

Representative Cameron Henry
Chairman



Representative Franklin Foil
Vice Chairman

FY18-19 Executive Budget Review Public Service Commission

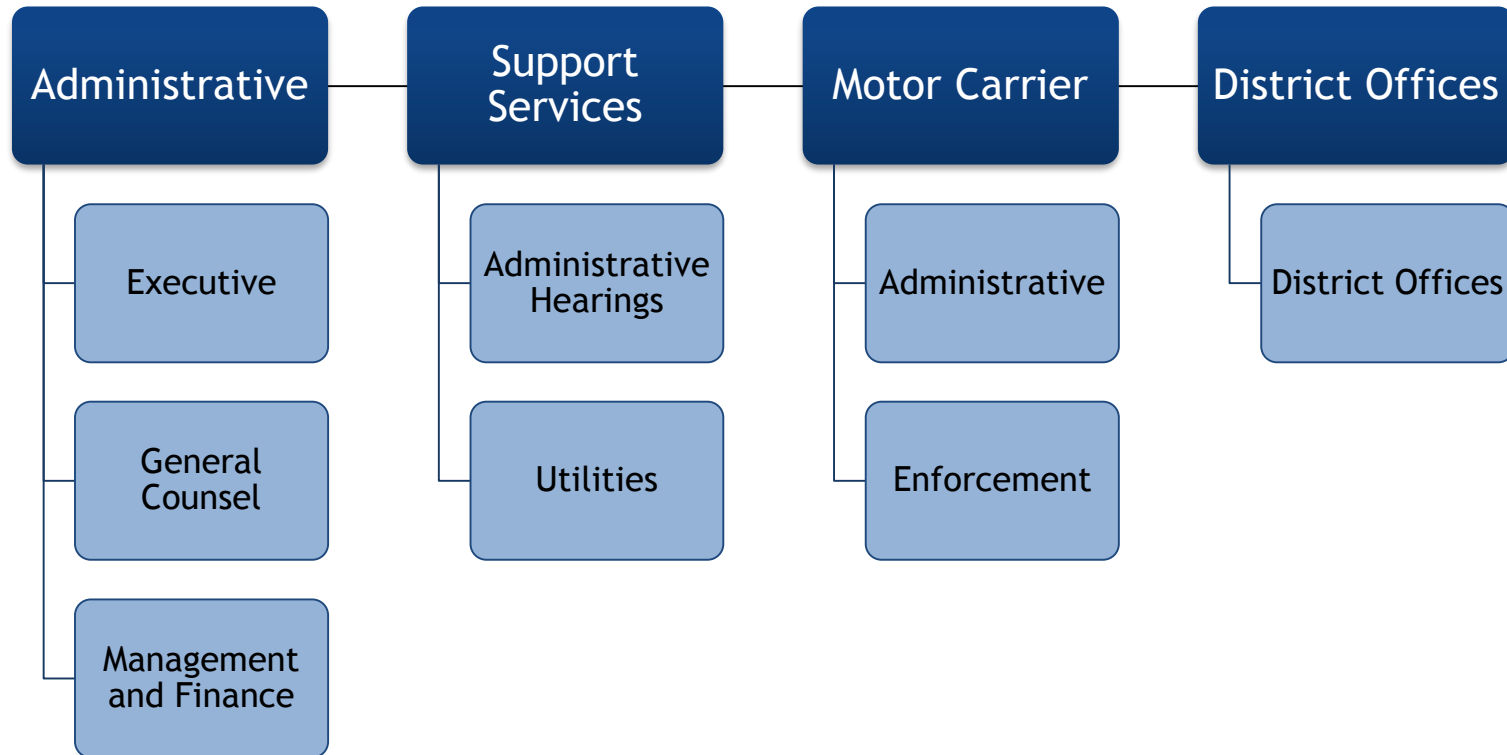
House Committee on Appropriations
by the House Fiscal Division

March 20, 2018

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DEPARTMENT ORGANIZATION



DEPARTMENT FUNCTIONS

Regulate Public Utilities

Promulgate and enforce reasonable and transparent rules, regulations, and procedures with regard to public utilities.

Regulate Common Carriers

Work with utilities, private industry and consumer groups to establish competitive, innovative, and equitable rates for customers.

Compliance

Provide compliance oversight to protect consumers and the public interest; take fair and appropriate action to address instances of non-compliance. Expedite resolution of disputes between consumers and utilities.

Educate

Educate consumers on issues relating to public utility, common carrier, and “Do Not Call” regulations.

