

**Legislative  
Fiscal Office**

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**Joint Committee on  
Ways and Means**

Sen. Richard Devlin, Senate Co-Chair  
Rep. Nancy Nathanson, House Co-Chair

Sen. Betsy Johnson, Senate Co-Vice Chair  
Sen. Jackie Winters, Senate Co-Vice Chair  
Rep. Dan Rayfield, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

**To:** Natural Resources Subcommittee  
**From:** Amanda Beitel, Legislative Fiscal Office  
**Date:** May 31, 2017  
**Subject:** HB 5009 – Department of Energy  
Work Session Recommendations

**Department of Energy – Agency Totals**

	<b>2013-15 Actual</b>	<b>2015-17 Legislatively Approved</b>	<b>2017-19 Current Service Level</b>	<b>2017-19 LFO Recommended</b>
Lottery Funds	2,166,048	2,980,496	3,023,630	3,023,630
Other Funds	33,214,314	35,104,816	35,412,377	36,313,435
Other Funds NL	83,385,513	140,853,963	119,282,861	119,282,861
Federal Funds	2,553,392	3,187,299	3,153,122	2,484,648
Federal Funds NL	-	104,000	104,000	104,000
<b>Total Funds</b>	<b>121,319,267</b>	<b>182,230,574</b>	<b>160,975,990</b>	<b>161,208,574</b>
Positions	113	105	102	97
FTE	111.92	104.50	96.91	93.87

Attached are the recommendations from the Legislative Fiscal Office for the Department of Energy. Specific recommendations include:

- Packages decreasing Other Funds expenditure limitation by \$2,484,682 and nine positions (6.66 FTE) to reduce expenditures supported by the Energy Supplier Assessment and eliminate long-term vacant positions within the Department.
- \$202,097 and 1.00 FTE to make the limited duration Fiscal Analyst 2 position responsible for the Siting Division’s financial process controls a permanent position.
- \$343,395 and 1.00 FTE to continue the limited duration Governor’s Energy Policy Advisor position.
- \$667,641 and two positions (1.62 FTE) to implement an industry standard Customer Relationship Management system that will allow the Department to manage and analyze customer interactions and data across divisions.

The 2017-19 LFO Recommended Budget is a 11.5% decrease from the 2015-17 legislatively approved budget and an increase of less than 1% from the 2017-19 current service level.

## **Adjustments to Current Service Level**

See attached "Work Session Presentation Report."

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

**Accept** LFO Recommendation:

**MOTION: I move the LFO recommendation to HB 5009. (VOTE)**

**OR**

**Change** LFO Recommendation:

**MOTION: I move the LFO recommendation to HB 5009, 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 \$3,023,630 Lottery Funds, \$36,313,435 Other Funds, \$2,484,648 Federal Funds, \$119,282,861 Other Funds Nonlimited, \$104,000 Federal Funds Nonlimited and 97 positions (93.87 FTE), which is reflected in the -1 amendment.

**MOTION: I move adoption of the -1 amendment to HB 5009. (VOTE)**

## **Final Subcommittee Action**

LFO recommends that HB 5009, as amended by the -1 amendment, to be moved to the Ways and Means Full Committee.

