

**Legislative
Fiscal Office**

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**Joint Committee on
Ways and Means**

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Rep. Greg Smith, House Co-Vice Chair

To: Transportation and Economic Development Subcommittee
From: Gregory Jolivette, Legislative Fiscal Office
Date: April 12, 2017
Subject: HB 5035 – Public Utility Commission
Work Session Recommendations

Public Utility Commission - Agency Totals

	2013-15 Actual	2015-17 Legislatively Approved*	2017-19 Current Service Level	2017-19 LFO Recommended
Other Funds	37,395,874	45,461,175	45,744,159	46,118,891
Other Funds NL	80,665,904	66,279,866	56,290,822	56,290,822
Federal Funds	2,345,176	726,238	721,958	721,958
Total Funds	120,406,954	112,467,279	102,756,939	103,131,671
Positions	126	129	126	126
FTE	124.63	126.60	125.13	125.13

* Includes Emergency Board and administrative action through December 2016

Attached are the recommendations from the Legislative Fiscal Office for the Public Utility Commission. Recommendations include:

- Increase Other Funds revenue by \$242,996 by expanding the base of telecommunications subscribers subject to the existing seven cent surcharge to include customers of interconnected VoIP service. Landline and wireless service subscribers currently subsidize these customers' access to the Oregon Telecommunications Relay Service. This is contingent on passage of SB 84.
- Approve \$400,000 in Other Funds limitation for a new filing and e-discovery system to replace the existing filing and docketing system. The new system will provide a means to electronically and securely transfer large files of protected information.

Adjustments to Current Service Level

See attached "Work Session Presentation Report."

Note: Statewide adjustments are not included in these recommendations. Any needed adjustments will be made in an omnibus bill at the end of session.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5035. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5035, with modifications. (VOTE)

Performance Measures

See attached “Legislatively Proposed 2017-19 Key Performance Measures.”

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)

Recommended Changes

LFO recommends a budget of \$46,118,891 Other Funds, \$56,290,822 Other Funds NL, \$721,958 Federal Funds, and 126 positions (125.13 FTE), which is reflected in the -1 amendment.

MOTION: I move adoption of the -1 amendment to HB 5035. (VOTE)

Final Subcommittee Action

LFO recommends that HB 5035, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 5035, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	-	44,128,339	698,049	66,279,866	-	111,106,254	128	125.97
2015-17 Ebds, SS & Admin Act	-	-	1,332,836	28,189	-	-	1,361,025	1	0.63
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	45,461,175	726,238	66,279,866	-	112,467,279	129	126.60
2015-17 Leg Approved Budget (Base)	-	-	45,429,873	726,238	66,279,866	-	112,435,977	129	126.60
Summary of Base Adjustments	-	-	1,219,364	49,105	(9,989,044)	-	(8,720,575)	(3)	(1.47)
2017-19 Base Budget	-	-	46,649,237	775,343	56,290,822	-	103,715,402	126	125.13
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(30,287)	1,762	-	-	(28,525)	-	-
030: Inflation & Price List Adjustments	-	-	1,238,510	6,551	-	-	1,245,061	-	-
050: Fundshifts and Revenue Reductions	-	-	65,594	(65,594)	-	-	-	-	-
060: Technical Adjustments	-	-	171,105	3,896	-	-	175,001	-	-
2017-19 Current Service Level	-	-	48,094,159	721,958	56,290,822	-	105,106,939	126	125.13
070: Revenue Reductions/Shortfall	-	-	(2,350,000)	-	-	-	(2,350,000)	-	-
Adjusted 2017-19 Current Service Level	-	-	45,744,159	721,958	56,290,822	-	102,756,939	126	125.13
Total LFO Recommended Packages	-	-	374,732	-	-	-	374,732	-	-
2017-19 Legislative Actions	-	-	46,118,891	721,958	56,290,822	-	103,131,671	126	125.13
Net change from 2015-17 Leg Approved Budget	-	-	657,716	(4,280)	(9,989,044)	-	(9,335,608)	(3)	(1.47)
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	1.5%	(0.6%)	(15.1%)	0.0%	(8.3%)	(2.3%)	(1.2%)
Net change from 2017-19 Current Service Level	-	-	374,732	-	-	-	374,732	-	-
Percent change from 2017-19 Current Service Level	0.0%	0.0%	0.8%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	-	18,371,843	698,049	66,279,866	-	85,349,758	77	76.21
2015-17 Ebds, SS & Admin Act	-	-	821,122	28,189	-	-	849,311	1	0.63
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	19,192,965	726,238	66,279,866	-	86,199,069	78	76.84
2015-17 Leg Approved Budget (Base)	-	-	19,192,951	726,238	66,279,866	-	86,199,055	78	76.84
Summary of Base Adjustments	-	-	(851,947)	49,105	(9,989,044)	-	(10,791,886)	(12)	(11.21)
2017-19 Base Budget	-	-	18,341,004	775,343	56,290,822	-	75,407,169	66	65.63
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(71,073)	1,762	-	-	(69,311)	-	-
030: Inflation & Price List Adjustments	-	-	358,470	6,551	-	-	365,021	-	-
050: Fundshifts and Revenue Reductions	-	-	65,594	(65,594)	-	-	-	-	-
060: Technical Adjustments	-	-	3,260	3,896	-	-	7,156	-	-
2017-19 Current Service Level	-	-	18,697,255	721,958	56,290,822	-	75,710,035	66	65.63
Adjusted 2017-19 Current Service Level	-	-	18,697,255	721,958	56,290,822	-	75,710,035	66	65.63
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2017-19 Legislative Actions	-	-	18,697,255	721,958	56,290,822	-	75,710,035	66	65.63
Net change from 2015-17 Leg Approved Budget	-	-	(495,710)	(4,280)	(9,989,044)	-	(10,489,034)	(12)	(11.21)
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	(2.6%)	(0.6%)	(15.1%)	0.0%	(12.2%)	(15.4%)	(14.6%)
Net change from 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2017-19 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Residential Service Protection

