

Representative Cameron Henry
Chairman



Representative Franklin Foil
Vice Chairman

FY19-20 HB 105 Budget Review

Public Service Commission

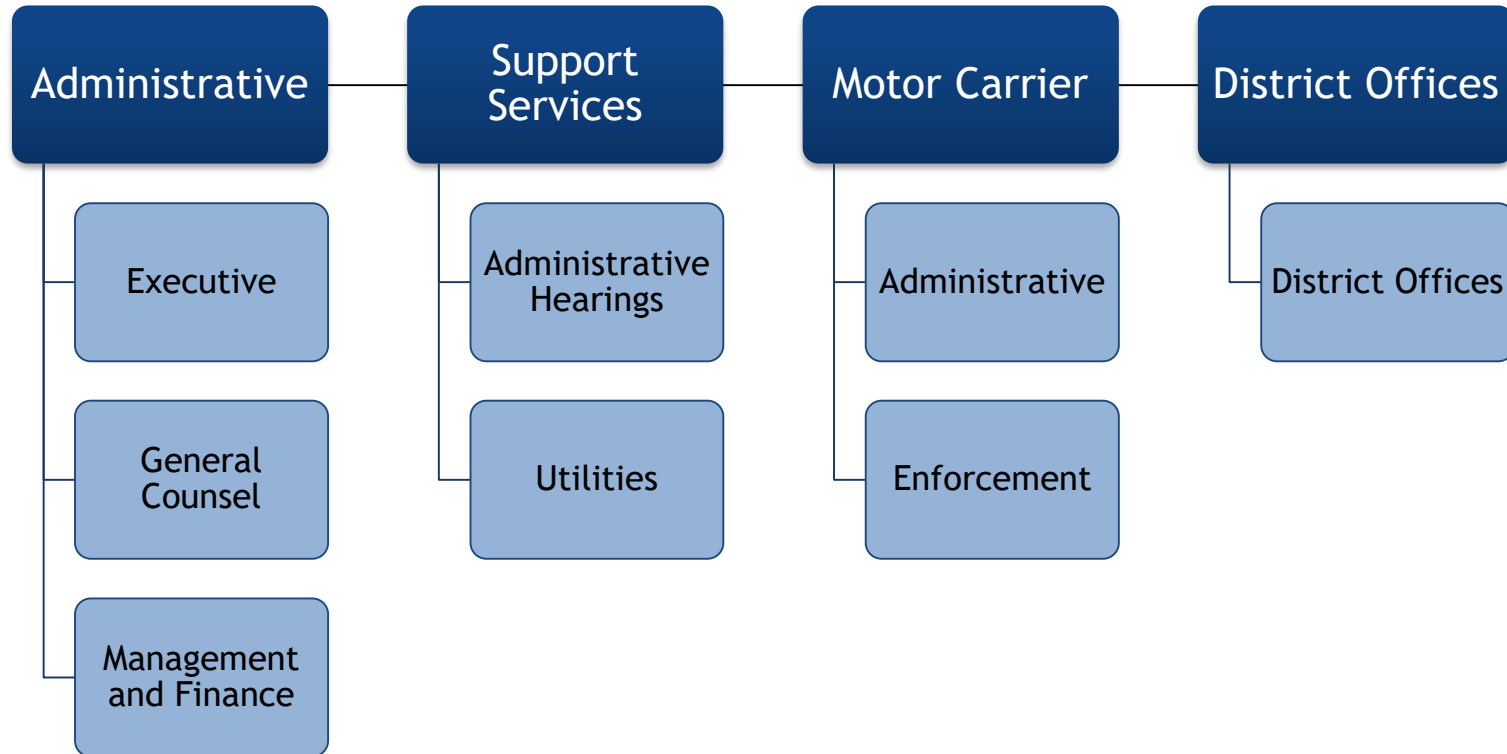
House Committee on Appropriations
by the House Fiscal Division

April 3, 2019

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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

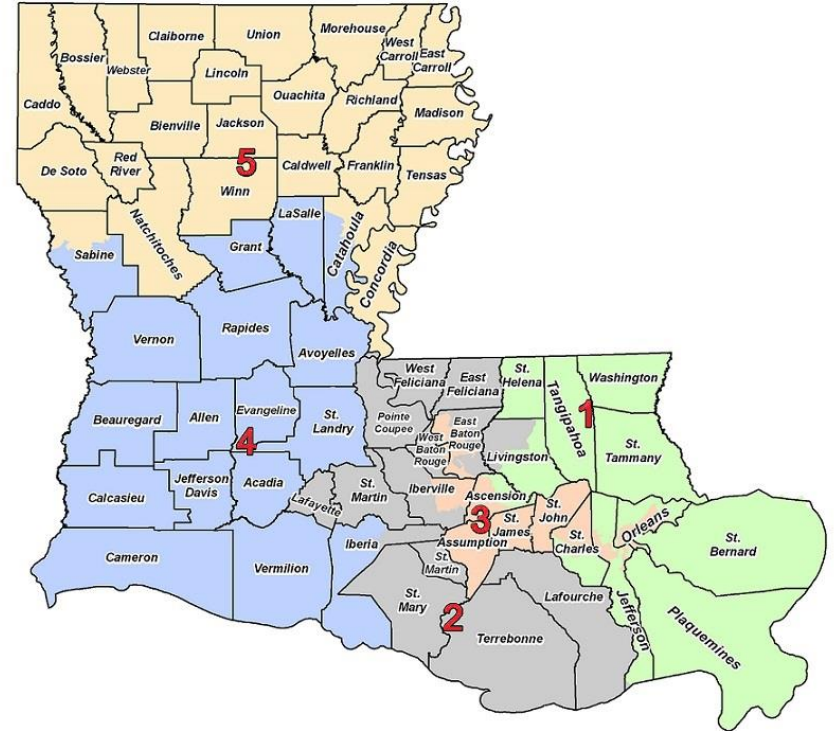
- Ensures compliance in regards to the rules and regulations for motor carriers operating in the state.



