

MINUTES OF THE MEETING  
NATURAL RESOURCES SUBCOMMITTEE  
MONTANA STATE  
HOUSE OF REPRESENTATIVES

February 22, 1985

The meeting of the Natural Resources Subcommittee was called to order by Chairman Manuel on February 22, 1985 at 8:05 a.m. in Room 132 of the State Capitol.

ROLL CALL: All members were present.

DEPARTMENT OF PUBLIC SERVICE REGULATION

(Public Service Commission)

Modified:

Dan Elliott (65:B:350), Administrator, Utility Division, PSC, said they are requesting an additional economist. This would have a budget impact of about \$30,000 per year. See Exhibit "XXXX".

The 1983 gross utility operating revenues for Montana Power, MDU, PPL and Mountain Bell were \$721,000,000 or \$1.42 billion for the biennium. The economist's job is to advise the Commission on how to set prices to cover these dollars.

Discussion was held.

Mr. Elliott said they are hoping to become more pro-active instead of reactive.

Discussion was held.

Madeline Cottrill (65:B:585), Administrator, Centralized Services Division, PSC, said the Commission has been working with the Computer Services Division of the Department of Administration in developing an Office Automation system.

Darrell Hagen, Bureau Chief, Information Services Division, Department of Administration, explained this modification request. See Exhibit "YYYY".

Discussion was held.

Mr. Hagen said this system should be productive for at least five years.

Discussion was held.

This system would not require professionals to run it. There will be no programmers in the PSC.

Commissioner Danny Oberg discussed the Cost of Service Study.

Commissioner Oberg said this is not a request for equipment but for development of those unique systems they haven't been able to purchase.

Discussion was held.

Mr. Hagen (66:A:525), said the Information Systems Division of the Department of Administration is run on a proprietary account. Their budget is strictly spending authority so they must recoup all of their costs.

Discussion was held.

Wayne Budt (66:B:031) Administrator, Transportation Division, PSC, discussed Economic Enforcement. See Exhibit "ZZZZ".

Ben Havdahl, said he feels they need more people in the Economic Enforcement Division.

Discussion was held.

Mr. Budt said under Senate Bill #182, 150 of the 220 GVW officers they now have in enforcement would be taken out.

Mr. Budt (66:B:240) said the second modification is for a safety program.

Mr. Budt said the funding for this would be an 80-20 match between Federal and State. They started at \$225,000 and they are at \$337,000 now. They are requesting in FY '86 authority to spend \$464,062 in Federal Funds.

Discussion was held.

There is a 7% tolerance on GVW on Livestock hauling.

Mr. Budt presented Exhibit "AAAAA". Mr. Budt said the main reason for this program is to reduce accidents.

95% of truck accidents are driver related and 5% of the accidents are from equipment failure.

Discussion was held.

Senator Bill Farrell said the deregulation increased the amount

Natural Resources Subcommittee  
February 22, 1985  
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of companies that are running back and forth through Montana by an average of about 30,000 companies.

Senator Farrell said he wants to see some more Economic Enforcement. They will need more FTE's for this.

Discussion was held.

Tom Monahan said he thinks there is a definite need for a safety program.

The meeting was adjourned at 9:55 a.m.

 *Rex Manuel* *Chs*  
\_\_\_\_\_  
Representative Rex Manuel  
Chairman

# DAILY ROLL CALL

NATURAL RESOURCES SUBCOMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 7-22-95

[illegible]

STATE OF MONTANA  
NARRATIVE DOCUMENTATION FORM  
EXECUTIVE BUDGET SYSTEM

AGENCY NUMBER: 4201 AGENCY NAME: Public Service Commission  
 FISCAL YEAR: FY86 - FY87 Public Service Regula-  
 PROGRAM NUMBER: 01 (If Applicable) tion Program (If Applicable)  
 CONTROL VARIABLE: 00103 (If Applicable) NAME: Economist (If Applicable)

Purpose: Identify areas of impact of primary concerns:

XX / Agency XX / Program XX / FTE    / Revenue

1 FTE.

Increase in work load due to:

- Higher level of participation in the rate design area by the public, industries, irrigators, etc. An example is the Montana Power Company's Colstrip Unit 3 case.
- The increasing need to investigate whether or not certain monopoly services should be deregulated partially or completely. An example is telephone long-distance services.
- Implementation of phased deregulation provided for by law. An example is the generation segment of the electric utility industry.
- Increased complexity of rate design filings brought about because the utilities have realized the importance of this area and increase their staff sizes.

