

75<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2009 Regular Session  
BUDGET REPORT AND MEASURE SUMMARY

MEASURE: HB 5043-A

JOINT COMMITTEE ON WAYS AND MEANS

Carrier – House: Rep. D. Edwards  
Carrier – Senate: Sen. Monroe

---

**Action:** Do Pass as Amended and Be Printed A-Engrossed

**Vote:** 20 – 0 – 2

House – Yeas: Buckley, D. Edwards, Galizio, Garrard, Gilman, Jenson, Kotek, Nathanson, Richardson, G. Smith

– Nays:

– Exc: Komp, Shields

Senate – Yeas: Bates, Carter, Girod, Johnson, Monroe, Nelson, Verger, Walker, Whitsett, Winters

– Nays:

– Exc:

**Prepared By:** Rick Gardner, Department of Administrative Services

**Reviewed By:** Michelle Deister, Legislative Fiscal Office

**Meeting Date:** April 17, 2009

---

**Agency**

Public Utility Commission

**Budget Page**

H28

**LFO Analysis Page**

411

**Biennium**

2009-11

**Budget Summary\***

	<b>2007-09 Legislatively Approved Budget (1)</b>	<b>2009-11 Essential Budget Level</b>	<b>2009-11 Committee Recommendation</b>	<b>Committee Change from 2007-09 Leg. Approved</b>	
				<b>\$\$ Change</b>	<b>% Change</b>
Other Funds	\$ 37,243,097	\$ 31,098,970	\$ 40,581,102	\$ 3,338,005	(9.0)
Other Funds Nonlimited	\$ 104,007,751	\$ 94,778,703	\$ 94,778,703	\$ (9,229,048)	(8.9)
Federal Funds	\$ 484,012	\$ 508,801	\$ 508,801	\$ 24,789	5.1
Total	\$ 141,734,860	\$ 126,386,474	\$ 135,868,606	\$ (5,866,254)	(4.1)

**Position Summary**

Authorized Positions	126	126	128	2
Full-time Equivalent (FTE) positions	124.50	119.62	126.50	2.00

(1) Includes adjustments through the December 2008 meeting of the Emergency Board

\* Excludes Capital Construction expenditures

**Summary of Revenue Changes**

The majority of the agency’s expenditures are funded from fees paid by investor owned utilities. The Residential Service Protection Fund is funded through a monthly surcharge on telecommunications subscribers. Revenues for the Oregon Universal Service Fund come from telecommunications providers. Federal Funds are available to ensure the safe operation of natural gas pipelines. The Board of Maritime Pilots is reporting for the first time under Public Utility Commission (previously in the Oregon Department of Transportation). The Board of Maritime Pilots is fully supported by fees.

**Summary of Transportation and Economic Development Subcommittee Action**

The Public Utility Commission of Oregon works to ensure that safe and reliable utility services are provided to consumers at just and reasonable rates through regulation and by promoting the development of competitive markets. It does this by regulating investor owned electric and natural gas companies, as well as certain telephone and water companies, and by licensing and regulating Maritime Pilots. The Subcommittee approved a budget of \$135,868,606 total funds and 126.50 full-time equivalent (FTE) positions for the agency. This is a 4.1 percent total funds decrease from the 2007-09 Legislatively Approved Budget and a 7.50 percent total funds increase from the agency’s 2009-11 essential budget level.

**Utility Regulation**

The Utility Regulation program regulates rates for natural gas, electricity, water, and telephone services. The program also works to promote effective competition in these industries; the Subcommittee approved a budget of \$111,966,031 total funds (limited), \$16,678,527 Other Funds, \$94,778,703 Other Funds Nonlimited, \$508,801 Federal Funds and 70.00 full-time equivalent positions for the Utility Regulation program.

- Package 101, Utility Regulation Analyst: The Subcommittee approved \$197,614 in other funds (limited) to establish an Engineering Analyst position to help ensure compliance with electrical pole and wire safety regulations.

### Residential Service Protection Fund (RSPF)

The RSPF consists of four programs: the Oregon Telephone Assistance program (OTAP), which works to ensure that adequate and affordable residential telephone services are available to all Oregonians; the Telecommunication Devices Access Program (TDAP), which loans specialized telecommunication devices to eligible communication impaired individuals; the Oregon Telecommunications Relay Service (OTRS), which insures that telephone services are available to all Oregonians, regardless of disability; and the Emergency Medical Certificate program (EMC) which serves to protect telephone services for at-risk Oregonians.

The Subcommittee made the following recommendations:

- Package 100, RSPF Extension: the Subcommittee approved \$7,559,908 Other Funds (limited) and 4.88 FTE positions, to extend the Residential Services Protection Fund program (otherwise due to sunset on January 1, 2010).
- Package 102, Speech Generating Devices: The Subcommittee approved \$1,000,000 Other Funds (limited) for the one time purchase, shipping outreach and training related to speech generating devices to be provided to qualified, communication impaired individuals.
- Package 105, Fiscal Auditor: The Subcommittee approved \$142,010 in Other Funds (limited) to create a limited duration fiscal auditor position to ensure telecommunication providers are correctly collecting and reporting RSPF fee charges on phone bills.
- Package 106, Financial System Integration: the Subcommittee approved \$242,600 in Other Funds (limited) for the one-time purchase and integration of an accounting and data system to support fiscal oversight of the RSPF program and facilitate integration in the agency's broader financial system.
- Package 801, Technical Adjustment: the Subcommittee approved this Legislative Fiscal Office (LFO) analyst technical adjustment package to enable transferring \$180,601 Other Fund limitation from the RSPF to the Policy and Administration program, to attribute Attorney General costs in the appropriate cost center.

### Policy and Administration

The Policy and Administration program includes the Commission and the divisions providing support to the public and the Utility Regulation program. The Subcommittee approved a total budget of \$11,964,927 Other Funds (limited) and 48.00 FTE positions for this program.

- Package 107, Asset Management Program: The Subcommittee approved \$300,000 Other Funds (limited) for one time systems elements and professional services expenditures related to compliance with state policies on the classification of documents for purposes of information asset security.

- Package 801, Technical Adjustment: the Subcommittee approved this LFO analyst technical adjustment package to enable transferring \$180,601 Other Fund limitation from the RSPF to Policy and Administration program, to attribute Attorney General costs in the appropriate cost center.

### Board of Maritime Pilots

In addition to rate hearings, the Board of Maritime Pilots licenses Maritime Pilots and investigates maritime safety incidents.

The Subcommittee approved \$315,003 Other Funds (limited) and 1.0 FTE for this program.

### **Summary of Performance Measure Action**

See attached 2009-11 Legislatively Adopted Key Performance Measures form.