

OREGON PUBLIC UTILITY COMMISSION

2013-2015

Governor's Balanced Budget



February 2013

2013-15 GOVERNOR'S BALANCED BUDGET

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CERTIFICATION

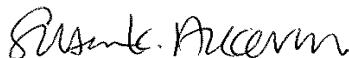
I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the accuracy of all numerical information has been verified.

OREGON PUBLIC UTILITY COMMISSION

PO BOX 2148
SALEM OR 97308-2148

AGENCY NAME

AGENCY ADDRESS



SUSAN ACKERMAN

Chair

TITLE



STEVE BLOOM

Commissioner

TITLE



JOHN SAVAGE

Commissioner

TITLE

Notice: Requests of those agencies headed by a board or commission must be approved by those bodies of official action and signed by the board or commission chairperson. The requests of other agencies must be approved and signed by the agency director or administrator.

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2013-15 GOVERNOR'S BALANCED BUDGET

76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session
BUDGET REPORT AND MEASURE SUMMARY

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: SB 5542-A

Carrier – House: Rep. Beyer
Carrier – Senate: Sen. Nelson

Action: Do Pass as Amended and As Printed A-Engrossed

Vote: 22 – 0 – 3

House – Yeas: Beyer, Buckley, Cowan, Freeman, Garrard, Komp, Kotek, McLane, Nathanson, Nolan, Richardson, G. Smith, Thatcher, Whisnant
– Nays:
– Exc:

Senate – Yeas: Devlin, Edwards, Johnson, Monroe, Thomsen, Verger, Whitsett, Winters
– Nays:
– Exc: Bates, Girod, Nelson

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: Michelle Deister, Legislative Fiscal Office

Meeting Date: April 29, 2011

Agency
Public Utility Commission

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Biennium
2011-13

SB 5542-A

___ Agency Request

___ Governor's Balanced

___ Legislatively Adopted

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Budget Summary

	2009-11 Legislatively Approved Budget (1)	2011-13 Current Service Level	2011-13 Governor's Budget	2011-13 Committee Recommendation	Committee Change from 2009-11 Leg Approved	
					\$ change	% change
Other Funds	39,777,023	41,229,250	39,666,574	39,401,290	(375,733)	-0.9%
Other Funds Nonlimited	94,778,703	75,126,962	75,120,603	75,120,603	(19,658,100)	-20.7%
Federal Funds	2,910,317	821,211	4,813,961	4,813,961	1,903,644	65.4%
Total	\$ 137,466,043	\$ 117,177,423	\$ 119,601,138	\$ 119,335,854	\$ (18,130,189)	-13.2%

Position Summary

Authorized positions	133	128	132	132	(1)
Full-time equivalent positions (FTE)	129.83	126.00	129.50	129.00	(0.83)

(1) Includes adjustments through March 2011

* 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 fully supported by fees on licensed pilots.

Summary of Transportation and Economic Development Subcommittee Action

The Public Utility Commission (PUC) 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 \$119,335,854 total funds and 129.00 full-time equivalent positions for the agency. This is a 13.2 percent total funds decrease from the 2009-11 Legislatively Approved Budget.

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2013-15 GOVERNOR'S BALANCED BUDGET

Utility Regulation - 001

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 \$96,811,263 total funds, \$16,876,699 Other Funds, \$75,120,603 Other Funds Nonlimited, \$4,813,961 Federal Funds and 72.50 full-time equivalent positions for the Utility Regulation program.

The Subcommittee approved statewide personal service reductions and the elimination of inflationary adjustments included in the Governor's budget. The Subcommittee approved other policy option packages as follows:

- Package 104, Continuing ARRA Funding, provides limitation (\$480,651 Federal Funds) to continue three limited-duration positions (2.00 FTE) for activities related to an ARRA grant for the Oregon Electricity Regulators Assistance Project. The positions will perform research and manage dockets aimed at further developing regulatory standards and guidelines in the following ARRA topic areas: (1) Electric Vehicles, (2) Energy Efficiency, (3) Smart Grid, (4) Renewable Energy, and (5) Energy Storage.
- Package 106, Supplemental ARRA Grant (\$3,550,000 Federal Funds), allows the PUC to continue implementation of a supplemental grant for the State Broadband Data and Development Program. In 2009, the PUC received a grant from the National Telecommunications and Information Administration (NTIA). The NTIA recently provided an opportunity for states to receive supplemental funds and the PUC will use the funds to provide grants for: (1) Digital Literacy and Technical Assistance programs, (2) Strategic Planning and Outreach programs to accelerate broadband adoption and utilization, and (3) E-Government Project to promote, support, enable and accelerate the adoption of e-government strategies and applications for local governments.

The Subcommittee did not approve increasing an existing 0.5 FTE Utility Analyst position to 1.00 FTE, with the expectation that PUC could assume workload associated with this request when vacancies were filled.

Residential Service Protection Fund (RSPF) - 003

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 approved a budget of \$10,409,707 Other Funds and 7.50 full-time equivalent positions for the RSPF program.

The Subcommittee approved statewide personal service reductions and the elimination of inflationary adjustments included in the Governor's budget. The Subcommittee also approved the following policy option package:

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- Package 102, RSPF Compliance Specialist, provides the PUC with \$153,559 Other Funds to make a 2009-11 limited duration compliance specialist permanent. The position provides accountability by ensuring telecommunications providers accurately collect, report and remit all RSPF surcharges due.

Additional expenditure limitation associated with increasing access to adaptive telecommunications equipment (Package 103) was not included in SB 5542, but would be added to the associated policy bill if the measure is addressed in a work session by Ways and Means.

Policy and Administration - 004

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 \$11,795,873 Other Funds (limited) and 48.00 full-time equivalent positions for this program.

The Subcommittee approved statewide personal service reductions and the elimination of inflationary adjustments included in the Governor's budget.

Board of Maritime Pilots - 005

In addition to rate hearings, the Board of Maritime Pilots licenses Maritime Pilots and investigates maritime safety incidents. The Subcommittee approved \$319,011 Other Funds (limited) and 1.00 full-time equivalent for this program.

The Subcommittee approved statewide personal service reductions and the elimination of inflationary adjustments included in the Governor's budget, and an analyst adjustment further reducing services and supplies by \$213.

Summary of Performance Measure Action

See attached Legislatively Adopted 2011-13 Key Performance Measures form.

SB 5542-A

2013-15 GOVERNOR'S BALANCED BUDGET

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5542-A

Public Utility Commission
Tamara Brickman -- (503) 378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2009-11 Legislatively Approved Budget at March 2011 *	\$0	\$0	\$39,777,023	\$94,778,703	\$2,910,317	\$0	\$137,466,043	133	129.83
2011-13 ORBITS printed Current Service Level (CSL)*	\$0	\$0	\$41,229,250	\$75,126,962	\$821,211	\$0	\$117,177,423	128	126.00
2011-13 Governor's Recommended Budget *	\$0	\$0	\$39,666,574	\$75,120,603	\$4,813,961	\$0	\$119,601,138	132	129.50
<u>SUBCOMMITTEE ADJUSTMENTS (from GRB)</u>									
Package 101: Increase Existing UA 3 Permanent Position Personal Services	0	0	(86,884)	0	0	0	(86,884)	0	(0.50)
Package 103: RSPF TDAP Broadens Eligibility Services and Supplies	0	0	(178,187)	0	0	0	(178,187)	0	0.00
Package 810: Analyst Adjustments Services and Supplies	0	0	(213)	0	0	0	(213)	0	0.00
TOTAL ADJUSTMENTS	\$0	\$0	(\$265,284)	\$0	\$0	\$0	(\$265,284)	0	(0.50)
SUBCOMMITTEE RECOMMENDATION *	\$0	\$0	\$39,401,290	\$75,120,603	\$4,813,961	\$0	\$119,335,854	132	129.00
% Change from 2009-11 Leg Approved Budget	0.0%	0.0%	-0.9%	-20.7%	65.4%	0.0%	-13.2%	-0.8%	-0.6%
% Change from 2011-13 Current Service Level	0.0%	0.0%	-4.4%	0.0%	486.2%	0.0%	1.8%	3.1%	2.4%
% Change from 2011-13 Governor's Recommended Budget	0.0%	0.0%	-0.7%	0.0%	0.0%	0.0%	-0.2%	0.0%	-0.4%

* Excludes Capital Construction Expenditures

SB 5542-A

2013-15 GOVERNOR'S BALANCED BUDGET

Legislatively Proposed 2011-2013 Key Performance Measures

Agency: PUBLIC UTILITY COMMISSION

Mission: Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates through regulation and promoting the development of competitive markets.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
- Vessel Incidents - The number and severity of incidents involving vessels under the direction of licensees, and as a percentage of total vessels piloted annually.		Proposed New KPM			
- Water Utilities - Percentage of rate regulated water companies with rate designs promoting efficient use of water resources.		Proposed New KPM			
1 - Water Utilities - Number of water utilities adopting price changes.		Approved KPM	20.00	26.00	
2 - Price of Electricity -Average price of electricity for residential users from Oregon Investor Owned Utilities as a percent of the national average price.		Approved KPM	81.00	90.00	90.00
3 - Electric Energy - Percentage of business customers' electric energy usage supplied by alternative suppliers.		Approved KPM	7.40	10.00	10.00
4 - Utility Pricing - Number of new utility pricing programs.		Approved KPM	10.00	11.00	12.00
5 - Residential Energy Efficiency – Ratio of dollars realized in energy savings per dollar of public purpose fund expenditure for Energy Trust's residential programs.		Approved KPM	5.00	3.70	3.70
6 - Commercial Energy Efficiency – Ratio of dollars realized in energy savings per dollar of public purpose fund expenditure for of Energy Trust's residential programs.		Approved KPM	3.50	2.80	2.80
7 - Industrial Energy Efficiency – Ratio of dollars realized in energy savings per dollar of public purpose fund expenditure for costs of Energy Trust's industrial programs.		Approved KPM	3.50	2.90	2.90
8 - Renewable Resource Development – Annual average megawatts acquired through Energy Trust programs. (3 year rolling average)		Approved KPM	16.60	3.00	3.00
9 - Energy Trust Administrative Efficiency – Administrative and program support costs as a percent of annual revenues.		Approved KPM	6.20	9.00	9.00

Print Date: 4/26/2011

2013-15 GOVERNOR'S BALANCED BUDGET

Agency: PUBLIC UTILITY COMMISSION

Mission: Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates through regulation and promoting the development of competitive markets.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
10 - Electric Utility Operations -- Effectiveness of staff audits in preventing injuries caused by electric utility operations per 100,000 utility customers.		Approved KPM	0.22	0.15	0.15
11 - Unsafe Acts - Effectiveness of Utility and PUC promoted education in preventing injuries from unsafe acts per 100,000 utility customers.		Approved KPM	0.19	0.45	0.45
12 - Natural Gas Operations - Personal injuries related to Natural Gas Operations per 100,000 utility customers.		Approved KPM	0.13	0.15	0.15
13 - Switched Access Lines - Percent of total switched access lines provided by competitive local exchange carriers, statewide.		Approved KPM	24.00	27.00	28.00
14 - Evidentiary Record - Percent of Consumer Complaint Orders issued within 30 days of close of evidentiary record.		Approved KPM	77.00	100.00	100.00
15 - Oregon Telephone Assistance Program -- Percentage of food stamps recipients participating in the Oregon Telephone Assistance Program.		Approved KPM	13.00	23.00	23.00
16 - Access to Telephone Services -- Percentage of disabled senior citizens (65 years and older) with access to the Telecommunications Devices Access Program.		Approved KPM	60.00	50.00	50.00
17 - Complaint Investigation - Percent of complaint investigation cases open 50 days or less.		Approved KPM	76.00	75.00	75.00
18 - Customer Service -- Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved KPM	77.00	90.00	90.00
18 - Customer Service -- Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Availability of Information	Approved KPM	71.00	90.00	90.00
18 - Customer Service -- Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Expertise	Approved KPM	77.00	90.00	90.00

Print Date: 4/26/2011

2013-15 GOVERNOR'S BALANCED BUDGET

Agency: PUBLIC UTILITY COMMISSION

Mission: Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates through regulation and promoting the development of competitive markets.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
18 - Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent” in overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved KPM	85.00	90.00	90.00
18 - Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent” in overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Overall	Approved KPM	80.00	90.00	90.00
18 - Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent” in overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved KPM	79.00	90.00	90.00
19 - Best Practices - Percent of total best practices met by the Board of Maritime Pilots.		Approved KPM	96.00	100.00	100.00

LFO Recommendation:

The Legislative Fiscal Office recommends the following changes to the Public Utility Commission's key performance measures (KPMs) for the 2011-13 biennium: - Approve the deletion of KPM #1 "Water Utilities - Number of water utilities adopting new price changes", to be replaced by a new KPM related to water, as follows: "Percentage of rate regulated water companies with rate designs promoting efficient use of water resources." The recommended target for this measure is 85 in 2011; 90 in 2012; and 92 in 2013.- Approve a new KPM for the Board of Maritime Pilots as follows: "Vessel Incidents - the number and severity of incidents involving vessels under the direction of licensees, as a percentage of total vessels piloted annually." The severity of incidents has been established by agency administrative rule (OAR 856-010-0022). The recommended target for this measure is in all years is 0.

Sub-Committee Action:

Approve the LFO recommendation.

Print Date: 4/26/2011

2013-15 GOVERNOR'S BALANCED BUDGET

76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session
BUDGET REPORT AND MEASURE SUMMARY

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: SB 144-A

Carrier – House: Rep. Beyer
Carrier – Senate: Sen. Verger

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

Vote: 22 – 1 – 2

House – Yeas: Beyer, Buckley, Cowan, Garrard, Komp, Kotek, McLane, Nathanson, Nolan, Richardson, G. Smith, Thatcher, Whisnant
– Nays:
– Exc: Freeman

Senate – Yeas: Devlin, Edwards, Girod, Monroe, Nelson, Thomsen, Verger, Whitsett, Winters
– Nays: Johnson
– Exc: Bates

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: Michelle Deister, Legislative Fiscal Office

Meeting Date: May 6, 2011

Agency
Public Utility Commission

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Biennium
2011-13

SB 144-A

___ Agency Request

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2013-15 GOVERNOR'S BALANCED BUDGET

Budget Summary*

	2009-11		2011-13		Committee Change from	
	Legislatively Approved Budget (1)	Current Service Level	Governor's Budget	2011-13 Committee Recommendation	2009-11 Leg Approved	
					\$ change	% change
Public Utility Commission						
Other Funds	\$ 0	\$ 0	\$ 0	\$ 178,187	+178,187	+100.0%

Position Summary

Authorized Positions	0	0	0	0	0
Full-time Equivalent (FTE) Positions	0.00	0.00	0.00	0.00	0.00

(1) Includes adjustments through March 2011.

* Excludes Capital Construction expenditures

Summary of Revenue Changes

Senate Bill 144-A revises current law to expand eligibility for the Telecommunication Devices Access Program (TDAP) to a broader segment of the hard of hearing and speech impaired population, and expands the statutory list of professionals who can certify an individual as being eligible for the program to include nurse practitioners, rehabilitation instructors for persons who are blind, speech-language pathologists, and hearing aid specialists. The program is supported by the Residential Service Protection Fund, which receives a \$0.12 surcharge assessed against each paying retail subscriber who has telephone or cellular service, with the exception of Voice Over Internet Protocol (VoIP) or Prepaid cellular services. The TDAP loans adaptive telephone equipment at no cost to eligible Oregonians who have an impairment in at least one of the following areas: hearing, vision, speech, mobility, or cognitive function.

Summary of Subcommittee Action

Public Utility Commission

The Subcommittee approved an increase of \$178,187 Other Funds, to the commission to purchase additional equipment to send out to clients and for repairs and refurbishments of returned equipment. The limitation provided to the commission for the program will be for services and supplies within the Residential Service Protection Program Area, based on the program's expanded eligibility criteria resulting from this measure.

SB 144-A

Agency Request

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2013-15 GOVERNOR'S BALANCED BUDGET

76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session
BUDGET REPORT AND MEASURE SUMMARY

MEASURE: SB 5508-A

JOINT COMMITTEE ON WAYS AND MEANS

Carrier – House: Rep. Richardson
Carrier – Senate: Sen. Devlin

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

Vote: 24 – 0 – 1

House – Yeas: Beyer, Buckley, Cowan, Freeman, Garrard, Komp, Kotek, McLane, Nathanson, Nolan, Richardson, G. Smith, Thatcher, Whisnant
– Nays:
– Exc:

Senate – Yeas: Bates, Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Thomsen, Whitsett, Winters
– Nays:
– Exc: Verger

Prepared By: Sheila Baker, Legislative Fiscal Office

Reviewed By: Daron Hill, Legislative Fiscal Office

Meeting Date: June 29, 2011

<u>Agency</u>	<u>Budget Page</u>	<u>LFO Analysis Page</u>	<u>Biennium</u>
Emergency Board	L-1	263	2011-13
Various Agencies			2009-11

SB 5508-A

___ Agency Request

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2013-15 GOVERNOR'S BALANCED BUDGET

Adjustments to 2009-11 Budgets

Public Utility Commission

Senate Bill 5508 increases the Commission's Other Funds expenditure limitation by \$10,000 for the Board of Maritime Pilots related to Attorney General charges associated with rate cases.

Oregon University System (Department of Higher Education)

Federal Funds expenditure limitation for the Oregon University System is increased by \$3,550. Unallocated federal American Recovery and Reinvestment Act funding is added for 2009-11 to ensure the correct distribution of these funds is maintained between the education sectors as required by the granting authority.

Judicial Department

The Judicial Department budget is increased with a \$499,999 General Fund appropriation for operations. The amount of the appropriation is to ensure that the Department receives seven quarters of House Bill 2287 revenues (\$22,002,005) as anticipated in the Department's 2009-11 legislatively approved budget.

Public Defense Services Commission

The Subcommittee approved a supplemental General Fund appropriation of \$802,570 for the Public Defense Services Account for trial-level public defense. The amount of the appropriation is to ensure that the agency receives seven quarters of House Bill 2287 revenues (\$12,380,573) as anticipated in the Commission's 2009-11 legislatively approved budget.

Oregon Watershed Enhancement Board

Expenditure limitation for this Board is increased by \$800,000 Federal Funds to pay out federal land acquisition grants that the agency expects to expend late in the current biennium.

Department of Transportation

The Subcommittee added \$2 Lottery Funds expenditure limitation for debt service payments for Connect Oregon II for multimodal transportation projects and the Southeast Metro Milwaukie Extension bonds.

SB 5508-A

2013-15 GOVERNOR'S BALANCED BUDGET

SENATE BILL 5508-A ATTACHMENT A: 2011-13 Agency Adjustments

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
HEALTH RELATED LICENSING BRDS	Oregon State Veterinary Medical Examining Board	HB 5028	07	OF	-	-	4,633	-
OREGON HEALTH LICENSING AGENCY	Operating Expenses	HB 5026	01	OF	-	-	(19,614)	-
BUREAU OF LABOR AND INDUSTRIES	Operating Expenses	SB 5519	01	GF	(10,650)	-	-	-
BUREAU OF LABOR AND INDUSTRIES	Operating Expenses	SB 5519	02	OF	-	-	(3,637)	-
BUREAU OF LABOR AND INDUSTRIES	Operating Expenses	SB 5519	04	FF	-	-	-	(819)
PUBLIC UTILITY COMMISSION	Utility program	SB 5542	01-01	OF	-	-	(5,168)	-
PUBLIC UTILITY COMMISSION	Residential Service Protection Fund	SB 5542	01-02	OF	-	-	(286)	-
PUBLIC UTILITY COMMISSION	Administration	SB 5542	01-03	OF	-	-	(17,065)	-
PUBLIC UTILITY COMMISSION	Board of Maritime Pilots	SB 5542	01-04	OF	-	-	(71)	-
PUBLIC UTILITY COMMISSION	Operating Expenses	SB 5542	02	FF	-	-	-	(36)
DEPT OF CONSUMER/BSN SERVICES	Operating Expenses	HB 5013	01	OF	-	-	(506,788)	-
DEPT OF CONSUMER/BSN SERVICES	Operating Expenses	HB 5013	02	FF	-	-	-	(2,438)
REAL ESTATE AGENCY	Operating Expenses	SB 5544	01	OF	-	-	(33,430)	-
BOARD OF NURSING	Operating Expenses	SB 5527	01	OF	-	-	(55,413)	-
OREGON MEDICAL BOARD	Operating Expenses	SB 5526	01	OF	-	-	(2,002)	-
PHARMACY, OREGON BOARD OF	Operating Expenses	SB 5536	01	OF	-	-	2,463	-
ECONOMIC DEVELOPMENT								
OREGON BUSINESS DEVELOPMENT DEF Arts		SB 5528	01	GF	(1,316)	-	-	-
OREGON BUSINESS DEVELOPMENT DEF Business, Innovation and Trade		SB 5528	02-01	OF	-	-	(912)	-
OREGON BUSINESS DEVELOPMENT DEF Infrastructure Financing		SB 5528	02-02	OF	-	-	(9,335)	-
OREGON BUSINESS DEVELOPMENT DEF Shared Services		SB 5528	02-03	OF	-	-	(1,923)	-
OREGON BUSINESS DEVELOPMENT DEF Arts & Cultural Trust		SB 5528	02-04	OF	-	-	(1,614)	-
OREGON BUSINESS DEVELOPMENT DEF Debt Service		SB 5528	02-05	OF	-	-	-	-
OREGON BUSINESS DEVELOPMENT DEF Business, Innovation and Trade		SB 5528	03-01a	LF	-	(8,976)	-	-
OREGON BUSINESS DEVELOPMENT DEF Shared Services		SB 5528	03-01b	LF	-	(11,753)	-	-
OREGON BUSINESS DEVELOPMENT DEF Debt service on lottery bonds		SB 5528	03-01d	LF	-	(7,636,301)	-	-
OREGON BUSINESS DEVELOPMENT DEF Business, Innovation and Trade		SB 5528	04-01	FF	-	-	-	(8)
OREGON BUSINESS DEVELOPMENT DEF Infrastructure Financing		SB 5528	04-02	FF	-	-	-	(158)
DEPT OF HOUSING/COMMUNITY SVCS	Operating Expenses	SB 5515	01	GF	822	-	-	-
DEPT OF HOUSING/COMMUNITY SVCS	Operating Expenses	SB 5515	02-01	OF	-	-	140,692	-
DEPT OF HOUSING/COMMUNITY SVCS	Debt service on lottery bonds	SB 5515	03	LF	-	(893,958)	-	-
DEPT OF HOUSING/COMMUNITY SVCS	Operating Expenses	SB 5515	04	FF	-	-	-	26,833
DEPT OF VETERANS AFFAIRS	Vets' Services Organizations Payments	SB 5546	01-03	GF	(572)	-	-	-
DEPT OF VETERANS AFFAIRS	Vets' Services Organizations Payments	SB 5546	02-01	OF	-	-	(39,377)	-
DEPT OF EMPLOYMENT	Operating budget	SB 5509	02-01	OF	-	-	1,204,757	-
DEPT OF EMPLOYMENT	Operating budget	SB 5509	05	FF	-	-	-	(365,884)
EDUCATION								
TEACHER STANDARDS/PRACTICES	Operating Expenses	SB 5545	01	OF	-	-	7,367	-
STUDENT ASSISTANCE COMMISSION	Office of Degree Authorization	HB 5043	01-04	GF	(359)	-	-	-
STUDENT ASSISTANCE COMMISSION	Operations	HB 5043	02	OF	-	-	(5,890)	-
STUDENT ASSISTANCE COMMISSION	Operations	HB 5043	01-03	GF	(3,546)	-	-	-
DEPARTMENT OF HIGHER EDUCATION	Education and general services of higher education	SB 5532	01-01	GF	(79,021)	-	-	-
DEPARTMENT OF HIGHER EDUCATION	Agricultural Experiment Station and the branch experiment stations of Oregon State University	SB 5532	01-02	GF	(6,578)	-	-	-
DEPARTMENT OF HIGHER EDUCATION	Extension Service of Oregon State University	SB 5532	01-03	GF	(6,176)	-	-	-
DEPARTMENT OF HIGHER EDUCATION	Forest Research Laboratory of Oregon State University	SB 5532	01-04	GF	(760)	-	-	-

Senate Bill 5508-A

___ Agency Request

Governor's Balanced

___ Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

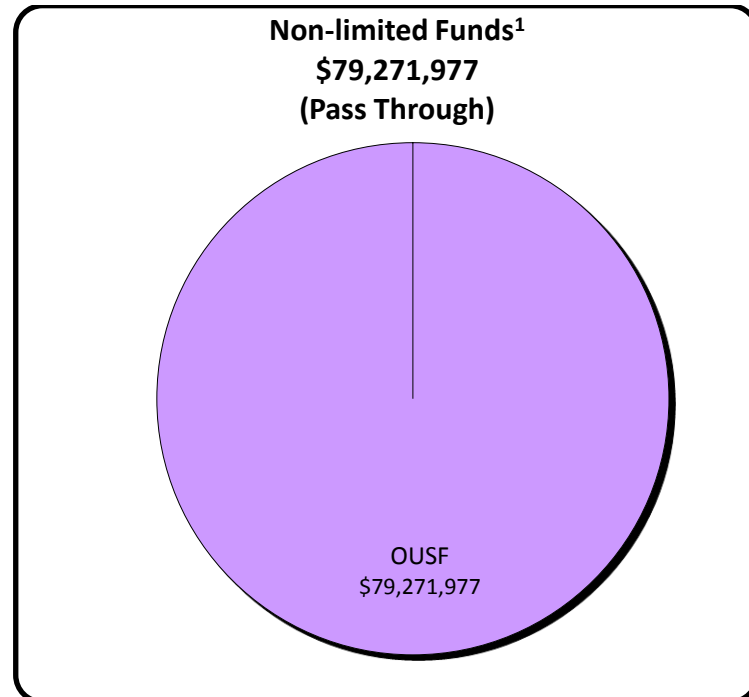
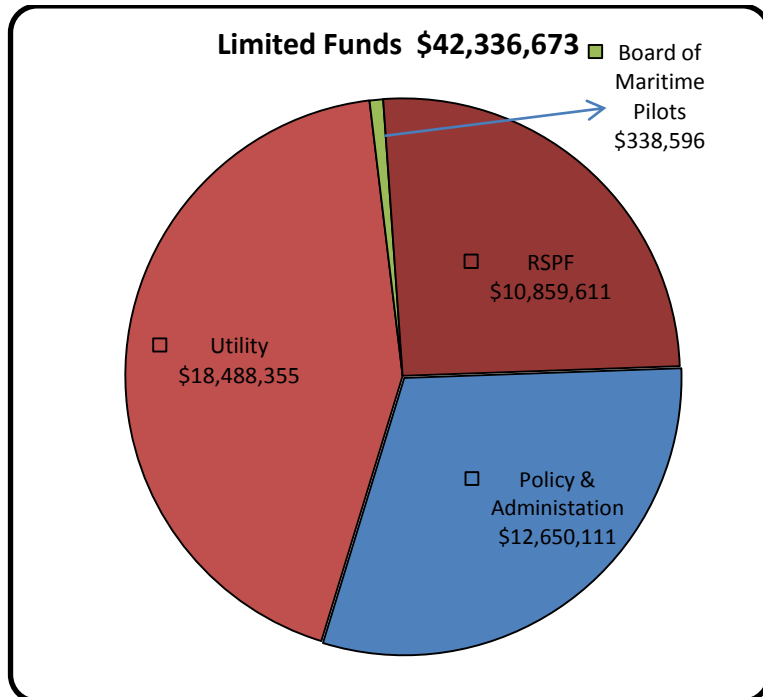
EMERGENCY BOARD MINUTES

Not applicable to agency.

2013-15 GOVERNOR'S BALANCED BUDGET

OTHER FUND AND FEDERAL FUND DISBURSEMENTS

**TOTAL DISBURSEMENTS
ALL PROGRAMS
\$121,608,650**

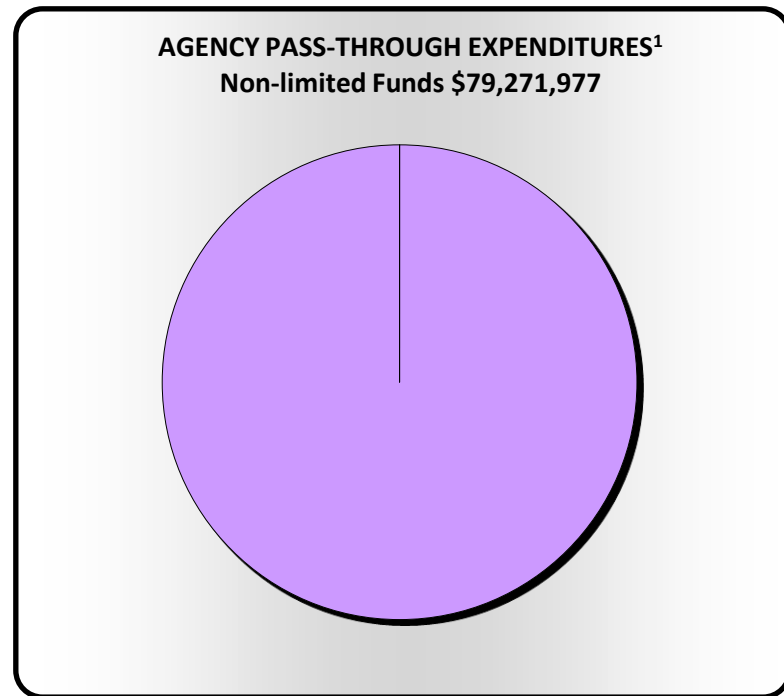
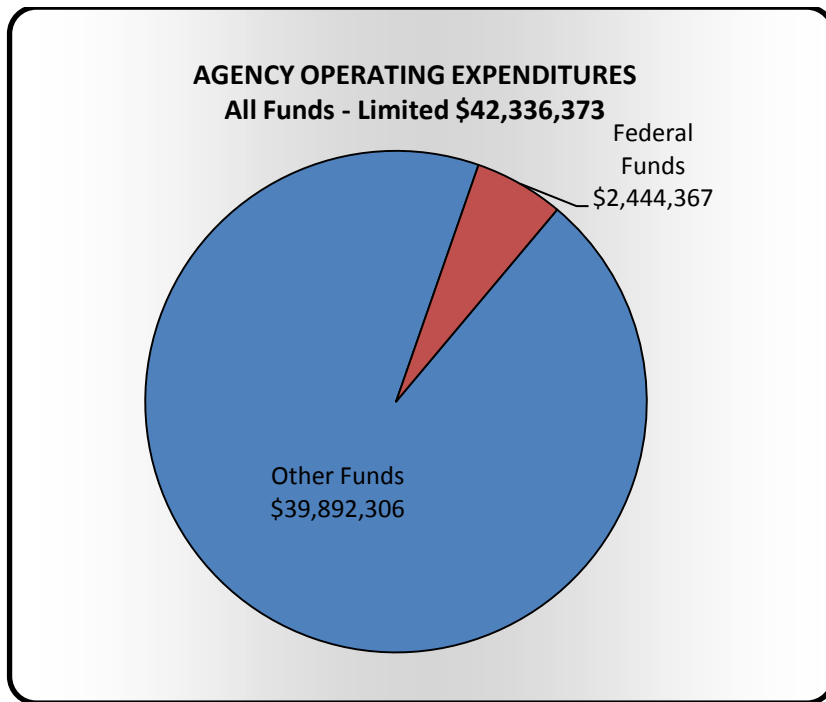


¹ These expenditures are mandated by statute (ORS 759.425) that requires the PUC to establish and administer the Oregon Universal Service Fund (OUSF) to collect funds from all retail telecommunications providers for service sold in Oregon, and then pass those funds on to high-cost area telecommunications providers.