ADMINISTRATIVE

Executive

- Coordinates all of the operations in the department.

General Counsel

- Responsible for the legal matters of the department.

Management and Finances

- Responsible for providing various services for the rest of the department, including accounting and information technology.

Do Not Call Program

- Maintains a list of residential phone numbers that registered businesses cannot call when soliciting in the state.

*Galvez Building
Baton Rouge, LA*



SUPPORT SERVICES

Administrative Hearings Division

- Conducts public hearings on issues pertaining to the Public Service Commission's jurisdiction, which includes the rates and services of public utilities and motor carriers.

Utilities Division

- Responsible for the maintenance of all of the rates in regulated utilities.
- Audits regulated utility companies, overall results of operations, the rate base, and rates of return on equity and capital, upon which consumer rates are based.



MOTOR CARRIER REGISTRATION

Administrative Division

- Processes all of the paperwork necessary for companies to legally engage in transportation services within the state.

Enforcement Division

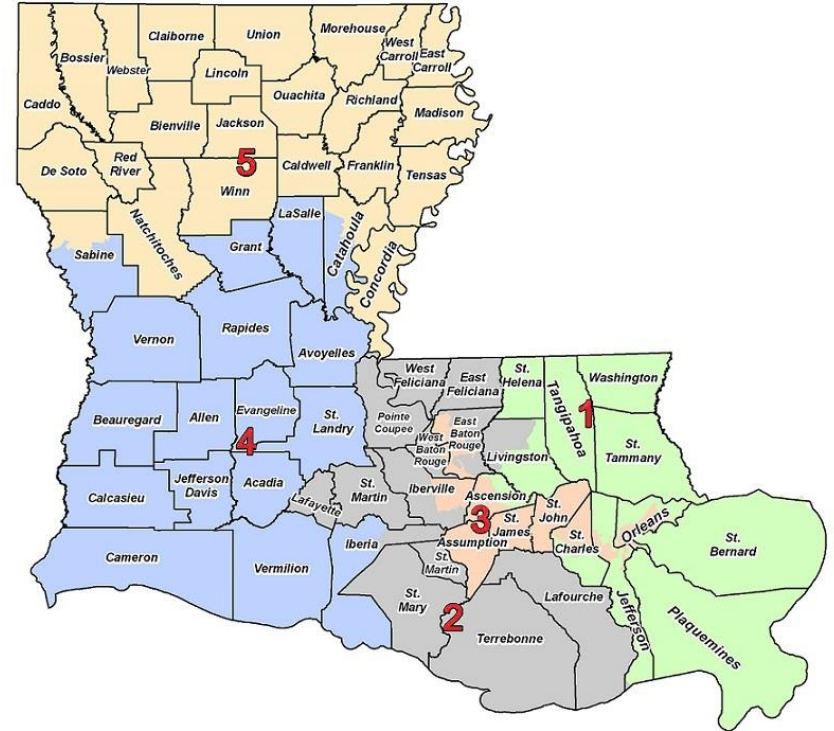
- Ensures compliance in regards to the rules and regulations for motor carriers operating in the state.