**MOTION: I move HB 5009, 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)
<b>2015-17 Agy. Leg. Adopted</b>	-	2,980,496	34,288,279	3,128,423	140,853,963	104,000	181,355,161	105	104.50
2015-17 Ebds, SS & Admin Act	-	-	816,537	58,876	-	-	875,413	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2015-17 Leg Approved Budget</b>	-	2,980,496	35,104,816	3,187,299	140,853,963	104,000	182,230,574	105	104.50
<b>2015-17 Leg Approved Budget (Base)</b>	-	2,980,496	35,076,986	3,187,299	140,853,963	104,000	182,202,744	105	104.50
Summary of Base Adjustments	-	43,134	565,543	166,416	(21,571,102)	-	(20,796,009)	(2)	(2.34)
<b>2017-19 Base Budget</b>	-	3,023,630	35,642,529	3,353,715	119,282,861	104,000	161,406,735	103	102.16
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(72,049)	6,170	-	-	(65,879)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(1,055,029)	(58,379)	-	-	(1,113,408)	(1)	(5.25)
030: Inflation & Price List Adjustments	-	-	698,477	51,739	-	-	750,216	-	-
050: Fundshifts and Revenue Reductions	-	-	138,574	(140,248)	-	-	(1,674)	-	-
060: Technical Adjustments	-	-	59,875	(59,875)	-	-	-	-	-
<b>2017-19 Current Service Level</b>	-	3,023,630	35,412,377	3,153,122	119,282,861	104,000	160,975,990	102	96.91
070: Revenue Reductions/Shortfall	-	-	(1,593,695)	(745,867)	-	-	(2,339,562)	(1)	(1.87)
<b>Adjusted 2017-19 Current Service Level</b>	-	3,023,630	33,818,682	2,407,255	119,282,861	104,000	158,636,428	101	95.04
<b>Total LFO Recommended Packages</b>	-	-	2,494,753	77,393	-	-	2,572,146	(4)	(1.17)
<b>2017-19 Legislative Actions</b>	-	3,023,630	36,313,435	2,484,648	119,282,861	104,000	161,208,574	97	93.87
Net change from 2015-17 Leg Approved Budget	-	43,134	1,208,619	(702,651)	(21,571,102)	-	(21,022,000)	(8)	(10.63)
Percent change from 2015-17 Leg Approved Budget	0.0%	1.5%	3.4%	(22.1%)	(15.3%)	0.0%	(11.5%)	(7.6%)	(10.2%)
Net change from 2017-19 Adj Current Service Level	-	-	2,494,753	77,393	-	-	2,572,146	(4)	(1.17)
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	7.4%	3.2%	0.0%	0.0%	1.6%	(4.0%)	(1.2%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2015-17 Agy. Leg. Adopted</b>	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2015-17 Leg Approved Budget</b>	-	-	-	-	-	-	-	-	-
Net change from 2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Leg Approved Budget	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)
<b>2015-17 Agy. Leg. Adopted</b>	-	-	5,724,232	1,052,061	-	-	6,776,293	23	23.00
2015-17 Ebds, SS & Admin Act	-	-	176,178	21,643	-	-	197,821	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2015-17 Leg Approved Budget</b>	-	-	5,900,410	1,073,704	-	-	6,974,114	23	23.00
<b>2015-17 Leg Approved Budget (Base)</b>	-	-	5,900,410	1,073,704	-	-	6,974,114	23	23.00
Summary of Base Adjustments	-	-	280,412	79,486	-	-	359,898	1	-
<b>2017-19 Base Budget</b>	-	-	6,180,822	1,153,190	-	-	7,334,012	24	23.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	58,130	3,290	-	-	61,420	-	-
030: Inflation & Price List Adjustments	-	-	48,618	28,472	-	-	77,090	-	-
060: Technical Adjustments	-	-	186,584	-	-	-	186,584	1	1.00
<b>2017-19 Current Service Level</b>	-	-	6,474,154	1,184,952	-	-	7,659,106	25	24.00
070: Revenue Reductions/Shortfall	-	-	(739,294)	(573,076)	-	-	(1,312,370)	-	(0.87)
<b>Adjusted 2017-19 Current Service Level</b>	-	-	5,734,860	611,876	-	-	6,346,736	25	23.13
<b>Total LFO Recommended Packages</b>	-	-	(250,658)	77,393	-	-	(173,265)	(2)	(0.63)
<b>2017-19 Legislative Actions</b>	-	-	5,484,202	689,269	-	-	6,173,471	23	22.50
Net change from 2015-17 Leg Approved Budget	-	-	(416,208)	(384,435)	-	-	(800,643)	-	(0.50)
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	(7.1%)	(35.8%)	0.0%	0.0%	(11.5%)	0.0%	(2.2%)
Net change from 2017-19 Adj Current Service Level	-	-	(250,658)	77,393	-	-	(173,265)	(2)	(0.63)
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	(4.4%)	12.7%	0.0%	0.0%	(2.7%)	(8.0%)	(2.7%)