2013-15 GOVERNOR'S BALANCED BUDGET

COMPARISON OF BIENNIAL EXPENDITURES BY BIENNIUM LIMITED, OTHER AND FEDERAL FUNDS

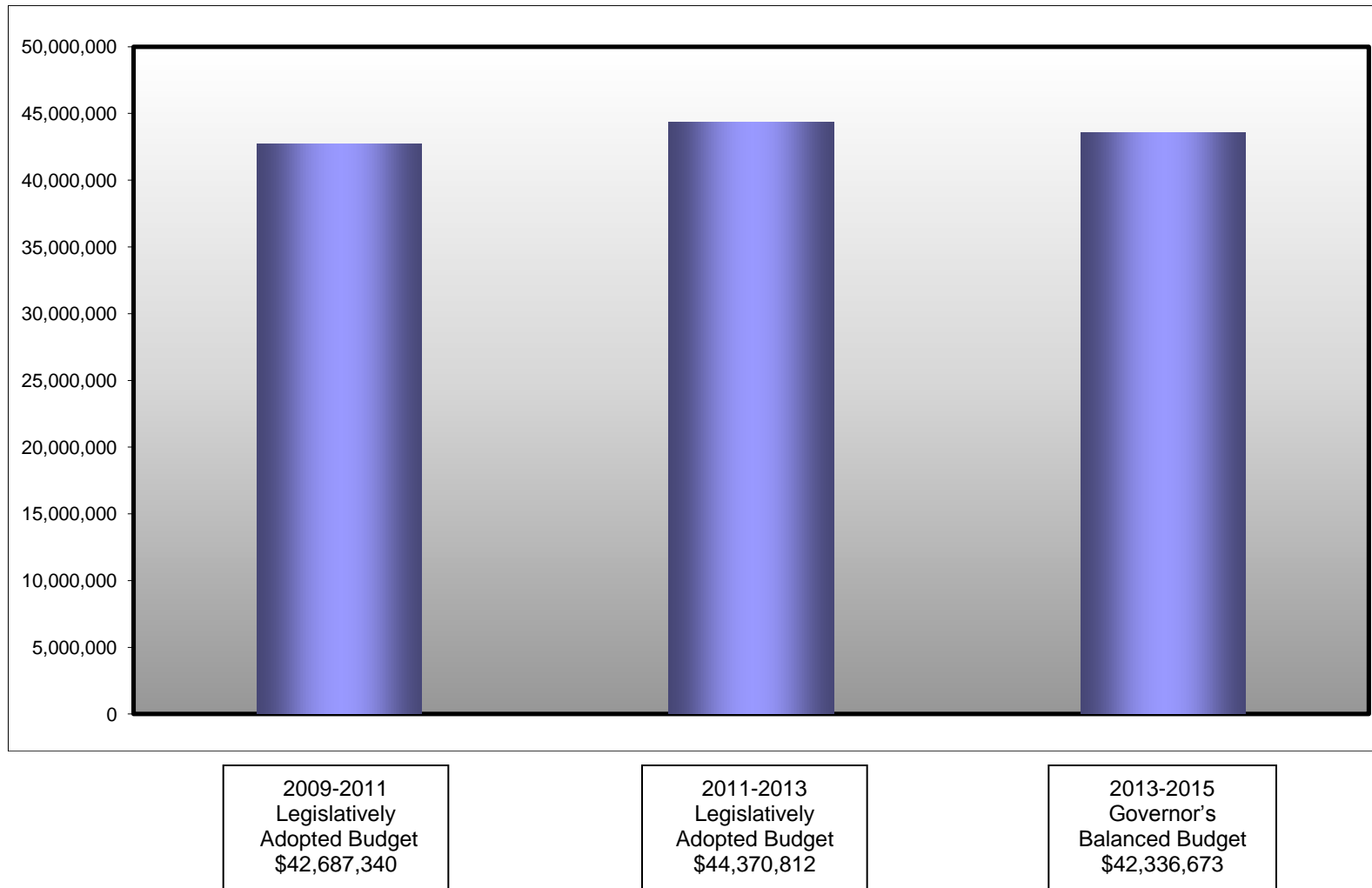
ALL FUNDS
\$121,608,650



¹ These expenditures are mandated by statute (ORS 759.425), that requires the PUC to establish and administer the Oregon Universal Service Fund (OUSF) to collect funds from all retail telecommunications providers for service sold in Oregon, and then pass those funds on to high-cost area telecommunications providers.

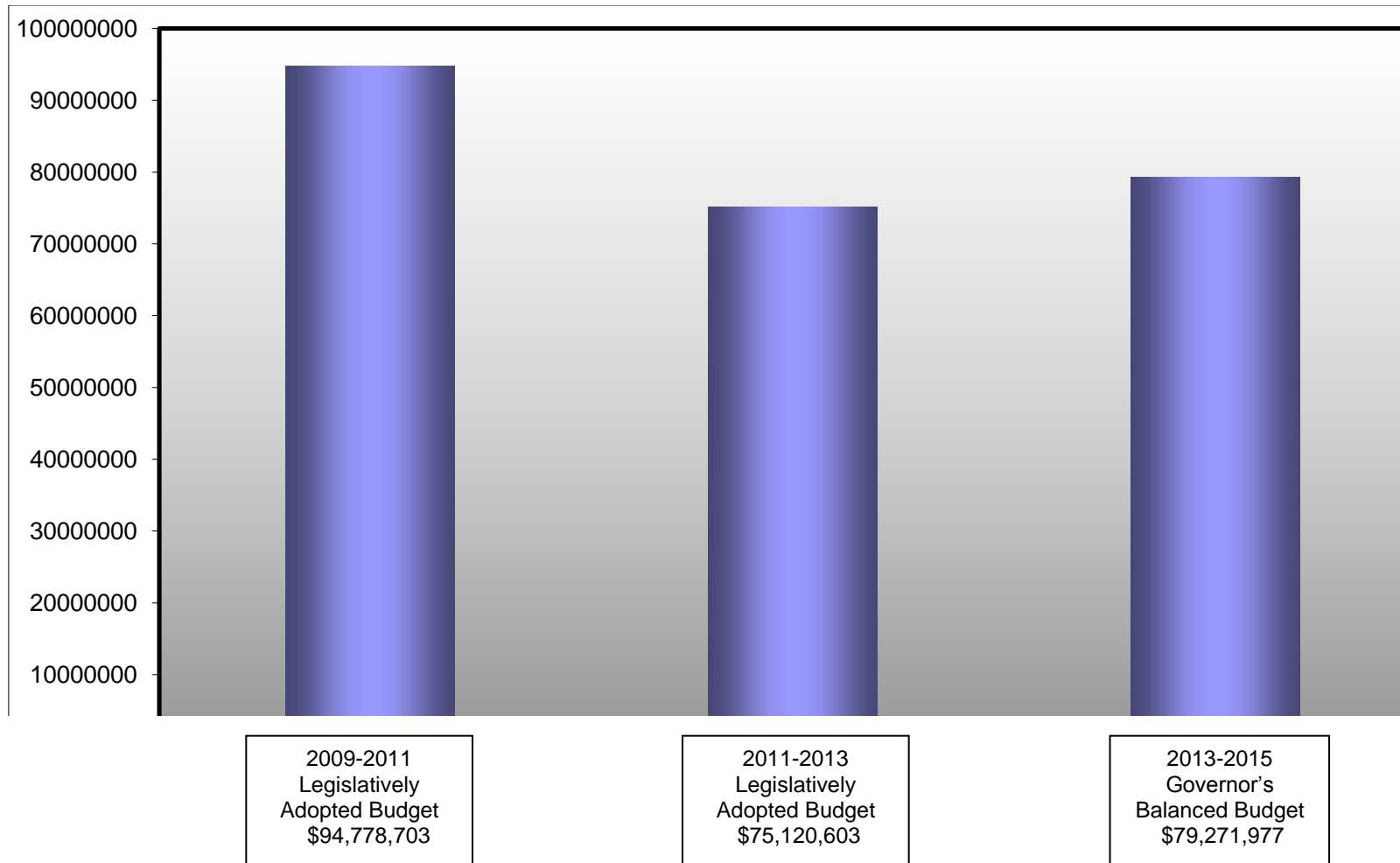
2013-15 GOVERNOR'S BALANCED BUDGET

COMPARISON OF BIENNIAL EXPENDITURES BY FUND LIMITED, OTHER AND FEDERAL FUNDS



2013-15 GOVERNOR'S BALANCED BUDGET

COMPARISON OF BIENNIAL EXPENDITURES¹ BY BIENNIUM NON-LIMITED PASS-THROUGH FUNDS



¹ These expenditures are mandated by statute (ORS 759.425) that requires the PUC to establish and administer an Oregon Universal Service Fund to collect funds from all retail telecommunications providers for service sold in Oregon, and then to pass those funds on to high-cost area telecommunications providers.

2013-15 GOVERNOR'S BALANCED BUDGET

AGENCY SUMMARY NARRATIVE

MISSION STATEMENT

The PUC is responsible for regulating the rates and services offered by private Oregon electric and natural gas utilities, telecommunications companies, and water companies.

The PUC's mission is to:

“Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates through regulation and promoting the development of competitive markets.”

The Commission actions are governed by state and federal laws and judicial decisions. Both Congress and the Oregon Legislature have passed laws to introduce more competition into the electricity and telecommunication marketplaces.

STATUTORY AUTHORITY

The PUC bases its authority on several chapters of state law.

- Oregon Revised Statute 756 sets out the agency's general powers:
 - Authorizes the Commission to “represent the customers of any electric and natural gas utility, telecommunications utility, water utility and the public generally in all controversies respecting rates, valuations, service and all matters of which the Commission has jurisdiction.”

- Authorizes the Commission to set rates and determine the terms and conditions of service by utilities.
- Authorizes the Commission to investigate the management and records of regulated utilities, investigate complaints and take other actions to protect customers.
- Requires the Commission to “balance the interests of the utility investor and the consumer in establishing fair and reasonable rates.”
- ORS 757 and 758 sets out laws for energy and water regulation.
- ORS 759 sets out laws for telecommunication regulation.
- Oregon Administrative Rules Chapter 860 defines the standards that the PUC uses to carry out its responsibilities. These rules deal with all aspects of regulation, including rate filing procedures, safety standards, and customer complaint procedures.
- Other applicable statutes are found in ORS Chapters 259, 290, 447, 469, 613, and 772.

FUNDING

The PUC receives no General or Lottery funds. Commission protection/oversight costs consumers of regulated utilities, on average, about 16 cents per month on natural gas, electric, telecommunications, and water bills.

2013-15 GOVERNOR'S BALANCED BUDGET

TWO-YEAR PLAN

During 2013-2015, the PUC will:

- Approve the electricity, natural gas, and water rates charged to Oregon homes and businesses served by Oregon regulated utilities.
- Set and enforce price and service rules that protect consumers.
- Set and enforce standards to ensure high-quality utility service to Oregon consumers.
- Ensure that pipelines, power lines, and other energy facilities operate safely and reliably.
- Ensure that utilities are prepared to respond effectively to major disasters and cyber attacks.
- Ensure that utilities comply with all state and federal laws governing their resource choices.
- Provide all customers options for controlling their energy use and bills.
- Ensure that utilities operate efficiently and, through their resource choices, meet their customer's needs at the lowest possible cost and risk now and for the long run.
- Set and enforce rules for fair, effective competition in the energy and telecommunication industries.
- Oversee programs to ensure phone service is affordable and accessible to all Oregonians.
- Resolve customer complaints about utility service in a timely, effective manner.
- Promote an environment in which new, innovative telecommunications and energy technologies that benefit consumers can thrive.
- Ensure that Oregon's regulations keep pace with changing technology and market conditions and continue to benefit consumers.
- Influence federal telecommunications and energy laws and policies to benefit Oregon consumers.

2013-15 GOVERNOR'S BALANCED BUDGET

AGENCY PROGRAM DESCRIPTIONS

UTILITY PROGRAM

The Utility Program is the technical and analytical arm of the agency. It consists of a professional staff that analyzes all utility filings, helps build a factual record in contested case proceedings, investigates and recommends policy options, inspects utility facilities, and undertakes many other activities needed for the Commission to carry out its mission and serve ratepayers. Through its Consumer Services Section, the Utility Program also assists the public in resolving complaints about utility service.

The program's three divisions are – Energy; Telecommunications and Water; and Utility Safety, Reliability and Security (USRS); additionally the Consumer Services section falls within the Utility Program.

The Utility Program falls under the Governor's Safety Outcome Group.

RESIDENTIAL SERVICE PROTECTION FUND

The Residential Service Protection Fund consists of four programs aimed at ensuring accessible and affordable basic phone service for all Oregonians. These programs provide assistance for:

- Low-income Oregonians who have difficulty paying for phone service.
- Oregonians with impairments that make it difficult for them to use a phone.

- Oregonians with medical hardships who must have phone access at all times.

The Residential Service Protection Fund falls under the Governor's Healthy People Outcome group.

POLICY AND ADMINISTRATION PROGRAM

The Policy and Administration Program consists of the Commission Office and the following divisions and sections:

- **Administrative Hearings Division** conducts rulemaking and contested case hearings on issues concerning utility services. Hearings involve mergers and acquisitions, rate proposals, and consumer complaints. The section also oversees public records requests and agency compliance with the Administrative Procedures Act.
- **Business Services** provides budget planning and development, fiscal and accounting services, revenue fee collection, mail distribution, payroll, and support functions.
- **Commission Services** provides direct support to the three Commissioners.
- **Human Resources Section** provides all personnel-related services to the agency.

2013-15 GOVERNOR'S BALANCED BUDGET

- **Information Systems** provides computer hardware and software services, web services, email services, telecommunications services, database services, database and web development services, record management database services, data communications services, Internet access services, business continuity planning, information systems long-range planning, disaster recovery planning, and network security services.
- **Public Affairs and Business Systems** provides all media, and communications functions; Electronic Document Management Systems (EDMS) functions; maintains and updates agency's policies and procedures, compiles and publishes the agency's biennium budget, and coordinates all agency legislative actions.

The Policy and Administration Program falls under the Governor's Improving Government Outcome Group.

BOARD OF MARITIME PILOTS

The Board of Maritime Pilots (BOMP) is a part of the PUC for budget and administrative purposes. BOMP helps protect public health, safety, and welfare by ensuring that only the best-qualified persons are licensed to pilot vessels. BOMP is an independent occupational licensing and regulatory agency for state maritime pilots.

A maritime (or marine) pilot is a local navigational and ship-handling expert who directs the course and speed of vessels based upon knowledge of wind, weather, tides, currents, and local geography. Replacing a vessel lost through negligent navigation, injuries or deaths among the vessel's crew, loss of cargo, environmental damage, and cleaning up spills of

hazardous materials are costly. Piloting is an occupation that requires education, experience and licensure, and it commands salaries commensurate with other professional occupations such as physicians and attorneys.

BOMP regulates the rates pilots charge for their services. It also monitors pilot performance and investigates pilot performance in any reportable casualty. BOMP encourages safe piloting practices.

BOMP receives no General or Lottery funds. BOMP revenues are received from Annual Pilot License Fees, reimbursements from rate hearings, and miscellaneous receipts.

BOMP falls under the Governor's Safety Outcome Group.

2013-15 GOVERNOR'S BALANCED BUDGET

ENVIRONMENTAL FACTORS

- Oregon's population will continue to grow. The growth translates directly into greater demand for utility services.
- The slow economic recovery is creating increased demand for utility service assistance programs.
- Emerging federal laws and rules concerning greenhouse gas emissions and energy consumption.
- Heightened concerns about the risks posed by cyber attacks and major earthquakes on utility facilities.
- Meeting the requirements and initiatives of the Governor's 10-Year Energy Action Plan.
- The need for utilities to invest in capital projects to meet the growing demand of customers, changes in technology, and federal and state mandates.
- Federal laws and rules are promoting the development of broadband as well as fundamental changes to universal service funding.
- The continued decrease in telephone landline use due to cellular telephones; Voice Over Internet Protocol (VOIP), and internet usage such as Skype.
- Personnel challenges and opportunities resulting from HB 4131.

2013-15 GOVERNOR'S BALANCED BUDGET

Initiatives and Accomplishments

Initiatives

- Begin collaborative review of new approaches to allocating PacifiCorp costs among its six jurisdictional states.
- Investigate fuel switching and cross fuel energy efficiency issues.
- Prepare a legislative report on the feasibility of energy efficiency power purchase agreements and the cost-effectiveness of selling energy efficiency to electric utilities at prices equivalent to those of new generation facilities.
- Review Oregon policies related to utility energy purchases from qualifying facilities under the Public Utility Regulatory Policies Act (PURPA).
- Review Oregon direct access programs of Portland General Electric Company and PacifiCorp in order to address barriers to the development of a competitive retail market structure.
- Collaborate with the Oregon State Treasury (OST) and the Fund Trustee to transfer \$30 million of Klamath Dam Removal Funds' (Fund) existing balances into OST's Oregon Intermediate Term Pool investment funds.
- Facilitate negotiations between utilities and customer groups to revise and extend Intervenor Funding Agreements that provide financial assistance to organizations representing broad customer interests.
- Investigate call termination to address long distance problems that are plaguing rural Oregonians experiencing dropped telephone calls, poor voice quality on calls, calls where only one person can hear, and incorrect caller ID information.
- Investigate reform of the Oregon Universal Service Fund. The investigation will address possible expansion of the fund, accountability measures, and how levels of support should be determined.
- Implement processes to meet new Federal Communication Commission changes concerning the Federal Lifeline program including the "free" cellular phones offering by several carriers.
- Revise and update rules for water regulation.
- Finalize the sale of Fish Mill Lodges Water Company to its customers.
- Revise several rules to remove ambiguity and conflict from the Administrative Rules in Division 21, 34, and 36 having to do with energy, telecommunications, and water utilities. These rules will eliminate overlap and simplify or remove certain regulatory requirements for utilities.
- Collaborate with the Secretary of State Archives Division to implement a low cost electronic document management system that effectively meets the requirements of ORS 192 and Department of Administrative Services (DAS) Policy 107-004-050 "*Information Asset Classification*."

2013-15 GOVERNOR'S BALANCED BUDGET

Accomplishments

- Completed general rate cases for Avista Utilities, Idaho Power, Pacific Power, and NW Natural.
- Completed annual purchased gas adjustments for NW Natural, Cascade Utilities, and Avista Utilities, resulting in lower rates for most gas customers in Oregon.
- Completed annual power costs adjustments for Pacific Power, Portland General Electric, and Idaho Power to better align rates with actual costs of power.
- Completed extensive reviews of electric and natural gas utility resource plans, and requests for proposals for electric generating resources.
- Completed general rate cases for ten water utilities and six investigations on water service matters.
- Conducted numerous investigations to address ways to reduce utility resource cost and risk. These included:
 - Integrated Resource Plans for Pacific Power, Idaho Power, and NW Natural;
 - Resource Requests for Proposals issued by Portland General Electric and Pacific Power; and
 - Revisions to competitive bidding guidelines.
- Established a pilot program to demonstrate the use and effectiveness of “Volumetric incentive rates” and payments for electricity delivered from solar photovoltaic (PV) energy systems within Portland General Electric, Pacific Power, and Idaho Power service territories.
- Actively participated in select panel to craft regional multi-billion dollar settlement for the sharing of low-cost federal hydro power among the publicly and privately owned utilities.
- Authorized NW Natural to enter into a joint venture to develop gas fields to provide customers price savings and stability over 30-year term of the agreement.
- Implemented surcharges for funding costs of removing Klamath River dams in compliance with state law, and completed an investigation into whether the imposition of the surcharges results in rates that are fair, just, and reasonable.
- Ensured electric utilities’ compliance with the Commission rules implementing Oregon’s renewable portfolio standards, including filings for establishing implementation plans, alternative compliance payments, and timely recovery of prudently incurred costs.
- For each electric utility and alternative electricity supplier implemented Oregon’s greenhouse gas emissions standard, and developed estimated rate impacts for electric and natural gas companies to meet 2020 goals.
- Completed investigations and adopted regulatory policies related to Electric Vehicles and Smart Grid.
- Reviewed action plans, budgets, and performance measures for Energy Trust (ETO) activities, and improved the alignment between ETO planning and the utility resource planning process.

2013-15 GOVERNOR'S BALANCED BUDGET

- Completed a legislative report on the effectiveness of the ETO's incentives and whether they could replace certain state tax credits.
- Examined hedging strategies used by electric utilities
- Completed eight audits of regulated utilities.
- Conducted audits and participated in regulated energy utilities' rate and tax reconciliation cases identifying accounting corrections and ratemaking adjustments to the benefit of Oregon consumers.
- Working with parties across several states, updated the method to allocate PacifiCorp's costs among its six state jurisdictions to maintain a consistent approach across the states.
- Reviewed more than a dozen utility affiliated interest applications.
- Established reporting rules to protect the utility and its customers from undue influence of major shareholders.
- Reviewed ten utility property sales applications resulting in approximately \$700,000 in rate credits to Oregon utility customers.
- Implemented a common, electronic filing process for utility reports that provides visibility of the reports being submitted, eliminate reports that are not vital or required (by statute, rule or order) and provide public access to this information (when non-confidential).
- Developed a standardized list of data requests that a utility must respond to when filing its initial request for a general rate request.
- Adopted rules to implement SB 967 relating to information a utility must provide about income tax information.
- Approved CenturyLink purchase of Qwest; achieving a strong commitment for broadband investment of \$45 million over five years.
- Prepared annual reports on the status of competition in Oregon's telecommunications industry.
- Opened investigations to examine wholesale telecommunications service quality of Frontier and CenturyLink.
- Certified carriers and distributed approximately \$75 million from the OUSF to telecommunications carriers to maintain reasonable rates in high-cost areas.
- Completed the conversion of the Oregon Universal System support system from one requiring manual input of the forms submitted by the companies to one where the approximately 400 companies can submit their information online and pay online.
- Finalized new reporting requirements by CenturyLink and Frontier to ensure transparency of use of Oregon Universal Service Funds.

2013-15 GOVERNOR'S BALANCED BUDGET

- Processed numerous applications for certification of Eligible Telecommunications Carriers, enabling requesting carriers to offer Lifeline and other Oregon Telephone Assistance Program (OTAP) services to low-income customers in Oregon.
- Negotiated with the regulated telecommunications utilities to implement a new process for evaluating customer requests for broadband service. This has resulted in extension of broadband to some customers who were initially informed it was not available at their location.
- Assisted efforts to put in place new management of Rose Lodge Water Company to ensure provision of safe and adequate drinking water for 233 customers near Otis, Oregon.
- Updated and revised the PUC water rules as well as crafted new legislation to further clarify and streamline water regulation.
- Received high Pipeline and Hazardous Materials Safety Administration (PHMSA) certification scores, which enable the agency to receive maximum federal funding.
- Convened and led a Building Power Line Committee in efforts to ensure greater clearance between new buildings and existing power lines.
- Participated in development of Integrity Management Programs for natural gas distribution operators.
- Participated in development of national standards for critical infrastructure protection.
- Conducted reviews of utility transmission security and Federal Energy Regulatory Commission (FERC) compliance programs.
- Worked with other state agencies and local authorities to identify and remove trees that could obstruct utility and transportation ROWs because of storms, which recommendations became HR 1546 and SB 1546-A. The bill passed both the House and Senate, amending ORS 366.365, 366.395, and 527.745.
- Worked with Oregon Department of Energy and Oregon Department of Geology and Mineral Industries to improve the state's energy assurance plans, especially with respect to seismic vulnerabilities.
- Recorded 14,299 inquiries in 2011 that resulted in some type of agency action, and opened 3,860 investigations of consumer complaints and inquires.
- Responded to a sharp increase in wireless complaints in 2011. Complaints increased from 329 to 491; a 49 percent increase from 2010 to 2011.
- Helped consumers recover over \$144,000 in charges caused by utility billing errors and cramming in 2011.
- Developed case scoring methodology for objectively measuring case quality. This new scoring methodology will allow for additional employee performance measures to be established in 2012 to improve customer satisfaction ratings.

2013-15 GOVERNOR'S BALANCED BUDGET

- In association with DOJ, prompted Frontier to stop requiring customers to lease a modem from them at \$6.99 per month in order to purchase broadband service at the advertised \$14.99 per month - the ad was misleading.
- Initiated rule making to modify OAR 860-21-0135 with regard to the timeframe in which utilities may adjust bills due to errors. Significant stakeholder work has been done, which led to workshops with utilities in 2012, and a rule making proceeding.
- Negotiated with telecom utilities to create a new process for PUC staff to investigate broadband availability complaints more effectively.
- Successfully loaned speech generating devices to qualifying speech-impaired Oregonians through the Telephone Device Access Program (TDAP). The addition of speech generating devices, and funding of \$1 million dollars was legislatively approved. As a result, RSPF received a 2011 Distinguished Service Award from the Oregon Speech-Language and Hearing Association.
- As of March 16, 2012, RSPF has assessed \$77,883 and collected \$68,099 in penalties, interest, and late reporting fees.
- Deployed secure web-based database application that enables telecommunications providers to report RSPF surcharge data and render payments online. The accounting system aids the Compliance Specialist in tracking RSPF surcharge revenue (\$4 to \$6 million dollars/year) and expenditures as well as enforcement activities. It also accommodates input of Oregon Department of Revenue quarterly 9-1-1 data for comparison, audit, and enforcement purposes.
- Launched two brand new Oregon Telecommunications Relay System (OTRS) websites (www.oregonrelay.com and www.oregoncapitel.com); thus, enhancing how information about OTRS is conveyed to the public through graphics, streaming videos, and plain language.
- Implemented improvements to the agency database as a means to simplify application processing, and data searches and retrieval.
- Developed programming that allows matching with the Department of Human Services database concerning assistance programs eligibility.

2013-15 GOVERNOR'S BALANCED BUDGET

Board of Maritime Pilots

In 2011, the Board performed:

- Licensing
 - Six License examinations.
 - Six License Upgrades.
 - 53 License Renewals

- Administrative
 - Nine Board meetings.
 - Six Committee meetings.
 - One Planning session.
 - Three Rule amendments related to license fees, continuing professional development and rate-setting.

- Rates
 - Six Tariff adjustments.
 - One Transportation Oversight Committee recommendation for annual adjustments to the tariff for transportation expenses.

- Safety
 - Three Renewed contract services for independent investigators.
 - Four Incident reports.

2013-15 GOVERNOR'S BALANCED BUDGET

CRITERIA FOR 2013-2015 BUDGET DEVELOPMENT

The Commission developed its budget based on the following criteria:

- Ensure ongoing balance of revenue and expenditures.
- Meet statutory obligations.
- Protect the health and safety of Oregonians.
- Advance the agency's mission.
- Achieve the agency's annual objectives.
- Successfully achieve all agency Key Performance Measures.
- Successfully integrate the budget with the Governor's Outcome goals.

2013-15 GOVERNOR'S BALANCED BUDGET

**MAJOR INFORMATION TECHNOLOGY
PROJECTS/INITIATIVES \$1,000,000+**

Not applicable to agency.

2013-15 GOVERNOR'S BALANCED BUDGET

OTHER CONSIDERATIONS

The PUC receives no General or Lottery funds. Commission protection/oversight costs consumers of regulated utilities, on average, about 16 cents per month on natural gas, electric, telecommunications, and water bills.

BOMP receives no General or Lottery funds. BOMP revenues are received from Annual Pilot License Fees, reimbursements from rate hearing, and miscellaneous receipts.

2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Public Utility Commission
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2011-13 Leg Adopted Budget	132	128.75	119,491,415	-	-	39,556,887	4,813,925	75,120,603	-
2011-13 Emergency Boards	-	-	-	-	-	-	-	-	-
2011-13 Leg Approved Budget	132	128.75	119,491,415	-	-	39,556,887	4,813,925	75,120,603	-
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(3)	(2.00)	213,366	-	-	613,223	(399,857)	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	4,145,000	-	-	-	-	4,145,000	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2013-15 Base Budget	129	126.75	123,849,781	-	-	40,170,110	4,414,068	79,265,603	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(184,397)	-	-	(184,397)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	23,945	-	-	16,555	7,390	-	-
Subtotal	-	-	(160,452)	-	-	(167,842)	7,390	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	573,583	-	-	-	573,583	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(2,727,516)	-	-	(75,388)	(2,652,128)	-	-
Subtotal	-	-	(2,153,933)	-	-	(75,388)	(2,078,545)	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	585,246	-	-	556,607	2,280	6,359	-
State Gov't & Services Charges Increase/(Decrease)	-	-	110,434	-	-	110,419	-	15	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Public Utility Commission
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-000-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal	-	-	675,680	-	-	667,026	2,280	6,374	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	(8,000)	8,000	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2013-15 Current Service Level	129	126.75	122,211,076	-	-	40,587,906	2,351,193	79,271,977	-

2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Public Utility Commission
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2013-15 Current Service Level	129	126.75	122,211,076	-	-	40,587,906	2,351,193	79,271,977	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	129	126.75	122,211,076	-	-	40,587,906	2,351,193	79,271,977	-
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	(226,946)	-	-	(226,946)	-	-	-
092 - PERS Taxation Policy	-	-	(62,202)	-	-	(60,313)	(1,889)	-	-
093 - Other PERS Adjustments	-	-	(497,141)	-	-	(482,047)	(15,094)	-	-
101 - Utility Safety, Reliability & Security Division	1	1.00	183,863	-	-	73,706	110,157	-	-
Subtotal Policy Packages	1	1.00	(602,426)	-	-	(695,600)	93,174	-	-
Total 2013-15 Governor's Budget	130	127.75	121,608,650	-	-	39,892,306	2,444,367	79,271,977	-
Percentage Change From 2011-13 Leg Approved Budget	-1.50%	-0.80%	1.80%	-	-	0.80%	-49.20%	5.50%	-
Percentage Change From 2013-15 Current Service Level	0.80%	0.80%	-0.50%	-	-	-1.70%	4.00%	-	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Utility Regulation
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-001-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2011-13 Leg Adopted Budget	73	71.25	96,806,059	-	-	16,871,531	4,813,925	75,120,603	-
2011-13 Emergency Boards	-	-	-	-	-	-	-	-	-
2011-13 Leg Approved Budget	73	71.25	96,806,059	-	-	16,871,531	4,813,925	75,120,603	-
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	1	2.00	(99,728)	-	-	300,129	(399,857)	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	4,145,000	-	-	-	-	4,145,000	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2013-15 Base Budget	74	73.25	100,851,331	-	-	17,171,660	4,414,068	79,265,603	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(90,786)	-	-	(90,786)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	1,485	-	-	(5,905)	7,390	-	-
Subtotal	-	-	(89,301)	-	-	(96,691)	7,390	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	573,583	-	-	-	573,583	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(2,727,516)	-	-	(75,388)	(2,652,128)	-	-
Subtotal	-	-	(2,153,933)	-	-	(75,388)	(2,078,545)	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	138,136	-	-	129,497	2,280	6,359	-
State Gov't & Services Charges Increase/(Decrease)	-	-	191	-	-	176	-	15	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Utility Regulation
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-001-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal	-	-	138,327	-	-	129,673	2,280	6,374	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	(6,000)	6,000	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	(836,184)	-	-	(836,184)	-	-	-
Subtotal: 2013-15 Current Service Level	74	73.25	97,910,240	-	-	16,287,070	2,351,193	79,271,977	-

2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Utility Regulation
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-001-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2013-15 Current Service Level	74	73.25	97,910,240	-	-	16,287,070	2,351,193	79,271,977	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	74	73.25	97,910,240	-	-	16,287,070	2,351,193	79,271,977	-
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	-	-	-	-	-	-	-
092 - PERS Taxation Policy	-	-	(37,125)	-	-	(35,236)	(1,889)	-	-
093 - Other PERS Adjustments	-	-	(296,646)	-	-	(281,552)	(15,094)	-	-
101 - Utility Safety, Reliability & Security Division	1	1.00	183,863	-	-	73,706	110,157	-	-
Subtotal Policy Packages	1	1.00	(149,908)	-	-	(243,082)	93,174	-	-
Total 2013-15 Governor's Budget	75	74.25	97,760,332	-	-	16,043,988	2,444,367	79,271,977	-
Percentage Change From 2011-13 Leg Approved Budget	2.70%	4.20%	1.00%	-	-	-4.90%	-49.20%	5.50%	-
Percentage Change From 2013-15 Current Service Level	1.40%	1.40%	-0.20%	-	-	-1.50%	4.00%	-	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Residential Service Protection
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-003-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2011-13 Leg Adopted Budget	8	7.50	10,587,608	-	-	10,587,608	-	-	-
2011-13 Emergency Boards	-	-	-	-	-	-	-	-	-
2011-13 Leg Approved Budget	8	7.50	10,587,608	-	-	10,587,608	-	-	-
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	62,769	-	-	62,769	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2013-15 Base Budget	8	7.50	10,650,377	-	-	10,650,377	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(29,321)	-	-	(29,321)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	8,003	-	-	8,003	-	-	-
Subtotal	-	-	(21,318)	-	-	(21,318)	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	251,273	-	-	251,273	-	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	15	-	-	15	-	-	-

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Summary of 2013-15 Biennium Budget

Public Utility Commission
Residential Service Protection
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-003-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal	-	-	251,288	-	-	251,288	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2013-15 Current Service Level	8	7.50	10,880,347	-	-	10,880,347	-	-	-

2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Residential Service Protection
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-003-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2013-15 Current Service Level	8	7.50	10,880,347	-	-	10,880,347	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	8	7.50	10,880,347	-	-	10,880,347	-	-	-
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	-	-	-	-	-	-	-
092 - PERS Taxation Policy	-	-	(2,293)	-	-	(2,293)	-	-	-
093 - Other PERS Adjustments	-	-	(18,443)	-	-	(18,443)	-	-	-
101 - Utility Safety, Reliability & Security Division	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	(20,736)	-	-	(20,736)	-	-	-
Total 2013-15 Governor's Budget	8	7.50	10,859,611	-	-	10,859,611	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-	-	2.60%	-	-	2.60%	-	-	-
Percentage Change From 2013-15 Current Service Level	-	-	-0.20%	-	-	-0.20%	-	-	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Policy and Administration
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-004-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2011-13 Leg Adopted Budget	50	49.00	11,778,808	-	-	11,778,808	-	-	-
2011-13 Emergency Boards	-	-	-	-	-	-	-	-	-
2011-13 Leg Approved Budget	50	49.00	11,778,808	-	-	11,778,808	-	-	-
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(4)	(4.00)	235,728	-	-	235,728	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2013-15 Base Budget	46	45.00	12,014,536	-	-	12,014,536	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(64,290)	-	-	(64,290)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	13,867	-	-	13,867	-	-	-
Subtotal	-	-	(50,423)	-	-	(50,423)	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	166,791	-	-	166,791	-	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	110,221	-	-	110,221	-	-	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Policy and Administration
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-004-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal	-	-	277,012	-	-	277,012	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	836,184	-	-	836,184	-	-	-
Subtotal: 2013-15 Current Service Level	46	45.00	13,077,309	-	-	13,077,309	-	-	-