Rate design occupies approximately 50% of the Public Service Commission's time spent on utility regulation. Two economists currently staff the Rate Design Bureau. The increasing work load has caused the rate design staff to accumulate large blocks of compensation time. It has caused areas needing rate design expertise to be shelved. The impact of improperly designed rates costs Montana's economy millions of dollars. When rates are finally changed, rate shock occurs (an example is the 60% increase to Montana Power's irrigator class). Gradualism in rate changes is often not possible because the small staff size is unable to review rate design for long periods of time (an example is Montana-Dakota Utilities gas rate design, which went 4½ years without review).

Exhibit "XXXX"

STATE OF MONTANA  
NARRATIVE DOCUMENTATION FORM  
EXECUTIVE BUDGET SYSTEM

AGENCY NUMBER:	4201	AGENCY NAME:	Public Service Commission
FISCAL YEAR:	FY86 - FY87		Public Service Regula-
PROGRAM NUMBER:	01	PROGRAM NAME:	tion Program (If Applicable)
CONTROL VARIABLE:	00107	CONTROL VARIABLE NAME:	Data Processing (If Applicable)

Purpose: Identify areas of impact of primary concerns:

/ <u>XX</u> / Agency	/ <u>XX</u> / Program	/ <u>   </u> / FTE	/ <u>   </u> / Revenue
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The Public Service Commission is in the process of working with the Computer Services Division of the Department of Administration in developing an office automation package. This modification is entirely consistent with the Information System Plan, with the exception of the dollars requested for personnel salaries and benefits. At the present time, the Public Service Commission has two (2) vacancies associated with data processing. They are positions which may be filled once an office automation system is selected, or adjusted to meet the needs of the system. The types of individuals could range from those stated in our current level to simply a Word Processing Supervisor, dependent upon the complexity of the system. The Commission hopes to complete the office automation phase by the end of the first quarter of calendar year 1985.

Currently, the Public Service Commission has now commenced some development work on a Phase II in its attempts to computerize its office. Phase II will consist of case management and data processing capabilities on the State's IBM host computer. This effort will be on-going in nature from now through the FY86-FY87 biennium. This modification, CV-00107, contains a request for \$50,000 per year for development of the case management and data processing capability.

Exhibit "yyyy"

Department of Public Service Regulation  
Agency 4201

		<u>FY 86</u>	<u>FY 87</u>
<u>2102</u>	Consultant and Professional services. For both years of the biennium \$50,000 will be used for the consulting services of the Computer Services Div., Dept. of Administration to develop case management and data processing capabilities and \$20,000 of Federal funds in the MCSAP Program -----	70,000	70,000
<u>2172</u>	Computer Processing Services/Dept. of Admin. These funds will be used to process information stored in the host computer operating in conjunction with the mini computer the Agency will have installed during Fiscal Year 1985 -----	30,000	30,000
<u>2199</u>	General. These funds will be utilized in processing information which can be obtained from outside sources, such as West Law, the I.C.C. F.E.R.C., etc. -----	7,000	10,000
<u>2236</u>	Office Supplies/Central Stores. These would be the office supplies necessary to support a mini computer and the agency's data processing capabilities -----	6,000	6,000
<u>2315</u>	Data Transmission Lines. These lines would be needed to transmit data from the State's host computer to the Agency's mini computer	2,000	2,000
<u>2522</u>	Software Program -----	10,000	10,000
<u>3106</u>	Data Processing. The Agency's system will require additional micro computers and terminals in each of Fiscal Year 1986 and Fiscal Year 1987 -----	25,000	25,000
	Inflation Adjustment -----	<u>4,800</u>	<u>4,800</u>
	TOTAL PROGRAM -----	154,880	157,800
	General Fund -----	134,480	137,400
	Federal Fund -----	20,400	20,400

STATE OF MONTANA  
NARRATIVE DOCUMENTATION FORM  
EXECUTIVE BUDGET SYSTEM

AGENCY NUMBER: 4201	AGENCY NAME: Public Service Commission	
FISCAL YEAR: FY86 - FY87	Public Service Regula-	
PROGRAM NUMBER: 01	tion Program	(If Applicable)
CONTROL VARIABLE: 00104	CONTROL VARIABLE NAME: Enforcement	(If Applicable)

Purpose: Identify areas of impact of primary concerns:

/ XX / Agency      / XX / Program      / XX / FTE      /    / Revenue

A modified level funding is requested by the Montana Public Service Commission to hire two (2) FTE's in the Motor Carrier Enforcement Bureau for Fiscal Year 1986. These additional Motor Carrier Enforcement Officers will be located in Kalispell and the highline area.

