Public Utilities Commission

FY 2017 Revised
FY 2018 Recommended
FY 2018 – FY 2022 Capital

Staff Presentation
March 30, 2017
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

- One Administrator
  - Appointed by the Governor to 6 year term

- 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
Mandatory party in all utility dockets

Defender of RI rate payers before federal regulatory agencies
- Federal Communications Commission
- Federal Energy Regulatory Commission
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 2017 Enacted</th>
<th>FY 2017 Revised</th>
<th>FY 2018 Governor</th>
<th>FY 2018 Chg to Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Funds</td>
<td>$0.1</td>
<td>$0.1</td>
<td>$0.1</td>
<td>$0.0</td>
</tr>
<tr>
<td>Restricted Receipts</td>
<td>8.8</td>
<td>9.0</td>
<td>9.6</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$8.9</strong></td>
<td><strong>$9.2</strong></td>
<td><strong>$9.7</strong></td>
<td><strong>$0.8</strong></td>
</tr>
</tbody>
</table>

*In millions*
## Summary by Category

<table>
<thead>
<tr>
<th>(In millions)</th>
<th>FY 2017 Enacted</th>
<th>FY 2017 Revised</th>
<th>FY 2018 Governor</th>
<th>FY 2018 Chg to Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits</td>
<td>$6.3</td>
<td>$6.3</td>
<td>$6.9</td>
<td>$0.6</td>
</tr>
<tr>
<td>Contracted Services</td>
<td>1.7</td>
<td>1.9</td>
<td>1.7</td>
<td>(0.0)</td>
</tr>
<tr>
<td>Operations</td>
<td>1.0</td>
<td>1.0</td>
<td>1.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Grants</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>(0.0)</td>
</tr>
<tr>
<td>Capital</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$8.9</strong></td>
<td><strong>$9.2</strong></td>
<td><strong>$9.7</strong></td>
<td><strong>$0.8</strong></td>
</tr>
</tbody>
</table>
## Personnel

<table>
<thead>
<tr>
<th>Full-Time Positions</th>
<th>FTEs</th>
<th>Change to Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enacted Authorized</td>
<td>51.0</td>
<td>-</td>
</tr>
<tr>
<td>FY 2017 Governor Revised</td>
<td>54.0</td>
<td>3.0</td>
</tr>
<tr>
<td>FY 2018 Request</td>
<td>57.0</td>
<td>6.0</td>
</tr>
<tr>
<td>FY 2018 Governor</td>
<td>57.0</td>
<td>6.0</td>
</tr>
<tr>
<td>FY 2016 Average Filled</td>
<td>46.1</td>
<td>(4.9)</td>
</tr>
<tr>
<td>Filled as of March 18</td>
<td>50.0</td>
<td>(1.0)</td>
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</tbody>
</table>
FY 2018 Recommendation includes:
- $0.6 million more than enacted
- 6.0 new full-time equivalent positions
  - 2.0 Administrative Assistants
  - 1.0 Chief of Program Development
  - 1.0 Deputy Chief of Legal Services
  - 1.0 Fiscal Management Officer
  - 1.0 Regulatory Research Specialist
2.0 Administrative Assistants: $171,786
- 1.0 for Division & 1.0 for Commission
- Request based on anticipated increase in activity
- FY 2017 revised recommendation includes new positions and $91,426 for partial year funding
  - Positions not included in original FY 2017 request
Personnel

1.0 Chief of Program Development: $119,192

- Work on net metering
- Coordinate current & new programs with other state agencies
- Track national and state legislation
- Research and work on dockets for Energy Facilities Siting Board
- FY 2017 recommendation includes funding for ¼ of the year
1.0 Deputy Chief of Legal Services: $129,669
- Request based on increase in consumer, administrative and court proceedings
- 2016 Assembly added $0.1 million & 1.0 new senior legal counsel based on increase in utility termination proceedings
1.0 Fiscal Management Officer: $89,183
- For the Commission
  - Currently relies on Division to provide fiscal and financial management functions
- Assist Division’s Chief Financial Analyst in preparing annual budget and reporting requirements
1.0 Regulatory Research Specialist: $87,204

- Conduct research on laws, rules and regulations governing public utilities
- Draft new legislation and track bills in General Assembly
- Assist in drafting commission orders
$6.5 million for remaining 51.0 positions
- $21,801 more than enacted
- Reflects FY 2016 staffing
  - Represents 1.2 vacant positions
- Current service adjustments
Energy Facility Siting Board

- Governor recommends enacted amount of $125,000
  - Regulates issuance of licenses to construct major energy facilities
  - All expenditures are billed back to applicants
  - Funding primarily used for expert witnesses, stenographers, print and advertising notices and advisory opinions
### Public Utilities Reserve Account

- Governor recommends $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>
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</thead>
<tbody>
<tr>
<td>2016</td>
<td>$1,131,104</td>
<td>$536,564</td>
</tr>
<tr>
<td>2015</td>
<td>1,131,104</td>
<td>351,734</td>
</tr>
<tr>
<td>2014</td>
<td>1,131,104</td>
<td>419,891</td>
</tr>
<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>
</tr>
</tbody>
</table>
Expert Testimony

- Governor recommends $0.3 million
- Consultant services associated with renewable energy standard

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Enacted Amount</th>
<th>Actual Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$272,062</td>
<td>$124,617</td>
</tr>
<tr>
<td>2015</td>
<td>368,737</td>
<td>107,274</td>
</tr>
<tr>
<td>2014</td>
<td>432,847</td>
<td>128,402</td>
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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>
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Rent (Article 1, Section 18)

- Increases rent rate charged to PUC beginning in FY 2018
  - From $173,040 to $333,420
  - PUC primarily funded from restricted receipts from billing the regulated utilities
- Headquartered in state-owned building in Warwick
- Since 2004, Commission annually transfers to general fund for rent
- Hearing on February 28
Other Operations

- Governor recommends $1.1 million for FY 2018
  - Includes general office expenses, building maintenance, and staff training and travel
  - $12,689 more than enacted
- FY 2017 revised recommendation includes $30,000 to purchase new electric Chevy Volt
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 3 reports - timely:
- Rate case summary (biannual)
- State renewable energy standard (annual)
- Voltage detection and repair program (annual)
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