2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Policy and Administration
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-004-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2013-15 Current Service Level	46	45.00	13,077,309	-	-	13,077,309	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	46	45.00	13,077,309	-	-	13,077,309	-	-	-
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	(226,946)	-	-	(226,946)	-	-	-
092 - PERS Taxation Policy	-	-	(22,274)	-	-	(22,274)	-	-	-
093 - Other PERS Adjustments	-	-	(177,978)	-	-	(177,978)	-	-	-
101 - Utility Safety, Reliability & Security Division	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	(427,198)	-	-	(427,198)	-	-	-
Total 2013-15 Governor's Budget	46	45.00	12,650,111	-	-	12,650,111	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-8.00%	-8.20%	7.40%	-	-	7.40%	-	-	-
Percentage Change From 2013-15 Current Service Level	-	-	-3.30%	-	-	-3.30%	-	-	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Board of Maritime Pilots
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-005-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2011-13 Leg Adopted Budget	1	1.00	318,940	-	-	318,940	-	-	-
2011-13 Emergency Boards	-	-	-	-	-	-	-	-	-
2011-13 Leg Approved Budget	1	1.00	318,940	-	-	318,940	-	-	-
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	14,597	-	-	14,597	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2013-15 Base Budget	1	1.00	333,537	-	-	333,537	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Non-PICS Personal Service Increase/(Decrease)	-	-	590	-	-	590	-	-	-
Subtotal	-	-	590	-	-	590	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	9,046	-	-	9,046	-	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	7	-	-	7	-	-	-
Subtotal	-	-	9,053	-	-	9,053	-	-	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Board of Maritime Pilots
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-005-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2013-15 Current Service Level	1	1.00	343,180	-	-	343,180	-	-	-

2013-15 GOVERNOR'S BALANCED BUDGET

Summary of 2013-15 Biennium Budget

Public Utility Commission
Board of Maritime Pilots
2013-15 Biennium

Governor's Budget
Cross Reference Number: 86000-005-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2013-15 Current Service Level	1	1.00	343,180	-	-	343,180	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	1	1.00	343,180	-	-	343,180	-	-	-
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	-	-	-	-	-	-	-
092 - PERS Taxation Policy	-	-	(510)	-	-	(510)	-	-	-
093 - Other PERS Adjustments	-	-	(4,074)	-	-	(4,074)	-	-	-
101 - Utility Safety, Reliability & Security Division	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	(4,584)	-	-	(4,584)	-	-	-
Total 2013-15 Governor's Budget	1	1.00	338,596	-	-	338,596	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-	-	6.20%	-	-	6.20%	-	-	-
Percentage Change From 2013-15 Current Service Level	-	-	-1.30%	-	-	-1.30%	-	-	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Appropriated Fund Group
2013-15 Biennium

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
LIMITED BUDGET (Excluding Packages)						
Other Funds	36,597,114	39,556,887	39,556,887	40,269,200	40,170,110	-
Federal Funds	2,222,486	4,813,925	4,813,925	4,416,741	4,414,068	-
All Funds	38,819,600	44,370,812	44,370,812	44,685,941	44,584,178	-
AUTHORIZED POSITIONS	133	132	132	129	129	-
AUTHORIZED FTE	129.08	128.75	128.75	126.75	126.75	-
LIMITED BUDGET (Essential Packages)						
010-NON-PICS PSNL SVC / VACANCY FACTOR						
Other Funds	-	-	-	(167,825)	(167,842)	-
Federal Funds	-	-	-	7,390	7,390	-
All Funds	-	-	-	(160,435)	(160,452)	-
021-PHASE-IN						
Federal Funds	-	-	-	573,583	573,583	-
022-PHASE-OUT PGM & ONE-TIME COSTS						
Other Funds	-	-	-	(75,388)	(75,388)	-
Federal Funds	-	-	-	(2,652,128)	(2,652,128)	-
All Funds	-	-	-	(2,727,516)	(2,727,516)	-
031-STANDARD INFLATION						
Other Funds	-	-	-	746,635	665,929	-
Federal Funds	-	-	-	2,280	2,280	-
All Funds	-	-	-	748,915	668,209	-
032-ABOVE STANDARD INFLATION						
Other Funds	-	-	-	1,097	1,097	-
050-FUNDSHIFTS						

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Appropriated Fund Group
2013-15 Biennium

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds	-	-	-	(6,000)	(6,000)	-
Federal Funds	-	-	-	6,000	6,000	-
All Funds	-	-	-	-	-	-
TOTAL LIMITED BUDGET (Essential Packages)						
Other Funds	-	-	-	498,519	417,796	-
Federal Funds	-	-	-	(2,062,875)	(2,062,875)	-
All Funds	-	-	-	(1,564,356)	(1,645,079)	-
LIMITED BUDGET (Current Service Level)						
Other Funds	36,597,114	39,556,887	39,556,887	40,767,719	40,587,906	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,353,866	2,351,193	-
All Funds	38,819,600	44,370,812	44,370,812	43,121,585	42,939,099	-
AUTHORIZED POSITIONS	133	132	132	129	129	-
AUTHORIZED FTE	129.08	128.75	128.75	126.75	126.75	-
LIMITED BUDGET (Policy Packages)						
091-STATEWIDE ADMINISTRATIVE SAVINGS- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(226,946)	-
092-PERS TAXATION POLICY- RANK 0 - 001-00-00-00000						
Other Funds	-	-	-	-	(35,236)	-
Federal Funds	-	-	-	-	(1,889)	-
All Funds	-	-	-	-	(37,125)	-
092-PERS TAXATION POLICY- RANK 0 - 003-00-00-00000						
Other Funds	-	-	-	-	(2,293)	-
092-PERS TAXATION POLICY- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(22,274)	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Appropriated Fund Group
2013-15 Biennium

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
092-PERS TAXATION POLICY- RANK 0 - 005-00-00-00000						
Other Funds	-	-	-	-	(510)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 001-00-00-00000						
Other Funds	-	-	-	-	(281,552)	-
Federal Funds	-	-	-	-	(15,094)	-
All Funds	-	-	-	-	(296,646)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 003-00-00-00000						
Other Funds	-	-	-	-	(18,443)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(177,978)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 005-00-00-00000						
Other Funds	-	-	-	-	(4,074)	-
101-UTILITY SAFETY, RELIABILITY & SECURITY DIVISION - RANK 1 - 001-00-00-00000						
Other Funds	-	-	-	73,999	73,706	-
Federal Funds	-	-	-	110,597	110,157	-
All Funds	-	-	-	184,596	183,863	-
Authorized Positions	-	-	-	1	1	-
Authorized FTE	-	-	-	1.00	1.00	-
TOTAL LIMITED BUDGET (Policy Packages)						
Other Funds	-	-	-	73,999	(695,600)	-
Federal Funds	-	-	-	110,597	93,174	-
All Funds	-	-	-	184,596	(602,426)	-
AUTHORIZED POSITIONS	-	-	-	1	1	-
AUTHORIZED FTE	-	-	-	1.00	1.00	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Appropriated Fund Group
2013-15 Biennium

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
TOTAL LIMITED BUDGET (Including Packages)						
Other Funds	36,597,114	39,556,887	39,556,887	40,841,718	39,892,306	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,464,463	2,444,367	-
All Funds	38,819,600	44,370,812	44,370,812	43,306,181	42,336,673	-
AUTHORIZED POSITIONS	133	132	132	130	130	-
AUTHORIZED FTE	129.08	128.75	128.75	127.75	127.75	-
NONLIMITED BUDGET (Excluding Packages)						
Other Funds	83,060,443	75,120,603	75,120,603	79,265,603	79,265,603	-
NONLIMITED BUDGET (Essential Packages)						
031-STANDARD INFLATION						
Other Funds	-	-	-	6,374	6,374	-
TOTAL NONLIMITED BUDGET (Essential Packages)						
Other Funds	-	-	-	6,374	6,374	-
NONLIMITED BUDGET (Current Service Level)						
Other Funds	83,060,443	75,120,603	75,120,603	79,271,977	79,271,977	-
TOTAL NONLIMITED BUDGET (Including Packages)						
Other Funds	83,060,443	75,120,603	75,120,603	79,271,977	79,271,977	-
OPERATING BUDGET (Excluding Packages)						
Other Funds	119,657,557	114,677,490	114,677,490	119,534,803	119,435,713	-
Federal Funds	2,222,486	4,813,925	4,813,925	4,416,741	4,414,068	-
All Funds	121,880,043	119,491,415	119,491,415	123,951,544	123,849,781	-
AUTHORIZED POSITIONS	133	132	132	129	129	-
AUTHORIZED FTE	129.08	128.75	128.75	126.75	126.75	-
OPERATING BUDGET (Essential Packages)						

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2013-15 GOVERNOR'S BALANCED BUDGET

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Agency Number: 86000

Agencywide Appropriated Fund Group
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Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
010-NON-PICS PSNL SVC / VACANCY FACTOR						
Other Funds	-	-	-	(167,825)	(167,842)	-
Federal Funds	-	-	-	7,390	7,390	-
All Funds	-	-	-	(160,435)	(160,452)	-
021-PHASE-IN						
Federal Funds	-	-	-	573,583	573,583	-
022-PHASE-OUT PGM & ONE-TIME COSTS						
Other Funds	-	-	-	(75,388)	(75,388)	-
Federal Funds	-	-	-	(2,652,128)	(2,652,128)	-
All Funds	-	-	-	(2,727,516)	(2,727,516)	-
031-STANDARD INFLATION						
Other Funds	-	-	-	753,009	672,303	-
Federal Funds	-	-	-	2,280	2,280	-
All Funds	-	-	-	755,289	674,583	-
032-ABOVE STANDARD INFLATION						
Other Funds	-	-	-	1,097	1,097	-
050-FUNDSHIFTS						
Other Funds	-	-	-	(6,000)	(6,000)	-
Federal Funds	-	-	-	6,000	6,000	-
All Funds	-	-	-	-	-	-
TOTAL OPERATING BUDGET (Essential Packages)						
Other Funds	-	-	-	504,893	424,170	-
Federal Funds	-	-	-	(2,062,875)	(2,062,875)	-
All Funds	-	-	-	(1,557,982)	(1,638,705)	-

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Public Utility Commission

Agency Number: 86000

Agencywide Appropriated Fund Group
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Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
OPERATING BUDGET (Current Service Level)						
Other Funds	119,657,557	114,677,490	114,677,490	120,039,696	119,859,883	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,353,866	2,351,193	-
All Funds	121,880,043	119,491,415	119,491,415	122,393,562	122,211,076	-
AUTHORIZED POSITIONS	133	132	132	129	129	-
AUTHORIZED FTE	129.08	128.75	128.75	126.75	126.75	-
OPERATING BUDGET (Policy Packages)						
091-STATEWIDE ADMINISTRATIVE SAVINGS- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(226,946)	-
092-PERS TAXATION POLICY- RANK 0 - 001-00-00-00000						
Other Funds	-	-	-	-	(35,236)	-
Federal Funds	-	-	-	-	(1,889)	-
All Funds	-	-	-	-	(37,125)	-
092-PERS TAXATION POLICY- RANK 0 - 003-00-00-00000						
Other Funds	-	-	-	-	(2,293)	-
092-PERS TAXATION POLICY- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(22,274)	-
092-PERS TAXATION POLICY- RANK 0 - 005-00-00-00000						
Other Funds	-	-	-	-	(510)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 001-00-00-00000						
Other Funds	-	-	-	-	(281,552)	-
Federal Funds	-	-	-	-	(15,094)	-
All Funds	-	-	-	-	(296,646)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 003-00-00-00000						

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Appropriated Fund Group
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Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds	-	-	-	-	(18,443)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(177,978)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 005-00-00-00000						
Other Funds	-	-	-	-	(4,074)	-
101-UTILITY SAFETY, RELIABILITY & SECURITY DIVISION - RANK 1 - 001-00-00-00000						
Other Funds	-	-	-	73,999	73,706	-
Federal Funds	-	-	-	110,597	110,157	-
All Funds	-	-	-	184,596	183,863	-
Authorized Positions	-	-	-	1	1	-
Authorized FTE	-	-	-	1.00	1.00	-
TOTAL OPERATING BUDGET (Policy Packages)						
Other Funds	-	-	-	73,999	(695,600)	-
Federal Funds	-	-	-	110,597	93,174	-
All Funds	-	-	-	184,596	(602,426)	-
AUTHORIZED POSITIONS	-	-	-	1	1	-
AUTHORIZED FTE	-	-	-	1.00	1.00	-
TOTAL OPERATING BUDGET (Including Packages)						
Other Funds	119,657,557	114,677,490	114,677,490	120,113,695	119,164,283	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,464,463	2,444,367	-
All Funds	121,880,043	119,491,415	119,491,415	122,578,158	121,608,650	-
AUTHORIZED POSITIONS	133	132	132	130	130	-
AUTHORIZED FTE	129.08	128.75	128.75	127.75	127.75	-
TOTAL BUDGET (Excluding Packages)						

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Appropriated Fund Group
2013-15 Biennium

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds	119,657,557	114,677,490	114,677,490	119,534,803	119,435,713	-
Federal Funds	2,222,486	4,813,925	4,813,925	4,416,741	4,414,068	-
All Funds	121,880,043	119,491,415	119,491,415	123,951,544	123,849,781	-
AUTHORIZED POSITIONS	133	132	132	129	129	-
AUTHORIZED FTE	129.08	128.75	128.75	126.75	126.75	-
TOTAL BUDGET (Essential Packages)						
010-NON-PICS PSNL SVC / VACANCY FACTOR						
Other Funds	-	-	-	(167,825)	(167,842)	-
Federal Funds	-	-	-	7,390	7,390	-
All Funds	-	-	-	(160,435)	(160,452)	-
021-PHASE-IN						
Federal Funds	-	-	-	573,583	573,583	-
022-PHASE-OUT PGM & ONE-TIME COSTS						
Other Funds	-	-	-	(75,388)	(75,388)	-
Federal Funds	-	-	-	(2,652,128)	(2,652,128)	-
All Funds	-	-	-	(2,727,516)	(2,727,516)	-
031-STANDARD INFLATION						
Other Funds	-	-	-	753,009	672,303	-
Federal Funds	-	-	-	2,280	2,280	-
All Funds	-	-	-	755,289	674,583	-
032-ABOVE STANDARD INFLATION						
Other Funds	-	-	-	1,097	1,097	-
050-FUNDSHIFTS						
Other Funds	-	-	-	(6,000)	(6,000)	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Appropriated Fund Group
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Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Federal Funds	-	-	-	6,000	6,000	-
All Funds	-	-	-	-	-	-
TOTAL BUDGET (Essential Packages)						
Other Funds	-	-	-	504,893	424,170	-
Federal Funds	-	-	-	(2,062,875)	(2,062,875)	-
All Funds	-	-	-	(1,557,982)	(1,638,705)	-
TOTAL BUDGET (Current Service Level)						
Other Funds	119,657,557	114,677,490	114,677,490	120,039,696	119,859,883	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,353,866	2,351,193	-
All Funds	121,880,043	119,491,415	119,491,415	122,393,562	122,211,076	-
AUTHORIZED POSITIONS	133	132	132	129	129	-
AUTHORIZED FTE	129.08	128.75	128.75	126.75	126.75	-
TOTAL BUDGET (Policy Packages)						
091-STATEWIDE ADMINISTRATIVE SAVINGS- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(226,946)	-
092-PERS TAXATION POLICY- RANK 0 - 001-00-00-00000						
Other Funds	-	-	-	-	(35,236)	-
Federal Funds	-	-	-	-	(1,889)	-
All Funds	-	-	-	-	(37,125)	-
092-PERS TAXATION POLICY- RANK 0 - 003-00-00-00000						
Other Funds	-	-	-	-	(2,293)	-
092-PERS TAXATION POLICY- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(22,274)	-
092-PERS TAXATION POLICY- RANK 0 - 005-00-00-00000						

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Appropriated Fund Group
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Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds	-	-	-	-	(510)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 001-00-00-00000						
Other Funds	-	-	-	-	(281,552)	-
Federal Funds	-	-	-	-	(15,094)	-
All Funds	-	-	-	-	(296,646)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 003-00-00-00000						
Other Funds	-	-	-	-	(18,443)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(177,978)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 005-00-00-00000						
Other Funds	-	-	-	-	(4,074)	-
101-UTILITY SAFETY, RELIABILITY & SECURITY DIVISION - RANK 1 - 001-00-00-00000						
Other Funds	-	-	-	73,999	73,706	-
Federal Funds	-	-	-	110,597	110,157	-
All Funds	-	-	-	184,596	183,863	-
Authorized Positions	-	-	-	1	1	-
Authorized FTE	-	-	-	1.00	1.00	-
TOTAL BUDGET (Policy Packages)						
Other Funds	-	-	-	73,999	(695,600)	-
Federal Funds	-	-	-	110,597	93,174	-
All Funds	-	-	-	184,596	(602,426)	-
AUTHORIZED POSITIONS	-	-	-	1	1	-
AUTHORIZED FTE	-	-	-	1.00	1.00	-
TOTAL BUDGET (Including Packages)						

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Appropriated Fund Group
2013-15 Biennium

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds	119,657,557	114,677,490	114,677,490	120,113,695	119,164,283	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,464,463	2,444,367	-
All Funds	121,880,043	119,491,415	119,491,415	122,578,158	121,608,650	-
AUTHORIZED POSITIONS	133	132	132	130	130	-
AUTHORIZED FTE	129.08	128.75	128.75	127.75	127.75	-

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Program Unit Summary
2013-15 Biennium

Version: Y - 01 - Governor's Budget

Summary Cross Reference Number	Cross Reference Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
001-00-00-00000	Utility Regulation						
	Other Funds	97,842,492	91,992,134	91,992,134	95,691,889	95,315,965	-
	Federal Funds	2,222,486	4,813,925	4,813,925	2,464,463	2,444,367	-
	All Funds	100,064,978	96,806,059	96,806,059	98,156,352	97,760,332	-
003-00-00-00000	Residential Service Protection						
	Other Funds	10,821,835	10,587,608	10,587,608	10,884,208	10,859,611	-
004-00-00-00000	Policy and Administration						
	Other Funds	10,680,795	11,778,808	11,778,808	13,193,538	12,650,111	-
005-00-00-00000	Board of Maritime Pilots						
	Other Funds	312,435	318,940	318,940	344,060	338,596	-
TOTAL AGENCY							
	Other Funds	119,657,557	114,677,490	114,677,490	120,113,695	119,164,283	-
	Federal Funds	2,222,486	4,813,925	4,813,925	2,464,463	2,444,367	-
	All Funds	121,880,043	119,491,415	119,491,415	122,578,158	121,608,650	-

Agencywide Program Unit Summary - BPR010

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission																			
2013 - 2015 Biennium																			
Program 1																	Agency Number:		86000
Program/Division Priorities for 2013-15 Biennium																			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	
Priority (ranked with highest priority first)	Dept. Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, F, or D)		
Dept	Prgm/ Div																		
1	1	Policy & Administration	P & A	Umbrella program encompassing the Commission, Administrative Hearings, Central Services, Information Systems and Human Resources.	14	3		12,650,111				\$ 12,650,111	46	45.00	N	N	C/F		
2	1	Utility Regulation	Utility	Regulation of Private Electric and Natural Gas Utilities, Telecommunications, Water Utilities, Economic Research and Financial Analysis, and Regulatory Operations.	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 17, 18	3		15,497,251	79,271,977			\$ 94,769,228	69	68.57	N	N	C		
3	2	Gas Pipeline Safety	Pipeline Safety	Safe and reliable operation of 10,000 miles of natural gas pipelines.	12	3		546,737		820,106		\$ 1,366,843	6	5.68	N	N	C/F		
4	1	Residential Service Protection Fund/TDAP	TDAP	Telephone assistive device program for Deaf & disabled and Oregon Telecommunication Relay System	15	12		6,800,564				\$ 6,800,564	2	1.80	N	N	C/F		
5	2	Residential Service Protection Fund/OTAP	OTAP	Low income telephone subsidy program	16	12		4,083,644				\$ 4,083,644	6	5.70	N	N	C/F		
6	1	Board of Maritime Pilots	BOMP	Establish licence requirements for pilots, qualify applicants and select trainees and apprentices. Provide for License examinations and issue licenses. Investigate Maritime Incidents.	19, 20	3		344,060				\$ 344,060	1	1.00	N	N	C/F		
7	3	ARRA Grants	Utility	Federal Stimulus Grants for Broadband Mapping. These funds are expected to terminate in the 2013-15 biennium.		3				1,624,261		\$ 1,624,261				N	C/F		
								-	-	39,922,367	79,271,977	2,444,367	-	\$ 121,638,711	130	127.75			

___ Agency Request

Governor's Balanced

___ Legislatively Adopted

Budget Page 46

2013-15 GOVERNOR'S BALANCED BUDGET

REDUCTION OPTIONS

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
	(DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2011-13 AND 2013-15)	(GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	(RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
<p>1. <u>Agency-Wide Reduction</u></p> <p>Reduce Miscellaneous S&S</p>	<p><u>Cost/Benefit Determination:</u></p> <p>Agency-wide reductions will be made in Services and Supplies categories. These reductions will result from continued diligence in evaluating expenditures to those absolutely critical to operation. The following are likely areas for additional reduction:</p> <ul style="list-style-type: none"> • Travel • Training • Subscriptions • Professional Services 	<p><u>Benefit Obtained: OF</u></p> <p>\$715,072</p>	<p><u>Rank # 1</u></p> <p><u>Methodology:</u> PUC will commit to reduce through more stringent evaluation, the affect of service and supplies expenditures.</p> <p>Many PUC expenditures are necessary over the long term to ensure staff has the latest information about trends in the utility industry regulation; however, some expenditures may be able to be bypassed for a biennium while retaining the ability to "catch-up" knowledge and skills in the future.</p> <p>PUC believes that Services and Supplies should be reduced before staff is reduced.</p>

2013-15 GOVERNOR'S BALANCED BUDGET

<p>2. Administration Program</p> <p><u>Administration</u></p> <p>Office Specialist 2 (.5 FTE) The Administration Office Specialist responds to staff and public needs by receiving visitors and directing them to the appropriate locations. They answer questions with general information to public in person or by telephone. Staff is required to provide time in copying of files, docketing and archiving cases. Staff answers customer questions, phone calls, complaints, routes information, serves the public with case information and doing all office routine obligations. The proposed reduction is to eliminate one part-time worker. Potential savings \$68,112.</p> <p>No change in statutes would be needed to eliminate this activity.</p>	<p><u>Cost/Benefit Determination:</u></p> <p>Office Specialist 2 (.5 FTE)</p> <p>Salary + OPE \$68,112</p> <p><u>Impact on Business:</u> The reduction of part-time worker from this section will increase the amount of time it takes to resolve the needs of the public and staff in a timely manner. The time it takes to copy, file or prepare cases for archiving will be interrupted by phone calls, personal visits from the public or from any agency requiring our service. The part-time worker acts as a front office receptionist and relieves some of the heavy duty workload that is put upon the Legal Secretaries and other Office Specialists by helping with closing of cases, copying extensive paper needs, helping with phones, customers and other staff members.</p> <p>Reducing the part-time position for the front office will result in a steady delay of completion of daily duties in a timely manner.</p>	<p><u>Benefit Obtained: OF</u></p> <p>\$68,112</p>	<p><u>Rank # 2</u></p> <p><u>Methodology:</u></p> <p>Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical? • Will function get done? • Span of control (efficiencies).
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2013-15 GOVERNOR'S BALANCED BUDGET

<p>3. <u>Utility Program</u></p> <p><u>Utility Service Territory Allocation</u></p> <p>Utility Analyst 1 (.5 FTE) The purpose of this activity is to preserve the integrity of the PUC's territory allocations. Specific activities include:</p> <ul style="list-style-type: none"> • Reviewing applications for allocation of territory to ensure they are consistent with existing allocations. • Maintaining and updating maps and other descriptions of allocated territory. • Researching and responding to questions about authority to serve specific geographic areas or customers. <p>No change in statutes would be needed to eliminate these</p>	<p><u>Cost/Benefit Determination:</u></p> <p>Utility Analyst 1 (.5 FTE)</p> <p>Salary + OPE \$63,889</p> <p><u>Impact on Utilities and Customers:</u> The PUC is authorized to allocate utility service territory in order to <i>"eliminate or avoid unnecessary duplication of facilities"</i> and to <i>"promote the efficient and economic use and development and the safety of operation"</i> of utility systems. (ORS 758.405 and 758.415) The agency's decisions on allocation of territory are documented in numerous orders on individual applications and on maps showing territory boundaries. Eliminating the staff activities listed above would:</p> <ul style="list-style-type: none"> • Create substantial uncertainty about rights to serve customers throughout the state, as the agency's maps become more and more dated. 	<p><u>Benefit Obtained: OF</u></p> <p>\$63,889</p>	<p><u>Rank: #3</u></p> <p><u>Methodology:</u></p> <p>Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical? • Will function get done? • Span of control (efficiencies).
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2013-15 GOVERNOR'S BALANCED BUDGET

<p>activities. (PUC authority to allocate service territory would not be eliminated.)</p>	<ul style="list-style-type: none"> • Impose significant administrative costs on 1) applicants to demonstrate that their requests for allocated territory do not conflict with existing allocations, and 2) utilities to monitor applications and ensure that there is no encroachment on their allocated service territories. • Potentially lead to unnecessary duplication of facilities and unsafe operating conditions if there are mistakes in the allocation process. 		
<p>4. <u>Utility Program</u></p> <p><u>Natural Gas Pricing and Supply</u></p> <p>Utility Analyst 3 (.5 FTE) The purpose of this activity is to assess trends and forecasts of natural gas prices and the gas purchasing practices of the regulated natural gas utilities.</p>	<p><u>Cost/Benefit Determination:</u></p> <p>Utility Analyst 3 (.5 FTE)</p> <p>Salary + OPE \$114,108</p> <p><u>Impact on Customers:</u> Elimination of ½ FTE of this position would reduce the agency's ability to ensure that natural gas companies purchase gas at the lowest cost and risk for customers.</p>	<p><u>Benefit Obtained: OF</u></p> <p>\$114,108</p>	<p><u>Rank: # 4</u></p> <p><u>Methodology:</u></p> <p>Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical?

2013-15 GOVERNOR'S BALANCED BUDGET

<p>No change in statutes would be needed to eliminate this activity.</p>	<p>As a result, Oregonians could pay higher natural gas costs than otherwise.</p>		<ul style="list-style-type: none"> • Will function get done? • Span of control (efficiencies). • Will position/history be lost?
<p>5. <u>Utility Program</u></p> <p><u>Regional Energy Policy</u></p> <p>Utility Analyst 3 (.5 FTE) The purpose of this activity is to track and participate in the development of regional and national electricity policies that could affect the price and supply of electricity in Oregon. Specific activities include:</p> <ul style="list-style-type: none"> • Planning for new high-voltage transmission lines, primarily to access renewable resources in remote areas. • Development of wholesale electricity pricing policies. • Development of regional and national power system reliability 	<p><u>Cost/Benefit Determination:</u></p> <p>Utility Analyst 3 (.5 FTE)</p> <p>Salary + OPE \$86,052</p> <p><u>Impact on Customers:</u> Elimination of ½ FTE of this position would result in less Commission influence on transmission planning, the structure and operation of wholesale electricity markets, and the reliability of the electric grid.</p> <p>As a consequence, Oregonians could pay higher electricity rates and receive less reliable service than they would otherwise.</p>	<p><u>Benefit Obtained: OF</u></p> <p>\$86,052</p>	<p><u>Rank: # 5</u></p> <p><u>Methodology:</u></p> <p>Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical? • Will function get done? • Span of control (efficiencies). • Will position/history be lost?

2013-15 GOVERNOR'S BALANCED BUDGET

<p>standards.</p> <p>No change in statutes would be needed to eliminate this activity.</p>			
<p><u>6. Residential Service Protection Fund: Oregon Telephone Assistance Program.</u></p> <p>The RSPF Program currently provides \$3.50 per OTAP recipient as part of the telephone subsidy program for low-income individuals. The proposed cost reduction for the OTAP program would be to reduce the state contribution by \$2.32, which would result in a contribution of \$1.18 per recipient. Potential savings from this reduction is \$2,230,926</p> <p>As a result of the reduction, the RSPF Program would need to examine and possibly reduce the \$0.12 surcharge on telecommunication subscribers.</p>	<p><u>Cost/Benefit Determination:</u></p> <p><u>Impact on the Customers:</u> Reduction of \$2.32 per subscriber line will reduce the amount of support for each customer from \$13.50 to \$11.18. It will impact low-income Oregonians' ability to maintain payment for basic phone services.</p> <p>The proposed cost reduction for the OTAP program would be to reduce the state contribution to \$1.18 per recipient. At this time the federal match would be reduced by \$0.58. Potential savings from this reduction is \$2,230,926.</p>	<p><u>Benefit Obtained: OF</u></p> <p>\$2,313,418</p>	<p><u>Rank: # 6</u></p> <p><u>Methodology:</u></p> <p>Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical? • Will function get done? • Span of control (efficiencies). • Will position/history be lost?

2013-15 GOVERNOR'S BALANCED BUDGET

<p>7. Administration</p> <p><u>Business Services</u></p> <p>Procurement & Contract Spec 2 (1.0 FTE)</p> <p>This position is responsible for the PUC's entire contract purchasing activity, personal and trade service contracts, space management and review of some accounting transactions.</p> <p>No change in statutes would be needed to eliminate this activity.</p>	<p><u>Cost/Benefit Determination:</u></p> <p>Procurement & Contract Spec 2 (1.0 FTE)</p> <p>Salary + OPE \$165,600</p> <p>Impact on Agency: Loss of this position would require that the purchasing, contracting, space management and review functions be reassigned to other positions.</p> <p>Currently, there are no positions at the same level that could absorb the purchasing, contracting or review duties. Reassignment of these duties to a lower-classified position would likely result in an upward position reclassification which would eventually erode the savings.</p>	<p><u>Benefit Obtained: OF</u></p> <p>\$165,600</p>	<p><u>Rank # 7</u></p> <p><u>Methodology:</u></p> <p>Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical? • Will function get done? • Span of control (efficiencies). • Will position/history be lost?
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2013-15 GOVERNOR'S BALANCED BUDGET

<p>8. <u>Utility Program</u></p> <p><u>Consumer Services</u></p> <p>Office Specialist 2 (1.0 FTE)</p> <p>The Consumer Services Section responds to inquiries and complaints about Oregon's regulated utility companies. It answers questions, mediates solutions and resolves complaints regarding telephone, electric, natural gas or water service. The proposed reduction is to reduce the staffing by one Administrative Specialist 1. Potential savings \$105,576.</p> <p>No change in statutes would be needed to eliminate this activity.</p>	<p><u>Cost/Benefit Determination:</u></p> <p>Office Specialist 2 (1.0 FTE)</p> <p>Salary + OPE \$105,576</p> <p><u>Impact on Customers:</u> Eliminating this position would increase the backlog of ongoing cases. This position is the primary generator of complaint files and records for use by the investigators.</p> <p>The volume and complexity of investigations conducted by the Consumer Services staff is currently stretched to keep the backlog from rising above acceptable levels. Consumers would not receive timely responses from the PUC in connection with their disputes and concerns regarding such things as billings, meter readings, and crammed and slammed telecommunications services.</p>	<p><u>Benefit Obtained: OF</u></p> <p>\$105,576</p>	<p><u>Rank: # 8</u></p> <p><u>Methodology:</u></p> <p>Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical? • Will function get done? • Span of control (efficiencies). • Will position/history be lost?
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2013-15 GOVERNOR'S BALANCED BUDGET

<p><u>9. Utility Program</u></p> <p><u>Water Rate Case</u></p> <p>Utility Analyst 2 (.5 FTE)</p> <p>The purpose of this activity is to balance the interests of water utilities and their customers in setting rates for service.</p> <p>No change in statutes would be needed to eliminate this activity.</p>	<p><u>Cost/Benefit Determination:</u></p> <p>Utility Analyst 2 (.5 FTE)</p> <p>Salary + OPE \$76,752</p> <p><u>Impact on Customers:</u> This water utility analyst assists utilities and customers in the preparation and review of rate filings, analyzes the filings to determine what costs are reasonably incurred to provide service and what rates should be set to recover those costs, and makes recommendations to the Commission.</p> <p>Because there are only two analysts and their supervisor overseeing rate and service issues for about 80 water companies, loss of ½ FTE of this position would seriously diminish the agency's timeliness in resolving customer issues and establishing reasonable rates for water service.</p>	<p><u>Benefit Obtained: OF</u></p> <p>\$76,752</p>	<p><u>Rank # 9</u></p> <p><u>Methodology:</u></p> <p>Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical? • Will function get done? • Span of control (efficiencies). • Will position/history be lost?
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2013-15 GOVERNOR'S BALANCED BUDGET

<p>10. <u>Utility Program</u></p> <p><u>Consumer Services</u></p> <p>Administrative Specialist (1.0 FTE)</p> <p>The Consumer Services Section responds to inquiries and complaints about Oregon's regulated utility companies. The position answers questions, mediates solutions, and resolves complaints regarding telephone, electric, natural gas or water service. The proposed reduction is to reduce the staffing by one Administrative Specialist 1. Potential savings \$112,006.</p> <p>No change in statutes would be needed to eliminate this activity.</p>	<p><u>Cost/Benefit Determination:</u></p> <p>Administrative Specialist (1.0 FTE)</p> <p>Salary + OPE \$112,006</p> <p><u>Impact on Customers:</u> The reduction of one position from this section will increase the amount of time it takes to resolve complaints filed by customers. The time elapsed between the time the complaint is filed and its resolution varies dramatically depending upon the nature of the dispute. The Administrative Specialist 1 position is a frontline contact for consumer calling then PUC.</p> <p>This position is critical to the successful operation of Consumer Services as they not only receive incoming complaints; they also work telecom repair and cramming complaints.</p> <p>By reducing the number of Administrative Specialists from three to two, our complaint</p>	<p><u>Benefit Obtained: OF</u></p> <p>\$112,006</p>	<p><u>Rank # 10</u></p> <p><u>Methodology:</u></p> <p>Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical? • Will function get done? • Span of control (efficiencies). • Will position/history be lost?
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2013-15 GOVERNOR'S BALANCED BUDGET

	backlog will increase significantly. This will delay our ability to resolve customers' complaints in a timely manner and result in lower customer satisfaction ratings.		
<p>11. Administration</p> <p><u>Information System Planning</u></p> <p>Info Systems Specialist 7 (1.0 FTE)</p> <p>The purpose of this activity is to improve the efficiency and effectiveness of agency operation and service through longer-term information systems planning.</p>	<p><u>Cost/Benefit Determination:</u></p> <p>Info Systems Specialist 7 (1.0 FTE)</p> <p>Salary + OPE \$191,952</p> <p><u>Impact on Agency:</u> Elimination of this position would result in less efficient service and operation over the long run. Software and hardware repairs and corrections would take longer resulting in inefficiency throughout the agency.</p>	<p><u>Benefit Obtained: OF</u></p> <p>\$191,952</p>	<p><u>Rank: # 11</u></p> <p><u>Methodology:</u></p> <p>The PUC is unable to quantify the cost impact for the majority of the reductions. Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical? • Will function get done? • Span of control (efficiencies). • Will position/history be lost?