Over the years, there has been a general lack of enforcement in northwestern Montana and across the highline due to the great distances that must be traveled by present personnel. These additional FTE's will fill this void and allow for even enforcement throughout the state.

A general fund funding increase of \$85,242 will cover the salaries, benefits, per diem, equipment and supplies during Fiscal Year 1986. This amount will decrease during Fiscal Year 1987 to approximately \$54,624. Thus a total request of \$139,866 for the biennium should cover the expenses of these additional personnel.

The two new enforcement officers will be responsible for economic enforcement of the motor carrier industry as well as active involvement in motor vehicle safety inspections. The acquisition of these new people will allow for increased enforcement by all enforcement officers and help reduce unnecessary and costly travel.

Exhibit "ZZZZ"



MONTANA  
PUBLIC SERVICE COMMISSION  
TRANSPORTATION DIVISION

Motor Carrier Enforcement Bureau  
Economic/Safety Enforcement Proposal  
1985 Legislature

August 31, 1984

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## PSC Goal for Safety and Economic Enforcement

By FY '87 the PSC is attempting to have the following personnel in place:

- 7 State funded safety positions
- 16 Federal funded safety positions
- 7 State funded Safety/Economic positions

The addition of the state funded safety positions will allow our present field staff who are now spending 50% of their time on safety because of the match to reduce that time to approximately 10-15 percent. Under the present scheme the PSC is spending 2.5 man years on economic enforcement (5 people half time). With the addition of the 7 state funded safety positions to make up the bulk of the match required and the addition of 2 economic/safety positions the present staff will be able to increase their economic enforcement to approximately 6.3 man years.

A rough average of sixty (60) minutes per inspection (allowing for escort time of out-of-service vehicles and waiting for vehicle to inspect) would show a maximum number of inspections of eight (8) per day. Allowing for three weeks of vacation and the ability to inspect vehicles all year round would allow one man to potentially do 1,960 inspections per year. ( $49 \times 5 = 245 \times 8 = 1,960$ )

With 18 full time inspectors Montana could do approximately 35,000 inspections per year. A more reasonable estimate would be 20,000 to 25,000 inspections per year when you consider the weather in Montana, travel time and time out for additional training. If that figure is compared only to the number of vehicle identification stamps sold by the PSC to regulated carriers, 210,000 that would mean that only 10.5% of the regulated carriers operating in and through Montana would be inspected. This does not include the private and exempt carriers which operate in Montana which would drop the number of vehicles inspected to less than 5%.

With the addition of the proposed personnel Montana will be headed in the right direction of improving the safety on our highways and accomplishing this primarily with federal funds minimizing the expense to the people of this state.

## REQUESTS FROM 85 LEGISLATURE

### FY '86

1. Approval to spend \$464,062 in Federal Safety Funds.
2. Authority to hire 3 additional FTE's with Federal Funds for safety.
3. Approval to hire 6 additional FTE's on state level for safety.
4. Funding for the 6 FTE's for safety in the amount of \$137,577.
5. Approval to hire 2 additional FTE's for economic/safety and funding in the amount of \$85,242.

### FY '87

1. Approval to spend \$651,562 in Federal Funds.
2. Authority to hire 5 additional FTE's with Federal Funds.
3. Approval to hire 1 additional FTE on state level.
4. Funding for the 1 additional FTE and continued funding of 6 FTE's from FY '86 in the amount of \$159,538.
5. Continued funding of 2 additional Economic/Safety FTE's at an amount of \$54,624.

MONTANA PSC  
MCSAP SAFETY PROGRAM  
1984

Federal Funds		\$225,000
State Match	\$56,250	
Base for 1981-1982 (average)	<u>\$23,570</u>	
Total State Funds		<u>\$79,820</u>
Total Program Funding (actual)		<u>\$304,820</u>

Personnel:

Motor Carrier Safety Specialist Supervisor	1
Administrative Assistant	1
Motor Carrier Safety Specialist Inspectors	<u>4</u>
Total MCSAP Personnel	6

State match and base are obtained from present PSC enforcement staff, (PSC fieldmen are spending approximately 50% of their time on vehicle safety to meet the state match of 20%) with additional match coming from the GVW Division of the Department of Highways and the Montana Highway Patrol.

