

Governor Greg Gianforte
PO Box 200801
Helena, MT 59620-0801

Dear Governor Gianforte:

I am writing to request that you, Governor Gianforte, investigate whether the time has come to exercise your authority in MCA 69-1-113 to remove any one or all the current Public Service Commissioners in office during the period of the most recent Legislative audit. In addition, the Attorney General should investigate the details that the Legislative Auditor can make available to him in order to determine if a referral to an appropriate County Attorney be made in accordance with MCA 45-7-401.

Ever since I left service as a Montana Public Service Commissioner at the end of 2010, I have carefully avoided public comment about the frequently tumultuous goings on at the Montana Department of Public Service Regulation, primarily among the five elected Public Service Commissioners. I believe elections have consequences and just as none of my predecessors tried to tell me how to do my job, I have avoided trying to give instructions to any of my successors on how to do theirs.

Though some were sure that unanimous partisan control of the PSC by the Republicans following the 2012 elections would usher in a period of calm, collected business-like administration of the agency's responsibilities, I became increasingly dismayed as that unanimously partisan Commission descended into egomaniacal alpha-male levels of competition for supremacy of the pack. All the while the public increasingly found itself confused by this strange remake of Abbot and Costello's "Who's on First."

However, with the publication of the Legislative Audit for the Department of Public Service Regulation for the two fiscal years ended June 30, 2020, I must finally speak up and demand that corrective action commence immediately. During my 24 years in the Montana Senate, I spent nearly 15 years on the Legislative Audit Committee. I know how thoroughly and carefully the Audit staff do their examinations of each agency every two years. When the auditors state, as they did on page 4 of the report, "Collectively, the results of our audit procedures cause us to **doubt the integrity and competence** of certain members of management and the commission," we better sit up and pay attention. (emphasis added) And as I got into the entirety of the published audit report and findings, I became more and more alarmed. I find the subsequent descriptions of negligence, misconduct, misrepresentation, and staff being subject to intimidation to be abhorrent. At an agency like the PSC, the buck stops with the executive of

the agency, the Public Service Commission. While I am pleased that new Chairman Brown, who was not on the Commission during the time covered by this audit, has committed to corrective action, I fear that he is going to fail unless the three Commissioners who were in their office during this period are held to account. There must be some disciplinary action taken. There can be no "Well, boys will be boys," shrugging off of these deficiencies.

I am pleased that the four financial-compliance audits during my eight-year tenure at the Commission, six years as chair, were relatively clean. If there were any minor issues related to changes in Generally Accepted Accounting Principles, those typically were corrected immediately as the audit staff reported them to our financial staff. Our audits and fiscal and financial management practices, being of the highest level of integrity, enhanced our credibility when we intervened in the NorthWestern bankruptcy, or when we adjudicated the proposed purchase of NorthWestern by Babcock and Brown, Infrastructure, or numerous other contested cases by which most decisions are made at the PSC. Because we carefully confined our decisions in contested case proceedings to the record of evidence and the law, few of our major decisions were ever challenged in court. Heaven forbid that the current Commission face major issues like we did if there is cause to "doubt the integrity and competence" of certain members of the Commission.

I look forward to your response to my request.

Sincerely,

Greg Jergeson
PO Box 1568
Chinook, MT 59523
406-357-3483

Cc: Montana Attorney General Austin Knudsen
Montana Legislative Audit Committee
Members of the Montana press