2013-15 GOVERNOR'S BALANCED BUDGET

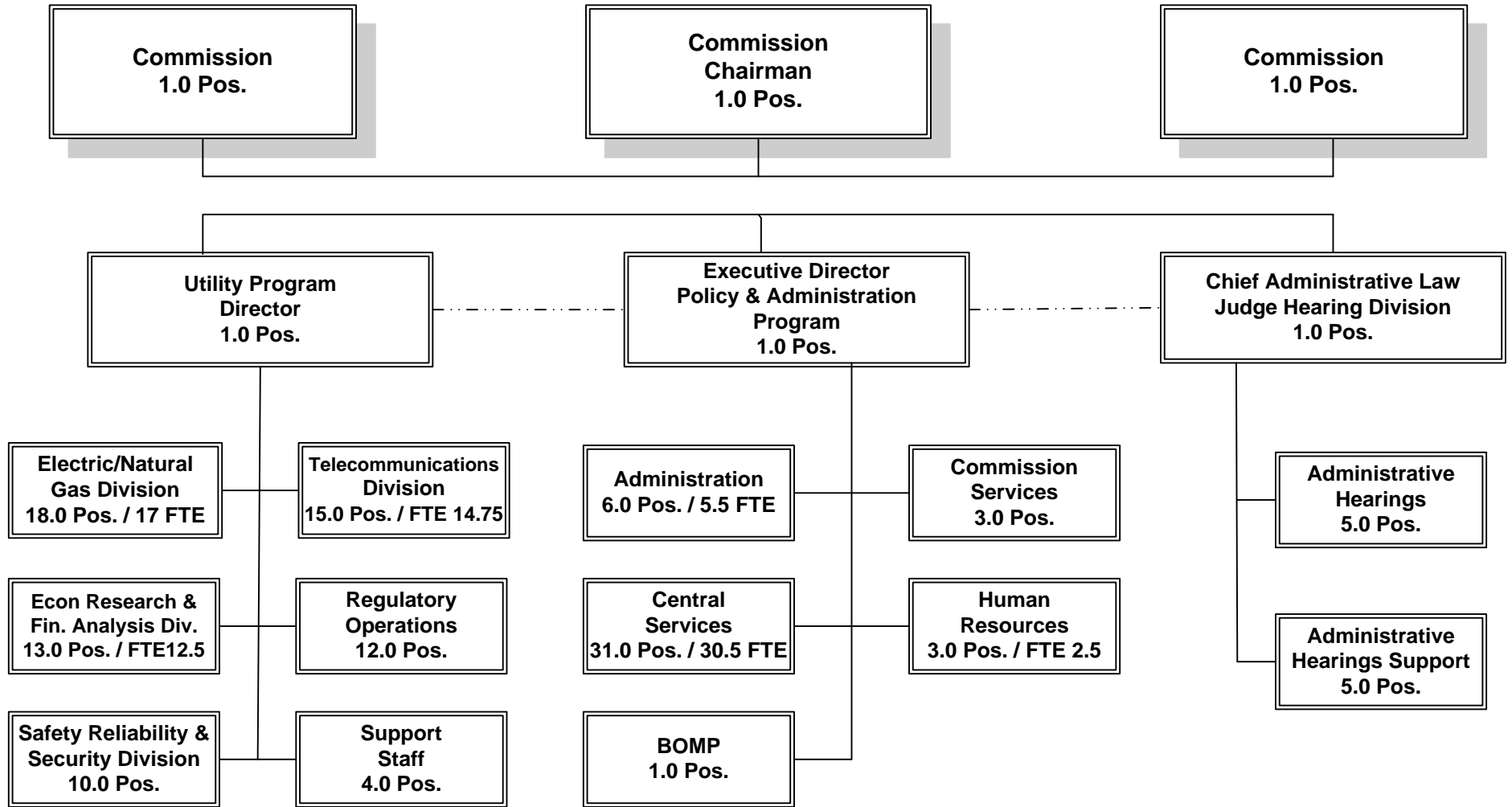
<p>12. <u>Utility Program</u></p> <p><u>Natural Gas Facility Safety</u></p> <p>Utility Analyst 2 (1.0 FTE)</p> <p>The purpose of this activity is to protect utility customers from unsafe operating conditions involving natural gas pipelines and other natural gas facilities. Specific natural gas safety activities include:</p> <ul style="list-style-type: none"> • Ensuring that natural gas utilities have safety and maintenance programs that comply with US Department of Transportation (DOT) regulations and state statutes. • Inspecting natural gas pipelines and customer service lines. • Regulating liquefied natural gas (LNG) facilities. • Investigating and reporting on accidents. 	<p><u>Cost/Benefit Determination</u></p> <p>Utility Analyst 2 (1.0 FTE)</p> <p>OF Salary + OPE \$71,635 FF Salary + OPE \$107,453</p> <p>Impact on Agency: Natural gas utilities in Oregon operate over 10,000 miles of natural gas lines, as well as two LNG facilities. These facilities, if not constructed, operated, and maintained properly, can pose a substantial hazard to the public through possible leakage of natural gas with potential destruction through fire and explosion.</p> <p>The elimination of this position would probably lead to a loss of federal funding that exceeds the budget savings. The level of federal matching funds is dependent on PUC maintaining a sufficient number of inspectors with proper qualifications, as well as the level of inspection activity and enforcement of federal pipeline safety standards.</p>	<p><u>Benefit Obtained: OF</u></p> <p>OF \$71,635</p> <p>FF \$107,453</p>	<p><u>Rank: # 12</u></p> <p><u>Methodology:</u></p> <p>The PUC is unable to quantify the cost impact for the majority of the reductions. Criteria used for ranking the reduction of services, supplies, activities, programs, or positions are:</p> <ul style="list-style-type: none"> • Services and Supplies should be cut before positions. • Is position function critical? • Will function get done? • Span of control (efficiencies). • Will position/history be lost?
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2013-15 GOVERNOR'S BALANCED BUDGET

<p>No change in statutes would be needed in order to eliminate this position.</p> <p>Natural gas safety activity would be reduced, but not eliminated.</p>	<p>Removing this position would likely cause the Office of Pipeline Safety to determine that the PUC is not in compliance with the agency's certification agreement, and thereby reduce the federal contribution (currently nearly 60 percent of the gas safety program's \$500,000 annual cost) by 10 to 30 percent.</p> <p>Some of the tangible results on inspection activity of eliminating this position is:</p> <ul style="list-style-type: none"> • Less frequent inspections of utility plant by the PUC's safety personnel. • Less ability to develop forward looking or preventive programs regarding utility plant safety, as a greater percentage of staff time would be spent reacting to incidents. The staff has been active in this regard, e.g. bare steel replacement program. 		
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2013-15 GOVERNOR'S BALANCED BUDGET

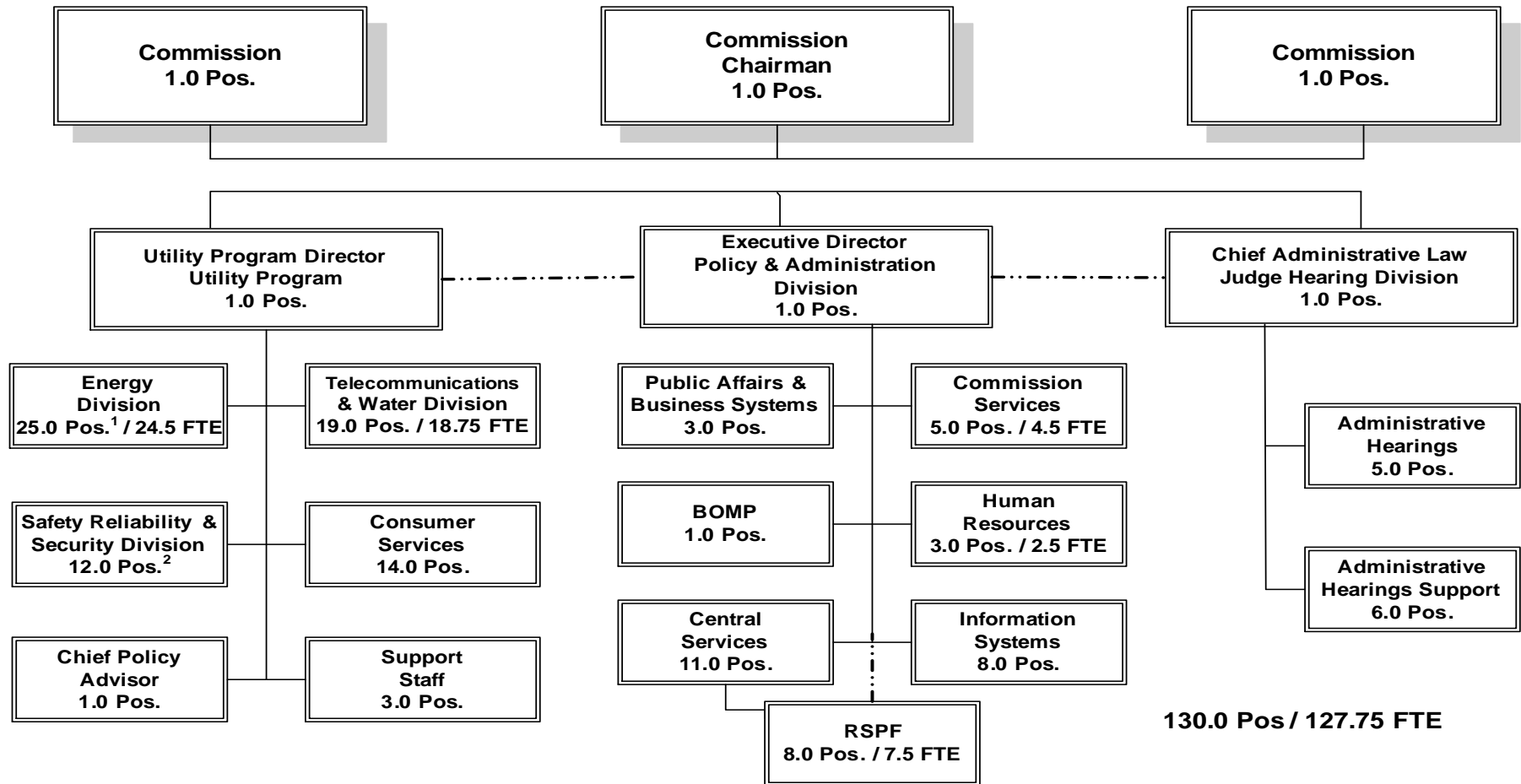
PUBLIC UTILITY COMMISSION 2011-2013 LEGISLATIVELY ADOPTED BUDGET



132.0 Pos / 128.75 FTE

2013-15 GOVERNOR'S BALANCED BUDGET

PUBLIC UTILITY COMMISSION 2013-2015 ORGANIZATIONAL CHART (HB4131)



¹Does not include three American Reinvestment and Recovery Act (ARRA) personnel that expire March 31, 2013

²Includes Policy Option Package 101

Supervisory count reduced from 25 to 16

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2013-15 GOVERNOR'S BALANCED BUDGET

REVENUE FORECAST NARRATIVE

The PUC receives no General funds or Lottery funds. Commission protection/oversight costs customers of regulated utilities, on average, about 16 cents per month on natural gas, electric, telecommunications, and water bills.

The major sources of Other and Federal funds include:

Other Funds

Utility Fees – The PUC assesses annual fees on regulated electric, natural gas, water utilities, and telecommunications providers that fund the majority of the Commission's operating expenditures. The PUC collects fees from three investor-owned electric utilities, three natural gas utilities, about 80 regulated water utilities, and approximately 440 telecommunications utilities. Utility fees fund the Utility program and approximately 94 percent of Policy and Administration. The fees are limited by statute for use by the Commission in performing its duties (ORS 756.360).

For the 2013-2015 biennium, rates for electric, gas, water, and telecommunications utilities are projected to be at the maximum of 2.5 mills. The fee rates are applied to the gross operating revenues of utilities for the previous calendar year. The PUC maintains an approximate six month reserve balance of funds.

Telecommunication revenues are projected to decline. The telecommunications industry's projected gross revenues will decrease between 2013 and 2015 as customers move from traditional wireline service to wireless service. The PUC projects a decrease in telecommunication revenues of 3.33 percent per year.

The PUC's revenue from the energy industry will increase by an estimated 2.56 percent per year. Because the PUC receives more revenue from the energy industry than it does from the telecommunication industry, the growth in electricity industry revenue currently offsets the loss of telecommunications industry revenue.

Residential Service Protection Fund (RSPF): Under Oregon Laws 1987, Chapter 290, the Commission can levy a surcharge of up to 35 cents monthly against telecommunications subscribers. This revenue is dedicated by law to operating the RSPF Programs (OL 1987, Chapter 290). The current surcharge is 12 cents and is expected to generate \$12 million in the 2013-2015 Biennium. The PUC evaluates the rate annually to determine whether the rate needs to be raised or lowered to ensure adequate funding. The PUC adjusts the rate, as needed, by October of each year to retain a six month reserve balance. RSPF funds approximately six percent of Policy and Administration.

The PUC estimates revenue for operational expenditures based on the line count projections subject to the surcharge. The PUC bases its revenue requirements and expenditure projections on trends in billable relay minutes and the number of OTAP recipients and TDAP equipment for the new biennium.

Oregon Universal Service Fund: The Oregon Universal Service Fund (OUSF) under ORS 759.425 provides payments to eligible telecommunications carriers to keep the price of basic service reasonable in areas of the state where costs are high. All certified telecommunications carriers are assessed a 8.5 percent charge on their intrastate retail revenue to fund the program. Only eligible telecommunications carriers approved by the PUC receive distributions from the fund.

2013-15 GOVERNOR'S BALANCED BUDGET

Under ORS 759.425(5), a small amount of the funds collected pays for administration through a contracted third-party administrator. The PUC forecasted revenues, expenses, and distributions for the biennium are based on past trends and known and measurable changes in revenue collections, fund administration expenses, and projected distributions. The PUC maintains a level of fund balance sufficient (approximately three months) to make future disbursements and keep the fund solvent when rate changes are warranted. Typically, there is a nine-month lag between approving a rate change and collecting additional monies.

Public Purpose Charge: Under ORS 757.600 to .691, Portland General Electric and PacifiCorp collect a three percent charge on customer bills. This charge is used to: save electricity, develop renewable resources, increase the energy efficiency of schools, and weatherize the homes of low-income households. The purpose of the charge is to fund cost-effective investments that will keep the long-term costs of meeting Oregon's electricity needs as low as possible, including costs to the environment. The entities responsible for implementing the public purpose requirements receive a portion of the funds to pay for their administrative costs (ORS 757.612(3)(c)).

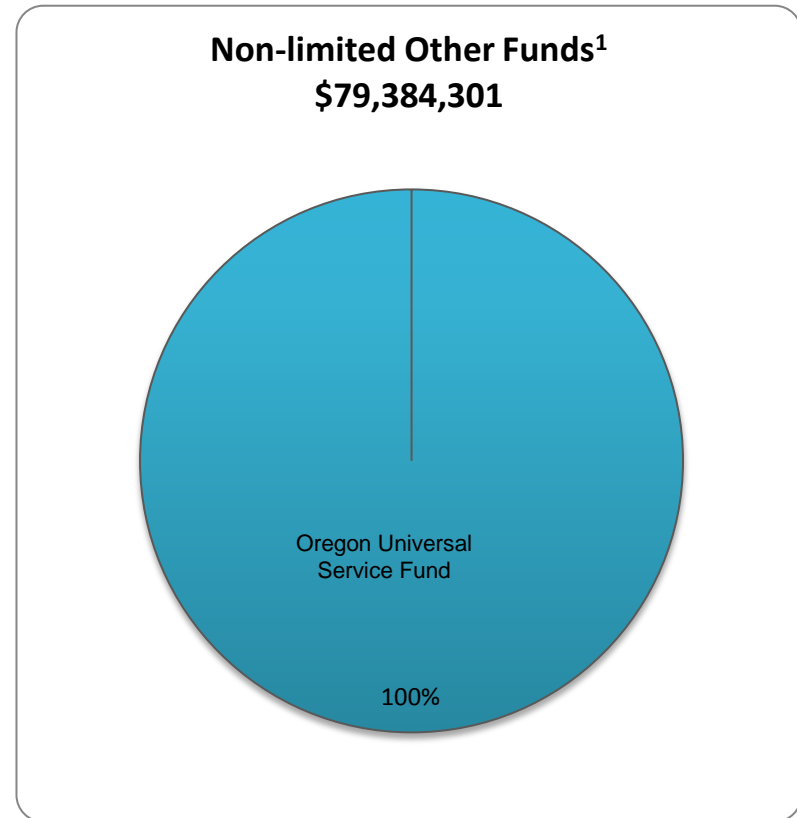
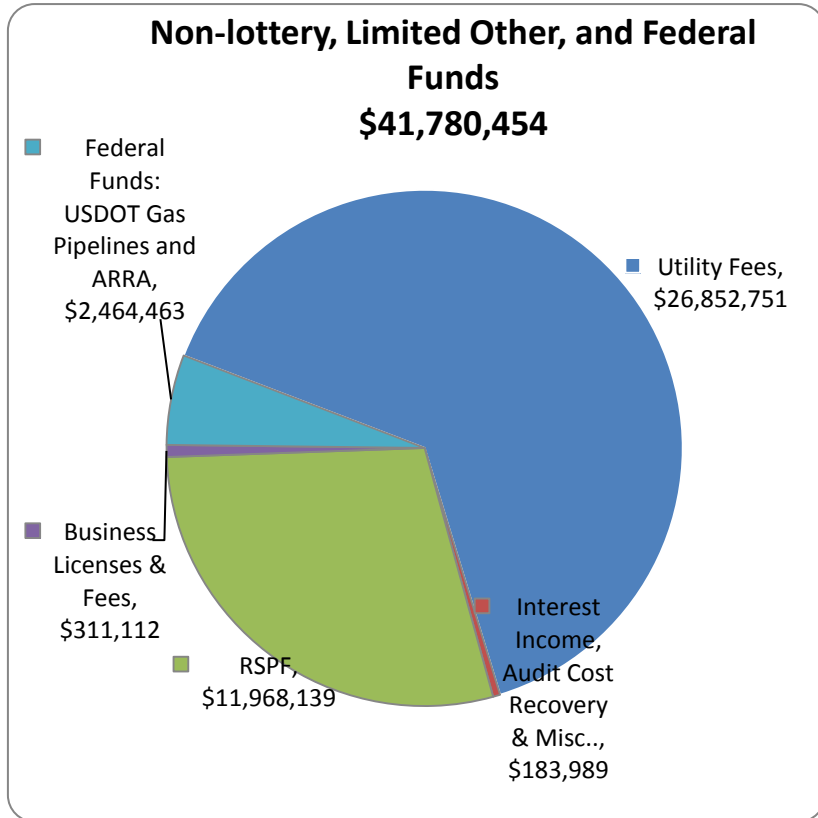
The PUC receives a small amount of the money collected to cover its costs of overseeing the development and implementation of programs. The expenses for the 2013-2015 Biennium are based on the estimated level of the PUC staff's activities related to public purpose requirements. Approximately 50 percent of one analyst's time (0.5 FTE) is dedicated to these oversight responsibilities.

Federal Funds - U.S. Department of Transportation: The PUC receives Natural Gas Pipeline Safety Program funds from the US Department of Transportation to ensure the safe operation of natural gas pipelines. The Natural Gas Pipeline Safety Program requires a match of Other Funds (Gross Revenue Fees). Currently, the match is approximately 60-40. The Federal Funds must be used for personnel, services, and supplies, and the indirect cost of running the gas safety program in Oregon. To estimate the amount of Federal Fund Limitation for the 2013-2015 Biennium, the PUC estimated the cost of positions, services, and supplies using indirect costs based on historical expenditures, and projected program needs. Approximately \$840,202 will be received in 2013-2015.

American Reinvestment and Recovery Act of 2009 (ARRA) Funds: The PUC received a temporary influx of Federal funds through ARRA grants. Most of these funds will be spent during the 2011-13 Biennium, but approximately \$1.62 million will be carried over into the 2013-15 Biennium to complete broadband initiatives.

2013-15 GOVERNOR'S BALANCED BUDGET

SOURCES OF 2013-2015 AGENCY REVENUES



Plus 2011-2013 Ending Balances: \$15,288,502 Other Funds Non-limited, Federal Funds Limited \$37,937 and
\$15,898,749 Other Funds Limited

TOTAL REVENUE ALL SOURCES: \$152,389,943

¹ These revenues are mandated by statute (ORS 759.425) that requires the PUC to establish and administer an Oregon Universal Service Fund (OUSF) to collect revenue from all retail telecommunications providers for service sold in Oregon and then to pass that revenue on to high-cost area telecommunications providers.

2013-15 GOVERNOR'S BALANCED BUDGET

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Public Utility Commission
2013-15 Biennium

Agency Number: 86000

Cross Reference Number: 86000-000-00-00-00000

Source	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds						
Other Selective Taxes	11,866,523	11,968,139	11,968,139	11,968,139	11,968,139	-
Business Lic and Fees	309,516	311,112	311,112	311,112	311,112	-
Public Utilities Fees	20,288,959	26,852,751	26,852,751	26,852,751	26,852,751	-
Charges for Services	100,811	99,678	99,678	99,678	99,678	-
Fines and Forfeitures	60,615	38,000	38,000	38,000	38,000	-
Interest Income	18,139	17,197	17,197	17,197	17,197	-
Other Revenues	87,897	5,000	5,000	5,000	5,000	-
Transfer In - Intrafund	10,743,478	11,840,926	11,840,926	12,840,926	12,840,926	-
Transfer In - Indirect Cost	149,750	109,656	109,656	109,656	109,656	-
Tsfr From Military Dept, Or	26,036	-	-	-	-	-
Tsfr From Energy, Dept of	181,211	75,388	75,388	-	-	-
Tsfr From Land Use Bd of Appls	17,925	25,800	24,904	25,502	25,502	-
Transfer Out - Intrafund	(10,743,478)	(11,840,926)	(11,840,926)	(12,840,926)	(12,840,926)	-
Transfer Out - Indirect Cost	(87,771)	(73,107)	(73,107)	(73,107)	(73,107)	-
Transfer to General Fund	(2,000,000)	-	-	-	-	-
Total Other Funds	\$31,019,611	\$39,429,614	\$39,428,718	\$39,353,928	\$39,353,928	-
Federal Funds						
Federal Funds	2,284,465	4,874,153	4,874,153	2,463,075	2,463,075	-
Transfer Out - Indirect Cost	(61,979)	(36,549)	(36,549)	(36,549)	(36,549)	-
Total Federal Funds	\$2,222,486	\$4,837,604	\$4,837,604	\$2,426,526	\$2,426,526	-
Nonlimited Other Funds						
Other Selective Taxes	105,174	-	-	-	-	-
Public Utilities Fees	77,124,665	65,776,820	65,776,820	79,000,000	79,000,000	-
Fines and Forfeitures	53,313	48,301	48,301	48,301	48,301	-

Detail of LF, OF, and FF Revenues - BPR012

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Public Utility Commission
2013-15 Biennium

Agency Number: 86000

Cross Reference Number: 86000-000-00-00-00000

Source	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Nonlimited Other Funds						
Interest Income	326,208	336,000	336,000	336,000	336,000	-
Total Nonlimited Other Funds	\$77,609,360	\$66,161,121	\$66,161,121	\$79,384,301	\$79,384,301	-

Detail of LF, OF, and FF Revenues - BPR012

Agency Request

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Revenues and Disbursements Summary
2013-15 Biennium

Version: Y-01-Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
Other Funds	46,390,097	42,737,118	42,737,118	31,187,251	31,187,251	-
Federal Funds	-	14,258	14,258	37,937	37,937	-
All Funds	46,390,097	42,751,376	42,751,376	31,225,188	31,225,188	-
0030 Beginning Balance Adjustment						
Other Funds	-	(2,462,216)	(2,462,216)	-	-	-
TOTAL BEGINNING BALANCE						
Other Funds	46,390,097	40,274,902	40,274,902	31,187,251	31,187,251	-
Federal Funds	-	14,258	14,258	37,937	37,937	-
TOTAL BEGINNING BALANCE	\$46,390,097	\$40,289,160	\$40,289,160	\$31,225,188	\$31,225,188	-
REVENUE CATEGORIES						
TAXES						
0190 Other Selective Taxes						
Other Funds	11,971,697	11,968,139	11,968,139	11,968,139	11,968,139	-
LICENSES AND FEES						
0205 Business Lic and Fees						
Other Funds	309,516	311,112	311,112	311,112	311,112	-
0240 Public Utilities Fees						
Other Funds	97,413,624	92,629,571	92,629,571	105,852,751	105,852,751	-
TOTAL LICENSES AND FEES						

Agencywide Revenues and Disbursements Summary - BPR011

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Revenues and Disbursements Summary
2013-15 Biennium

Version: Y-01-Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds	97,723,140	92,940,683	92,940,683	106,163,863	106,163,863	-
CHARGES FOR SERVICES						
0410 Charges for Services						
Other Funds	100,811	99,678	99,678	99,678	99,678	-
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
Other Funds	113,928	86,301	86,301	86,301	86,301	-
INTEREST EARNINGS						
0605 Interest Income						
Other Funds	344,347	353,197	353,197	353,197	353,197	-
OTHER						
0975 Other Revenues						
Other Funds	87,897	5,000	5,000	5,000	5,000	-
FEDERAL FUNDS REVENUE						
0995 Federal Funds						
Federal Funds	2,284,465	4,874,153	4,874,153	2,463,075	2,463,075	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
Other Funds	10,743,478	11,840,926	11,840,926	12,840,926	12,840,926	-
1020 Transfer In - Indirect Cost						
Other Funds	149,750	109,656	109,656	109,656	109,656	-

Agencywide Revenues and Disbursements Summary - BPR011

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Revenues and Disbursements Summary
2013-15 Biennium

Version: Y-01-Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
1248 Tsfr From Military Dept, Or Other Funds	26,036	-	-	-	-	-
1330 Tsfr From Energy, Dept of Other Funds	181,211	75,388	75,388	-	-	-
1662 Tsfr From Land Use Bd of Appls Other Funds	17,925	25,800	24,904	25,502	25,502	-
TOTAL TRANSFERS IN Other Funds	11,118,400	12,051,770	12,050,874	12,976,084	12,976,084	-
TOTAL REVENUES Other Funds	121,460,220	117,504,768	117,503,872	131,652,262	131,652,262	-
Federal Funds	2,284,465	4,874,153	4,874,153	2,463,075	2,463,075	-
TOTAL REVENUES	\$123,744,685	\$122,378,921	\$122,378,025	\$134,115,337	\$134,115,337	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund Other Funds	(10,743,478)	(11,840,926)	(11,840,926)	(12,840,926)	(12,840,926)	-
2020 Transfer Out - Indirect Cost Other Funds	(87,771)	(73,107)	(73,107)	(73,107)	(73,107)	-
Federal Funds	(61,979)	(36,549)	(36,549)	(36,549)	(36,549)	-
All Funds	(149,750)	(109,656)	(109,656)	(109,656)	(109,656)	-
2060 Transfer to General Fund Other Funds	(2,000,000)	-	-	-	-	-

Agencywide Revenues and Disbursements Summary - BPR011

Agency Request

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Agencywide Revenues and Disbursements Summary
2013-15 Biennium

Version: Y-01-Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
TOTAL TRANSFERS OUT						
Other Funds	(12,831,249)	(11,914,033)	(11,914,033)	(12,914,033)	(12,914,033)	-
Federal Funds	(61,979)	(36,549)	(36,549)	(36,549)	(36,549)	-
TOTAL TRANSFERS OUT	(\$12,893,228)	(\$11,950,582)	(\$11,950,582)	(\$12,950,582)	(\$12,950,582)	-
AVAILABLE REVENUES						
Other Funds	155,019,068	145,865,637	145,864,741	149,925,480	149,925,480	-
Federal Funds	2,222,486	4,851,862	4,851,862	2,464,463	2,464,463	-
TOTAL AVAILABLE REVENUES	\$157,241,554	\$150,717,499	\$150,716,603	\$152,389,943	\$152,389,943	-
EXPENDITURES						
Other Funds	119,657,557	114,677,490	114,677,490	120,113,695	119,164,283	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,464,463	2,444,367	-
TOTAL EXPENDITURES	\$121,880,043	\$119,491,415	\$119,491,415	\$122,578,158	\$121,608,650	-
ENDING BALANCE						
Other Funds	35,361,511	31,188,147	31,187,251	29,811,785	30,761,197	-
Federal Funds	-	37,937	37,937	-	20,096	-
TOTAL ENDING BALANCE	\$35,361,511	\$31,226,084	\$31,225,188	\$29,811,785	\$30,781,293	-

Agencywide Revenues and Disbursements Summary - BPR011

Agency Request

Governor's Balanced

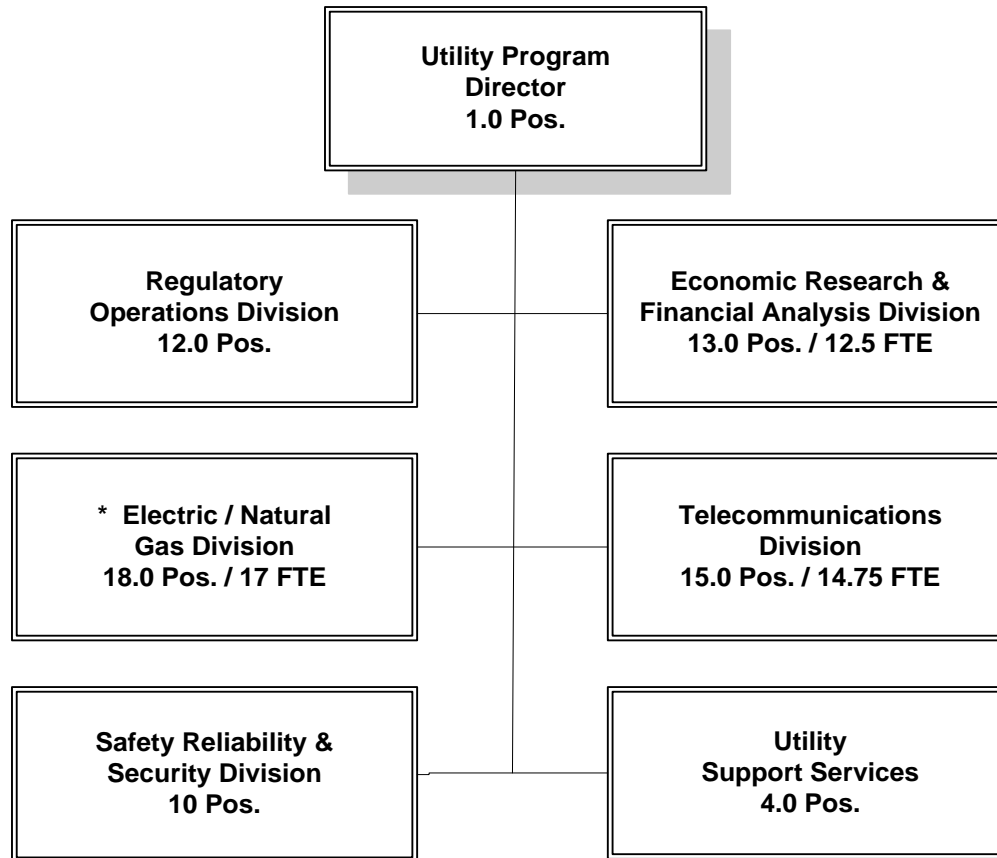
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2013-15 GOVERNOR'S BALANCED BUDGET

UTILITY PROGRAM 2011-2013 LEGISLATIVELY ADOPTED BUDGET

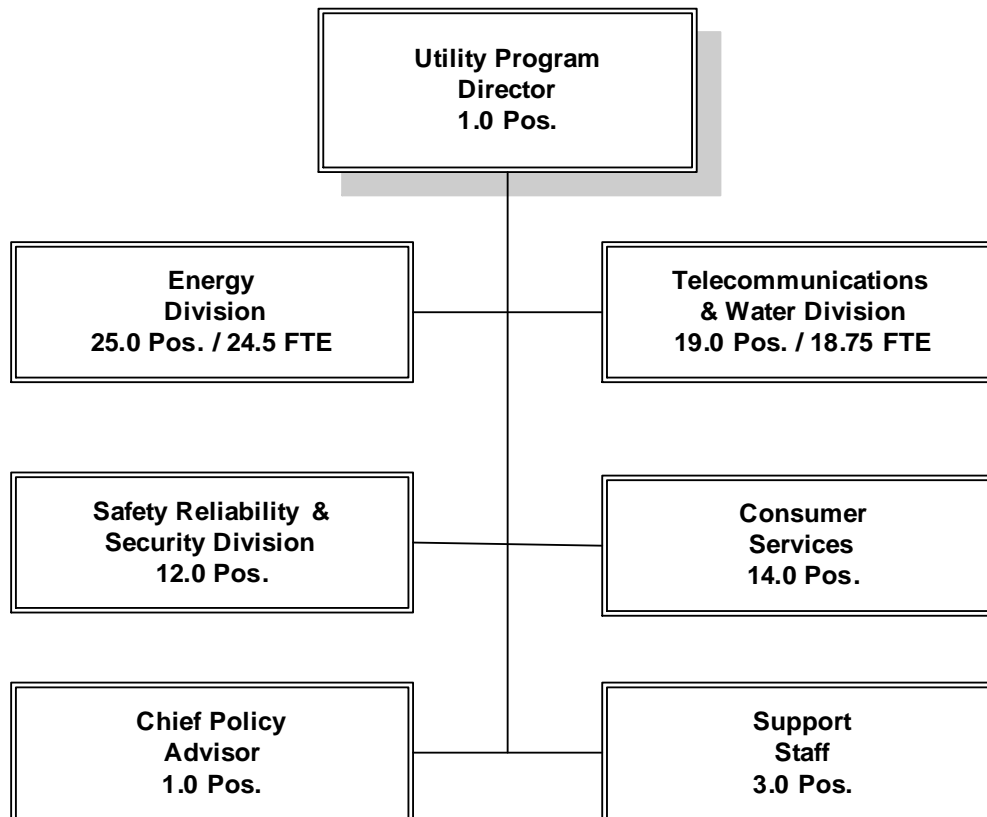


* Pkg #104 Granted 3 Limited Duration UA 3 positions / 2 FTE

73.0 Positions / FTE 71.25

2013-15 GOVERNOR'S BALANCED BUDGET

UTILITY PROGRAM 2013-2015 GOVERNOR'S BALANCED BUDGET



* Remove 2011-2013 Pkg #104 that Granted 3 Limited Duration UA 3 positions / 2 FTE

*Add Pkg #101 - 1 Sr. Pipeline Safety UA 3 position / 1 FTE

75.0 Positions / 74.25 FTE

2013-15 GOVERNOR'S BALANCED BUDGET

PROGRAM UNIT NARRATIVE

Utility Program

The Utility Program is the technical and analytical arm of the agency. It consists of a professional staff that analyzes all utility filings, helps build a factual record in contested case proceedings, investigates and recommends policies options, inspects utility facilities, and undertake many other activities needed for the Commission to carry out its mission and serve ratepayers. Through its Consumer Services Section, the Utility Program also assists the public in resolving complaints about utility service.