	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 070 Revenue Shortfalls**

Package Description Package 070 decreases Other Funds expenditure limitation by \$739,294 and 0.87 FTE and decreases Federal Funds expenditure limitation by \$573,076. Reductions include 0.87 FTE of an Operations and Policy Analyst 2 position, associated services and supplies expenditures, professional services, and special payments in the amount of \$714,345. Other Funds expenditures were eliminated to comply with a budget note from the 2015 session that instructed the Department to limit the amount assessed under the Energy Supplier Assessment to a total of \$13.1 million in its agency request budget. Federal Funds expenditures were eliminated to align the budget with anticipated federal awards.

LFO Recommendation Approve the reduction.

LFO Recommended	-	-	(739,294)	(573,076)	-	-	(1,312,370)	-	(0.87)
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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)
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**Package 090 Analyst Adjustments**

Package Description Package 090 decreases Other Funds expenditure limitation by \$173,265 and two positions (0.63 FTE). Reductions eliminate the position and remaining 0.13 FTE of the Operations and Policy Analyst 2 position identified in the Energy Planning and Innovation Package 070 and the position and 0.50 FTE for a part-time Operations and Policy Analyst 4 position in the Planning and Innovation Division identified by the agency in its 10 percent reduction options.

LFO Recommendation Approve the reduction.

LFO Recommended	-	-	(173,265)	-	-	-	(173,265)	(2)	(0.63)
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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)
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**Package 110 US DOE State Energy Program Fund Shift**

Package Description Package 110 increases Federal Funds expenditure limitation by \$77,393 and decreases Other Funds expenditure limitation by the same amount. Funding supports 30% of a Facilities Engineer 3 position. Federal Funds from an annual federal formula award have been used to partially fund the Residential Energy Tax Credit (RETC) program, which is scheduled to sunset with the 2017 tax year. The award will remain the same, but will no longer be allowable on RETC activity after its sunset, so funds are shifted to programs already approved under the federal award and that continue in the 2017-19 biennium.

LFO Recommendation Approve the package as requested.

LFO Recommended	-	-	(77,393)	77,393	-	-	-	-	-
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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)
<b>2015-17 Agy. Leg. Adopted</b>	-	2,980,496	11,489,505	353,709	140,853,963	104,000	155,781,673	26	26.00
2015-17 Ebds, SS & Admin Act	-	-	226,014	4,643	-	-	230,657	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2015-17 Leg Approved Budget</b>	-	2,980,496	11,715,519	358,352	140,853,963	104,000	156,012,330	26	26.00
<b>2015-17 Leg Approved Budget (Base)</b>	-	2,980,496	11,715,519	358,352	140,853,963	104,000	156,012,330	26	26.00
Summary of Base Adjustments	-	43,134	(8,057)	22,046	(21,571,102)	-	(21,513,979)	-	(0.34)
<b>2017-19 Base Budget</b>	-	3,023,630	11,707,462	380,398	119,282,861	104,000	134,498,351	26	25.66
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(92,247)	741	-	-	(91,506)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(1,355,029)	(58,379)	-	-	(1,413,408)	(1)	(5.25)
030: Inflation & Price List Adjustments	-	-	257,860	-	-	-	257,860	-	-
060: Technical Adjustments	-	-	(640,386)	-	-	-	(640,386)	(2)	(2.00)
<b>2017-19 Current Service Level</b>	-	3,023,630	9,877,660	322,760	119,282,861	104,000	132,610,911	23	18.41
070: Revenue Reductions/Shortfall	-	-	(236,440)	-	-	-	(236,440)	(1)	(1.00)
<b>Adjusted 2017-19 Current Service Level</b>	-	3,023,630	9,641,220	322,760	119,282,861	104,000	132,374,471	22	17.41
<b>Total LFO Recommended Packages</b>	-	-	1,455,709	-	-	-	1,455,709	(5)	(3.16)
<b>2017-19 Legislative Actions</b>	-	3,023,630	11,096,929	322,760	119,282,861	104,000	133,830,180	17	14.25
Net change from 2015-17 Leg Approved Budget	-	43,134	(618,590)	(35,592)	(21,571,102)	-	(22,182,150)	(9)	(11.75)
Percent change from 2015-17 Leg Approved Budget	0.0%	1.5%	(5.3%)	(9.9%)	(15.3%)	0.0%	(14.2%)	(34.6%)	(45.2%)
Net change from 2017-19 Adj Current Service Level	-	-	1,455,709	-	-	-	1,455,709	(5)	(3.16)
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	15.1%	0.0%	0.0%	0.0%	1.1%	(22.7%)	(18.2%)

