

## Public Utility Commission

	2011-13 Actuals	2013-15 Leg. Approved*	2015-17 CSL LFO	2015-17 Governor's
Other Funds	35,001,412	40,901,178	44,333,835	44,399,768
Non-limited Other Funds	75,277,984	79,271,765	66,279,866	66,279,866
Federal Funds	3,118,132	2,783,200	698,049	699,607
<b>Total Funds</b>	<b>113,397,528</b>	<b>122,956,143</b>	<b>111,311,750</b>	<b>111,379,241</b>
Positions	131	130	128	128
FTE	127.51	127.25	125.47	125.97

\*includes Emergency Board and administrative actions through December 2014

### **Program Description**

The Public Utility Commission of Oregon (PUC) works to ensure that consumers receive safe and reliable utility services at fair and reasonable rates, while allowing regulated companies the opportunity to earn an adequate return on their investment. The PUC regulates investor owned electric, natural gas, and certain telephone and water companies; promotes the development of competitive markets for these utilities; and licenses and regulates Maritime Pilots. Major programs include:

- The **Utility Program**, which provides many regulatory and consumer advocacy functions, including analyzing utility plant operations, capital and infrastructure improvements, utility and telecommunications services, and cost of capital (debt and equity). The program conducts rulemakings and regulatory proceedings, and oversees the Energy Trust of Oregon, itself charged with producing energy efficiency improvements and renewable energy through the investment of public purpose charges.
- The **Residential Service Protection Fund**, which ensures telecommunications services are available to everyone by subsidizing telephone services in high-cost areas of the state, providing devices to those with hearing, speech, or other disabilities; and by administering other programs that ensure access to telecommunications services.
- The **Administrative Hearings Division** that reports directly to the Commission. The Administrative Hearings Division conducts legal proceedings under the Commission's jurisdiction, and employs administrative law judges with special expertise in utility law.
- The **Board of Maritime Pilots**, which oversees the river pilots who guide commercial ships to the ports of Coos Bay, Yaquina Bay, Astoria, Kalama, Longview, Vancouver, and Portland. The Board of Maritime Pilots is an independent occupational licensing and regulatory agency that is housed within the PUC for administrative purposes.

### ***CSL Summary and Issues***

None. The PUC receives neither General Fund nor Lottery Funds. Utility fees charged against the gross operating revenues of regulated utility companies at a rate of 2.5 mills (\$0.0025) would be adequate to fund operations and reserves during the 15-17 biennium, but one-time and ongoing costs associated with a pending move may require additional resources. SB 329 proposes to increase utility fees an additional 0.5 mills (from \$0.0025 to \$0.0030) in order to preserve the agency's current service level. This increase is estimated to raise the average residential customer's utility bill by \$0.03 per month. While telecommunications revenues are projected to decline by about 5.75% over the upcoming biennium, revenue from the energy industry—a much larger market sector—is projected to increase by nearly 4%, and will offset the PUC's declining revenue sources.

### ***Policy Issues***

The Governor's budget contains one policy option package, to increase the Board of Maritime Pilots' executive director position from 0.5 to 1.0 FTE in order to address workload issues. This increase (\$120,374) would be paid for by the license fees charged to maritime pilots and from the board operations fee charged to each vessel using the services of a maritime pilot.

### ***Other Significant Issues and Background***

Earlier this month, Hanjin Shipping Co. announced that it would stop calling at the Port of Portland as of March 4, 2015. Hanjin currently accounts for about 75% of the container vessel calls at the Port's container terminal (Terminal 6). Container ships account for only 4% of all river transits, however, so the Board of Maritime Pilots does not expect river pilot workloads to drop significantly, if at all.

### **Legislation affecting PUC (2013):**

- HB 2004, Low-income electric bill assistance.
- HB 2893, solar feed-in tariff. The required report can be found here: [http://www.puc.state.or.us/electric\\_gas/Solar%20Report%202014.pdf](http://www.puc.state.or.us/electric_gas/Solar%20Report%202014.pdf)
- SB 230, siting of transmission lines

Additionally, the PUC publishes a number of reports on the operations, financials, and plans of utilities providing services in Oregon. Those reports can be found on the [PUC's web site](#). There were no Secretary of State audits or budget notes for the PUC in 2013-15.

### ***Co-Chairs' Budget Framework Discussion***

No specific budget details or issues were identified in the Co-Chairs' budget framework for this agency.