The program's three divisions are – Energy; Telecommunications and Water; Utility Safety, Reliability and Security (USRS); additionally the Consumer Services section falls within the Utility

The program is organized by industry and function.

Electric and Natural Gas Division

The Commission is responsible for ensuring that investor-owned or commission-regulated private electric and natural gas utilities offer safe and reliable energy at reasonable rates, and for promoting the development of competitive markets. It accomplishes this by:

- Setting the rates charged to homes and businesses.

- Promoting price and service competition, where appropriate, so that utilities and their customers can shop for the cheapest supplies and get services tailored to their needs.
- Setting and enforcing price and service rules that protect consumers.
- Establishing regulatory policies that induce utilities to secure the mix of new resources, including energy efficiency and renewable energy sources that will meet customer needs at the lowest cost and risk.

Rates: The Commission sets rates that give Oregon's six regulated electric and natural gas utilities an opportunity to recover costs that are prudently incurred plus an opportunity to earn a reasonable return on their capital investments. The Commission evaluates various costs such as labor, maintenance, purchased energy, and the cost of capital to determine how much of these costs should be included in customer rates. The Commission also decides the share of utilities' total costs to assign to different groups of customers and the structure of customer rates.

General rate cases, in which virtually all utility costs are examined, are significant undertakings. A dozen or more staff members are assigned to examine different components of the utility's costs to determine how much of these costs the company should be allowed to recover through customer rates. The rate case process involves discovery of information, settlement discussions, and several rounds of testimony by parties, cross-examination hearings and oral arguments before the Commission, submission of legal briefs that summarize each party's legal and factual arguments, and issuance of an order by the Commission. The entire process can last up to ten

2013-15 GOVERNOR'S BALANCED BUDGET

months. During the 2011-2013 Biennium, the Commission completed three general rate cases for energy utilities. In addition, the PUC conducted several proceedings to address individual major cost components, such as purchased gas costs and electric power costs. Hundreds of millions of dollars are at stake in these targeted proceedings.

Market Competition: In 1999, the Oregon Legislature enacted SB 1149 (ORS 757.600 et seq.) to introduce competition into the retail electricity markets of Portland General Electric and PacifiCorp. The 2001 Legislature revised the law to require implementation in March 2002 and guarantee a cost-of-service option for all customers. Under the laws, businesses can buy power from other suppliers through "direct access" and have it delivered by the local utility. The Commission is responsible for implementing most of the provisions of the laws.

The Commission laid the foundation for opening up the retail market to competition. It adopted rules that govern the activities of both existing utilities and competitors, and established requirements both to protect consumers from unfair practices and to maintain the safety, reliability and quality of electric service. The Commission sets the prices that utilities can charge for different elements of electricity service and authorizes the regulated power supply options the utilities must make available to residential customers.

The Commission certifies and decertifies competitive suppliers. It also requires suppliers to give customers information about prices, power sources, and emissions; ensures that customers cannot be switched to alternative suppliers without their consent; provides that customers will receive service even if a customer's supplier goes out of business; and makes a regulated cost-based rate option available to all customers

Currently, approximately 130 megawatts of Portland General Electric's (PGE) load and nine megawatts of PacifiCorp's load (or about nine percent and one percent, respectively, of each utility's eligible amount) is served through direct access, and the Commission has approved multiple opportunities for customers to sign up during the year.

Residential and small business customers can choose from a "portfolio" of power supply options. More than 100,000 PGE and PacifiCorp customers have chosen renewable resource options, among the highest participation rates in the country.

Consumer Protection: One of the priorities of the Commission is to protect consumers in both regulated and competitive markets. The Commission sets and enforces rules about the disconnection of service, the treatment of billing errors, and the extension of service to new areas. As part of its work, the Commission also seeks to resolve disputes between utilities and customers.

New Energy Supply: A key Commission objective is to ensure that the energy utilities develop the mix of new resources that meets customer needs at the lowest possible cost and risk.

The Commission requires Oregon's regulated electric and natural gas utilities to develop long-term supply plans. These plans assess all supply options, including energy conservation. They identify future demand scenarios and the mix of resources that minimizes costs, environmental impacts, and risk. A utility may not be able to recoup all of the costs of a new resource in rates if it cannot show that the resource was the option with the lowest cost and risk for customers.

2013-15 GOVERNOR'S BALANCED BUDGET

Senate Bill 838 (ORS Chapter 469A), the Oregon Renewable Energy Act, was signed into law in June 2007. SB 838 establishes a Renewable Portfolio Standard (RPS) for Oregon's electric utilities and any electricity service suppliers serving at least three percent of the state's load. These providers must meet a certain percentage of their load with new renewable energy sources such as wind, solar, geothermal or biomass. For PGE and PacifiCorp, Oregon's two largest investor-owned electric utilities, the requirement is five percent by 2011, fifteen percent by 2015, twenty percent by 2020, and twenty-five percent by 2025.

The law requires the Commission to implement a mechanism for timely cost recovery and impose a cost cap to ensure that compliance with the requirements will not cause unreasonable rates for customers. The Commission adopted rules to implement the standards.

Under ORS 757.612, PGE and PacifiCorp collect a three percent charge on customer's bills – roughly \$83 million a year – that goes for programs to save electricity, develop renewable resources, and weatherize the homes of low-income households. The Commission oversees how about \$60 million of these funds are spent to save electricity and develop new renewable resources. The Commission also approves additional expenditures under Senate Bill 838 to ensure acquisition of all cost-effective energy efficiency. The Commission contracts with the Energy Trust to administer the conservation and renewable resource programs. The Commission sets annual performance standards for the Trust and, with the Oregon Department of Energy, provides a report to the Legislature on public purpose expenditures and results achieved. The Energy Trust also runs conservation programs for Northwest Natural and Cascade Natural Gas, two of the

three natural gas utilities operating in Oregon. The Commission oversees the energy efficiency programs offered by Idaho Power Company and Avista Utilities, the other two private utilities in the state.

The Commission promotes the development of new technologies and resources that hold promise of being cheaper over the long run. For example, the Commission approved proposals by both PGE and Idaho Power to install advanced customer meters. The meters will enable the utilities to provide more pricing options for customers of all sizes and foster automated control of energy uses in homes and businesses.

The Commission adopted rules that encourage installation of renewable energy resources owned or operated by customers themselves. Under ORS 757.300, Oregon customers may offset their usage with "net metering" facilities, such as small solar or wind power units, which are interconnected with the utility's system.

The Commission implemented the Solar Pilot Program that was mandated by HB 3039 (ORS Chapter 757) on July 1, 2010. The Commission adopted rules and policies pursuant to House Bill 3039, establishing for each regulated electric utility a pilot program to pay volumetric incentive rates for customers' new solar photovoltaic energy systems. Subsequent to that time, the Commission has continued to develop the program to adjust rates over time based on participation levels, establish a lottery system rather than a first-come, first served application process, and to ensure fair regulatory policy that meets the intent of the statute.

2013-15 GOVERNOR'S BALANCED BUDGET

Telecommunications Division

Since 1985, state law has directed the Commission to promote competition in local telecommunications markets while maintaining strong regulatory oversight where necessary to achieve the state goals for telecommunications service to Oregonians – high-quality service, universal access to basic service at reasonable rates, and continuing innovation in the services offered to Oregonians.

Competitive Entry: A major focus of the Commission's and division's work is to promote competition in Oregon's telecommunications market. Among its responsibilities, the Commission certifies new competitive carriers to offer service in the state. Competitive carriers typically receive authority to offer service statewide, subject to regulations including service quality and mandatory contribution to state universal service programs. Competitive carriers are not subject to rate regulation and do not file tariffs with the Commission.

As of March 2012, 408 companies were certified to compete in Oregon's telecommunications market, 208 of which can provide competitive local service.

Interconnection Agreements: Under federal law, the Commission arbitrates and approves interconnection agreements between incumbent local exchange carriers (ILECs) and competitive local exchange carriers (CLECs). Interconnection agreements provide CLECs with access to the networks of incumbent carriers, set prices that incumbent carriers can charge for such access, establish wholesale discounts for CLEC resale of ILEC services, set terms and pricing for constructing interconnection facilities, establish mutual compensation rates for terminating traffic, and generally

describe how CLECs and ILECs are to do business. The Commission enforces interconnection agreements by hearing complaints.

Universal Service: Ensuring universal access to basic service at affordable rates is an agency priority. The Commission oversees the administration of the Oregon Universal Service Fund (OUSF or Fund), created by the 1999 Legislative Assembly. The OUSF is funded by a surcharge on all Oregon carriers, which the carriers may pass through to their customers. While all carriers pay into the OUSF, only eligible carriers may receive support from the OUSF. The Commission grants eligibility to receive support if a carrier meets various requirements. One such requirement is a commitment to provide service throughout a service area on reasonable terms.

The OUSF provides payments to eligible carriers to offset their cost of providing basic service in high-cost areas. Currently, eligible carriers receive approximately \$35 million annually to keep high cost customers' rates reasonable. Of this amount, approximately \$32.2 million goes to CenturyLink and Frontier¹ and approximately \$3.1 million² to small incumbent carriers. One competitive wireline carrier receives approximately \$500,000 annually from the OUSF. Wireless carriers (i.e. federally licensed cellular companies) are not required to pay into the OUSF. However, a wireless carrier may pay into the Fund voluntarily. If a wireless carrier voluntarily pays into the Fund for at least one year, it can apply to become an eligible carrier and receive funding. To date, no wireless carrier has paid into or received support from the OUSF.

¹ Approximately \$27.9 million goes to CenturyLink QC and Frontier.

² The rural companies, including those that are business units of CenturyLink and Frontier receive approximately \$7 million.

2013-15 GOVERNOR'S BALANCED BUDGET

The OUSF supplements a parallel federal universal service program supporting service in high cost areas throughout the country. Federal law directs state commissions to designate telecommunications carriers as eligible to receive Federal Universal Service Funds in their state. The Commission has designated all Oregon ILECs as eligible for Federal funds, plus one CLEC, and four wireless carriers. The Commission established policies for designating eligible carriers under the federal program, and for ensuring that eligible carriers use Federal Universal Service Funds for intended purposes. Each year, the Commission reviews how eligible carriers have used federal funding. In addition, federal rules require the Commission to determine annually whether each eligible wireless and CLEC carrier should be recertified for continued support. Oregon's eligible carriers annually receive approximately \$75 million in high-cost support from the Federal Universal Service Fund.

Service Quality: Another responsibility of the Commission is to ensure that Oregon consumers receive high-quality service. The Commission sets local service quality standards that apply to all telecommunications carriers. Those standards include the number of trouble reports, repair time, speed of response to customer calls, allowed call blockage, and the speed at which new service is installed. The Commission assesses results on a monthly basis, conducts independent field audits, and monitors that the carriers fix service problems promptly. Larger carriers (1,000 lines or more) provide monthly service quality reports to the Commission, which the Commission posts on its website. Carriers that meet all service quality requirements for a year may be exempted from reporting.

Rates: The Commission has varying authority to set rates for Oregon's 31 ILECs. Eleven ILECs are member-owned telecommunications cooperatives. For these, the Commission only regulates the rates that a cooperative charges long distance carriers for access to the cooperative's local network (access charges). The Commission does not regulate the local and extended area service (EAS) rates that telecommunications cooperatives charge their members.

The 20 other ILECs in the state are investor-owned telecommunications utilities. Eighteen of these utilities have fewer than 50,000 access lines, and are classified as small telecommunications utilities. Oregon law exempts such small utilities from Commission regulation of local service rates. However, customers may petition the Commission for re-regulation. The Commission retains authority to regulate EAS rates and access charges.

There are four large telecommunications utilities with 50,000 or more access lines. Three of the four are under traditional rate regulation based on an allowed rate of return. In 1999, the largest telecommunications utility, CenturyLink QC, elected price cap regulation under a legislatively approved plan, commonly referred to as SB 622 price caps. Under price cap regulation, an electing carrier is not subject to rate of return regulation. A carrier that elects SB 622 price caps must make a significant infrastructure investment, in CenturyLink QC's case; the investment was \$120 million.³ In 2008, CenturyLink QC unelected price cap regulation under SB 622, and the Commission granted approval for CenturyLink QC to be subject to a different price cap framework under ORS 759.255.

³ CenturyLink QC was to provide \$70 million for infrastructure improvements and \$50 million for high-speed Internet connections.

2013-15 GOVERNOR'S BALANCED BUDGET

In addition to SB 622 price caps, telecommunications utilities may petition the Commission to exempt specific services from rate regulation. The Commission exempted CenturyLink QC's in-state toll services from rate regulation in 2003.

In addition, telecommunications utilities may seek greater pricing flexibility for their rate regulated services in the form of price listing. Utilities have two price listing options. They may seek price listing for specific services, or they may request price listing for a broad array of services under a price listing plan. The Commission also has authority to approve a price listing plan that forgoes a rate of return review under ORS 759.255.

Economic Research and Financial Analysis Division

The Economic Research and Financial Analysis Division conduct technical economic and financial analyses on issues that are common to all regulated industries. The Division is also responsible for water and wastewater regulation. The Division conducts utility audits, reviews proposed transactions between a regulated utility and unregulated affiliate companies, reviews utility property sales, evaluates proposed mergers, analyzes utilities' cost of capital, forecasts electric utility loads, and prepares reports on the status of competition in the telecommunications industry. The Division also assists in formulating policies on regional and national electricity issues.

The PUC regulates the rates and service offered by thirty-seven water utilities serving about 27,050 customers. It also regulates the service provided by an additional 44 water utilities. The Division analyzes water and wastewater utility rate filings, reviews service territory designation applications, and conducts investigations into customer complaints, among other duties.

During the 2011-2013 Biennium, the Division reviewed more than ten water utility rate cases.

The Economic Research and Financial Analysis Division dissolved during the Agency's reorganization and personnel was transferred to other agency divisions.

Utility Safety, Reliability and Security Division

The Commission is responsible for overseeing the safe, reliable and secure operation of electric power and natural gas supply networks and hundreds of thousands of miles of telecommunications lines located throughout Oregon. The Commission also establishes and enforces regulations, promotes practices to ensure that the state's utility rights-of-ways (both underground and overhead) are constructed, operated and maintained in a safe and efficient manner. The Utility Safety, Reliability, and Security Division carries out these responsibilities, focusing on eight areas:

Safety: The Division inspects lines and facilities; develops safety policy and regulations; audits maintenance practices, plans, and expenditures; investigates serious accidents and incidents, including forest fires; responds to customer/industry technical disputes; prosecutes violators; and educates utility operators to ensure safe operations and compliance with Pipeline Hazardous Materials & Safety Administration (PHMSA), National Electrical Safety Committee and PUC safety regulations. The Division acts on behalf of the National Transportation Safety Board (NTSB) in investigating serious gas pipeline safety incidents. It analyzes reported electric accidents and publishes an annual accident report showing the number of injuries resulting from contacts with energized power lines for the previous year. The Division is also active in national and

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state safety organizations, such as the National Association of Pipeline Safety Representatives (NAPSR), Oregon Utility Safety Committee (OUSC), and PHMSA.

Rights-of-Way Utility Joint-use: The Division ensures that the state's public rights-of-ways (ROWs) are safely and economically maintained for shared utility usage and for the efficient deployment of competitive utility services. The Division actively supports the Oregon Utility Notification Center (OUNC), established under ORS 757.547 for the underground ROW and the Oregon Joint Use Association (OJUA), established under OAR 860-028-0200 for the overhead ROW. The Commission also adjudicates disputes about pole attachment rates, conditions, and terms.

Reliability: The division performs annual audit reviews of actions taken by Idaho Power Company, Portland General Electric, and PacifiCorp to ensure reliable service is provided to end-use customers, and it publishes an annual report showing reliability trends.

Security: The Division promotes and monitors energy security measures to comply with regulations issued by federal agencies, such as the Federal Energy Regulatory Commission, the Department of Transportation, and the Department of Energy. Staff participates in national and regional critical infrastructure committees and standards drafting teams to help ensure that federal security standards are technically defensible, clear, verifiable, and cost-effective.

Emergency Response: The Division provides support to Oregon Emergency Management and the Governor's Office during utility disasters and blackouts. The Division collaborates with the Oregon Energy Emergency Management Team to

promote disaster mutual aid and cooperation between BPA, PGE, PacifiCorp, Northwest Natural Gas, Cascade Natural Gas, and Avista Utilities. The Division is an active participating member of the Oregon Emergency Response System (OERS), which is a state inter-agency team that responds to state catastrophes.

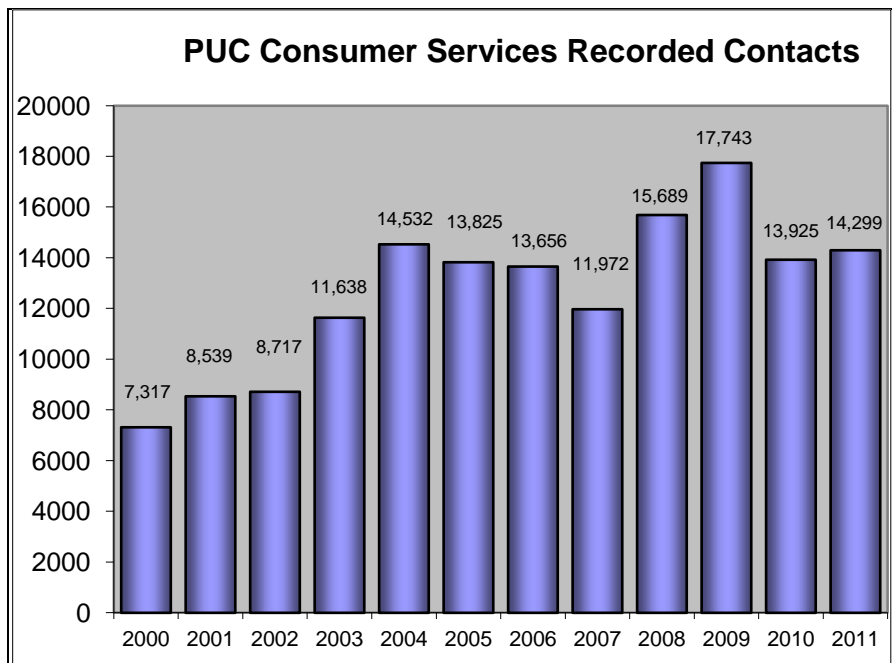
Disaster Mitigation: The Division is an active member of the Governor's Interagency Hazard Mitigation Team (IHMT), which works collaboratively with other state agencies in preventing and mitigating vulnerabilities to future disasters.

Service Quality Measures (SQM): The Division annually reviews the customer service, reliability, power quality, and safety performance of PGE and PacifiCorp to ensure compliance with SQM requirements. In addition, the Division, working with legal counsel, recommends SQM sanctions against companies not meeting minimum performance thresholds.

Consumer Services

The Consumer Services Section responds to questions from consumers about the utility industry and assists in resolving consumer complaints. In 2011, Consumer Services staff received 14,299 recorded consumer contacts, or 1,192 per month on average (a contact may involve multiple issues). Recorded contacts are inquiries that require research, analysis, processing or some resolution by staff. The number of contacts to the Consumer Services Section has been relatively stable from 2003 through 2011, with the exception of 2008 and 2009 where an unusual number of consumer petitions in opposition to relicensing the Klamath Hydro Project were received. In 2011, Consumer Services averaged one public contact every 8.3 minutes.

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The Section deals with regulated issues as well as a variety of non-traditional consumer protection issues. These include matters where the Commission has limited or no direct statutory authority.

In January 2005, the PUC began handling wireless complaints under an interagency agreement with the Department of Justice Consumer Fraud Division (DOJ). The DOJ had entered into an Assurance of Voluntary Compliance, along with twenty-seven other states, against Verizon Wireless, Sprint PCS, and AT&T Mobility. DOJ believed that PUC's existing infrastructure to handle consumer complaints involving the companies was an efficient allocation of state resources, and benefits the public by enhancing DOJ's ability to monitor and ensure the companies' compliance with the terms and conditions of the AVC. This

agreement allows Consumer Services to resolve complaints against the major wireless voice providers. The PUC reports trends to DOJ in addition to providing quarterly reports. The DOJ reimburses the PUC for the costs of the investigations and the reports.

Two of the most common types of complaints received regard Slamming and Cramming. Slamming occurs when a customer has had their local or long distance telephone service switched to another company without their permission. Slamming most often involves long-distance service. The PUC has "opted-in" to the FCC's slamming rules which grant the states authority to investigate and resolve these complaints. Due to active enforcement of the FCC rules, slamming complaints have dropped significantly over the last several years. Cramming occurs when a customer receives a charge on their telephone bill for goods or services they did not order. Authority to investigate cramming complaints falls under the PUC's General Powers statute, which gives the Commission a consumer protection role in telecom related issues. Cramming continues to be a significant problem, and has recently expanded from wireline to wireless carriers.

In addition, the Section also receives numerous complaints from consumers regarding problems with their VoIP telephone service, cable and satellite TV, and internet service. Although the Commission does not regulate these services, we have established constructive relationships with the providers, and are quite successful at resolving problems for consumers.

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Emergency Medical Certificates

The number of telecommunications company requests for disconnection of medical certificate customers has declined to eight in 2010 and six in 2011. This is a significant decline over prior years which may be attributable in part to a customer shift towards wireless services. More significantly, the credit payment arrangement the industry offers to all of their customers is similar to the negotiation entitlements of an emergency medical certificate.

Emerging Trends

Complaints against wireline telephone utilities have increased in recent years. Most of these complaints involve poor customer service or billing errors. In order to stay competitive, companies have consolidated call centers, reduced customer service staff and/or begun using off-shore call centers, which has resulted in customer frustration and anger at the poor level of customer service they are receiving. Complaints about cellular, VoIP, and other newer technologies are also increasing.

Many competitive long distance providers use independent telemarketing firms to sell their services. A tactic of some telemarketers is to misrepresent themselves, often claiming to represent the local phone company; they convince the consumer that they will save money by switching to a different long distance carrier (which is usually not true). These telemarketers often target the elderly. We are nearly always successful in getting the customers' preferred long distance provider restored and monies refunded. When we see a trend of misrepresentation related to a particular carrier, we refer the company to DOJ for possible investigation.

Utility Program Revenue

The Utility Program does not receive any General or Lottery Funds. The Utility Program receives funds from five sources.

- The agency assesses the regulated electricity, natural gas, water utilities, and telecommunications providers an annual fee that covers virtually all of the Utility Program expenses. State law caps the level of fee the agency can charge.

For the 2013-2015 biennium, rates for electric, gas, water, and telecommunications utilities are projected to be at the maximum of 2.5 mills. The fee rates are applied to the gross operating revenues of utilities for the previous calendar year. The PUC maintains an approximate six month reserve balance of funds.

- Under ORS 757.600 to .691, Portland General Electric and PacifiCorp collect a public purpose charge from their customers that go for programs to save electricity, develop renewable resources, and weatherize the homes of low-income households. The Utility Program receives a small amount of the money collected to cover its actual costs of overseeing the development and implementation of programs.

The expenses for the 2013-2015 Biennium are based on the estimated level of the PUC staff's activities related to public purpose requirements. Approximately 50 percent of one analyst's time (0.5 FTE) is dedicated to these oversight responsibilities.

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- The Oregon Universal Service Fund (OUSF) mandated by ORS 759.425 exists to compensate telecommunications carriers for the cost of serving high-cost areas. The Commission uses some funds from the OUSF to cover the cost of its administration.
- The program receives Federal funds to ensure the safe operation of natural gas pipelines. Approximately \$840,202 will be received in 2013-2015.
- The program also receives Federal funds under ARRA grants for limited duration positions and broadband mapping initiative. Approximately \$1.6 million will be carried over into the 2013-15 Biennium to complete broadband initiatives.

Bill

HB 2266 – Utility Housekeeping to ORS 757: The purpose of this bill is:

- To further streamline regulation for water service regulated companies. The change in statutes will exempt service regulated companies from 757.355, 757.245, and to a portion of 757.255.
- To remove the references to report submittal dates in ORS 757.105(2) and ORS 757.135.

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission

Cross Reference Name: Utility Regulation

Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Number: 86000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Federal Funds	-	-	-	7,390	-	-	7,390
Total Revenues	-	-	-	\$7,390	-	-	\$7,390
Personal Services							
Temporary Appointments	-	-	654	-	-	-	654
Overtime Payments	-	-	11	-	-	-	11
All Other Differential	-	-	1,332	-	-	-	1,332
Public Employees' Retire Cont	-	-	256	-	-	-	256
Pension Obligation Bond	-	-	(3,444)	7,354	-	-	3,910
Social Security Taxes	-	-	153	-	-	-	153
Unemployment Assessments	-	-	45	36	-	-	81
Mass Transit Tax	-	-	(4,912)	-	-	-	(4,912)
Vacancy Savings	-	-	(90,786)	-	-	-	(90,786)
Total Personal Services	-	-	(\$96,691)	\$7,390	-	-	(\$89,301)
Total Expenditures							
Total Expenditures	-	-	(96,691)	7,390	-	-	(89,301)
Total Expenditures	-	-	(\$96,691)	\$7,390	-	-	(\$89,301)
Ending Balance							
Ending Balance	-	-	96,691	-	-	-	96,691
Total Ending Balance	-	-	\$96,691	-	-	-	\$96,691

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 021 - Phase-in

Cross Reference Name: Utility Regulation
Cross Reference Number: 86000-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Federal Funds	-	-	-	573,583	-	-	573,583
Total Revenues	-	-	-	\$573,583	-	-	\$573,583
Special Payments							
Dist to Other Gov Unit	-	-	-	474,112	-	-	474,112
Spc Pmt to OR Business Development	-	-	-	99,471	-	-	99,471
Total Special Payments	-	-	-	\$573,583	-	-	\$573,583
Total Expenditures							
Total Expenditures	-	-	-	573,583	-	-	573,583
Total Expenditures	-	-	-	\$573,583	-	-	\$573,583
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission

Cross Reference Name: Utility Regulation

Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Number: 86000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Federal Funds	-	-	-	(2,652,128)	-	-	(2,652,128)
Tsfr From Energy, Dept of	-	-	(75,388)	-	-	-	(75,388)
Total Revenues	-	-	(\$75,388)	(\$2,652,128)	-	-	(\$2,727,516)
Services & Supplies							
Instate Travel	-	-	-	(3,902)	-	-	(3,902)
Out of State Travel	-	-	-	(5,225)	-	-	(5,225)
Employee Training	-	-	-	(3,831)	-	-	(3,831)
Professional Services	-	-	-	(108,302)	-	-	(108,302)
Other Services and Supplies	-	-	-	(31,546)	-	-	(31,546)
Total Services & Supplies	-	-	-	(\$152,806)	-	-	(\$152,806)
Special Payments							
Dist to Non-Gov Units	-	-	-	(1,614,322)	-	-	(1,614,322)
Spc Pmt to Administrative Svcs	-	-	-	(885,000)	-	-	(885,000)
Spc Pmt to Geology/Mineral Ind	-	-	(75,388)	-	-	-	(75,388)
Total Special Payments	-	-	(\$75,388)	(\$2,499,322)	-	-	(\$2,574,710)
Total Expenditures							
Total Expenditures	-	-	(75,388)	(2,652,128)	-	-	(2,727,516)
Total Expenditures	-	-	(\$75,388)	(\$2,652,128)	-	-	(\$2,727,516)

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
 Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Utility Regulation
 Cross Reference Number: 86000-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 031 - Standard Inflation

Cross Reference Name: Utility Regulation
Cross Reference Number: 86000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Federal Funds	-	-	-	2,280	-	-	2,280
Total Revenues	-	-	-	\$2,280	-	-	\$2,280
Services & Supplies							
Instate Travel	-	-	2,581	644	-	-	3,225
Out of State Travel	-	-	2,168	278	-	-	2,446
Employee Training	-	-	3,662	348	-	-	4,010
Office Expenses	-	-	2,030	110	38	-	2,178
Telecommunications	-	-	1,830	71	-	-	1,901
State Gov. Service Charges	-	-	176	-	15	-	191
Data Processing	-	-	6,731	-	-	-	6,731
Publicity and Publications	-	-	325	15	-	-	340
Professional Services	-	-	9,454	-	-	-	9,454
Attorney General	-	-	125,022	-	-	-	125,022
Employee Recruitment and Develop	-	-	660	54	-	-	714
Dues and Subscriptions	-	-	3,398	18	-	-	3,416
Facilities Rental and Taxes	-	-	(34,402)	342	-	-	(34,060)
Other Services and Supplies	-	-	1,239	338	6,321	-	7,898
Expendable Prop 250 - 5000	-	-	3,242	62	-	-	3,304
Total Services & Supplies	-	-	\$128,116	\$2,280	\$6,374	-	\$136,770

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Public Utility Commission
 Pkg: 031 - Standard Inflation

Cross Reference Name: Utility Regulation
 Cross Reference Number: 86000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Data Processing Hardware	-	-	1,557	-	-	-	1,557
Total Capital Outlay	-	-	\$1,557	-	-	-	\$1,557
Total Expenditures							
Total Expenditures	-	-	129,673	2,280	6,374	-	138,327
Total Expenditures	-	-	\$129,673	\$2,280	\$6,374	-	\$138,327
Ending Balance							
Ending Balance	-	-	(129,673)	-	(6,374)	-	(136,047)
Total Ending Balance	-	-	(\$129,673)	-	(\$6,374)	-	(\$136,047)

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 050 - Fundshifts

Cross Reference Name: Utility Regulation
Cross Reference Number: 86000-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Federal Funds	-	-	-	6,000	-	-	6,000
Total Revenues	-	-	-	\$6,000	-	-	\$6,000
Services & Supplies							
Facilities Rental and Taxes	-	-	(6,000)	6,000	-	-	-
Total Services & Supplies	-	-	(\$6,000)	\$6,000	-	-	-
Total Expenditures							
Total Expenditures	-	-	(6,000)	6,000	-	-	-
Total Expenditures	-	-	(\$6,000)	\$6,000	-	-	-
Ending Balance							
Ending Balance	-	-	6,000	-	-	-	6,000
Total Ending Balance	-	-	\$6,000	-	-	-	\$6,000

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 060 - Technical Adjustments

Cross Reference Name: Utility Regulation
Cross Reference Number: 86000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	77	-	-	-	77
Out of State Travel	-	-	4,484	-	-	-	4,484
Employee Training	-	-	8,915	-	-	-	8,915
Office Expenses	-	-	(7,524)	-	-	-	(7,524)
Telecommunications	-	-	(66,939)	-	-	-	(66,939)
Data Processing	-	-	(287,169)	-	-	-	(287,169)
Publicity and Publications	-	-	4,425	-	-	-	4,425
Professional Services	-	-	(281,595)	-	-	-	(281,595)
Attorney General	-	-	32	-	-	-	32
Dues and Subscriptions	-	-	(2,652)	-	-	-	(2,652)
Facilities Rental and Taxes	-	-	(2,560)	-	-	-	(2,560)
Agency Program Related S and S	-	-	894	-	-	-	894
Other Services and Supplies	-	-	(11,259)	-	-	-	(11,259)
Expendable Prop 250 - 5000	-	-	(128,862)	-	-	-	(128,862)
Total Services & Supplies	-	-	(\$769,733)	-	-	-	(\$769,733)
Capital Outlay							
Data Processing Hardware	-	-	(66,451)	-	-	-	(66,451)
Total Capital Outlay	-	-	(\$66,451)	-	-	-	(\$66,451)
Total Expenditures							
Total Expenditures	-	-	(836,184)	-	-	-	(836,184)
Total Expenditures	-	-	(\$836,184)	-	-	-	(\$836,184)

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
 Pkg: 060 - Technical Adjustments

Cross Reference Name: Utility Regulation
 Cross Reference Number: 86000-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	836,184	-	-	-	836,184
Total Ending Balance	-	-	\$836,184	-	-	-	\$836,184

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 092 - PERS Taxation Policy

Cross Reference Name: Utility Regulation
Cross Reference Number: 86000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
PERS Policy Adjustment	-	-	(35,236)	(1,889)	-	-	(37,125)
Total Personal Services	-	-	(\$35,236)	(\$1,889)	-	-	(\$37,125)
Total Expenditures							
Total Expenditures	-	-	(35,236)	(1,889)	-	-	(37,125)
Total Expenditures	-	-	(\$35,236)	(\$1,889)	-	-	(\$37,125)
Ending Balance							
Ending Balance	-	-	35,236	1,889	-	-	37,125
Total Ending Balance	-	-	\$35,236	\$1,889	-	-	\$37,125

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 093 - Other PERS Adjustments

Cross Reference Name: Utility Regulation
Cross Reference Number: 86000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
PERS Policy Adjustment	-	-	(281,552)	(15,094)	-	-	(296,646)
Total Personal Services	-	-	(\$281,552)	(\$15,094)	-	-	(\$296,646)
Total Expenditures							
Total Expenditures	-	-	(281,552)	(15,094)	-	-	(296,646)
Total Expenditures	-	-	(\$281,552)	(\$15,094)	-	-	(\$296,646)
Ending Balance							
Ending Balance	-	-	281,552	15,094	-	-	296,646
Total Ending Balance	-	-	\$281,552	\$15,094	-	-	\$296,646

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Policy Option Package 101: Utility Safety, Reliability & Security Division – Senior Pipeline Safety Inspector - UA3

a. Purpose

The primary purpose of this new position is to enforce safety programs per ORS 757.039, OAR 860-024, OAR 860-028, OAR 860-031, and federal regulations. The purpose of the statute and administrative rules are to keep gas utilities systems safe and to protect the lives and properties of Oregonians.

