

MINUTES OF THE MEETING

SUBCOMMITTEE AGENCY 1

February 8, 1977

8:00 A.M.

Room 225

State Capitol Bldg.

PUBLIC SERVICE COMMISSION

The meeting was called to order by Chairman Bradley. All members were present.

Chairman Bradley called on Bob Robinson, the LFA, to go over the report he prepared for the commission.

Mr. Robinson said the highway department building is housing 336 employees. A 1975 legislative resolution was passed recommending that when the building was vacated, the Agriculture, Livestock and Natural Resources Department would move in. It is his opinion that there is room for 100 more employees in that building. If this is the case, another department, such as the Public Service Commission, could be moved there. The rent, including utilities and janitorial services would be \$2.00 a square foot charged to the agency. Because of the procedure used by the Department of Administration, they failed to look at the amount of room and didn't look at how many people there are.

After a little, discussion, Representative Bradley suggested the committee send a letter to the Department of Administration with this suggestion. She will bring the letter to the committee before sending it.

Mr. Robinson then went over the breakdown he had prepared for the committee on the supplemental request by the Public Service Commission. He went over each division and talked about the FTE requests. (A copy is attached)

He also passed out a sheet on lag time and a breakdown on the time needed to process a rate hearing. (Page 4 of attachment) After a little discussion on this report, the meeting was open to questions by the committee.

Senator Stephens said that almost every agency that comes for more people wants a personnel officer. Why? Jim Dwyer said the ideal way would be the personnel division should have all personnel functions of the state. He would welcome that.

Les Simkins said that on the modification, he did not have the funds available to fund this modification request.

Senator Stephens then asked if the bill does not pass on Cable TV, will you still need these people? Mr. Said even if it does not, we still need the Communications Engineer.

Senator Stephens asked if he was aware the FCC regulates Cable TV. Mr. Dwyer replied, yes.

Senator Stephens asked just what would be the qualifications of the Engineer Technician. What would he do?

Mr. Dwyer said basically he would be a hydraulic engineer and be an assistant to the present engineer in inspection. Mr. Opitz added he would also make field inspections.

Senator Stephens asked if the Cable TV bill does not pass and you feel you still need these people, how much of that budget could we eliminate?

Mr. Opitz replied the two auditors under sewer and cable TV is about all.

Representative Marks said from time to time we hear about lag time. What do you call lag time? Mr. Bollinger said in any case we don't handle (major cases) within a 9 month period. Smaller cases we should be able to handle in 4 months.

Representative Marks asked how much time does it take you now on a big case? Mr. Bollinger said on Montana Power it took almost 2 years. Representative Marks then asked why.

Mr. Opitz said this particular procedure did not give us enough time for a major case. The utility has had 6 months to prepare his case. We have 30 days. He went on to explain how there are cases similar to court cases and explained the length of time it takes to prepare, present, etc.

Representative Marks asked where is your extra help going to help the lag time? Mr. Opitz said in analysis of application and preparation of cases to get to the hearing.

Rep. Marks asked how long did it take you in the Montana Power case? Mr. Opitz said it did not take long at all because a different type of procedure was used.

Representative Marks then asked whose fault is the lag time? Mr. Opitz said there was enough blame to go around to everyone.

There was more discussion on lag time; then Mr. Opitz said with all the talk about lag time, he said speed isn't everything, quality is very important also.

Mr. Bollinger added that with additional staff we can require the company to present us with certain facts and figures and we could go to the computers and this would cut down on some of the lag time. Without the additional staff, we can't do this. They could gather material and data. You can not do all of this with a pencil.

Mr. Bollinger said much of the lag is not the fault of the Commission. He said that now the big utilities are coming in 1 or 2 times a year where it used to be only every few years. Energy conservation, life line, etc. has also added to our load. He said also that everyone has the right to object. They can take us to court on any decision. All of these things have a tendency to slow us up.

Mr. Bollinger said they had been criticized because we don't have rules and regulations. He said they had not been swift in setting up rules and regulations because we want to be sure it works first. I feel the legislature should address how many rules and regulations we should have.

Representative Bradley asked if they now have a CPA under the Utility Rate Analysis (page 2) Mr. Bollinger said no.

Representative Bradley asked if they had a hearing recorder, could you have the transcripts ready the following day? Mr. Bollinger said I certainly do. I would insist on it.

Representative Bradley then asked instead of a legal secretary, would it be possible to use your present secretarial help? Mr. Bollinger said this is a possibility.

Representative Bradley then asked if under transportation, couldn't the tax accountant also do the functions of the transportation specialist? Mr. Bollinger replied maybe we could work that person in two positions.

Representative Bradley asked if the legal secretary was granted, could you do without the clerk typist in transportation? Mr. Bollinger said if there are any people we can do without, I would want the technical people, we can do without the typist.

Representative Bradley then asked if the rail safety inspector is really needed? Should the law be changed? Mr. Rick said yes, this position is needed. If the law is changed, we could let the federal government do it. If the legislature wants to change the law that is fine with me. Just don't make us responsible if we don't have the manpower to do it.

Mr. Opitz said he did not think this rail safety position was a duplication with Workmans' Comp.

Rep. Bradley asked if the motor carrier safety inspector was necessary. Mr. Opitz feels it is necessary. One man now spends half his time on safety.

Senator Stephens said that most of the large motor carriers are very safety conscious and have their own safety inspector. They do an outstanding job. The same is true with rails.

Representative Marks asked if they had ever considered contract services for court reporters, etc. Mr. Bollinger said they do some of that. They went on discussing good and bad of this. Mr. Dwyer said they had spent around \$11,000 on contract services for court reporters; this is for only a few cases.

Mr. Bollinger said the committee should know what every department is doing. They do ask Companies to provide transcripts etc. We do this because of a lack of funds. Some people may not like this type of thing, but we have to rely on their help.

Representative Marks asked if they had an Executive Administrator now? Mr. Opitz said no. He then asked why couldn't one of the Commissioners do this? Mr. Bollinger said they cannot because they are always changing and you need a professional.

Senator Stephens said there has been some talk about establishing filing fees to help fund the commission. Has anyone ever challenged your doing this? Mr. Bollinger said they had been challenged in transportation. We can only charge up to a certain amount because we are pre-empted by the Feds.

Senator Stephens asked what is the highest fee you have charged? Mr. Opetz said \$192,000 for Montana Power.

Senator Roberts said the word from Washington is de-regulation. What do you think? Mr. Bollinger agreed. I do not like regulations. I would be very happy to get out of regulations. The only reason I believe we should have regulations on transportation is to make sure the small communities do get service.

Representative Marks said he would like to know where your priorities are on the new positions. Will you please provide them to us? Mr. Bollinger said yes, he would be happy to.

Mr. Bollinger then made a statement to the committee asking for a legislative committee to work with them for the next couple of years to help and aid us. We feel we are an arm of the legislature and you should work with us.

Representative Marks asked if he wanted a committee like he had worked on 8 years ago. Mr. Bollinger said more advisory. Like "do we need the staff, can they be put to better use, help with guidelines and ideas and suggestions."

Representative Gunderson commented that it seems the commission doesn't know where they are going; how could a committee?

Mr. Bollinger said we know where we are going; there is a lack of understanding between the legislature and the commission.

With no further questions from the committee, the meeting was adjourned.

Dorothy Bradley
Dorothy Bradley, Chairman

Nina Kosmas, Sec.