	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 070 Revenue Shortfalls**

Package Description Package 070 decreases Other Funds expenditure limitation by \$236,440 and one position (1.00 FTE). One permanent full-time Principal Executive/Manager F position is eliminated. The position is no longer needed with the sunset of the Energy Incentive Programs and reduced activity in the Small Scale Local Energy Loan Program.

LFO Recommendation Approve the reduction.

LFO Recommended	-	-	(236,440)	-	-	-	(236,440)	(1)	(1.00)
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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)
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**Package 090 Analyst Adjustments**

Package Description Package 090 removes the Small Scale Local Energy Loan Program from the Oregon Department of Energy (ODOE) effective July 1, 2017. The package eliminates total funds of \$120,847,369, including Other Funds Nonlimited of \$55,870,984, Other Funds Nonlimited Debt Service of \$63,376,902, Federal Funds Nonlimited Debt Service of \$104,000, and Other Funds of \$1,495,483. The package also removes eight positions (7.66 FTE) responsible for the administration of SELP including, a Loan Specialist 1, two Loan Specialist 2 positions, a Loan Specialist 3, a Principal Executive/Manager E, an Accountant 2, an Accountant 4, and a Program Analyst 3 position. The program is anticipated to be transferred to the Oregon Business Development Department (OBDD). Corresponding revenue reductions are also made in the package.

LFO Recommendation Deny the package. Transferring the Small Scale Local Energy Loan Program (SELP) from ODOE to OBDD requires statutory authority. Pending legislation (HB 3166-A) includes provisions transferring the duties, functions, and powers of ODOE related to issuance of SELP loans to OBDD, effective January 1, 2018. If legislation moving the program is passed, corresponding budget adjustments will be included.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	-	-
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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)
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**Package 120 Renewable Energy Development Grant Program**

Package Description Package 120 increases Other Fund expenditure limitation by \$2,000,000 to accommodate the disbursement of Renewable Energy Development Grants. The Renewable Energy Development Grant Program is funded through an annual auction of Renewable Energy Development Contributions tax credits administered by the Department of Revenue, up to \$3,000,000 per biennium. Once awarded through a competitive application process, grantees have three years to complete projects. Grants are disbursed upon project completion. This package provides the Department special payments expenditure limitation to disburse remaining Renewable Energy Development Grants in the 2017-19 biennium as projects complete. The Renewable Energy Development Contributions tax credit is scheduled to sunset on January 1, 2018.

LFO Recommendation Approve the package as requested.

LFO Recommended	-	-	2,000,000	-	-	-	2,000,000	-	-
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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)
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**Package 812 Vacant Position Elimination**

Package Description Package 812 eliminates five positions (3.16 FTE) that have been vacant longer than 12 months and decreases Other Funds expenditure limitation by \$544,291. Positions removed include a Loan Specialist 1, Loan Specialist 2, and Program Analyst 3 that supported the Small Scale Local Energy Loan Program, and a Program Analyst 1 and Program Analyst 3 that supported the Energy Incentive Programs.