During the past five years, the Pipeline and Hazardous Materials Safety Administration (PHMSA), the federal agency that grants the OPUC certification for enforcement of the gas pipeline safety laws, has had a very aggressive regulatory agenda and has promulgated more new regulations than at any time during its existence. Additionally, the recent signing of the "Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011" which was driven by the findings and 29 recommendations from the National Transportation Safety Board after the San Bruno, California incident, where eight people died and more than 70 homes were destroyed or damaged, has increased PHMSA's oversight and regulations concerning gas pipeline safety.

Based on new regulations, PHMSA has increased its oversight of the states' pipeline safety programs to ensure the states are enforcing the new federal regulations. Operators will have to create plans, processes, and programs to assure they are complying with the new regulations, to document what conditions exist in the field, and what risks exist now or could develop in the future. Operators must also develop plans or lists of what actions are necessary to address those risks and how those actions can be monitored and measured for

effectiveness. PUC staff will have to verify, and match the operator's investment of man hours to review each plan for completeness and accuracy, including the records and data used to establish the plans. Additional field inspections will also be necessary to ensure that the conditions in the field match the records used by the plans, as well as whether or not the planned actions to address risk are in fact being implemented and are effective. At present staff conducts on average 350 inspection days per year. With the addition of this position, the PUC plans to increase that number by an additional 85 inspection days annually.

Currently, the composition of Staff supporting the Pipeline Safety Section is: One Chief, Pipeline Safety, one Senior Analyst, and two Analysts. As a comparison, Washington State, which has similar safety enforcement duties, has a staff of 15. At present, the PUC gas safety section conducts inspections and enforcement activities across the State, working with 17 natural gas operators, with systems partially comprised of over 1,500 miles of intrastate transmission pipelines, 16,000 miles of distribution pipelines, 700,000 services pipelines, and two liquefied natural gas peak shaving facilities. The work involves making field measurements, documenting all violations found, writing reports, presenting and discussing the reports with the operators, providing training to operators, and following through with prosecutorial actions with the offenders of the safety statutes and administrative rules when needed.

Pipeline Safety staff also provides support to PHMSA Western Region in their oversight of the Interstate Transmission pipelines and Liquid facilities operators within Oregon when requested.

As a result of added regulatory requirements in the federal code, Staff will be unable to adequately carry out its safety

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responsibilities without the addition of a qualified senior level engineer. The inability to comply with federal requirements could potentially result in loss of federal funds from the annual "Base Grant" through the certification process with the PHMSA.

b. How Achieved

Staff conducts inspections and enforcement activities across the State, working with 17 natural gas operators, which work entails auditing systems comprising over 1500 miles of intrastate transmission pipelines, 16,000 miles of distribution pipelines and 700,000 services pipelines. The work involves making field measurements, documenting all violations found, writing reports, presenting and discussing the reports with the operators, providing training to operators, and following through with prosecutorial actions with the offenders of the safety statutes and administrative rules when needed. Pipeline Safety staff also provides support to the PHMSA Western Region in their oversight of the Interstate Transmission pipelines and Liquid facilities operators within Oregon when requested.

Over the past 20 years, the work performed by Staff has ensured all natural gas systems are properly constructed, operated, and maintained, and promoting the protection of underground utilities throughout Oregon. Oregon has held the number of incidents with fatalities to "Zero" for the past 15 plus years. Our goal is to maintain this level of safety for Oregon.

With the added regulatory requirements in the federal code, plus the added duties and responsibilities on top of the already heavy workload and a small Staff responsible for such critical responsibilities for the State of Oregon, Staff will be unable to adequately carry out its safety responsibilities without the addition of a qualified senior-level engineer. The result of not adding the new Staff would be that safety will be compromised,

which will likely result in the increase of risk for natural gas incidents. In a time where national attention is being given to any and all pipeline incidents following the San Bruno, CA, and Allentown, PA incidents, it is critical to increase our ability to oversee the operations and maintenance of natural gas systems in Oregon.

c. Staffing Impact

The Safety, Reliability & Security Division would increase current staff by adding one Utility Analyst 3 position to the program. The additional position does not affect the PUC's overall span of control ratio.

d. Quantifying Results

The metrics for this new senior engineer performance will be the safety of the citizens of our State, the minimized risk and costs of major natural gas incidents as described in "purpose" and "how achieved" sections of this document, and the record of the operators in our State carrying out their work safely and efficiently, while maintaining rates to our citizens that are fair and reasonable. Also, the senior engineer will make sure the focus on safety is not eroded by other critical requirements.

e. Revenue Source

The PUC is supported by fees paid by utility companies, no general funds are used. Sixty percent of the funding will be provided by the annual "Base Grant" through the certification process with the Pipeline and Hazardous Safety Administration (PHMSA).

f. Fiscal Impact Summary

The cost to add the one position will be \$73,188 Other Funds and \$110,597 Federal Funds per biennium.

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
 Pkg: 101 - Utility Safety, Reliability & Security Division

Cross Reference Name: Utility Regulation
 Cross Reference Number: 86000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Federal Funds	-	-	-	110,597	-	-	110,597
Total Revenues	-	-	-	\$110,597	-	-	\$110,597
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	44,429	66,643	-	-	111,072
Empl. Rel. Bd. Assessments	-	-	16	24	-	-	40
Public Employees' Retire Cont	-	-	8,472	12,709	-	-	21,181
Social Security Taxes	-	-	3,399	5,098	-	-	8,497
Worker's Comp. Assess. (WCD)	-	-	24	35	-	-	59
Mass Transit Tax	-	-	266	-	-	-	266
Flexible Benefits	-	-	12,211	18,317	-	-	30,528
Reconciliation Adjustment	-	-	1	(1)	-	-	-
Total Personal Services	-	-	\$68,818	\$102,825	-	-	\$171,643
Services & Supplies							
Instate Travel	-	-	3,360	5,040	-	-	8,400
Employee Training	-	-	1,000	1,500	-	-	2,500
Office Expenses	-	-	240	360	-	-	600
Telecommunications	-	-	288	432	-	-	720
Total Services & Supplies	-	-	\$4,888	\$7,332	-	-	\$12,220

Essential and Policy Package Fiscal Impact Summary - BPR013

___ Agency Request

Governor's Balanced

___ Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
 Pkg: 101 - Utility Safety, Reliability & Security Division

Cross Reference Name: Utility Regulation
 Cross Reference Number: 86000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	73,706	110,157	-	-	183,863
Total Expenditures	-	-	\$73,706	\$110,157	-	-	\$183,863
Ending Balance							
Ending Balance	-	-	(73,706)	440	-	-	(73,266)
Total Ending Balance	-	-	(\$73,706)	\$440	-	-	(\$73,266)
Total Positions							
Total Positions							1
Total Positions	-	-	-	-	-	-	1
Total FTE							
Total FTE							1.00
Total FTE	-	-	-	-	-	-	1.00

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Public Utility Commission
2013-15 Biennium

Agency Number: 86000

Cross Reference Number: 86000-001-00-00-00000

Source	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds						
Other Selective Taxes	12,839	-	-	-	-	-
Public Utilities Fees	20,288,959	26,852,751	26,852,751	26,852,751	26,852,751	-
Charges for Services	40,992	88,000	88,000	88,000	88,000	-
Fines and Forfeitures	23,766	38,000	38,000	38,000	38,000	-
Other Revenues	56,745	5,000	5,000	5,000	5,000	-
Transfer In - Indirect Cost	149,750	109,656	109,656	109,656	109,656	-
Tsfr From Military Dept, Or	26,036	-	-	-	-	-
Tsfr From Energy, Dept of	181,211	75,388	75,388	-	-	-
Transfer Out - Intrafund	(10,036,780)	(11,065,467)	(11,065,467)	(12,065,467)	(12,065,467)	-
Transfer Out - Indirect Cost	(87,771)	(73,107)	(73,107)	(73,107)	(73,107)	-
Transfer to General Fund	(2,000,000)	-	-	-	-	-
Total Other Funds	\$8,655,747	\$16,030,221	\$16,030,221	\$14,954,833	\$14,954,833	-
Federal Funds						
Federal Funds	2,284,465	4,874,153	4,874,153	2,463,075	2,463,075	-
Transfer Out - Indirect Cost	(61,979)	(36,549)	(36,549)	(36,549)	(36,549)	-
Total Federal Funds	\$2,222,486	\$4,837,604	\$4,837,604	\$2,426,526	\$2,426,526	-
Nonlimited Other Funds						
Other Selective Taxes	105,174	-	-	-	-	-
Public Utilities Fees	77,124,665	65,776,820	65,776,820	79,000,000	79,000,000	-
Fines and Forfeitures	53,313	48,301	48,301	48,301	48,301	-
Interest Income	326,208	336,000	336,000	336,000	336,000	-
Total Nonlimited Other Funds	\$77,609,360	\$66,161,121	\$66,161,121	\$79,384,301	\$79,384,301	-

Detail of LF, OF, and FF Revenues - BPR012

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary

Version: Y - 01 - Governor's Budget

2013-15 Biennium

Cross Reference Number: 86000-001-00-00-00000

Utility Regulation

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
LIMITED BUDGET (Excluding Packages)						
PERSONAL SERVICES						
Other Funds	11,726,997	13,562,427	13,562,427	13,920,325	13,862,556	-
Federal Funds	866,706	1,023,659	1,023,659	626,475	623,802	-
All Funds	12,593,703	14,586,086	14,586,086	14,546,800	14,486,358	-
SERVICES & SUPPLIES						
Other Funds	2,871,081	3,168,822	3,168,822	3,168,822	3,168,822	-
Federal Funds	1,355,780	240,266	240,266	240,266	240,266	-
All Funds	4,226,861	3,409,088	3,409,088	3,409,088	3,409,088	-
CAPITAL OUTLAY						
Other Funds	61,324	64,894	64,894	64,894	64,894	-
SPECIAL PAYMENTS						
Other Funds	122,647	75,388	75,388	75,388	75,388	-
Federal Funds	-	3,550,000	3,550,000	3,550,000	3,550,000	-
All Funds	122,647	3,625,388	3,625,388	3,625,388	3,625,388	-
TOTAL LIMITED BUDGET (Excluding Packages)						
Other Funds	14,782,049	16,871,531	16,871,531	17,229,429	17,171,660	-
Federal Funds	2,222,486	4,813,925	4,813,925	4,416,741	4,414,068	-
All Funds	17,004,535	21,685,456	21,685,456	21,646,170	21,585,728	-
AUTHORIZED POSITIONS	75	73	73	74	74	-
AUTHORIZED FTE	72.58	71.25	71.25	73.25	73.25	-

Program Unit Appropriated Fund and Category Summary- BPR007A

___ Agency Request

Governor's Balanced

___ Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary

Version: Y - 01 - Governor's Budget

2013-15 Biennium

Cross Reference Number: 86000-001-00-00-00000

Utility Regulation

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
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LIMITED BUDGET (Essential Packages)

010 NON-PICS PSNL SVC / VACANCY FACTOR

PERSONAL SERVICES

Other Funds	-	-	-	(96,682)	(96,691)	-
Federal Funds	-	-	-	7,390	7,390	-
All Funds	-	-	-	(89,292)	(89,301)	-

021 PHASE-IN

SPECIAL PAYMENTS

Federal Funds	-	-	-	573,583	573,583	-
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022 PHASE-OUT PGM & ONE-TIME COSTS

SERVICES & SUPPLIES

Federal Funds	-	-	-	(152,806)	(152,806)	-
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SPECIAL PAYMENTS

Other Funds	-	-	-	(75,388)	(75,388)	-
Federal Funds	-	-	-	(2,499,322)	(2,499,322)	-
All Funds	-	-	-	(2,574,710)	(2,574,710)	-

031 STANDARD INFLATION

SERVICES & SUPPLIES

Other Funds	-	-	-	129,181	128,116	-
Federal Funds	-	-	-	2,280	2,280	-
All Funds	-	-	-	131,461	130,396	-

Program Unit Appropriated Fund and Category Summary- BPR007A

Agency Request

Governor's Balanced

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary
2013-15 Biennium
Utility Regulation

Version: Y - 01 - Governor's Budget
Cross Reference Number: 86000-001-00-00-00000

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
CAPITAL OUTLAY						
Other Funds	-	-	-	1,557	1,557	-
050 FUNDSHIFTS						
SERVICES & SUPPLIES						
Other Funds	-	-	-	(6,000)	(6,000)	-
Federal Funds	-	-	-	6,000	6,000	-
All Funds	-	-	-	-	-	-
060 TECHNICAL ADJUSTMENTS						
SERVICES & SUPPLIES						
Other Funds	-	-	-	(769,733)	(769,733)	-
CAPITAL OUTLAY						
Other Funds	-	-	-	(66,451)	(66,451)	-
TOTAL LIMITED BUDGET (Essential Packages)						
Other Funds	-	-	-	(883,516)	(884,590)	-
Federal Funds	-	-	-	(2,062,875)	(2,062,875)	-
All Funds	-	-	-	(2,946,391)	(2,947,465)	-
LIMITED BUDGET (Current Service Level)						
Other Funds	14,782,049	16,871,531	16,871,531	16,345,913	16,287,070	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,353,866	2,351,193	-
All Funds	17,004,535	21,685,456	21,685,456	18,699,779	18,638,263	-
AUTHORIZED POSITIONS	75	73	73	74	74	-

Program Unit Appropriated Fund and Category Summary- BPR007A

2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary
 2013-15 Biennium
 Utility Regulation

Version: Y - 01 - Governor's Budget
 Cross Reference Number: 86000-001-00-00-00000

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
AUTHORIZED FTE	72.58	71.25	71.25	73.25	73.25	-
LIMITED BUDGET (Policy Packages)						
PRIORITY 0						
092 PERS TAXATION POLICY						
PERSONAL SERVICES						
Other Funds	-	-	-	-	(35,236)	-
Federal Funds	-	-	-	-	(1,889)	-
All Funds	-	-	-	-	(37,125)	-
093 OTHER PERS ADJUSTMENTS						
PERSONAL SERVICES						
Other Funds	-	-	-	-	(281,552)	-
Federal Funds	-	-	-	-	(15,094)	-
All Funds	-	-	-	-	(296,646)	-
PRIORITY 1						
101 UTILITY SAFETY, RELIABILITY & SECURITY DIVI						
PERSONAL SERVICES						
Other Funds	-	-	-	69,111	68,818	-
Federal Funds	-	-	-	103,265	102,825	-
All Funds	-	-	-	172,376	171,643	-
SERVICES & SUPPLIES						
Other Funds	-	-	-	4,888	4,888	-

Program Unit Appropriated Fund and Category Summary- BPR007A

2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary
2013-15 Biennium
Utility Regulation

Version: Y - 01 - Governor's Budget
Cross Reference Number: 86000-001-00-00-00000

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Federal Funds	-	-	-	7,332	7,332	-
All Funds	-	-	-	12,220	12,220	-
AUTHORIZED POSITIONS	-	-	-	1	1	-
AUTHORIZED FTE	-	-	-	1.00	1.00	-
TOTAL LIMITED BUDGET (Policy Packages)						
Other Funds	-	-	-	73,999	(243,082)	-
Federal Funds	-	-	-	110,597	93,174	-
All Funds	-	-	-	184,596	(149,908)	-
AUTHORIZED POSITIONS	-	-	-	1	1	-
AUTHORIZED FTE	-	-	-	1.00	1.00	-
TOTAL LIMITED BUDGET (Including Packages)						
Other Funds	14,782,049	16,871,531	16,871,531	16,419,912	16,043,988	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,464,463	2,444,367	-
All Funds	17,004,535	21,685,456	21,685,456	18,884,375	18,488,355	-
AUTHORIZED POSITIONS	75	73	73	75	75	-
AUTHORIZED FTE	72.58	71.25	71.25	74.25	74.25	-
NONLIMITED BUDGET (Excluding Packages)						
SERVICES & SUPPLIES						
Other Funds	384,828	265,603	265,603	265,603	265,603	-
SPECIAL PAYMENTS						
Other Funds	82,675,615	74,855,000	74,855,000	79,000,000	79,000,000	-

Program Unit Appropriated Fund and Category Summary- BPR007A

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary
2013-15 Biennium
Utility Regulation

Version: Y - 01 - Governor's Budget
Cross Reference Number: 86000-001-00-00-00000

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
TOTAL NONLIMITED BUDGET (Excluding Packages)						
Other Funds	83,060,443	75,120,603	75,120,603	79,265,603	79,265,603	-
NONLIMITED BUDGET (Essential Packages)						
031 STANDARD INFLATION						
SERVICES & SUPPLIES						
Other Funds	-	-	-	6,374	6,374	-
TOTAL NONLIMITED BUDGET (Essential Packages)						
Other Funds	-	-	-	6,374	6,374	-
NONLIMITED BUDGET (Current Service Level)						
Other Funds	83,060,443	75,120,603	75,120,603	79,271,977	79,271,977	-
TOTAL NONLIMITED BUDGET (Including Packages)						
Other Funds	83,060,443	75,120,603	75,120,603	79,271,977	79,271,977	-
OPERATING BUDGET						
Other Funds	97,842,492	91,992,134	91,992,134	95,691,889	95,315,965	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,464,463	2,444,367	-
All Funds	100,064,978	96,806,059	96,806,059	98,156,352	97,760,332	-
AUTHORIZED POSITIONS	75	73	73	75	75	-
AUTHORIZED FTE	72.58	71.25	71.25	74.25	74.25	-
TOTAL BUDGET						
Other Funds	97,842,492	91,992,134	91,992,134	95,691,889	95,315,965	-
Federal Funds	2,222,486	4,813,925	4,813,925	2,464,463	2,444,367	-

Program Unit Appropriated Fund and Category Summary- BPR007A

2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary

Version: Y - 01 - Governor's Budget

2013-15 Biennium

Cross Reference Number: 86000-001-00-00-00000

Utility Regulation

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
All Funds	100,064,978	96,806,059	96,806,059	98,156,352	97,760,332	-
AUTHORIZED POSITIONS	75	73	73	75	75	-
AUTHORIZED FTE	72.58	71.25	71.25	74.25	74.25	-

Program Unit Appropriated Fund and Category Summary- BPR007A

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Action taken and/or proposed to comply with HB 2020 (2011) and HB 4131(2012)

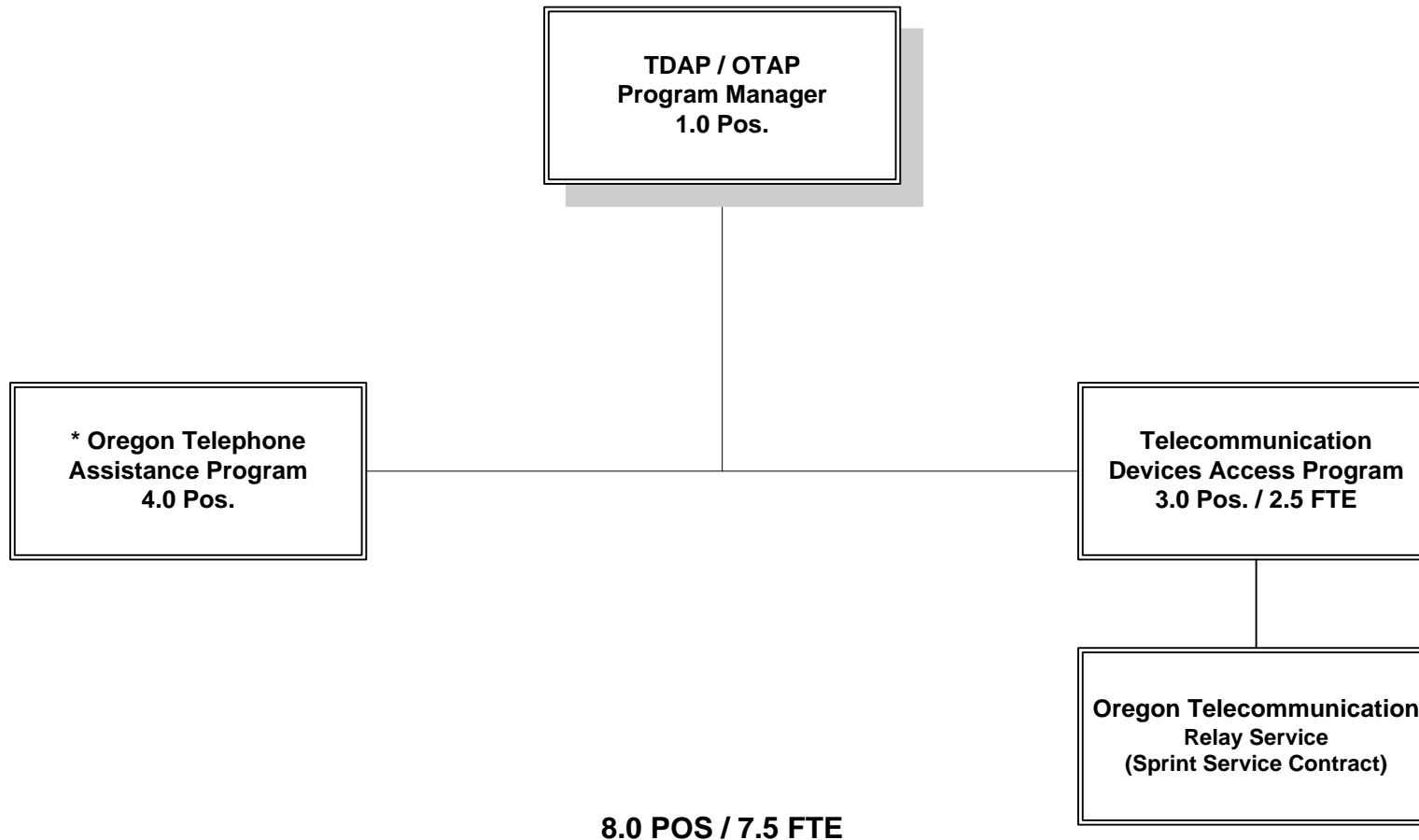
HB 4131 has created challenges and opportunities for the PUC. To meet the requirements of HB 4131, the PUC has developed an organization structure that reduces managerial supervisory personnel from the current 25 supervisors to 16 supervisors. This organization structure will increase the PUC's span of control from 1:4 as determined by the DAS; to 1:7, the 2014 goal. Additionally, the organizational structure allows opportunities to achieve the 2015 goal of 1:8.

The proposed organizational structure requires reclassification of management supervisory personnel to both management non-supervisory and classified positions. In the Utility Program, 15 managerial supervisory positions will be reduced to nine managerial supervisory positions.

The organizational restructuring will result in the transfer of personnel from the Economic Research and Financial Analysis Section to Energy and Telecommunications sections. These transfers will be determined based on position descriptions of personnel and best fit for the agency.

2013-15 GOVERNOR'S BALANCED BUDGET

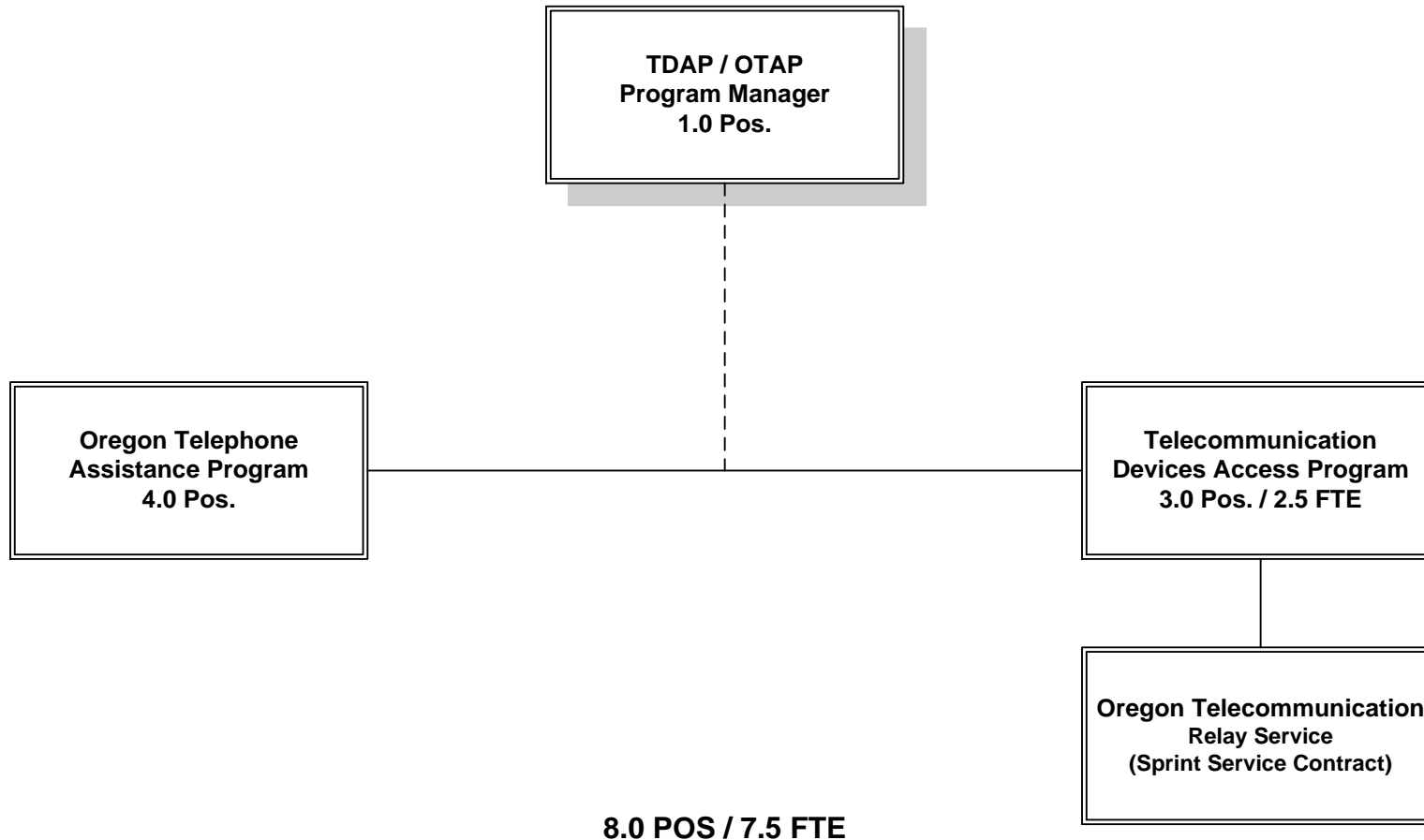
**RESIDENTIAL SERVICE PROTECTION FUND
2011-2013 LEGISLATIVELY ADOPTED BUDGET**



*Central Services – Pkg #102 Granted 1 Auditor position / 1 FTE

2013-15 GOVERNOR'S BALANCED BUDGET

**RESIDENTIAL SERVICE PROTECTION FUND
2013-2015 GOVERNOR'S BALANCED BUDGET**



2013-15 GOVERNOR'S BALANCED BUDGET

PROGRAM UNIT NARRATIVE

Residential Service Protection Fund (RSPF)

The 1987 Legislative Assembly passed a law supporting the state's public policy that all Oregonians have access to adequate and affordable telephone service. Based on that legislation, the Public Utility Commission (PUC) established four RSPF programs described below.

The RSPF program staffing comprises 7.5 FTE. Revenue for RSPF is derived from a surcharge assessed against each paying cellular and landline retail subscriber who has access to the Oregon Telecommunications Relay Service.

- Oregon Telephone Assistance Program (OTAP) reduces the local residential phone service monthly bill by \$12.75 for low-income customers who meet eligibility requirements. The PUC contributes \$3.50, with the Federal Communications Commission (FCC) contributing the rest.
- Telecommunication Devices Access Program (TDAP) loans adaptive telephone equipment to eligible Oregonians who have a hearing, speech, mobility, cognitive or vision impairment.
- Oregon Telecommunications Relay Services (OTRS) as required by the Americans with Disabilities Act of 1990 (ADA) provides persons who are speech or hearing impaired with telecommunications access that is functionally equivalent to those available to persons with normal speech and hearing. This service is available 24 hours per day, 365 days per year, and is free to anyone who wants to use it.

- Emergency Medical Certificates (EMC) may protect a customer's local telephone service from disconnection if a qualified medical professional states it would significantly endanger the physical health of the customer or a member of the customer's household. This program is administered by the Consumer Services Section.

Emerging Trends

Oregon Telephone Assistance Program (OTAP)

The number of customers increased from an average of 47,922 during the 2009-2011 biennium to approximately 57,000 during the 2011-2013 biennium because the PUC approved a wireless provider to offer OTAP services without contracts along the I-5 corridor from Portland to Eugene, which was a new type of service not previously available to customers.

The PUC recently approved Virgin Mobile and TracFone, wireless service providers, to offer, for the first time since the program's inception in 1987, free OTAP services. The appeal of free OTAP service is estimated to result in a substantial increase in the number of new OTAP beneficiaries within a year. This increase of new OTAP customers will have a significant effect on the PUC's resources (e.g. staffing, etc.) in fielding calls and processing applications from the public in a timely manner. However, the PUC is implementing a software solution that addresses this precipitous increase by developing an automatic means for verifying applicants' initial eligibility for the OTAP. This ensures that PUC staff can perform ongoing eligibility verification functions as mandated by state and federal regulations. Money for the free service is provided by the Federal Lifeline Program. No state funds are utilized for these programs.

2013-15 GOVERNOR'S BALANCED BUDGET

Telecommunication Devices Access Program (TDAP)

Approximately ten percent of all Oregonians have a disability. The number of TDAP recipients continues to increase each year. At the end of 2010, there were 7,846 recipients benefitting from TDAP services and using adaptive telecommunications equipment such as captioned telephones, amplified phones and speech generating devices. In 2011, there were 8,577 active TDAP customers.

