Public Utilities Commission

FY 2014 Revised
FY 2015 Recommended
FY 2015 - FY 2019 Capital

Staff Presentation
March 5, 2014

Structure

Single agency with two distinct regulatory bodies:

- The Public Utilities Commission (Commission)
- The Division of Public Utilities and Carriers (Division)
Commission

- Three Commissioners
  - Appointed by the Governor to 6 year terms
- Quasi-judicial tribunal with jurisdiction, powers, and duties to implement and enforce utility standards of conduct
- Holds investigations and hearings involving rates, tariffs, tolls, and utilities’ charges

Division

- Enforces Commission rules and regulations
- Exercises jurisdiction, supervision, powers, and duties not specifically assigned to the Commission
- Jurisdiction over common carriers (taxi and car services) and cable television
Division

- Mandatory party in all utility dockets
- Defender of RI rate payers before federal regulatory agencies
  - Federal Communications Commission
  - Federal Energy Regulatory Commission

Assessment Against Utilities

Rhode Island General Law §39-1-23

- Administrator of the Division determines Agency’s expenses for coming fiscal year
- 100% of expenses are assessed amongst the state’s regulated utilities
  - Utilities with gross state revenues of under $0.1 million are exempt
## Summary by Source

<table>
<thead>
<tr>
<th></th>
<th>FY 2014 Enacted</th>
<th>FY 2014 Revised</th>
<th>FY 2015 Governor</th>
<th>FY 2015 Change to Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Funds</td>
<td>$166,818</td>
<td>$205,026</td>
<td>$87,733</td>
<td>($79,085)</td>
</tr>
<tr>
<td>Restricted Receipts</td>
<td>8,253,475</td>
<td>8,313,871</td>
<td>8,531,738</td>
<td>278,263</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$8,420,293</strong></td>
<td><strong>$8,518,927</strong></td>
<td><strong>$8,619,471</strong></td>
<td><strong>$199,178</strong></td>
</tr>
</tbody>
</table>

## Summary by Category

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<tr>
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</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits</td>
<td>$5,718,604</td>
<td>$5,790,292</td>
<td>$5,896,240</td>
<td>$177,636</td>
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<tr>
<td>Contracted Services</td>
<td>1,717,243</td>
<td>1,722,963</td>
<td>1,722,963</td>
<td>5,720</td>
</tr>
<tr>
<td>Operations</td>
<td>951,109</td>
<td>943,335</td>
<td>937,931</td>
<td>(13,178)</td>
</tr>
<tr>
<td>Grants</td>
<td>337</td>
<td>337</td>
<td>337</td>
<td>-</td>
</tr>
<tr>
<td>Capital</td>
<td>33,000</td>
<td>62,000</td>
<td>62,000</td>
<td>29,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$8,420,293</strong></td>
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</table>
Governor recommends $5.9 million for 50.0 full-time equivalent positions for FY 2015

- 11.0 positions for the Commission
- 39.0 positions for the Division
  - 1.0 new position as requested
  - Programming Services Officer
    - Auditing/Accounting – supervision of consumer billing and customer issues
**Personnel**

- FY 2014 revised includes transfer of 2.0 stimulus positions to restricted receipt funding
  - Special Projects Coordinator
  - Staff Attorney
    - Requested and recommended for FY 2014
    - Assembly did not concur
- Funding expired December 2013.
  - Special Projects Coordinator position vacant

**Repairs and Purchases**

- Governor recommends $0.3 million for both FY 2014 and FY 2015
  - Includes purchase of replacement vehicles in FY 2014 and FY 2015
    - Purchase of SUV in FY 2013 increased size of fleet from 4 to 5 vehicles
  - Includes asset protection projects at headquarters building
Governor recommends enacted level of $1.1 million
- Investigation and hearing expenses for rate cases and other filings

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Enacted Amount</th>
<th>Actual Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$1,131,104</td>
<td>$574,186</td>
</tr>
<tr>
<td>2012</td>
<td>$1,131,104</td>
<td>$380,824</td>
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<tr>
<td>2011</td>
<td>$1,131,104</td>
<td>$422,683</td>
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</table>

Governor recommends enacted level of $0.4 million
- Consultant services associated with renewable energy standard

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<th>Actual Expenditures</th>
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<tr>
<td>2013</td>
<td>$432,847</td>
<td>$133,381</td>
</tr>
<tr>
<td>2012</td>
<td>$432,847</td>
<td>$60,991</td>
</tr>
<tr>
<td>2011</td>
<td>$432,847</td>
<td>$72,931</td>
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</tbody>
</table>
**Other Operations**

Governor recommends $0.9 million for both FY 2014 and FY 2015
- Includes general office expenses, building maintenance, fleet, and staff training
- $7,458 less than enacted for FY 2015
- Decrease in federal funds reflects expiration of stimulus grant

**Reporting Requirements**

- 2013 Assembly enacted legislation requiring OMB to prepare, review and inventory all reports filed with Assembly
  - Report presented to Assembly as part of budget submission annually
- Required to submit 2 reports
  - Rate case summary (biannual)
  - State renewable energy standard (annual)
    - Currently submitting both
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