LFO Recommendation Approve the reduction.

LFO Recommended	-	-	(544,291)	-	-	-	(544,291)	(5)	(3.16)
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LFO102 - Work Session Presentation Report  
2017-19 Biennium

Version: L - 01 - LFO Analyst Recommended  
Cross Reference: 33000-300-00-00-00000  
Nuclear Safety & Emergency Response

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2015-17 Agy. Leg. Adopted</b>	-	-	615,691	1,651,522	-	-	2,267,213	6	6.00
2015-17 Ebds, SS & Admin Act	-	-	11,448	31,818	-	-	43,266	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2015-17 Leg Approved Budget</b>	-	-	627,139	1,683,340	-	-	2,310,479	6	6.00
<b>2015-17 Leg Approved Budget (Base)</b>	-	-	627,139	1,683,340	-	-	2,310,479	6	6.00
Summary of Base Adjustments	-	-	21,265	63,186	-	-	84,451	-	-
<b>2017-19 Base Budget</b>	-	-	648,404	1,746,526	-	-	2,394,930	6	6.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	876	2,094	-	-	2,970	-	-
030: Inflation & Price List Adjustments	-	-	12,119	21,806	-	-	33,925	-	-
050: Fundshifts and Revenue Reductions	-	-	118,300	(118,300)	-	-	-	-	-
060: Technical Adjustments	-	-	-	(59,875)	-	-	(59,875)	-	-
<b>2017-19 Current Service Level</b>	-	-	779,699	1,592,251	-	-	2,371,950	6	6.00
070: Revenue Reductions/Shortfall	-	-	-	(135,000)	-	-	(135,000)	-	-
<b>Adjusted 2017-19 Current Service Level</b>	-	-	779,699	1,457,251	-	-	2,236,950	6	6.00
<b>Total LFO Recommended Packages</b>	-	-	-	-	-	-	-	-	-
<b>2017-19 Legislative Actions</b>	-	-	779,699	1,457,251	-	-	2,236,950	6	6.00
Net change from 2015-17 Leg Approved Budget	-	-	152,560	(226,089)	-	-	(73,529)	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	24.3%	(13.4%)	0.0%	0.0%	(3.2%)	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2017-19 Adj 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 070 Revenue Shortfalls**

Package Description Package 070 decreases Federal Funds expenditure limitation by \$135,000 to align the budget with anticipated federal awards.

LFO Recommendation Approve the reduction.

LFO Recommended	-	-	-	(135,000)	-	-	(135,000)	-	-
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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)
<b>2015-17 Agy. Leg. Adopted</b>	-	-	<b>4,477,732</b>	-	-	-	<b>4,477,732</b>	<b>12</b>	<b>12.00</b>
2015-17 Ebds, SS & Admin Act	-	-	98,388	-	-	-	98,388	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2015-17 Leg Approved Budget</b>	-	-	<b>4,576,120</b>	-	-	-	<b>4,576,120</b>	<b>12</b>	<b>12.00</b>
<b>2015-17 Leg Approved Budget (Base)</b>	-	-	<b>4,576,120</b>	-	-	-	<b>4,576,120</b>	<b>12</b>	<b>12.00</b>
Summary of Base Adjustments	-	-	97,168	-	-	-	97,168	(1)	(1.00)
<b>2017-19 Base Budget</b>	-	-	<b>4,673,288</b>	-	-	-	<b>4,673,288</b>	<b>11</b>	<b>11.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(42,744)	-	-	-	(42,744)	-	-
030: Inflation & Price List Adjustments	-	-	117,643	-	-	-	117,643	-	-
<b>2017-19 Current Service Level</b>	-	-	<b>4,748,187</b>	-	-	-	<b>4,748,187</b>	<b>11</b>	<b>11.00</b>
<b>Adjusted 2017-19 Current Service Level</b>	-	-	<b>4,748,187</b>	-	-	-	<b>4,748,187</b>	<b>11</b>	<b>11.00</b>
<b>Total LFO Recommended Packages</b>	-	-	<b>28,666</b>	-	-	-	<b>28,666</b>	-	-
<b>2017-19 Legislative Actions</b>	-	-	<b>4,776,853</b>	-	-	-	<b>4,776,853</b>	<b>11</b>	<b>11.00</b>
Net change from 2015-17 Leg Approved Budget	-	-	200,733	-	-	-	200,733	(1)	(1.00)
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	4.4%	0.0%	0.0%	0.0%	4.4%	(8.3%)	(8.3%)
Net change from 2017-19 Adj Current Service Level	-	-	28,666	-	-	-	28,666	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	0.6%	0.0%	0.0%	0.0%	0.6%	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 140 Siting Fiscal Support**