MONTANA PSC  
MCSAP SAFETY PROPOSAL  
1985

Federal Funds		\$337,500
State Match	\$84,375	
Base	<u>\$23,570</u>	
Total State Funds		<u>\$107,945</u>
Total Program Funding		<u>\$445,445</u>

Personnel:

Motor Carrier Safety Specialist Supervisor	1
Administrative Assistant	1
Motor Carrier Safety Specialist Inspectors	6
Total MCSAP Personnel	<u>8</u>

State match and base are obtained from present PSC enforcement staff, (PSC fieldmen are spending approximately 50% of their time on vehicle safety to meet the state match of 20%) with additional match coming from the GVW Division of the Department of Highways and the Montana Highway Patrol.

MONTANA PSC  
MCSAP SAFETY PROPOSAL  
1986

Federal Funds		\$464,062
State Match	\$126,562	
Base	<u>\$25,570</u>	

Total State Funds		<u>\$150,132</u>
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Total Program Funding		<u>\$614,194</u>
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Personnel:  
Federally Funded

Motor Carrier Safety Specialist Inspectors	10
Aid to Administrative Assistant (clerical)	1
Total MCSAP Personnel	<u>11</u>

State Funded

Supervisor Motor Carrier Safety Unit	1
Motor Carrier Safety Specialist Supervisor	2
Administrative Assistant	1
Motor Carrier Safety Specialist Inspector	2
	<u>6</u>

Total Federal/State safety Personnel	<u>17</u>
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State match and base will be paid partially from six (6) FTE's paid by general state funds and the remainder will come from the PSC's budget (approximately 10% - 15% of present fieldmen's time will be spent on safety).

The PSC will be requesting salaries and benefits for the six (6) FTE's the remainder of their expenses (equipment, per diem, travel, etc.) will be paid through federal funds.

General Funds needed for FY '86	<u>\$137,577</u>
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MONTANA PSC  
MCSAP SAFETY PROPOSAL  
1987

Federal Funds		\$651,562
State Match	\$175,000	
Base	<u>\$23,570</u>	
Total State Funds		<u>\$198,570</u>
Total Program Funding		<u>\$850,132</u>

Personnel:

Federally Funded

Motor Carrier Safety Specialist Inspectors	15
Aid to Administrative Assistant (clerical)	<u>1</u>
Total MCSAP Personnel	16

State Funded

Supervisor Motor Carrier Safety Unit	1
Motor Carrier Safety Specialist Supervisor	2
Administrative Assistant	1
Motor Carrier Safety Specialist Inspector	<u>3</u>

Total Federal/State Safety Personnel	<u>23</u>
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State match and base will be paid partially from the seven (7) FTE's paid by general state funds and the remainder will come from the PSC's budget (approximately 10% - 15% of present fieldmen's time will be spent on safety).

The PSC will be requesting salaries and benefits for the seven (7) FTE's the remainder of their expenses (equipment, per diem, travel, etc.) will be paid through federal funds.

