✓ Hands-on practice by rate analysts

Resources:

- ~50 hrs. investigative sessions + 50 hrs

3: Review Wildfire Risk Mitigation Plans

Tasks:

- ✓ Assess rulemaking need
- ✓ Assess/contract technical master
- ✓ Notice of receipt
- ✓ Evaluate comments
- ✓ Approve or identify deficiencies

Resources:

- ~250 hrs. including technical master

2: Process & Advise on Rate Applications

Tasks:

- ✓ Anticipate incoming applications
- ✓ Assemble and organize staff teams
- ✓ Analyze docket information
- ✓ Prepare discovery/hearing questions
- ✓ Fact sheets, analyses, assist with orders

Resources:

- ~2500 hrs. across 8 analysts

4: Modernize Filing/Interim Rate Rules

Tasks:

- ✓ Gather stakeholder input
- ✓ Develop straw proposals

Resources:

- ~200 hrs. across 2–3 analysts

5: Adopt Rules (HB 55 & SB 301)

Tasks:

- ✓ Initiate informal rulemaking
- ✓ Develop proposed rules
- ✓ Initiate formal rulemaking

Resources:

- ~1000 hrs. across 3–4 analysts

Pipeline Inspectors:

1: Perform 75 Inspection Days

Tasks:

- ✓ Complete inspections w/ protocols & checklist

Resources:

- IA (Inspection Assistant), travel resources

3: Integrate Data into REDDI

Tasks:

- ✓ Work w/ IT to implement REDDI for pipelines

Resources:

- REDDI, IT personnel, inspectors

2: Build New Data Mines

Tasks:

- ✓ Use data to improve communication & inspections

Resources:

- ArcGIS, Power BI

Railway Inspectors:

Objective 1: Perform 75 Inspections

Tasks:

- ✓ Assign inspectors to target counties/CFR priorities
- ✓ Identify accident cause codes
- ✓ Monitor inspection data for safety impact

Resources:

- SECURE data, AIRS/TOPS access

Objective 2: Participate in 5 joint FRA Audits

Tasks:

- ✓ Assign inspectors w/ FRA peers for audits
- ✓ Use trends & data to target enforcement

Resources:

- FRA Safety Reports, oversight via observations

Objective 3: Collaborate w/ ASRSM & FRA

Tasks:

- ✓ Monthly calls w/ ASRSM/FRA
- ✓ Quarterly calls w/ FRA specialists

Resources:

- ASRSM & FRA collaboration, State Managers Report

Compliance Specialists:

1: Acknowledge Consumer Requests in 24 hrs.

Tasks:

- ✓ Assign time-blocks for coverage, intake and prioritize
- ✓ Monitor response times

Resources:

- Staffing, tech access, resource guide, weekly meetings, REDDI

3: Process Public Comments in 5 Days

Tasks:

- ✓ Prioritize workload
- ✓ Monitor response times

Resources:

- Staffing, weekly meetings, REDDI

2: Follow-up Every 8 Business Days

Tasks:

- ✓ Prioritize workload, ensure reminders set for deadlines
- ✓ Monitor response times

Resources:

- Staffing, weekly meetings, REDDI

4: Process Utility Applications per Checklist

Tasks:

- ✓ Prioritize workload, coordinate with regulatory as needed
- ✓ Monitor response times

Resources:

- Staffing, weekly meetings, REDDI

5: Process Telecom Registrations in 3 days

Tasks:

- ✓ Prioritize workload, intake and divide tasks
- ✓ Monitor response times

Resources:

- Staffing, weekly meetings, REDDI



Closing Statement

Since its establishment, the Montana Department of Public Service Regulation has carried forward its responsibility to protect the public interest by ensuring that essential utility services are reliable, affordable, and delivered safely.

The goals and objectives outlined in this Annual Plan reflect the Commission's ongoing commitment to balancing the needs of ratepayers with the long-term viability of the utilities it regulates.

The Commission will report on its progress and accomplishments in the Agency's Annual Report, scheduled for publication in October 2026.

Questions regarding the content of this plan may be directed to PSC Executive Director, Alana Lake at alana.lake@mt.gov.