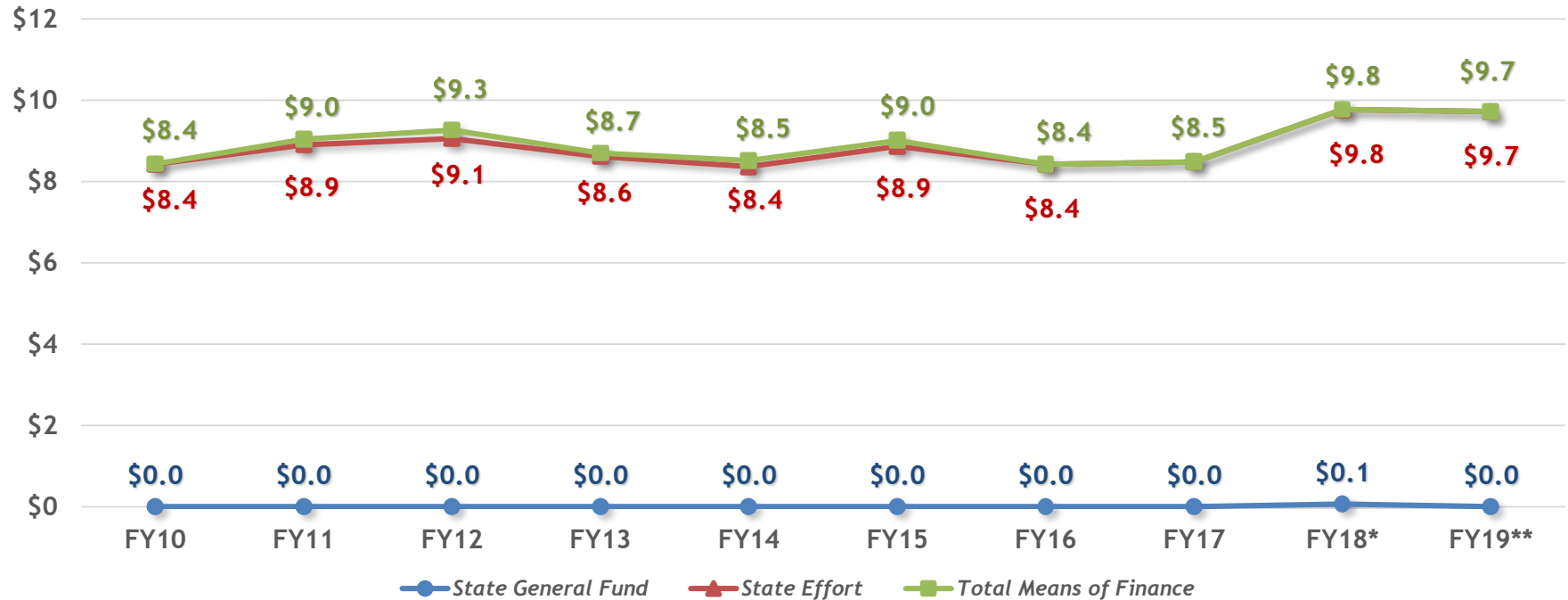
DISTRICT OFFICES

District Offices

- Made up of each elected commissioner and their staff within their respective district.
- Commissioners include:
 - District 1 - Eric Skrmetta
 - District 2 - Craig Greene
 - District 3 - Lambert C. Boissiere, III
 - District 4 - Mike Francis
 - District 5 - Foster L. Campbell



BUDGET HISTORY (IN MILLIONS)



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/17

**Executive Budget Recommendation

FUNDING OVERVIEW

Means of Financing	FY 16-17 Prior Year Actual Expenditures	FY 17-18 Existing Operating Budget	FY 18-19 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$0	\$66,396	\$0	(\$66,396)	(100.0%)
Interagency Transfers	\$0	\$0	\$0	\$0	0.0%
Fees and Self-Gen Rev	\$0	\$0	\$0	\$0	0.0%
Statutory Dedications	\$8,485,175	\$9,704,443	\$9,722,536	\$18,093	0.2%
Federal Funds	\$0	\$0	\$0	\$0	0.0%
Total Means of Finance	\$8,485,175	\$9,770,839	\$9,722,536	(\$48,303)	(0.5%)



\$18,093 Statutory Dedications

Expected increase in collections in the Motor Carrier Regulation Fund from fines, filing fees, and registration fees.



\$66,396 State General Fund

Funds appropriated in FY 18 to pay for Civil Service Market Rate adjustment, funds were not expended as they were set aside for potential mid-year cuts per the Preamble of HB1.

STATUTORY DEDICATIONS

Statutory Dedications	FY 16-17 Prior Year Actual Expenditures	FY 17-18 Existing Operating Budget	FY 18-19 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
Motor Carrier Regulation Fund	\$242,201	\$248,877	\$275,000	\$26,123	10.5%
Telephonic Solicitation Relief Fund	\$220,071	\$248,741	\$248,433	(\$308)	(0.1%)
Utility Carrier Inspection/Supervision Fund	\$8,022,903	\$9,206,825	\$9,199,103	(\$7,722)	(0.1%)
Total Statutory Dedications	\$8,485,175	\$9,704,443	\$9,722,536	\$18,093	0.2%