General Funds needed for FY '87	<u>\$159,538</u>
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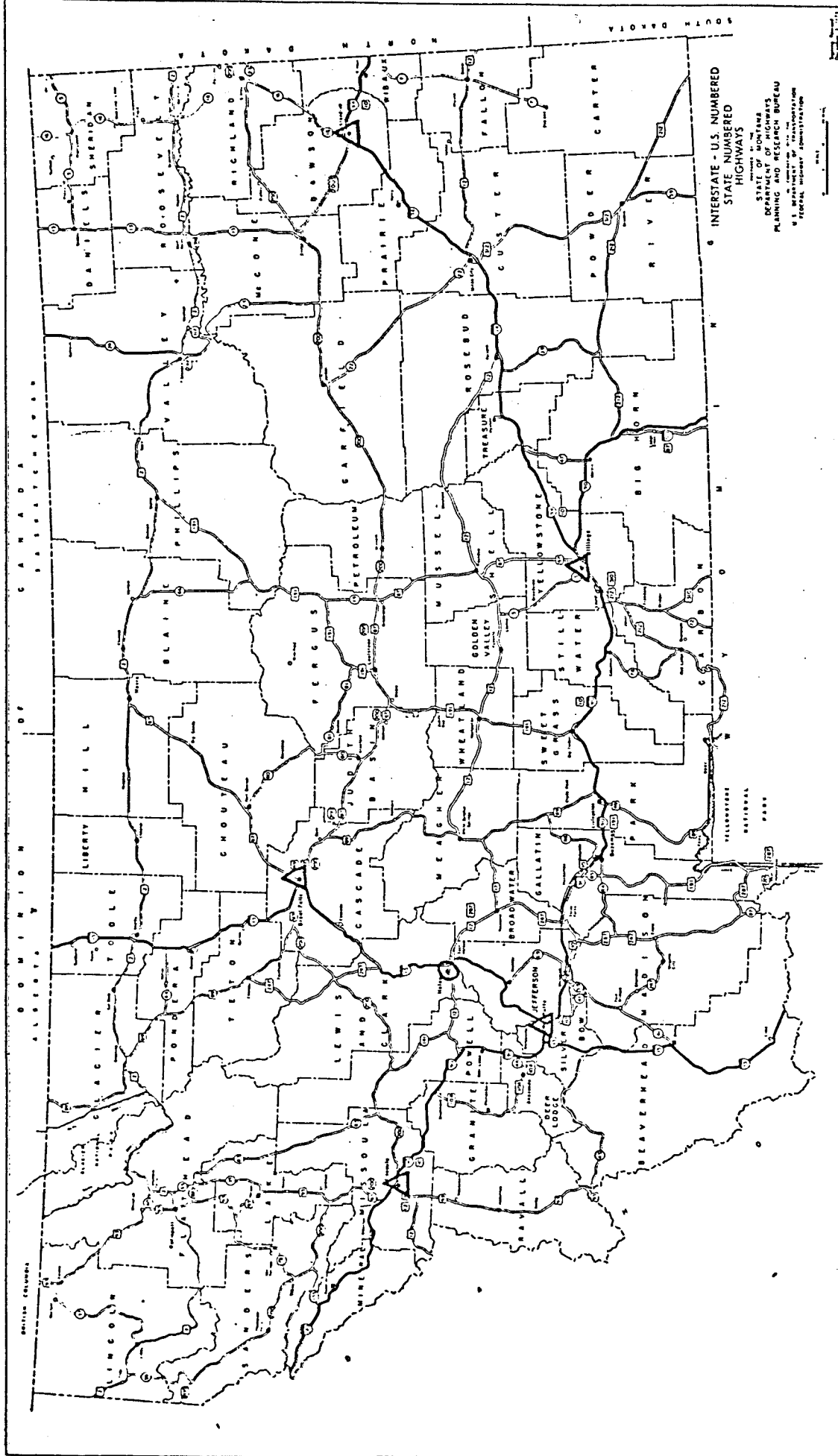


MONTANA PSC  
ECONOMIC REGULATION/SAFETY PROPOSAL  
FY 1986-1987

Presently the Montana Public Service Commission employs five (5) economic/safety personnel located in Glendive, Billings, Missoula, Great Falls, and Butte. These fieldmen are responsible for vast areas which requires extensive travel, and provides limited coverage. To help alleviate this situation the Commission is proposing to hire two (2) additional inspectors.

These two (2) economic/safety inspectors would be located in areas that are receiving little economic enforcement, Kalispell and Havre. They would be paid totally from the state general fund including salaries, benefits, per diem, equipment etc. The cost to the general fund for FY '86 would be \$85,242 and the cost for FY '87 would drop to \$54,624 due to vehicles not having to be purchased in that year.

These additional employees coupled with efforts by the GVW and Montana Highway Patrol should provide adequate economic/safety coverage for the state.