The increase is likely attributed to ongoing outreach efforts and the aging baby boomer population increasingly needing adaptive telephone equipment. Amplified phones remain the most popular devices, followed by captioned telephones and other devices.

Oregon Telecommunications Relay Service (OTRS)

Relay billable minutes continue to decline as customers continue to migrate to Internet and Video Relay Service (VRS). Relay services have decreased from an average of 26,120 billable minutes for fiscal year 2010 to an average of 20,828 billable minutes for fiscal year 2011. Relay billable minutes decreased from an average of 85,545 minutes in fiscal year 2010 to an average of 76,500 minutes in fiscal year 2011.

Advisory Committees

Two advisory committees advise the PUC on its RSPF programs:

- The Telecommunication Devices Access Program Advisory Committee, mandated by statute, is composed of twelve members: Nine are deaf or hearing impaired; one is a

professional in the field of hearing or speech impairment or who has a physical disability; one telecommunications company representative; and one member of the PUC.

- The Oregon Telecommunications Relay Service Industry Advisory Committee was created by the PUC in January 1995 for representatives of the telecommunications industry to provide advice and expertise on efforts to control and minimize costs to customers, who support the RSPF programs in the form of a surcharge, while maintaining quality service and complying with the applicable requirements set forth by the ADA and Federal Communications Commission (FCC) for the provision of telecommunications relay and OTAP services, respectively.

Revenue

RSPF does not receive any General or Lottery Funds.

Revenue for RSPF comes from a surcharge of 12 cents per line assessed against each paying retail subscriber who has telecommunications service with access to the telecommunications relay service. An average of 4.6 million lines will be charged for the 2013-2015 Biennium generating \$11.97 million. By statute, the surcharge cannot exceed 35 cents per line per month. The PUC evaluates the surcharge rate annually. The PUC evaluates projections and trends in the telecommunication industry and number of program recipients and related expenditures of the RSPF programs. No rate increase or decrease is anticipated. Projections show that the current rate will sustain the required cash balance.

2013-15 GOVERNOR'S BALANCED BUDGET

Bill

SB 203 - Lifeline Eligibility: The FCC in its February 6, 2012, Order 12-11 identified that Lifeline, known as OTAP in Oregon, eligibility criterion varies from state to state. As a result, the FCC adopted uniform income- and program-based eligibility standards that apply to all states. Existing Oregon statute limits Lifeline eligibility criteria to participation in a low-income public assistance program for which eligibility requirements do not exceed 135 percent of the Federal Poverty Guidelines. This bill amends Oregon statute to conform to FCC regulations in which low-income customers can also qualify for Lifeline based on their participation in additional federal assistance programs or on the basis of their household income as long as it does not exceed 135 percent of the Federal Poverty Guidelines.

2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission

Cross Reference Name: Residential Service Protection

Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Number: 86000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
All Other Differential	-	-	144	-	-	-	144
Public Employees' Retire Cont	-	-	27	-	-	-	27
Pension Obligation Bond	-	-	7,820	-	-	-	7,820
Social Security Taxes	-	-	11	-	-	-	11
Mass Transit Tax	-	-	1	-	-	-	1
Vacancy Savings	-	-	(29,321)	-	-	-	(29,321)
Total Personal Services	-	-	(\$21,318)	-	-	-	(\$21,318)
Total Expenditures							
Total Expenditures	-	-	(21,318)	-	-	-	(21,318)
Total Expenditures	-	-	(\$21,318)	-	-	-	(\$21,318)
Ending Balance							
Ending Balance	-	-	21,318	-	-	-	21,318
Total Ending Balance	-	-	\$21,318	-	-	-	\$21,318

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 031 - Standard Inflation

Cross Reference Name: Residential Service Protection
Cross Reference Number: 86000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	284	-	-	-	284
Out of State Travel	-	-	120	-	-	-	120
Employee Training	-	-	278	-	-	-	278
Office Expenses	-	-	1,661	-	-	-	1,661
Telecommunications	-	-	433	-	-	-	433
State Gov. Service Charges	-	-	15	-	-	-	15
Data Processing	-	-	6	-	-	-	6
Publicity and Publications	-	-	617	-	-	-	617
Professional Services	-	-	159,920	-	-	-	159,920
Attorney General	-	-	1,835	-	-	-	1,835
Dues and Subscriptions	-	-	26	-	-	-	26
Facilities Rental and Taxes	-	-	(3,250)	-	-	-	(3,250)
Agency Program Related S and S	-	-	86,694	-	-	-	86,694
Other Services and Supplies	-	-	2,368	-	-	-	2,368
Expendable Prop 250 - 5000	-	-	281	-	-	-	281
Total Services & Supplies	-	-	\$251,288	-	-	-	\$251,288
Total Expenditures							
Total Expenditures	-	-	251,288	-	-	-	251,288
Total Expenditures	-	-	\$251,288	-	-	-	\$251,288

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 031 - Standard Inflation

Cross Reference Name: Residential Service Protection
Cross Reference Number: 86000-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(251,288)	-	-	-	(251,288)
Total Ending Balance	-	-	(\$251,288)	-	-	-	(\$251,288)

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

Budget Page 116

2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 092 - PERS Taxation Policy

Cross Reference Name: Residential Service Protection
Cross Reference Number: 86000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
PERS Policy Adjustment	-	-	(2,293)	-	-	-	(2,293)
Total Personal Services	-	-	(\$2,293)	-	-	-	(\$2,293)
Total Expenditures							
Total Expenditures	-	-	(2,293)	-	-	-	(2,293)
Total Expenditures	-	-	(\$2,293)	-	-	-	(\$2,293)
Ending Balance							
Ending Balance	-	-	2,293	-	-	-	2,293
Total Ending Balance	-	-	\$2,293	-	-	-	\$2,293

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

Budget Page 117

2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 093 - Other PERS Adjustments

Cross Reference Name: Residential Service Protection
Cross Reference Number: 86000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
PERS Policy Adjustment	-	-	(18,443)	-	-	-	(18,443)
Total Personal Services	-	-	(\$18,443)	-	-	-	(\$18,443)
Total Expenditures							
Total Expenditures	-	-	(18,443)	-	-	-	(18,443)
Total Expenditures	-	-	(\$18,443)	-	-	-	(\$18,443)
Ending Balance							
Ending Balance	-	-	18,443	-	-	-	18,443
Total Ending Balance	-	-	\$18,443	-	-	-	\$18,443

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

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Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Public Utility Commission
2013-15 Biennium

Agency Number: 86000

Cross Reference Number: 86000-003-00-00-00000

Source	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds						
Other Selective Taxes	11,853,684	11,968,139	11,968,139	11,968,139	11,968,139	-
Fines and Forfeitures	36,849	-	-	-	-	-
Interest Income	18,139	17,197	17,197	17,197	17,197	-
Other Revenues	487	-	-	-	-	-
Transfer Out - Intrafund	(706,698)	(775,459)	(775,459)	(775,459)	(775,459)	-
Total Other Funds	\$11,202,461	\$11,209,877	\$11,209,877	\$11,209,877	\$11,209,877	-

Detail of LF, OF, and FF Revenues - BPR012

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary
2013-15 Biennium

Version: Y - 01 - Governor's Budget
Cross Reference Number: 86000-003-00-00-00000

Residential Service Protection

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
LIMITED BUDGET (Excluding Packages)						
PERSONAL SERVICES						
Other Funds	802,238	920,945	920,945	987,493	983,714	-
SERVICES & SUPPLIES						
Other Funds	10,019,597	9,666,663	9,666,663	9,666,663	9,666,663	-
TOTAL LIMITED BUDGET (Excluding Packages)						
Other Funds	10,821,835	10,587,608	10,587,608	10,654,156	10,650,377	-
AUTHORIZED POSITIONS	8	8	8	8	8	-
AUTHORIZED FTE	7.50	7.50	7.50	7.50	7.50	-
LIMITED BUDGET (Essential Packages)						
010 NON-PICS PSNL SVC / VACANCY FACTOR						
PERSONAL SERVICES						
Other Funds	-	-	-	(21,317)	(21,318)	-
031 STANDARD INFLATION						
SERVICES & SUPPLIES						
Other Funds	-	-	-	251,369	251,288	-
TOTAL LIMITED BUDGET (Essential Packages)						
Other Funds	-	-	-	230,052	229,970	-
LIMITED BUDGET (Current Service Level)						
Other Funds	10,821,835	10,587,608	10,587,608	10,884,208	10,880,347	-
AUTHORIZED POSITIONS	8	8	8	8	8	-

Program Unit Appropriated Fund and Category Summary- BPR007A

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary
2013-15 Biennium

Version: Y - 01 - Governor's Budget
Cross Reference Number: 86000-003-00-00-00000

Residential Service Protection

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
AUTHORIZED FTE	7.50	7.50	7.50	7.50	7.50	-
LIMITED BUDGET (Policy Packages)						
PRIORITY 0						
092 PERS TAXATION POLICY						
PERSONAL SERVICES						
Other Funds	-	-	-	-	(2,293)	-
093 OTHER PERS ADJUSTMENTS						
PERSONAL SERVICES						
Other Funds	-	-	-	-	(18,443)	-
TOTAL LIMITED BUDGET (Policy Packages)						
Other Funds	-	-	-	-	(20,736)	-
TOTAL LIMITED BUDGET (Including Packages)						
Other Funds	10,821,835	10,587,608	10,587,608	10,884,208	10,859,611	-
AUTHORIZED POSITIONS	8	8	8	8	8	-
AUTHORIZED FTE	7.50	7.50	7.50	7.50	7.50	-
OPERATING BUDGET						
Other Funds	10,821,835	10,587,608	10,587,608	10,884,208	10,859,611	-
AUTHORIZED POSITIONS	8	8	8	8	8	-
AUTHORIZED FTE	7.50	7.50	7.50	7.50	7.50	-
TOTAL BUDGET						
Other Funds	10,821,835	10,587,608	10,587,608	10,884,208	10,859,611	-

Program Unit Appropriated Fund and Category Summary- BPR007A

___ Agency Request

Governor's Balanced

___ Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary

Version: Y - 01 - Governor's Budget

2013-15 Biennium

Cross Reference Number: 86000-003-00-00-00000

Residential Service Protection

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
AUTHORIZED POSITIONS	8	8	8	8	8	-
AUTHORIZED FTE	7.50	7.50	7.50	7.50	7.50	-

Program Unit Appropriated Fund and Category Summary- BPR007A

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Action taken and/or proposed to comply with HB 2020 (2011) and HB 4131(2012)

HB 4131 has created challenges and opportunities for the PUC. To meet the requirements of HB 4131, the PUC has developed an organizational structure that reduces managerial supervisory personnel from the current 25 supervisors to 16 supervisors. This organizational structure will increase the PUC's span of control from 1:4 as determined by the DAS; to 1:7, the 2014 goal. Additionally, the organizational structure allows opportunities to achieve the 2015 goal of 1:8.

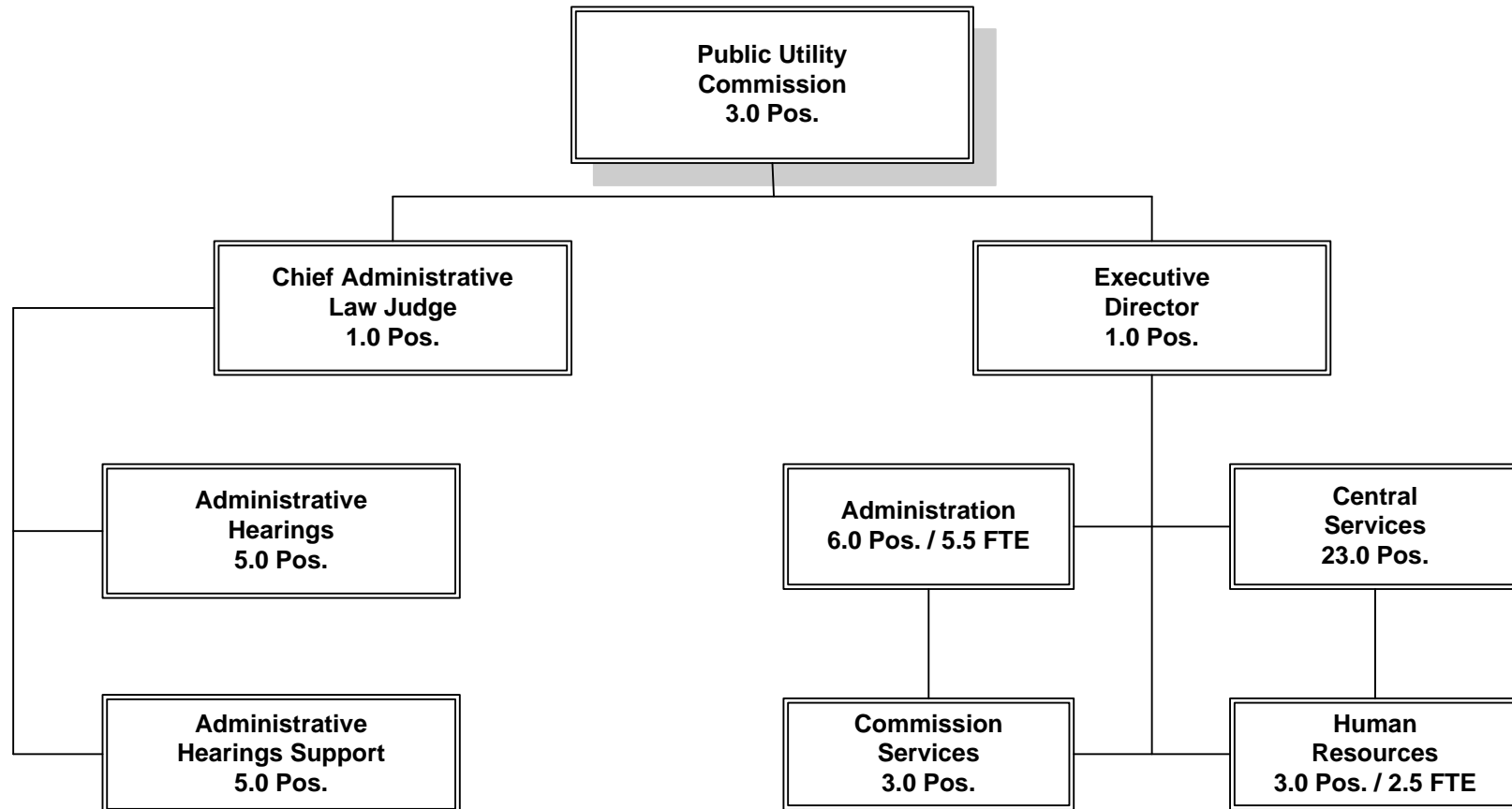
The proposed organizational structure requires reclassification of management supervisory personnel to both management non-supervisory and classified positions. In RSPF, the one managerial supervisory position will be reclassified to a Principal Executive/Manager D (PEMD) non-supervisory. As a result of new Federal Communications Commission (FCC) rules and changing information technology, this position will do less supervisory and more consultative advice on the administrative, policy, programmatic, and management aspects of agency operations.

This employee will continue to develop long-range plans, goals, objectives and milestones; and evaluate the effectiveness of RSPF programs (Oregon Telecommunication Assistance Program, Oregon Telecommunication Relay Service, and Telecommunication Device Assistance Program). Personnel in RSPF will be supervised by the Central Services Administrator.

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2013-15 GOVERNOR'S BALANCED BUDGET

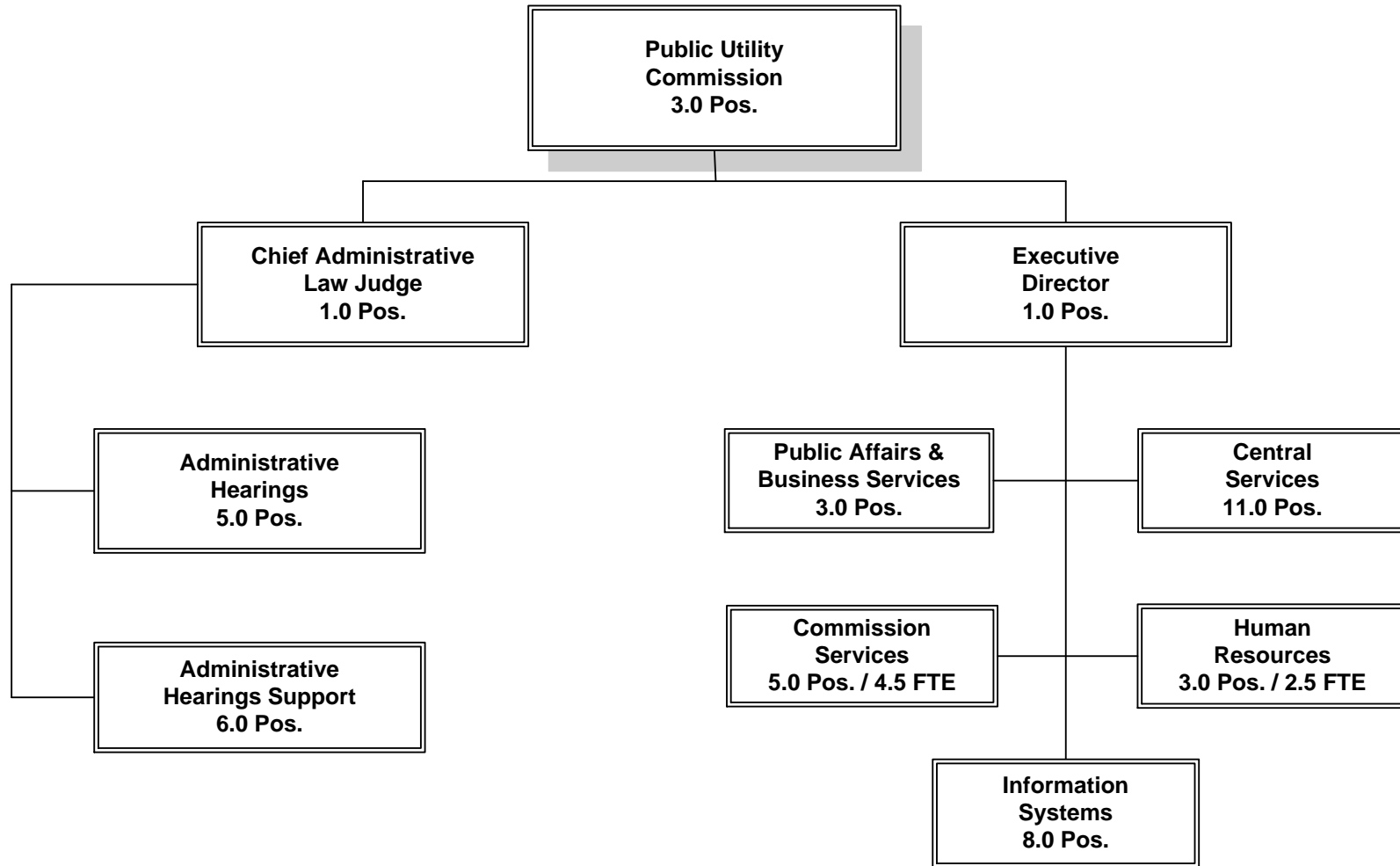
**POLICY & ADMINISTRATION
2011-2013 LEGISLATIVELY ADOPTED BUDGET**



50.0 Pos / 49 FTE

2013-15 GOVERNOR'S BALANCED BUDGET

POLICY & ADMINISTRATION 2013-2015 GOVERNOR'S BALANCED BUDGET



46.0 Pos / 45 FTE

* RSPF staff is shown separately under the RSPF tab

2013-15 GOVERNOR'S BALANCED BUDGET

PROGRAM UNIT NARRATIVE

Policy & Administration Program

Policy and Administration encompasses the Commission, Commission Services, Administrative Hearings, Central (Business) Services, Information Systems, Human Resources, and Public Affairs and Business Systems.

The Commission is the independent policy-making body that provides direction for the agency. The Commission and Administrative Hearings are kept separate organizationally from the Utility Program in order to ensure fair and impartial decision-making; Human Resources is a separate section due to the confidentiality of its functions. The remainder of the program serves the PUC by providing budget assistance, information systems support, and general support.

The Administration activities are funded by transfers from the programs they support. Approximately six percent of the funding for this program is transferred from the Residential Service Protection Fund (RSPF). The remainder of the funding (94%) is supported by the Utility Program funds.

Commission

The PUC has three Commissioners who are appointed by the Governor to staggered four-year terms. The Governor appoints the Commission Chair, who serves as the administrative head and prescribes internal policies and procedures for governing the agency. The Commissioners do not "specialize" in any area of regulation; all three participate in all areas and make decisions as a body based on the record in individual cases. The Commissioners establish policies for

the agency and the regulated utilities and make the final decisions on utility rate and service matters under the PUC's jurisdiction. The Commission must consider the effects of competition, the demand for services, and resolve many complex issues facing utilities in a changing market. Commissioners encourage participation by the public and stakeholders on these and other issues at their public meetings.

Commission Services provides direct support to the three Commissioners. They ensure compliance with public meeting laws and other requirements, provide information to the public, and encourage citizen involvement in the PUC activities.

Administrative Hearings Division

The Administrative Hearings Division (AHD) is an independent division in the agency that reports directly to the Commissioners. AHD is separate from the Utility Program to ensure that the advocacy and decision-making functions of the agency remain distinct. The separation of functions promotes fairness in Commission proceedings.

AHD is comprised of five Administrative Law Judges (ALJs) and six legal support staff. By statute, the PUC is exempt from using ALJs from the Office of Administrative Hearings. Instead, it employs its own ALJs with specialized expertise in utility law. AHD's primary function is to conduct legal proceedings brought under the Commission's jurisdiction. AHD also conducts ratemaking proceedings for Board of Maritime Pilots. ALJ's preside over agency proceedings and make recommended decisions to the Commissioners on matters involving electric, natural gas, telecommunications and water utilities. ALJs conduct contested case hearings and rulemaking proceedings

2013-15 GOVERNOR'S BALANCED BUDGET

pursuant to state law, and serve as arbitrators under the federal Telecommunications Act of 1996.

The subject matter of cases ranges from complex rate applications, industry investigation and telecommunications interconnection agreements to more straightforward consumer complaints, and safety violations. These matters typically involve disputed issues related to accounting, finance, economics, and network engineering.

Cases frequently involve numerous parties representing divergent and conflicting business, consumer, and public interests. Many proceedings are time-sensitive and generally require an extended procedural schedule that includes extensive discovery, multiple rounds of pre-filed testimony from expert witnesses, evidentiary hearings, and briefings. Conferences are regularly held to hear arguments on party status, resolve discovery disputes, treatment of protected information, and evidentiary and procedural objections.

AHD also manages the regulatory utility filing process, performs utility tariff review and coordination, monitors critical deadlines, ensures public notification, and manages records retention and archiving schedules.

ALJs also use Alternative Dispute Resolution (ADR) as a tool to resolve disputes informally without hearing. Where successful, this avoids unnecessary litigation, conserves public and private resources, and produces results that better meet the needs of involved parties.

Central Services

The Central Services Division includes the Residential Service Protection Fund (RSPF) program and Business Services. The RSPF program is described under its own tab in the budget package due to the budget structure. Business Services is addressed below.

Business Services

Business Services' accounting and budgeting staff refine collection of detailed accounting and reporting systems to ensure current management reporting needs are met. The Business Services section includes all PUC agency accounting functions, procurement/contracting, payroll, fiscal/budgeting services, revenue fee collection, and mailroom/copy center services. Staff attends training in their respective areas to ensure they maintain the skills necessary to plan system enhancements and changes. The PUC has adopted an internal audit committee charter and develops internal audit procedures consistent with DAS directions. Focused reviews and audits have been conducted during the 2011-2013 Biennium.

Business Services also plans, develops, and prepares the biennial budget request for the Utility Program, and assesses and recommends the annual fee level for revenue collections from utilities and collects fees annually. Business Services also provides accounting, procurement, and budget services to the Land Use Board of Appeals (LUBA) and the Board of Maritime Pilots (BOMP).

2013-15 GOVERNOR'S BALANCED BUDGET

Human Resources

Human Resources provide personnel services to the agency. These include advising management and staff on employee relations matters; conducting recruitment processes to effectively hire and retain competent employees; representing and committing the agency in personnel-related actions; monitoring employee training; administering the Family Medical Leave and Oregon Family Leave Acts; ensuring agency compliance with the Department of Administrative Services rules and policies as well as other applicable statutory requirements.

Information Systems

The Information Systems provides information systems services, computer hardware and software services, Web services, email services, telecommunications services, database services, data communications services, Internet access services, business continuity planning, disaster recovery planning, and network security services. The Division manages the Information Systems' budget and information systems long-range planning for the agency.

Information Systems manages and collects performance measure data, compiles the PUC's annual statistics book, Information Systems also is also responsible for all aspects of the agency's Business Continuity Planning. Information Systems also provide information systems services to LUBA.

Public Affairs and Business Systems

Public Affairs and Business Systems executes in coordination with the Commission and Executive Director strategic plans to increase public awareness, and understanding of PUC functions and decisions through a variety of communication vehicles such as news releases; and timely website content with concise information that translates complex regulatory issues. This function manages internal and external publications; and responds in a timely manner to news media and constituent inquiries. This function is also responsible for communication aspects of emergency, and business continuity plans.

Public Affairs and Business Systems leads and coordinates the administrative and technical work within the agency necessary to implement and effectively utilize Electronic Document Management Systems (EDMS). Additionally, Business Systems maintains and updates agency's policies and procedures, compiles and publishes the agency's biennium budget, and coordinates all agency legislative actions.

2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission

Cross Reference Name: Policy and Administration

Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Number: 86000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	2,631	-	-	-	2,631
Overtime Payments	-	-	618	-	-	-	618
Shift Differential	-	-	48	-	-	-	48
All Other Differential	-	-	395	-	-	-	395
Public Employees' Retire Cont	-	-	202	-	-	-	202
Pension Obligation Bond	-	-	10,463	-	-	-	10,463
Social Security Taxes	-	-	282	-	-	-	282
Unemployment Assessments	-	-	156	-	-	-	156
Mass Transit Tax	-	-	(928)	-	-	-	(928)
Vacancy Savings	-	-	(64,290)	-	-	-	(64,290)
Total Personal Services	-	-	(\$50,423)	-	-	-	(\$50,423)
Total Expenditures							
Total Expenditures	-	-	(50,423)	-	-	-	(50,423)
Total Expenditures	-	-	(\$50,423)	-	-	-	(\$50,423)
Ending Balance							
Ending Balance	-	-	50,423	-	-	-	50,423
Total Ending Balance	-	-	\$50,423	-	-	-	\$50,423

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 031 - Standard Inflation

Cross Reference Name: Policy and Administration
Cross Reference Number: 86000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Tsfr From Land Use Bd of Appls	-	-	598	-	-	-	598
Total Revenues	-	-	\$598	-	-	-	\$598
Services & Supplies							
Instate Travel	-	-	480	-	-	-	480
Out of State Travel	-	-	1,426	-	-	-	1,426
Employee Training	-	-	3,097	-	-	-	3,097
Office Expenses	-	-	3,691	-	-	-	3,691
Telecommunications	-	-	(17,255)	-	-	-	(17,255)
State Gov. Service Charges	-	-	110,221	-	-	-	110,221
Data Processing	-	-	(6,772)	-	-	-	(6,772)
Publicity and Publications	-	-	795	-	-	-	795
Professional Services	-	-	7,957	-	-	-	7,957
Attorney General	-	-	191,864	-	-	-	191,864
Employee Recruitment and Develop	-	-	46	-	-	-	46
Dues and Subscriptions	-	-	1,223	-	-	-	1,223
Facilities Rental and Taxes	-	-	(21,526)	-	-	-	(21,526)
Other Services and Supplies	-	-	1,232	-	-	-	1,232
Expendable Prop 250 - 5000	-	-	331	-	-	-	331
Total Services & Supplies	-	-	\$276,810	-	-	-	\$276,810

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 031 - Standard Inflation

Cross Reference Name: Policy and Administration
Cross Reference Number: 86000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Data Processing Hardware	-	-	202	-	-	-	202
Total Capital Outlay	-	-	\$202	-	-	-	\$202
Total Expenditures							
Total Expenditures	-	-	277,012	-	-	-	277,012
Total Expenditures	-	-	\$277,012	-	-	-	\$277,012
Ending Balance							
Ending Balance	-	-	(276,414)	-	-	-	(276,414)
Total Ending Balance	-	-	(\$276,414)	-	-	-	(\$276,414)

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 060 - Technical Adjustments

Cross Reference Name: Policy and Administration
Cross Reference Number: 86000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	(77)	-	-	-	(77)
Out of State Travel	-	-	(4,484)	-	-	-	(4,484)
Employee Training	-	-	(8,915)	-	-	-	(8,915)
Office Expenses	-	-	7,524	-	-	-	7,524
Telecommunications	-	-	66,939	-	-	-	66,939
Data Processing	-	-	287,169	-	-	-	287,169
Publicity and Publications	-	-	(4,425)	-	-	-	(4,425)
Professional Services	-	-	281,595	-	-	-	281,595
Attorney General	-	-	(32)	-	-	-	(32)
Dues and Subscriptions	-	-	2,652	-	-	-	2,652
Facilities Rental and Taxes	-	-	2,560	-	-	-	2,560
Agency Program Related S and S	-	-	(894)	-	-	-	(894)
Other Services and Supplies	-	-	11,259	-	-	-	11,259
Expendable Prop 250 - 5000	-	-	128,862	-	-	-	128,862
Total Services & Supplies	-	-	\$769,733	-	-	-	\$769,733
Capital Outlay							
Data Processing Hardware	-	-	66,451	-	-	-	66,451
Total Capital Outlay	-	-	\$66,451	-	-	-	\$66,451
Total Expenditures							
Total Expenditures	-	-	836,184	-	-	-	836,184
Total Expenditures	-	-	\$836,184	-	-	-	\$836,184

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
 Pkg: 060 - Technical Adjustments

Cross Reference Name: Policy and Administration
 Cross Reference Number: 86000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(836,184)	-	-	-	(836,184)
Total Ending Balance	-	-	(\$836,184)	-	-	-	(\$836,184)

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

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Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
 Pkg: 091 - Statewide Administrative Savings

Cross Reference Name: Policy and Administration
 Cross Reference Number: 86000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Undistributed (P.S.)	-	-	(152,627)	-	-	-	(152,627)
Total Personal Services	-	-	(\$152,627)	-	-	-	(\$152,627)
Services & Supplies							
Undistributed (S.S.)	-	-	(73,028)	-	-	-	(73,028)
Total Services & Supplies	-	-	(\$73,028)	-	-	-	(\$73,028)
Capital Outlay							
Undistributed (C.O.)	-	-	(1,291)	-	-	-	(1,291)
Total Capital Outlay	-	-	(\$1,291)	-	-	-	(\$1,291)
Total Expenditures							
Total Expenditures	-	-	(226,946)	-	-	-	(226,946)
Total Expenditures	-	-	(\$226,946)	-	-	-	(\$226,946)
Ending Balance							
Ending Balance	-	-	226,946	-	-	-	226,946
Total Ending Balance	-	-	\$226,946	-	-	-	\$226,946

Essential and Policy Package Fiscal Impact Summary - BPR013

___ Agency Request

Governor's Balanced

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 092 - PERS Taxation Policy

Cross Reference Name: Policy and Administration
Cross Reference Number: 86000-004-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
PERS Policy Adjustment	-	-	(22,274)	-	-	-	(22,274)
Total Personal Services	-	-	(\$22,274)	-	-	-	(\$22,274)
Total Expenditures							
Total Expenditures	-	-	(22,274)	-	-	-	(22,274)
Total Expenditures	-	-	(\$22,274)	-	-	-	(\$22,274)
Ending Balance							
Ending Balance	-	-	22,274	-	-	-	22,274
Total Ending Balance	-	-	\$22,274	-	-	-	\$22,274

Essential and Policy Package Fiscal Impact Summary - BPR013

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 093 - Other PERS Adjustments

Cross Reference Name: Policy and Administration
Cross Reference Number: 86000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
PERS Policy Adjustment	-	-	(177,978)	-	-	-	(177,978)
Total Personal Services	-	-	(\$177,978)	-	-	-	(\$177,978)
Total Expenditures							
Total Expenditures	-	-	(177,978)	-	-	-	(177,978)
Total Expenditures	-	-	(\$177,978)	-	-	-	(\$177,978)
Ending Balance							
Ending Balance	-	-	177,978	-	-	-	177,978
Total Ending Balance	-	-	\$177,978	-	-	-	\$177,978

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

Budget Page 137

2013-15 GOVERNOR'S BALANCED BUDGET

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Public Utility Commission
2013-15 Biennium

Agency Number: 86000

Cross Reference Number: 86000-004-00-00-00000

Source	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds						
Charges for Services	37,077	-	-	-	-	-
Other Revenues	23,665	-	-	-	-	-
Transfer In - Intrafund	10,743,478	11,840,926	11,840,926	12,840,926	12,840,926	-
Tsfr From Land Use Bd of Appls	17,925	25,800	24,904	25,502	25,502	-
Total Other Funds	\$10,822,145	\$11,866,726	\$11,865,830	\$12,866,428	\$12,866,428	-

Detail of LF, OF, and FF Revenues - BPR012

Agency Request

Governor's Balanced

Legislatively Adopted

Budget Page 138

2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary
2013-15 Biennium

Version: Y - 01 - Governor's Budget
Cross Reference Number: 86000-004-00-00-00000