Package Description Package 140 adds one permanent full-time Fiscal Analyst 2 position (1.00 FTE) and \$202,097 Other Funds expenditure limitation in the Energy Facility Siting Division. The package makes permanent a limited duration position first established in 2013-15, and continued in 2015-17, to create more efficiency and controls in the financial processes of the Siting Division, reducing ODOE's financial risk and ensuring timely cost recovery for the Department and its state and local partners, which are entitled to be reimbursed for their costs associated with reviewing siting applications. Work associated with the Siting Division's financial processes is anticipated to be ongoing and requires the dedicated position.

LFO Recommendation Approve the package as requested.

<b>LFO Recommended</b>	-	-	202,097	-	-	-	202,097	1	1.00
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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)
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**Package 812 Vacant Position Elimination**

Package Description Package 812 eliminates one position (1.00 FTE) that has been vacant longer than 12 months and decreases Other Funds expenditure limitation by \$173,431. A Utility and Energy Analyst 2 position in the Siting Division is removed.

LFO Recommendation Approve the reduction.

LFO Recommended	-	-	(173,431)	-	-	-	(173,431)	(1)	(1.00)
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Administrative Services

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2015-17 Agy. Leg. Adopted</b>	-	-	<b>11,981,119</b>	<b>71,131</b>	-	-	<b>12,052,250</b>	<b>38</b>	<b>37.50</b>
2015-17 Ebds, SS & Admin Act	-	-	304,509	772	-	-	305,281	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2015-17 Leg Approved Budget</b>	-	-	<b>12,285,628</b>	<b>71,903</b>	-	-	<b>12,357,531</b>	<b>38</b>	<b>37.50</b>
<b>2015-17 Leg Approved Budget (Base)</b>	-	-	<b>12,257,798</b>	<b>71,903</b>	-	-	<b>12,329,701</b>	<b>38</b>	<b>37.50</b>
Summary of Base Adjustments	-	-	174,755	1,698	-	-	176,453	(2)	(1.00)
<b>2017-19 Base Budget</b>	-	-	<b>12,432,553</b>	<b>73,601</b>	-	-	<b>12,506,154</b>	<b>36</b>	<b>36.50</b>
010: Non-PICS Pers Svc/Vacancy Factor	-	-	3,936	45	-	-	3,981	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	300,000	-	-	-	300,000	-	-
030: Inflation & Price List Adjustments	-	-	262,237	1,461	-	-	263,698	-	-
050: Fundshifts and Revenue Reductions	-	-	20,274	(21,948)	-	-	(1,674)	-	-
060: Technical Adjustments	-	-	513,677	-	-	-	513,677	1	1.00
<b>2017-19 Current Service Level</b>	-	-	<b>13,532,677</b>	<b>53,159</b>	-	-	<b>13,585,836</b>	<b>37</b>	<b>37.50</b>
070: Revenue Reductions/Shortfall	-	-	(617,961)	(37,791)	-	-	(655,752)	-	-
<b>Adjusted 2017-19 Current Service Level</b>	-	-	<b>12,914,716</b>	<b>15,368</b>	-	-	<b>12,930,084</b>	<b>37</b>	<b>37.50</b>
<b>Total LFO Recommended Packages</b>	-	-	<b>1,261,036</b>	<b>-</b>	-	-	<b>1,261,036</b>	<b>3</b>	<b>2.62</b>
<b>2017-19 Legislative Actions</b>	-	-	<b>14,175,752</b>	<b>15,368</b>	-	-	<b>14,191,120</b>	<b>40</b>	<b>40.12</b>
Net change from 2015-17 Leg Approved Budget	-	-	1,890,124	(56,535)	-	-	1,833,589	2	2.62
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	15.4%	(78.6%)	0.0%	0.0%	14.8%	5.3%	7.0%
Net change from 2017-19 Adj Current Service Level	-	-	1,261,036	-	-	-	1,261,036	3	2.62
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	9.8%	0.0%	0.0%	0.0%	9.8%	8.1%	7.0%