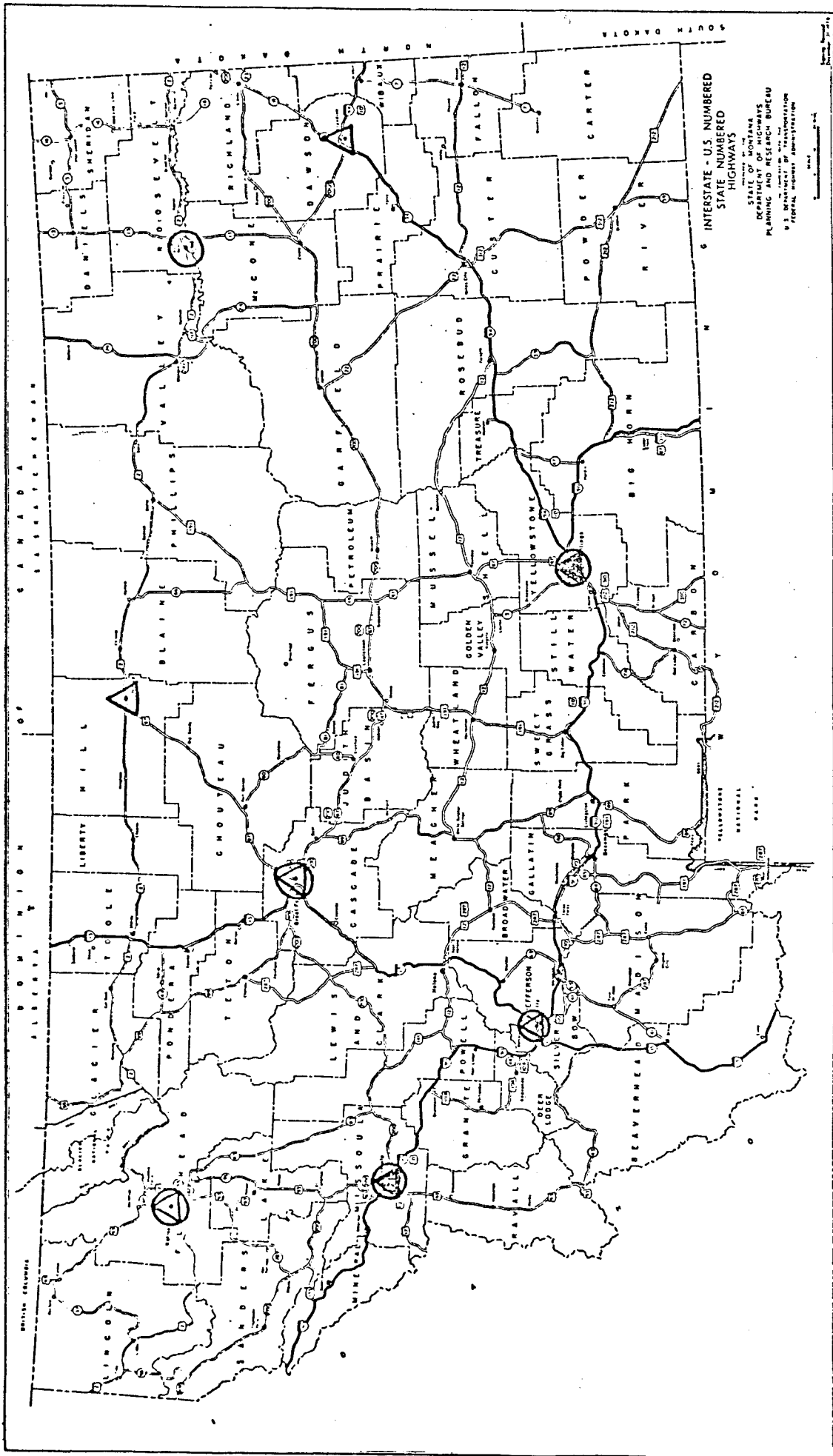
△ Economic/Safety Enforcement Officer

○ Motor Carrier Safety Specialist/in pairs



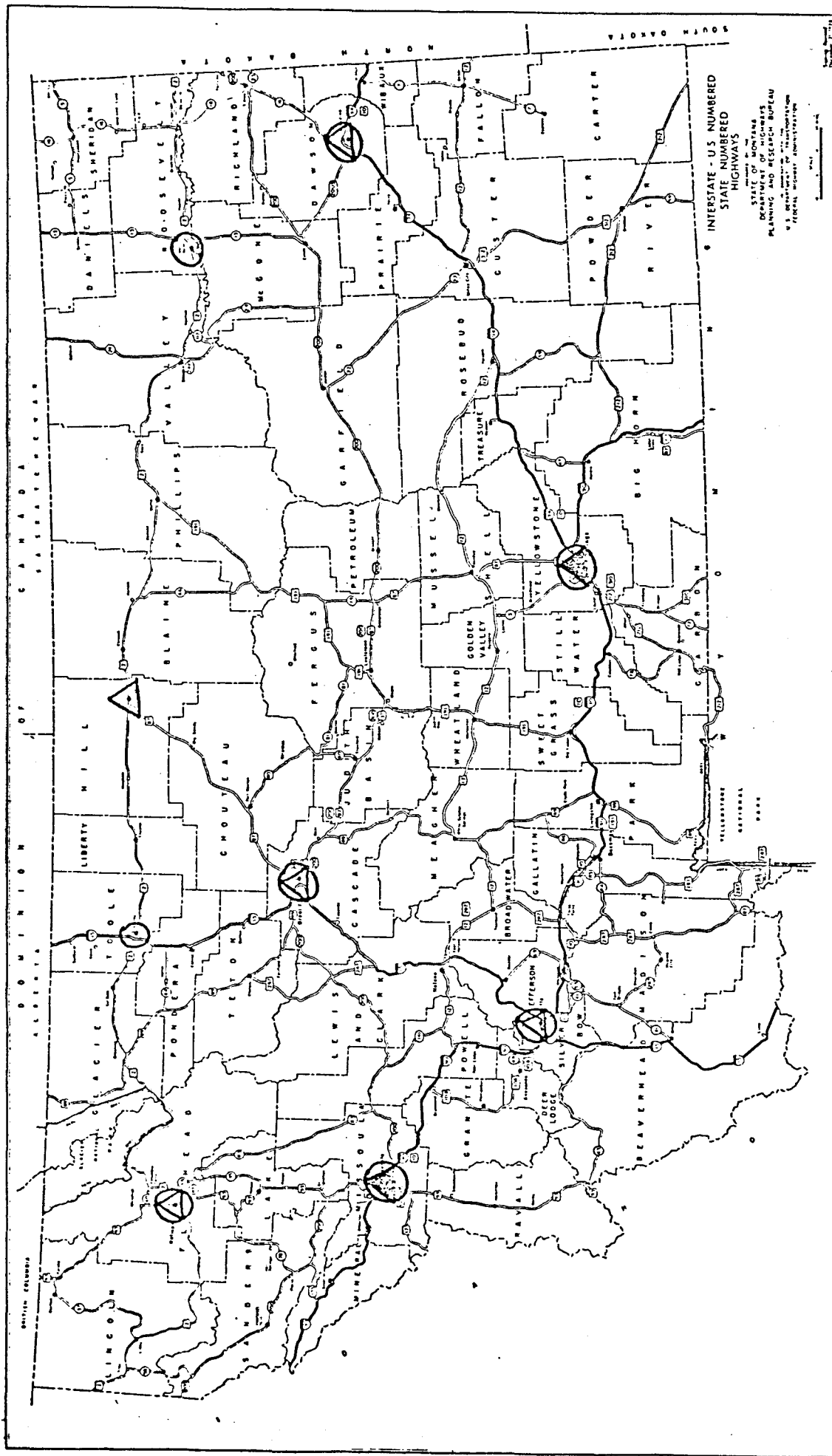
These cities will have both an Economic/  
Safety Enforcement officer and Motor  
Carrier Safety Specialists.

Motor Carrier Safety Specialist/in pairs



These cities will have both an Economic Safety Enforcement officer and Motor Carrier Safety Specialists.

Same as above plus Motor Carrier Safety Specialist Supervisor.



These cities will have both an Economic/  
Safety Enforcement officer and Motor  
Carrier Safety Specialists.

Same as above plus Motor Carrier Safety  
Specialist Supervisor.

PSC Vehicle Inspection Results July 24 to August 31, 1984

Total Vehicles Inspected	294
Total Vehicles Placed Out of Service	229
Percentage of Vehicles Placed out of Service	77.9%

Regulated Transportation Carriers

	<u>Total Vehicles</u>	<u>Vehicles OS</u>	<u>Percent</u>
Interstate Vehicles Based outside Montana	137	110	80.3%
Interstate vehicles Based in Montana	35	26	74.3%
Intrastate Vehicles	12	7	58.3%
Total Vehicles in Regulated Transportation	184	143	77.7%

Private & Exempt Transportation Carriers

	<u>Total Vehicles</u>	<u>Vehicles OS</u>	<u>Percent</u>
Interstate Vehicles Based outside Montana	53	41	77.4%
Interstate Vehicles Based in Montana	19	16	84.2%
Intrastate Vehicles	38	29	76.3%
Total Vehicles in Private & Exempt Trans.	110	86	78.2%