EXPENDITURE CHANGE OVERVIEW

Expenditure	FY 16-17 Prior Year Actual Expenditures	FY 17-18 Existing Operating Budget	FY 18-19 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
Salaries	\$4,327,519	\$5,033,075	\$5,072,031	\$38,956	0.8%
Other Compensation	\$14,328	\$38,000	\$38,000	\$0	0.0%
Related Benefits	\$2,352,385	\$2,967,444	\$2,893,808	(\$73,636)	(2.5%)
Travel	\$30,275	\$60,839	\$90,868	\$30,029	49.4%
Operating Services	\$359,187	\$402,855	\$409,555	\$6,700	1.7%
Supplies	\$19,914	\$28,539	\$28,539	\$0	0.0%
Professional Services	\$0	\$5,000	\$5,000	\$0	0.0%
Other Charges	\$1,261,049	\$1,163,832	\$1,100,374	(\$63,458)	(5.5%)
Acq/Major Repairs	\$120,518	\$71,255	\$84,361	\$13,106	18.4%
Total Expenditures	\$8,485,175	\$9,770,839	\$9,722,536	(\$48,303)	(0.5%)
Authorized Positions	99	99	97	(2)	(2.0%)

SIGNIFICANT EXPENDITURE CHANGES

Other Charges (\$63,458)

- Decrease in Interagency Transfers to the Division of Administration for rent in state-owned buildings, Capitol Park Security, Procurement, etc., as well as Risk Management and the Legislative Auditor.
- Reduction for the migration of the Motor Carrier Database and Store, Track, and Report (STAR) Public Service Commission Case Management System, which includes full agency automation and case management functionality. This migration is partially complete.

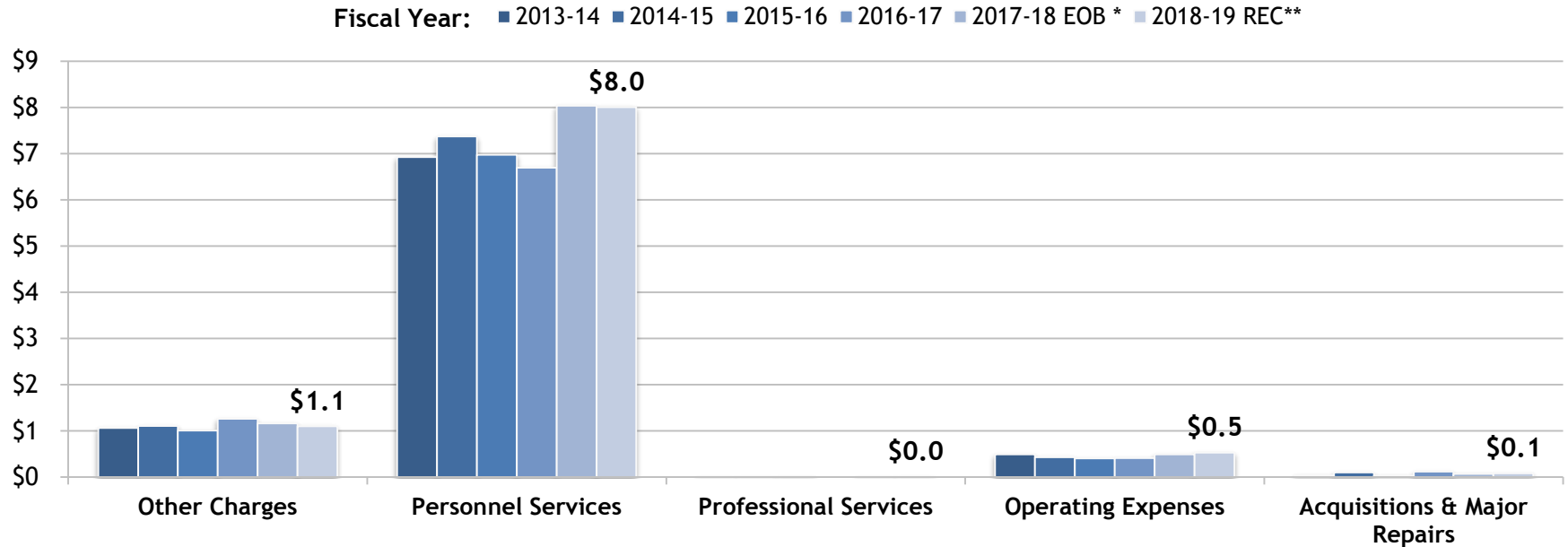
Travel \$30,029

- Increase in out-of-state travel expenditures to cover education for new, proposed, and current regulatory policies, procedures, and rate setting for Utilities and Telecommunications.

Acquisitions/Major Repairs \$13,106

- Increase to replace computers over five years old and update software.