Administrative Services

	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 070 Revenue Shortfalls**

Package Description Package 070 decreases Other Funds expenditure limitation by \$617,961 and decreases Federal Funds expenditure limitation by \$37,791. Services and supplies expenditures that no longer have associated activities are eliminated to align the budget with anticipated revenues and federal awards.

LFO Recommendation Approve the reduction.

LFO Recommended	-	-	(617,961)	(37,791)	-	-	(655,752)	-	-
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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)
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**Package 150 Governor's Energy Policy Advisor**

Package Description Package 150 reauthorizes the limited duration Governor's Energy Policy Advisor position (1.00 FTE). Other Funds expenditure limitation is increased by \$343,395, including \$318,445 for personal services costs and \$24,950 in associated services and supplies expenditures. This position was established in 2011-13 and has be re-established as limited duration in each subsequent biennium. The Policy Advisor works with the Governor's Office staff, energy stakeholders, and the Department to define and advance Oregon's energy priorities.

LFO Recommendation Approve the package.

Budget Instructions Position is approved as limited duration.

LFO Recommended	-	-	343,395	-	-	-	343,395	1	1.00
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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)
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**Package 151 Energy Data Consolidation & Enhancement**

Package Description Package 151 increases Other Funds expenditure limitation by \$667,641 and establishes two permanent full-time positions (1.62 FTE) to implement an industry standard Customer Relationship Management (CRM) system. The package provides funding for one-time project management, implementation, and training costs of \$251,000 as well as ongoing licensing costs of \$90,000. Positions include an Information Systems Specialist 7 (0.83 FTE), the Senior System Administrator, and an Information Systems Specialist 5 (0.79 FTE), the Business Analyst/Developer, to adequately implement, develop, administer, and maintain the system. In 2013-15, ODOE received funding to hire a consulting firm (Delaris) to review the business and technology processes associated with the acquisition, storage, and dissemination of energy related data. This package will implement one of solutions recommended by Delaris. A CRM will allow the agency to manage and analyze customer interactions and data across divisions through business automation, standardized data collection, and consolidation of unsupported tools, resulting in improved data quality, business processes, and service delivery.

LFO Recommendation Approve the package as modified.

<b>LFO Recommended</b>	-	-	667,641	-	-	-	667,641	2	1.62
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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)
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**Package 152 Litigation Expenses**

Package Description Package 152 provides one-time Other Funds expenditure limitation of \$250,000 for extraordinary Attorney General costs due to anticipated and ongoing litigation. The Department has a pending lawsuit that challenges the Energy Supplier Assessment (ESA) and is also involved in cases related to the Business Energy Tax Credit (BETC) program.

LFO Recommendation Approve the package as modified.

LFO Analyst Notes

LFO Recommended	-	-	250,000	-	-	-	250,000	-	-
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