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Telephone: (801) 965-4518



SCOTT M. MATHESON  
GOVERNOR

RECEIVED  
DENNIS J. NORDFELT  
SUPERINTENDENT

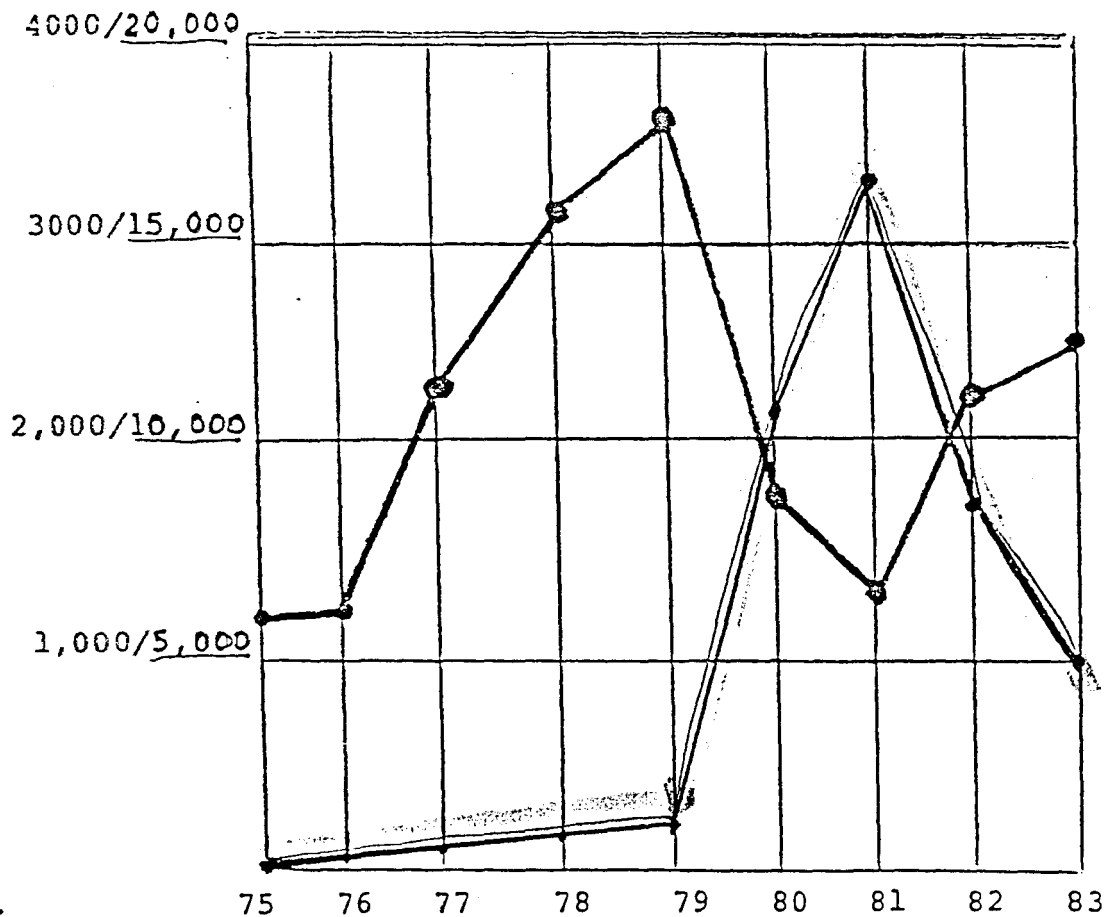
LARRY E. LUNNEN  
COMMISSIONER

SEP 4 1984

Mont. P. S. COMMISSION

### UTAH

### COMMERCIAL VEHICLE ACCIDENTS VS. INSPECTIONS



black-accidents  
red-inspections

UTAH

RECEIVED

COMMERCIAL VEHICLE ACCIDENTS vs INSPECTIONS SEP 4 1984

*LOOK at HAND out -*

MONT. P. S. COMMISSION

YEAR	COMMERCIAL VEHICLE ACCIDENTS	COMMERCIAL VEHICLE INSPECTIONS
1975	1,188	**
1976	1,197	**
1977	2,355	**
1978	3,088	1,500*
1979	3,696	1,800*
1980	1,724	10,426
1981	1,466	17,242
1982	2,334	7,745
1983	2,465*	5,000*

\*Approximate

\*\* No Data Available



NATURAL RESOURCES SUB COMMITTEE

DATE Feb 22, 1984

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PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.