EXPENDITURE HISTORY



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/17

**Executive Budget Recommendation

OTHER CHARGES

AMOUNT	DESCRIPTION
\$40,000	Power Outage Mapping Contract- This system allows the agency to import forecasted storm tracks and perform data queries to efficiently identify electric power provider and/or operational status during storm events and through the recovery phase.
\$40,000	STAR (Store, Track, and Report) Case Management System. Electronic filing of tariffs and applications, electronic routing, and management of dockets, agendas, calendars, hearings, LPSC meetings, digital signatures and fees.
\$32,900	MCI Contract- Do Not Call Program- contract for automated telephone subscriber registration in Louisiana.
\$2,358	Broadcast of the Commissioners' Business and Executive Sessions for the general public unable to attend.
\$985,116	Various interagency transfers which includes Office of Telecommunications, Rent in State-Owned Buildings, Mail, etc.
\$1,100,374	Total Other Charges

Source: Executive Budget Supporting Documents

DISCRETIONARY/NON-DISCRETIONARY FUNDING

TOTAL BUDGET
\$9.7 Million

**\$0 IAT
Double Count**

**\$9.7 Million
Remaining**

Self Generated
Revenue
\$0

State General Fund
\$0

Federal Funds
\$0 Million

Statutory
Dedications
\$9.7 Million

**Non Discretionary
\$1.4 Million**

**Discretionary
\$8.3 Million**

Rent in State-Owned
Buildings
\$677,765

Retirees' Group Insurance
\$413,000

Commissioner Salaries
\$331,826

Legislative Auditor Fees
\$8,660

Administrative
\$3.4 Million

District Offices
\$2.5 Million

Support Services
\$1.9 Million

Motor Carrier Registration
\$492,894

PERSONNEL INFORMATION

Personnel/Budget Ratio

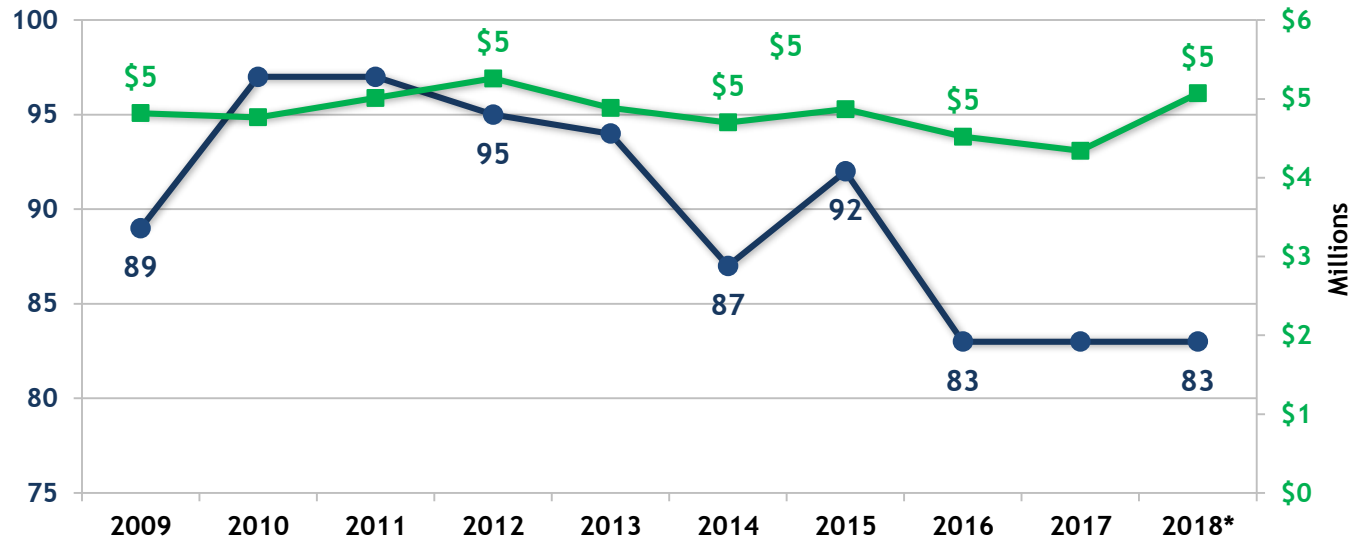
\$5.1 M Salaries and Other Comp.
+ \$2.9 M Related Benefits
= \$8 M Total Personnel Services

93% of budget expenditures
(excluding Other Charges)

Authorized Positions

- 97 (79 classified and 18 unclassified)
- Public Service Commission had 15 vacancies as of 12/25/2017.
- Executive Budget proposes to eliminate 2 vacancies.
- 0 Other Charges Positions

10 Year FTE Positions/Salaries Expended



Source: Data from the Dept. of Civil Service and the Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/2017

DO NOT CALL PROGRAM

Established on January 1, 2002, the Do Not Call Program is a list, updated and maintained by the Public Service Commission, of residential telephone subscribers who do not wish to receive telephone solicitations. Business numbers may not be registered in the program.

