

Public Utilities Commission

FY 2019 Revised

FY 2020 Recommended

FY 2020 – FY 2024 Capital

Staff Presentation

March 26, 2019

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 term
- 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 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

- Division Administrator 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

	FY 2019 Enacted	FY 2019 Revised	FY 2020 Governor	FY 2020 Chg to Enacted
Federal Funds	\$0.2	\$0.2	\$0.2	\$0.0
Restricted Receipts	9.7	10.4	12.0	2.3
Total	\$9.9	\$10.6	\$12.2	\$2.3

\$ in millions

Centralized Services

- 2017 Assembly authorized establishment of internal service funds for centralized services
 - Information technology, capital asset management & maintenance, & human resources
- Costs previously budgeted in DOA
 - 2018 Assembly included costs in user agency budgets
 - Final FY 2018 & FY 2019 budget

Centralized Services

Restricted Receipts	FY 2019 Enacted	FY 2019 Revised	Chg. to Enacted	FY 2020	Chg. to Enacted
IT	\$90,324	\$103,103	(\$12,779)	\$91,355	(\$1,031)

Water Resources Board

- Article 3 transfers Water Resources Board from DOA to PUC
- 2011 Assembly merged Board into DOA
- Water Resources Board has 3.0 positions
 - General manager – vacant almost 3 years
 - Staff director
 - Civil engineer
- Similar to Governor's FY 2018 recommendation
 - Was not adopted by the Assembly

Water Resources Board

- Operating cost of Board would be charged to regulated utilities
- Governor's budget includes
 - \$0.4 million for FY 2020
- Budget assumes general revenue savings of \$0.4 million FY 2020
- Staff was moved to PUC building at the end of FY 2018

Staffing

Full-Time Equivalent Positions

Full-Time Positions	FTEs	Chg. To Enacted
Enacted Authorized	53.0	-
FY 2019 Gov. Rev.	53.0	-
FY 2020 Request	63.0	10.0
FY 2020 Governor	60.0	7.0
FY 2020 Funded FTE	57.2	4.2
Filled as of March 16	48.0	(5.0)
FY 2018 Average Filled	46.0	(7.0)

Staffing

FY 2020 Governor Recommendation		
	PUC	Statewide
Gross Salaries (in millions)	\$5.3	\$1,249.1
Turnover (in millions)	0.2	(42.9)
Turnover %	4.6%	3.4%
Turnover FTE	2.8	529.0
FY 2020 FTE recommended	60.0	15,413.1
Funded FTE	57.2	14,884.1
Filled as of March 16	48.0	14,123.6
Funded but not filled	9.2	760.5

Personnel

Position	FTE	Request	Governor	FTE
Senior Legal Counsel	1.0	\$126,207	\$ -	-
Consumer Agent	1.0	89,185	89,185	1.0
Programming Services Officer	1.0	114,257	-	-
Engineering Specialists II	5.0	518,685	207,474	2.0
Regulatory Research Specialist	1.0	91,735	-	-
Public Utilities Analyst III	1.0	89,185	89,185	1.0
Total	10.0	\$1,029,254	\$385,844	4.0

Personnel

- Governor recommends 1.0 Consumer Agent: \$89,185
 - Answer customer requests for information and investigate complaints in a timely manner
 - Timely matter means within 60 business days of receiving a complaint

Personnel

- Governor recommends 2.0 Engineering Specialists II: \$207,474
 - Responsible for enforcement
 - Dig Safe laws and federal pipeline safety enforcement
 - State and federal regulations regarding natural gas pipelines
 - Evaluate expanding renewable energy generators
 - Agency asked for 5 of these positions

Personnel

- Governor recommends 1.0 Public Utilities Analyst III: \$89,185
 - Responsible for monitoring
 - Impact of the cost of renewable energy projects on ratepayers
 - How ratepayer dollars are spent
 - Cost efficient ways to spend

Energy Facility Siting Board

- Governor recommends \$0.2 million for each FY 2019 and FY 2020
 - Consistent with enacted budget
- Regulates issuance of licenses to construct major energy facilities
- All expenditures are billed back to applicants
- Funding primarily used for expert witnesses, stenographers, print & advertising notices & advisory opinions

Public Utilities Reserve Account

- Governor recommends \$2.0 million for each FY 2019 and FY 2020
 - \$0.6 million more than enacted
 - Investigation & hearing expenses for rate cases and other filings

Fiscal Year	Enacted	Spent
2018	\$ 1,381,104	\$1,409,277
2017	\$ 1,131,104	\$ 751,592
2016	\$ 1,131,104	\$ 536,564
2015	\$ 1,131,104	\$ 351,734
2014	\$ 1,131,104	\$ 419,891

Transportation Network Company Regulatory Oversight

- RIGL Section 39-14.2-5 allows the Commission to regulate transportation network companies (Uber/Lyft)
- Governor recommends \$66,000 for FY 2019 and \$96,000 FY 2020
 - Expenditures include personnel costs, travel, office supplies, and an electric vehicle in FY 2020

Staffing

- \$7.1 million for remaining 53.0 positions in FY 2020
 - \$0.5 million more than enacted
 - Current service adjustments
 - Statewide savings not taken against non-general revenue sources
 - Expenses likely lower

Electronic Business Portal

- The Governor recommends \$250,000 for new electronic business portal in FY 2020
 - Enables Commission to have “in-house” task scheduler and list serve for the public

Operations

- \$1.3 million for FY 2019 and FY 2020
 - New electric vehicle
 - Separate from vehicle funded with TNC funds

	Enacted	FY 2019	FY 2020	Difference
Rent	\$333,420	\$333,420	\$333,420	\$ -
Contracted Services	443,562	443,562	443,562	-
Other	548,140	549,844	579,844	31,704
Total	\$1,325,122	\$1,326,826	\$1,343,864	\$31,704

Capital

- \$610,000 from restricted receipts in 5 year period for repairs & renovations
 - Railings and ramps for handicapped accessibility
 - Exterior windows and roof membrane
 - Repaving projects
- Overstated by \$210,000
 - Inadvertently included IT project

Reporting Requirements

- 2013 Assembly enacted legislation requiring OMB to prepare, review and inventory all reports filed with Assembly
 - Reports submitted annually as part of budget submission
 - Rate case summary (biannual)
 - State renewable energy standard (annual)
 - Voltage detection and repair program (annual)
 - Disclosure of Government consultants (annual)
 - Henry Shelton Act (annual)

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