Policy and Administration

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
LIMITED BUDGET (Excluding Packages)						
PERSONAL SERVICES						
Other Funds	7,677,309	8,650,956	8,650,956	8,923,386	8,886,684	-
SERVICES & SUPPLIES						
Other Funds	2,858,191	3,119,431	3,119,431	3,119,431	3,119,431	-
CAPITAL OUTLAY						
Other Funds	145,295	8,421	8,421	8,421	8,421	-
TOTAL LIMITED BUDGET (Excluding Packages)						
Other Funds	10,680,795	11,778,808	11,778,808	12,051,238	12,014,536	-
AUTHORIZED POSITIONS	49	50	50	46	46	-
AUTHORIZED FTE	48.00	49.00	49.00	45.00	45.00	-
LIMITED BUDGET (Essential Packages)						
010 NON-PICS PSNL SVC / VACANCY FACTOR						
PERSONAL SERVICES						
Other Funds	-	-	-	(50,416)	(50,423)	-
031 STANDARD INFLATION						
SERVICES & SUPPLIES						
Other Funds	-	-	-	356,330	276,810	-
CAPITAL OUTLAY						
Other Funds	-	-	-	202	202	-
060 TECHNICAL ADJUSTMENTS						

Program Unit Appropriated Fund and Category Summary-BPR007A

___ Agency Request

Governor's Balanced

___ Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary

Version: Y - 01 - Governor's Budget

2013-15 Biennium

Cross Reference Number: 86000-004-00-00-00000

Policy and Administration

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
SERVICES & SUPPLIES						
Other Funds	-	-	-	769,733	769,733	-
CAPITAL OUTLAY						
Other Funds	-	-	-	66,451	66,451	-
TOTAL LIMITED BUDGET (Essential Packages)						
Other Funds	-	-	-	1,142,300	1,062,773	-
LIMITED BUDGET (Current Service Level)						
Other Funds	10,680,795	11,778,808	11,778,808	13,193,538	13,077,309	-
AUTHORIZED POSITIONS	49	50	50	46	46	-
AUTHORIZED FTE	48.00	49.00	49.00	45.00	45.00	-
LIMITED BUDGET (Policy Packages)						
PRIORITY 0						
091 STATEWIDE ADMINISTRATIVE SAVINGS						
PERSONAL SERVICES						
Other Funds	-	-	-	-	(152,627)	-
SERVICES & SUPPLIES						
Other Funds	-	-	-	-	(73,028)	-
CAPITAL OUTLAY						
Other Funds	-	-	-	-	(1,291)	-
092 PERS TAXATION POLICY						
PERSONAL SERVICES						

Program Unit Appropriated Fund and Category Summary- BPR007A

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary
2013-15 Biennium

Version: Y - 01 - Governor's Budget
Cross Reference Number: 86000-004-00-00-00000

Policy and Administration

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds	-	-	-	-	(22,274)	-
093 OTHER PERS ADJUSTMENTS						
PERSONAL SERVICES						
Other Funds	-	-	-	-	(177,978)	-
TOTAL LIMITED BUDGET (Policy Packages)						
Other Funds	-	-	-	-	(427,198)	-
TOTAL LIMITED BUDGET (Including Packages)						
Other Funds	10,680,795	11,778,808	11,778,808	13,193,538	12,650,111	-
AUTHORIZED POSITIONS	49	50	50	46	46	-
AUTHORIZED FTE	48.00	49.00	49.00	45.00	45.00	-
OPERATING BUDGET						
Other Funds	10,680,795	11,778,808	11,778,808	13,193,538	12,650,111	-
AUTHORIZED POSITIONS	49	50	50	46	46	-
AUTHORIZED FTE	48.00	49.00	49.00	45.00	45.00	-
TOTAL BUDGET						
Other Funds	10,680,795	11,778,808	11,778,808	13,193,538	12,650,111	-
AUTHORIZED POSITIONS	49	50	50	46	46	-
AUTHORIZED FTE	48.00	49.00	49.00	45.00	45.00	-

Program Unit Appropriated Fund and Category Summary- BPR007A

Agency Request

Governor's Balanced

Legislatively Adopted

Budget Page 141

2013-15 GOVERNOR'S BALANCED BUDGET

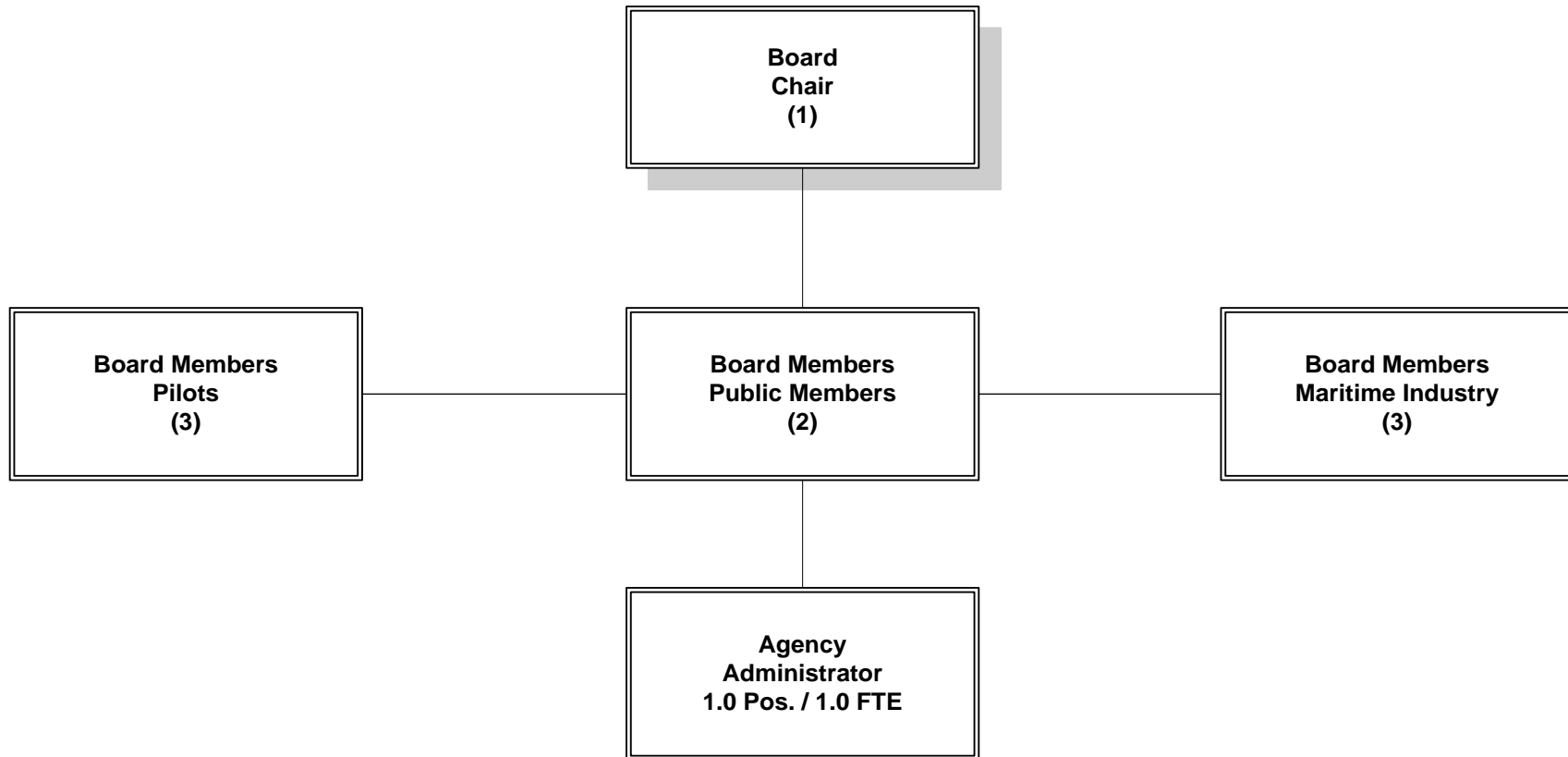
Action taken and/or proposed to comply with HB 2020 (2011) and HB 4131(2012)

To meet the requirements of HB 4131, the PUC has developed an organizational structure that reduces managerial supervisory personnel from the current 25 supervisors to 16 supervisors. This organizational structure will increase the PUC's span of control from 1:4 as determined by the DAS; to 1:7, the 2014 goal. Additionally, the organizational structure allows opportunities to achieve the 2015 goal of 1:8.

The proposed organizational structure requires reclassification of management supervisory personnel to both management non-supervisory and classified positions. In Policy and Administration, eight managerial supervisory positions will be reduced to five managerial supervisory positions. These three changes include the reclassification of the Board of Maritime Pilots (BOMP) Administrator from a managerial supervisory position to a managerial non-supervisory position, and an Executive Support Supervisor to a classified Operations and Policy Analyst 2 position and the previously mentioned classification change of the RSPF Program Manager. In addition, a vacant Operations & Policy Analyst 3 position was reclassified from management non-supervisory to a classified position as a result of HB 2020 actions.

2013-15 GOVERNOR'S BALANCED BUDGET

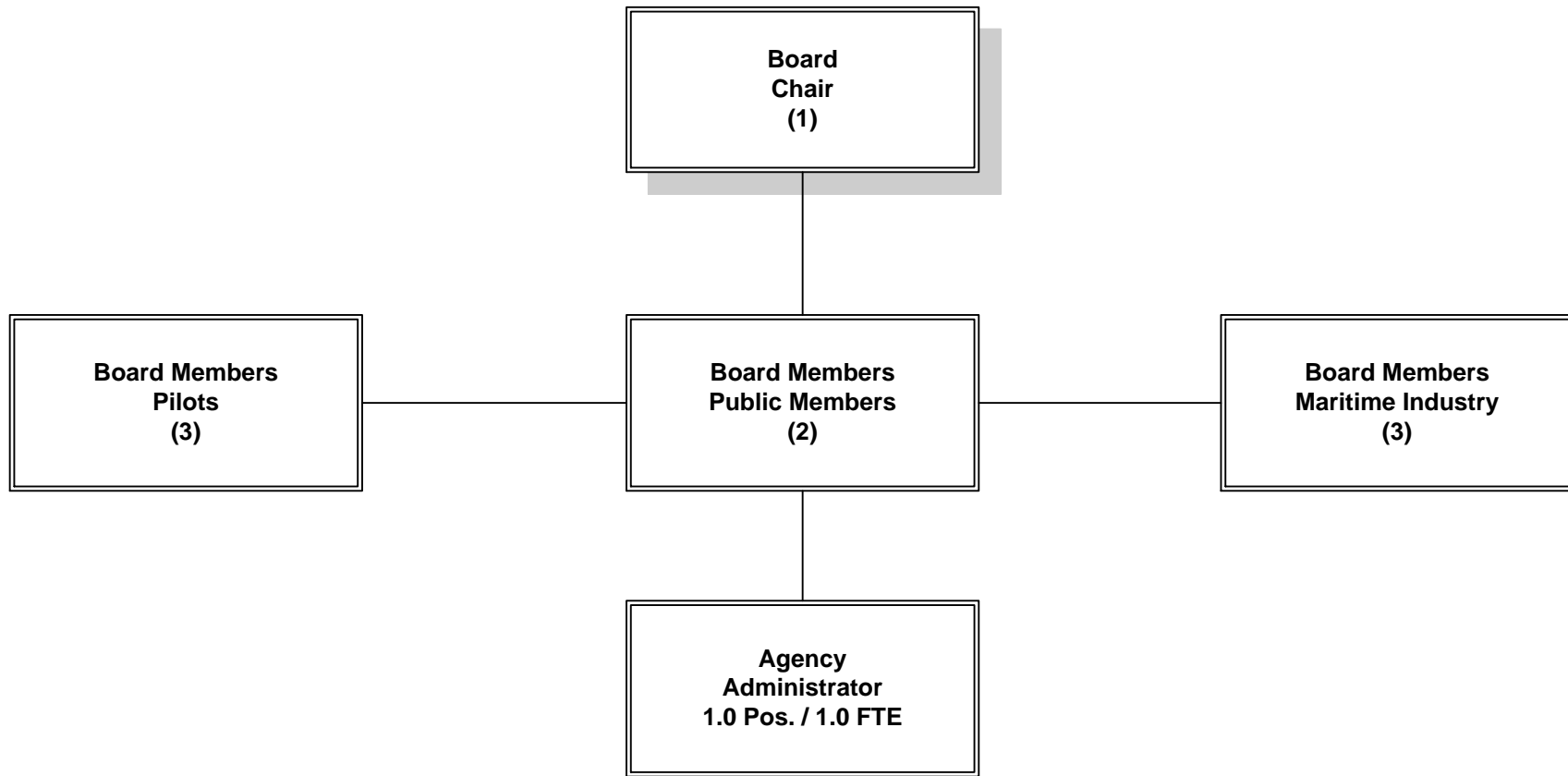
**BOARD OF MARITIME PILOTS
2011-2013 LEGISLATIVELY ADOPTED BUDGET**



1.0 Positions / 1 FTE

2013-15 GOVERNOR'S BALANCED BUDGET

**BOARD OF MARITIME PILOTS
2013-2015 GOVERNOR'S BALANCED BUDGET**



1.0 Positions / FTE 1

2013-15 GOVERNOR'S BALANCED BUDGET

PROGRAM UNIT NARRATIVE

Board of Maritime Pilots Program

Pilots are essential to Oregon's maritime commerce. They are navigational and ship handling experts who direct the transit of vessels calling on the ports of Coos Bay, Yaquina Bay, Astoria, Kalama, Longview, Vancouver, and Portland. Their functions have been regulated since 1846, making the Board of Maritime Pilots one of the oldest state agencies in Oregon, even preceding statehood.

A Pilot's Job

Pilots board ships entering or leaving Oregon ports, and navigate them in and out of docks, through channels and over the bars. Oregon's state-licensed pilots are required on most foreign-flagged vessels entering its territorial waters. In reality, all ships entering and leaving Oregon ports work with a pilot, including military vessels. The demands of crossing the Columbia River Bar, recognized as one of the most difficult in the world, navigating an 85 nautical mile ship channel up the Columbia River, and crossing the Coos Bay Bar and guiding a vessel through its railroad bridge, require expertise only gained by training and repetition. Pilots are experienced professional mariners at the peak of their profession serving in a highly competitive field.

The Board of Maritime Pilots Job

The Oregon Board of Maritime Pilots provides for safe, competent and efficient maritime pilot service on Oregon's designated pilotage grounds. All of the nation's maritime states

have similar regulatory boards. In Oregon the Board's major responsibilities are to:

- **License and Train Pilots:** The Board qualifies pilot applicants and selects pilot trainees and apprentices. The Board also sets licensing and training standards for newly appointed pilots. Initial licenses are issued only after an experienced mariner has completed the Board's rigorous training requirements and passed a written examination. License renewal is annual and renewal applications must verify that the pilot is in compliance with licensing standards and has completed continuing professional education requirements.
- **Set Rates for Pilot Service:** The Board of Maritime Pilots is one of the few rate-setting entities in state government. By law, pilot rates can be set no less than every two years, although in at least the last decade, four to five year agreements have been reached which promote rate stability. A ratemaking proceeding is started when a petition for change in pilotage rates is filed by a stakeholder and accepted by the Board. An administrative law judge from the Public Utility Commission conducts the proceeding and writes a proposed order, which the Board considers and ultimately adopts a new rate order.
- **Investigate Maritime Incidents:** Any maritime incident that occurs while a pilot is directing the navigation of a vessel is investigated by the Board to determine cause and any consequences. Incidents are categorized by the level of damage. Incidents may include groundings, collisions, and/or physical injuries related to vessel operation.

2013-15 GOVERNOR'S BALANCED BUDGET

Board Composition

The nine-member Board is appointed by the Governor and confirmed by the Senate for terms of four years. The Board members represent pilots, industry, and the general public. There are three pilot representatives, three industry representatives, including one member from the ports, and three public members (only public members can chair the board).

Board Resources

The Board is staffed by a single administrator.

Trends

Safety is the key measurement for the Board. Selecting the most qualified pilots and keeping their skills and knowledge current results in impressive safety records on Oregon's territorial waters. However, over the last year, the Board has investigated seven incidents, four of which were directly related to a mechanical failure of the vessel. It is still an excellent safety record, particularly when taken in context with an average of 3,400 vessel transits per year.

Recent legislative changes affecting pilotage in Coos Bay may need to be addressed in a ratemaking proceeding. The Board continues to monitor the economic status of river freight that was adversely affected by the recession. There are anticipated future improvements to increased capacity.

Revenue

As an Other-funded agency, the Board uses no General fund revenue. All operating funds are derived from the license fees of pilots. The parties to rate proceedings are assessed fees by the Board for costs of rate hearings.

Expenditures

BOMP's personnel and other payroll expenditures consume approximately 60 percent of BOMP's other funds budget (\$344,060). The remaining 40 percent is used for services and supplies with Legal Fees and rent being the major cost drivers of services and supplies.

Legislative Concepts

Stakeholders will be working in the interim on the changing pilot model in Coos Bay, which may require future legislative changes.

Action taken and/or proposed to comply with HB 2020 (2011) and HB 4131(2012)

As noted in the Policy and Administration section, the BOMP Administrator will be classified from a managerial supervisory position to a managerial non-supervisory position.

2013-15 GOVERNOR'S BALANCED BUDGET

BOMP Affirmative Action Report

The Board of Maritime Pilots (BOMP) seeks opportunities to advance women and minorities in this profession. Currently there are four women/minority pilots. Pilots enter service typically at a point in mid-career, so the pool of potential applicants is already limited. However, the Board and its stakeholders continue to pursue outreach opportunities at maritime academies, Clatsop Community College, Tongue Point Job Corps, and local schools. Additionally, pilot organizations sponsor numerous maritime education efforts in the state and mentor students entering maritime careers. The Board encourages and supports their licensees to pursue outreach activities and recruitment to widen the pool of women and/or minority applicants.

The percent of qualified applicants that are women and/or minorities has averaged seven percent. In the licensee/trainee roster, seven percent are women and/or minority pilots or pilot trainees. The overall diversity of the applicant pool is reflective of the diversity in maritime occupations as a whole. Surveys previously conducted in other maritime states showed considerably lower or non-existent diversity rates among all but four states.

Recent outreach activities included:

- Capt. Deborah Dempsey and Capt. Rebecca Henderson were featured in panel discussions at the 5th Annual Women on the Water Conference at Massachusetts Maritime Academy.
 - Capt. Anne McIntyre and Capt. Deborah Dempsey were involved in the first Pearls of Power Conference for Women at California Maritime Academy.
 - Capt. Paul Amos and Capt. Rebecca Henderson participated in the NW Youth Careers Expo at the Oregon Convention Center, where over 5,700 students and faculty attended. Their “working waterfront coalition” enlightened students about maritime career opportunities.
 - The Columbia River Pilots partnered with Shaver Transportation to sponsor a booth at California Maritime Academy’s Twelfth Annual Career Fair.
- Both the Columbia River and Columbia River Bar Pilots hosted a female Maine Maritime Academy cadet for two weeks.

2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
 Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Board of Maritime Pilots
 Cross Reference Number: 86000-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Pension Obligation Bond	-	-	604	-	-	-	604
Mass Transit Tax	-	-	(14)	-	-	-	(14)
Total Personal Services	-	-	\$590	-	-	-	\$590
Total Expenditures							
Total Expenditures	-	-	590	-	-	-	590
Total Expenditures	-	-	\$590	-	-	-	\$590
Ending Balance							
Ending Balance	-	-	(590)	-	-	-	(590)
Total Ending Balance	-	-	(\$590)	-	-	-	(\$590)

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 031 - Standard Inflation

Cross Reference Name: Board of Maritime Pilots
Cross Reference Number: 86000-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	208	-	-	-	208
Employee Training	-	-	21	-	-	-	21
Office Expenses	-	-	414	-	-	-	414
Telecommunications	-	-	35	-	-	-	35
State Gov. Service Charges	-	-	7	-	-	-	7
Data Processing	-	-	46	-	-	-	46
Publicity and Publications	-	-	133	-	-	-	133
Professional Services	-	-	192	-	-	-	192
Attorney General	-	-	5,084	-	-	-	5,084
Facilities Rental and Taxes	-	-	1,275	-	-	-	1,275
Agency Program Related S and S	-	-	541	-	-	-	541
Total Services & Supplies	-	-	\$7,956	-	-	-	\$7,956
Total Expenditures							
Total Expenditures	-	-	7,956	-	-	-	7,956
Total Expenditures	-	-	\$7,956	-	-	-	\$7,956
Ending Balance							
Ending Balance	-	-	(7,956)	-	-	-	(7,956)
Total Ending Balance	-	-	(\$7,956)	-	-	-	(\$7,956)

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

Budget Page 149

2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Board of Maritime Pilots
Cross Reference Number: 86000-005-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Facilities Rental and Taxes	-	-	1,097	-	-	-	1,097
Total Services & Supplies	-	-	\$1,097	-	-	-	\$1,097
Total Expenditures							
Total Expenditures	-	-	1,097	-	-	-	1,097
Total Expenditures	-	-	\$1,097	-	-	-	\$1,097
Ending Balance							
Ending Balance	-	-	(1,097)	-	-	-	(1,097)
Total Ending Balance	-	-	(\$1,097)	-	-	-	(\$1,097)

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

Budget Page 150

2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 092 - PERS Taxation Policy

Cross Reference Name: Board of Maritime Pilots
Cross Reference Number: 86000-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
PERS Policy Adjustment	-	-	(510)	-	-	-	(510)
Total Personal Services	-	-	(\$510)	-	-	-	(\$510)
Total Expenditures							
Total Expenditures	-	-	(510)	-	-	-	(510)
Total Expenditures	-	-	(\$510)	-	-	-	(\$510)
Ending Balance							
Ending Balance	-	-	510	-	-	-	510
Total Ending Balance	-	-	\$510	-	-	-	\$510

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Utility Commission
Pkg: 093 - Other PERS Adjustments

Cross Reference Name: Board of Maritime Pilots
Cross Reference Number: 86000-005-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
PERS Policy Adjustment	-	-	(4,074)	-	-	-	(4,074)
Total Personal Services	-	-	(\$4,074)	-	-	-	(\$4,074)
Total Expenditures							
Total Expenditures	-	-	(4,074)	-	-	-	(4,074)
Total Expenditures	-	-	(\$4,074)	-	-	-	(\$4,074)
Ending Balance							
Ending Balance	-	-	4,074	-	-	-	4,074
Total Ending Balance	-	-	\$4,074	-	-	-	\$4,074

Essential and Policy Package Fiscal Impact Summary - BPR013

Agency Request

Governor's Balanced

Legislatively Adopted

Budget Page 152

2013-15 GOVERNOR'S BALANCED BUDGET

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Public Utility Commission
2013-15 Biennium

Agency Number: 86000

Cross Reference Number: 86000-005-00-00-00000

<i>Source</i>	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds						
Business Lic and Fees	309,516	311,112	311,112	311,112	311,112	-
Charges for Services	22,742	11,678	11,678	11,678	11,678	-
Other Revenues	7,000	-	-	-	-	-
Total Other Funds	\$339,258	\$322,790	\$322,790	\$322,790	\$322,790	-

Detail of LF, OF, and FF Revenues - BPR012

Agency Request

Governor's Balanced

Legislatively Adopted

Budget Page 153

2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary
2013-15 Biennium

Version: Y - 01 - Governor's Budget
Cross Reference Number: 86000-005-00-00-00000

Board of Maritime Pilots

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
LIMITED BUDGET (Excluding Packages)						
PERSONAL SERVICES						
Other Funds	168,804	192,792	192,792	208,229	207,389	-
SERVICES & SUPPLIES						
Other Funds	143,631	126,148	126,148	126,148	126,148	-
TOTAL LIMITED BUDGET (Excluding Packages)						
Other Funds	312,435	318,940	318,940	334,377	333,537	-
AUTHORIZED POSITIONS	1	1	1	1	1	-
AUTHORIZED FTE	1.00	1.00	1.00	1.00	1.00	-
LIMITED BUDGET (Essential Packages)						
010 NON-PICS PSNL SVC / VACANCY FACTOR						
PERSONAL SERVICES						
Other Funds	-	-	-	590	590	-
031 STANDARD INFLATION						
SERVICES & SUPPLIES						
Other Funds	-	-	-	7,996	7,956	-
032 ABOVE STANDARD INFLATION						
SERVICES & SUPPLIES						
Other Funds	-	-	-	1,097	1,097	-
TOTAL LIMITED BUDGET (Essential Packages)						
Other Funds	-	-	-	9,683	9,643	-

Program Unit Appropriated Fund and Category Summary- BPR007A

___ Agency Request

Governor's Balanced

___ Legislatively Adopted

Budget Page 154

2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary
2013-15 Biennium

Version: Y - 01 - Governor's Budget
Cross Reference Number: 86000-005-00-00-00000

Board of Maritime Pilots

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
LIMITED BUDGET (Current Service Level)						
Other Funds	312,435	318,940	318,940	344,060	343,180	-
AUTHORIZED POSITIONS	1	1	1	1	1	-
AUTHORIZED FTE	1.00	1.00	1.00	1.00	1.00	-
LIMITED BUDGET (Policy Packages)						
PRIORITY 0						
092 PERS TAXATION POLICY						
PERSONAL SERVICES						
Other Funds	-	-	-	-	(510)	-
093 OTHER PERS ADJUSTMENTS						
PERSONAL SERVICES						
Other Funds	-	-	-	-	(4,074)	-
TOTAL LIMITED BUDGET (Policy Packages)						
Other Funds	-	-	-	-	(4,584)	-
TOTAL LIMITED BUDGET (Including Packages)						
Other Funds	312,435	318,940	318,940	344,060	338,596	-
AUTHORIZED POSITIONS	1	1	1	1	1	-
AUTHORIZED FTE	1.00	1.00	1.00	1.00	1.00	-
OPERATING BUDGET						
Other Funds	312,435	318,940	318,940	344,060	338,596	-
AUTHORIZED POSITIONS	1	1	1	1	1	-

Program Unit Appropriated Fund and Category Summary- BPR007A

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

Public Utility Commission

Agency Number: 86000

Program Unit Appropriated Fund Group and Category Summary

Version: Y - 01 - Governor's Budget

2013-15 Biennium

Cross Reference Number: 86000-005-00-00-00000

Board of Maritime Pilots

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
AUTHORIZED FTE	1.00	1.00	1.00	1.00	1.00	-
TOTAL BUDGET						
Other Funds	312,435	318,940	318,940	344,060	338,596	-
AUTHORIZED POSITIONS	1	1	1	1	1	-
AUTHORIZED FTE	1.00	1.00	1.00	1.00	1.00	-

Program Unit Appropriated Fund and Category Summary- BPR007A

Agency Request

Governor's Balanced

Legislatively Adopted

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2013-15 GOVERNOR'S BALANCED BUDGET

**INFORMATION TECHNOLOGY – RELATED
PROJECTS/INITIATIVE (107BF14)**

Not applicable to this agency.

2013-15 GOVERNOR'S BALANCED BUDGET

MAJOR IT PROJECT BUSINESS CASE DOCUMENTS

Not applicable to this agency.

2013-15 GOVERNOR'S BALANCED BUDGET

ANNUAL PERFORMANCE PROGRESS REPORT

See Appendix

2013-15 GOVERNOR'S BALANCED BUDGET

**FACILITY PROPOSED IMPACT ON WORK SPACE
REQUIREMENTS**

Not applicable to this agency.

2013-15 GOVERNOR'S BALANCED BUDGET

AUDITS RESPONSE REPORT

Not applicable to the agency this Biennium.

2013-15 GOVERNOR'S BALANCED BUDGET

AFFIRMATIVE ACTION REPORT

July 2010 to June 2012

PUC, in collaboration with the Governor's Affirmative Action Office, actively seeks to diversify its workforce and is committed to the right of all persons to work and advance on the basis of merit, ability, and potential. PUC develops a biennial Affirmative Action Plan to support the recruitment, retention, and promotion of women, persons of color, and persons with disabilities. The Governor's Office provides periodic statistical reports of each agency's representation of these groups within their workforce, and compares that representation with the population of Oregon. PUC Human Resources, in collaboration with PUC managers, uses this information to identify Affirmative Action goals, and monitor progress towards those goals. This information is included in the Agency's Affirmative Action Plan, and is shared with agency staff, the public, volunteers, and with companies contracting with PUC for goods and services.

Three Equal Opportunity Employment categories are included in the PUC workforce: 1) Professional (reflecting approximately 54% of PUC), 2) Official/Administrator (reflecting approximately 18% of PUC), and 3) Administrative Support (reflecting approximately 28% of PUC). There are twelve sub-groups within these categories, and PUC's workforce representation is compared to Statewide workforce statistics for these categories.

For Women, representation within PUC was at 51.7% for the period. In the category of "Professionals," PUC exceeded State of Oregon representation goals (*parity*) for women in seven of nine professional groups including Attorney/Hearings Officer, Purchasing, Personnel/Employment, Inspector/Compliance, Accounting, Program Coordinator/Analyst, and

Engineer/Architect. PUC's largest concentration of professionals is in the Engineer/Architect group, which includes PUC's Utility Analyst positions. Utility Analysts perform economic, financial, and engineering analysis in the following PUC divisions: Telecommunications, Economic Research and Financial Analysis, Electric-Natural Gas, and the Safety/Security/Reliability Division. The Statewide parity goal for women in the Engineer/Architect category is 12.3%, and PUC exceeded this goal with women representing 34.1% of the group. Parity for women was not met in the two remaining professional groups of Communication/Editor (reflecting one position within the agency), and Computer Analyst (reflecting a total of six positions in the agency), with representation of women in this group decreasing slightly due to the retirement of a female Computer Analyst. Parity goals were exceeded by 9% for women in the Administrative Support category. For women in management (Official/Administrator category), parity goals were exceeded for women in the Middle Management group which represents one PUC position, with 100% parity against a Statewide representation goal of 43% for Middle Management. PUC's representation for women in Upper Management was at 30%, just 6.6% under the Statewide representation goal of 36.6%.

For Persons of Color, agency representation was at 11.2%, which reflects a minor decrease of 0.7% over the previous biennium. Statewide representation goals for persons of color were exceeded by PUC in three of nine professional groups including Communication/Editor, Computer Analyst, and Accounting. The remaining six groups were very close to meeting Statewide representation goals, with each group under goal by one or less persons (average under goal being 0.38 persons) for the professional group.) Only one of the nine professional groups (Engineer/Architect) showed a decrease in

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representation over the previous biennium. This was a minor decrease of less than one person, and reflected the retirement of a person of color. Six of the nine professional groups showed no loss or gain, and two of the nine professional groups showed improvement in representation over the previous biennium (Inspector/Compliance and Accounting). For the Administrative Support group the Statewide representation goal of 9.7% was exceeded with PUC representation at 18.2% (a 6.8% increase over the previous biennium). For the Official/Administrator category parity goals were very close to being met, with the Middle Management group under goal by less than one person (0.2). The Upper Management category was also just under goal by less than one person (0.6). Parity in the "Official/Administrator" category was impacted by two persons separating from the agency with one agency transfer, and one seeking private sector employment.

For People with Disabilities, agency representation was at 3.4%. Parity was met in the "Official/Administrator" category, and parity was exceeded in the Upper Management group with Statewide representation at 6% and PUC representation at 10%. Parity was also met in the Administrative Support group, with Statewide representation at 6%, and PUC representation at 6.1%. Parity was not met in the Professional category, as PUC was 3.4 persons under goal overall for this group. Parity was under goal by less than one person in each of the nine professional groups, with the exception of the Engineer/Architect group needing additional 2.4 persons to achieve parity. Overall, and across all categories, representation of persons with disabilities improved over the previous 2010-2012 period, moving from the previous 3.9 persons under goal to currently 3.4 persons under goal.

In addition, both promotions and job reclassifications within management and non-management job groups provided further advancement opportunities for persons of color and persons with disabilities within the agency. A work-out-of-class opportunity was also provided to a female in the Attorney/Hearings Officer group.

Applicant outreach proved successful during the July 2010-June 2012 reporting period. Overall, job applications received by PUC increased 88% over the prior reporting period (2010-2012). Applications from women increased by 144%; applications from persons of color increased by 132%; and applications from persons with disabilities increased by 62%. Factors attributed to this increase may include full implementation of the State of Oregon E-Recruit system, as well as the economic downturn; however, PUC continued targeted outreach efforts through increased networking with professional/industry recruiting sources, using diversity-centered recruitment strategies and sources, and increased networking with organizations such as the Oregon Association of the Deaf. PUC also participated in various career events such as the Portland Urban League Career Fair, veterans' and military sponsored career events, and outreach to students through events sponsored by the Salem-Keizer School District. PUC Human Resources continued to network with organizations and participate in events that promote hiring and advancement opportunities for persons with disabilities, women, and persons of color. Some of these are the Governor's Affirmative Action Workgroup, State of Oregon recruitment meetings, the Oregon State Personnel Manager's Association, and events and training sponsored through the Society for Human Resource Management.

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A large group of PUC staff (including managers, supervisors, classified staff, and Human Resources) attended the **Portland General Electric (PGE) Diversity Conference** where they had opportunity to learn from keynote speakers, and participate in workshops supporting diversity and inclusion in the workplace. PUC management strongly supports and facilitates participation by staff in these events and training opportunities.