Any business wishing to engage in telephone solicitation of residential subscribers within the state of Louisiana is required by law (R.S. 45:844.14) to purchase a copy of the customer register.

Program Notes:

- The range for fines is \$500 to \$10,000.
- The program is free to all Louisiana residential landline telephone customers.
- The collection of registration fees and fines support the program.

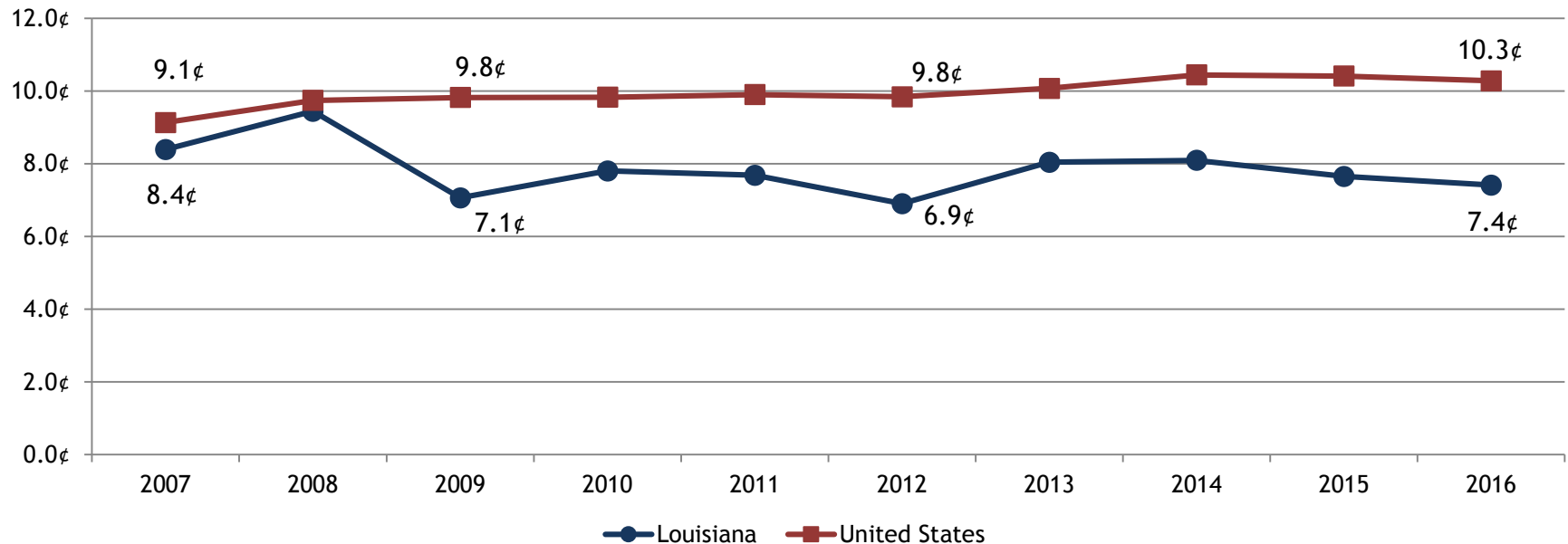
DO NOT CALL PROGRAM

DO NOT CALL	FY 13	FY 14	FY 15	FY 16	FY 17
Residents Registered Statewide	2,933,556	2,995,928	3,047,938	3,100,346	3,154,224
Solicitors Registered	1,729	1,461	1,883	1,716	1,878
Solicitor Registration Fee Collections	\$299,550	\$283,101	\$266,900	\$254,400	\$242,700
Solicitor Fines Collected	\$1,000	\$1,500	\$0	\$3,000	\$1,500

Source: Executive Budget Supporting Documents

ELECTRICITY RATES IN LOUISIANA

ELECTRICITY RATES
CENTS PER KILOWATT HOUR



Source: U.S. Energy Information Administration and the Louisiana Public Service Commission

DEPARTMENT CONTACTS



Public Service Commission

Brandon Frey	Interim Executive Secretary	(225) 342-4427
Johnny Snellgrove	Deputy Undersecretary	(225) 342-4999
Colby Cook	Legislative Liaison	(225) 342-4427