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	-	11,417,014	-	-	-	11,417,014	8	8.00
2015-17 Ebds, SS & Admin Act	-	-	64,609	-	-	-	64,609	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	11,481,623	-	-	-	11,481,623	8	8.00
2015-17 Leg Approved Budget (Base)	-	-	11,481,606	-	-	-	11,481,606	8	8.00
Summary of Base Adjustments	-	-	94,987	-	-	-	94,987	-	-
2017-19 Base Budget	-	-	11,576,593	-	-	-	11,576,593	8	8.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	570	-	-	-	570	-	-
030: Inflation & Price List Adjustments	-	-	426,518	-	-	-	426,518	-	-
060: Technical Adjustments	-	-	8,788	-	-	-	8,788	-	-
2017-19 Current Service Level	-	-	12,012,469	-	-	-	12,012,469	8	8.00
070: Revenue Reductions/Shortfall	-	-	(2,350,000)	-	-	-	(2,350,000)	-	-
Adjusted 2017-19 Current Service Level	-	-	9,662,469	-	-	-	9,662,469	8	8.00
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2017-19 Legislative Actions	-	-	9,662,469	-	-	-	9,662,469	8	8.00
Net change from 2015-17 Leg Approved Budget	-	-	(1,819,154)	-	-	-	(1,819,154)	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	(15.8%)	0.0%	0.0%	0.0%	(15.8%)	0.0%	0.0%
Net change from 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2017-19 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 101 Residential Services Protection Fund

Package Description This package, which is related to SB 84, increases Other Funds revenue by \$242,996. SB 84 expands the base of subscribers subject to the existing seven cent surcharge to include customers of interconnected VoIP service. Landline and wireless service subscribers currently subsidize these customers' access to the Oregon Telecommunications Relay Service.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	-	13,569,332	-	-	-	13,569,332	41	39.76
2015-17 Ebds, SS & Admin Act	-	-	420,077	-	-	-	420,077	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	13,989,409	-	-	-	13,989,409	41	39.76
2015-17 Leg Approved Budget (Base)	-	-	13,958,163	-	-	-	13,958,163	41	39.76
Summary of Base Adjustments	-	-	1,950,508	-	-	-	1,950,508	9	9.74
2017-19 Base Budget	-	-	15,908,671	-	-	-	15,908,671	50	49.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	41,307	-	-	-	41,307	-	-
030: Inflation & Price List Adjustments	-	-	437,022	-	-	-	437,022	-	-
060: Technical Adjustments	-	-	164,756	-	-	-	164,756	-	-
2017-19 Current Service Level	-	-	16,551,756	-	-	-	16,551,756	50	49.50
Adjusted 2017-19 Current Service Level	-	-	16,551,756	-	-	-	16,551,756	50	49.50
Total LFO Recommended Packages	-	-	400,000	-	-	-	400,000	-	-
2017-19 Legislative Actions	-	-	16,951,756	-	-	-	16,951,756	50	49.50
Net change from 2015-17 Leg Approved Budget	-	-	2,962,347	-	-	-	2,962,347	9	9.74
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	21.2%	0.0%	0.0%	0.0%	21.2%	22.0%	24.5%
Net change from 2017-19 Current Service Level	-	-	400,000	-	-	-	400,000	-	-
Percent change from 2017-19 Current Service Level	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%	2.4%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 102 e-filing/e-discovery

Package Description Package 102 provides \$400,000 in Other Funds limitation for a new filing and e-discovery system. The new system replaces the custom-built legacy docketing system and the agency's use of a third party service for eDiscovery.

LFO Recommendation Approve the package.

LFO Recommended	-	-	400,000	-	-	-	400,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	-	770,150	-	-	-	770,150	2	2.00
2015-17 Ebds, SS & Admin Act	-	-	27,028	-	-	-	27,028	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	797,178	-	-	-	797,178	2	2.00
2015-17 Leg Approved Budget (Base)	-	-	797,153	-	-	-	797,153	2	2.00
Summary of Base Adjustments	-	-	25,816	-	-	-	25,816	-	-
2017-19 Base Budget	-	-	822,969	-	-	-	822,969	2	2.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(1,091)	-	-	-	(1,091)	-	-
030: Inflation & Price List Adjustments	-	-	16,500	-	-	-	16,500	-	-
060: Technical Adjustments	-	-	(5,699)	-	-	-	(5,699)	-	-
2017-19 Current Service Level	-	-	832,679	-	-	-	832,679	2	2.00
Adjusted 2017-19 Current Service Level	-	-	832,679	-	-	-	832,679	2	2.00
Total LFO Recommended Packages	-	-	(25,268)	-	-	-	(25,268)	-	-
2017-19 Legislative Actions	-	-	807,411	-	-	-	807,411	2	2.00
Net change from 2015-17 Leg Approved Budget	-	-	10,233	-	-	-	10,233	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	1.3%	0.0%	0.0%	0.0%	1.3%	0.0%	0.0%
Net change from 2017-19 Current Service Level	-	-	(25,268)	-	-	-	(25,268)	-	-
Percent change from 2017-19 Current Service Level	0.0%	0.0%	(3.0%)	0.0%	0.0%	0.0%	(3.0%)	0.0%	0.0%