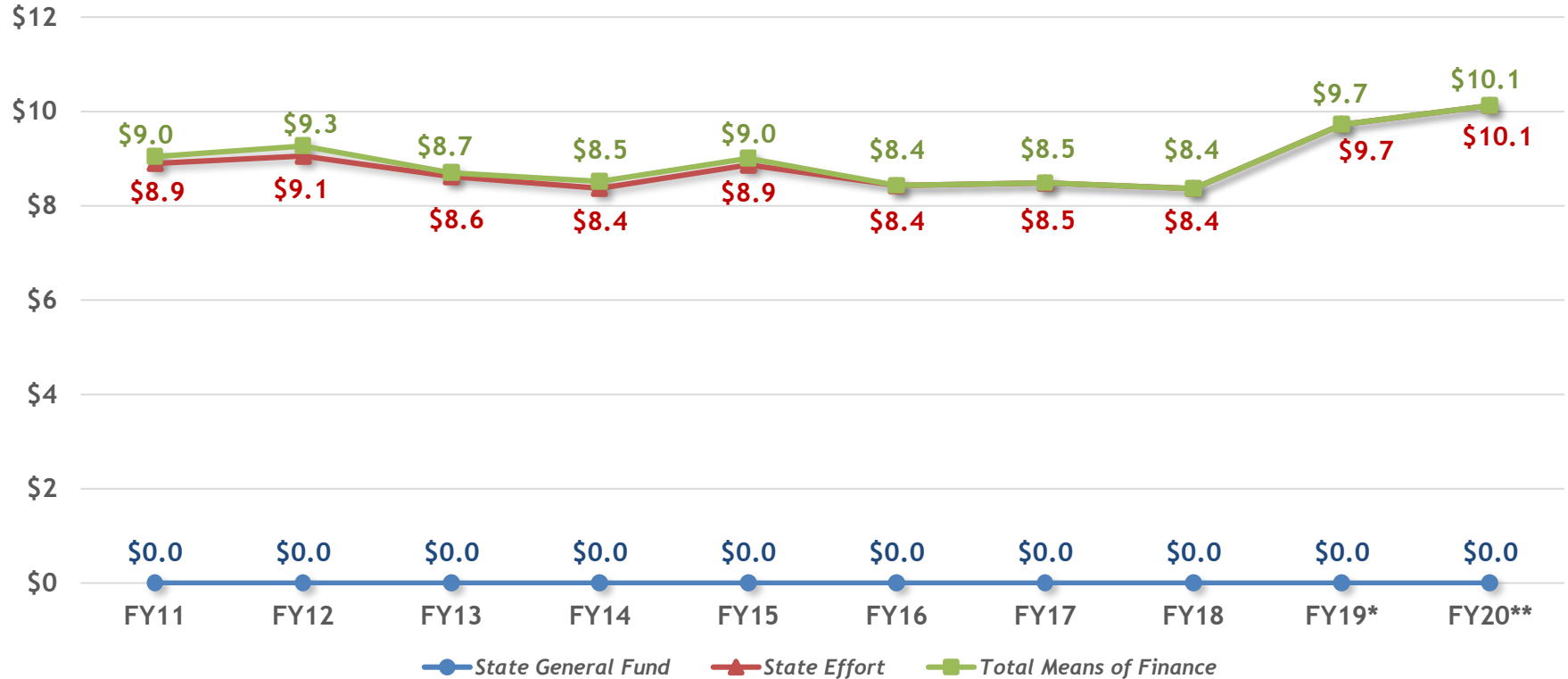
DISTRICT OFFICES

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: Budget Supporting Documents and HB 105 of 2019 RS

*Existing Operating Budget as of 12/1/18

**HB 105 of 2019 RS

FUNDING OVERVIEW

Means of Financing	FY 17-18 Prior Year Actual Expenditures	FY 18-19 Existing Operating Budget	FY 19-20 HB 105	\$ Change from Existing	% Change from Existing	\$ Change from Actuals	% Change from Actuals
State General Fund	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Interagency Transfers	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Fees and Self-Gen Rev	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Statutory Dedications	\$8,366,686	\$9,722,536	\$10,124,533	\$401,997	4.1%	\$1,757,847	21.0%
Federal Funds	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Total Means of Finance	\$8,366,686	\$9,722,536	\$10,124,533	\$401,997	4.1%	\$1,757,847	21.0%



\$401,997 Statutory Dedications

Expected increase in the Utility Carrier Inspection/Supervision Fund for the enhancements to the Utility Outage Distribution Line Map, mandatory statewide increases and various operational costs.

STATUTORY DEDICATIONS

Statutory Dedication Name	FY 17-18 Prior Year Actual Expenditures	FY 18-19 Existing Operating Budget	FY 19-20 HB 105	\$ Change from Existing	% Change from Existing	\$ Change from Actuals	% Change from Actuals
Utility Carrier Inspection/Supervision Fund	\$7,887,225	\$9,199,103	\$9,600,430	\$401,327	4.4%	\$1,713,205	21.7%
Motor Carrier Regulation Fund	\$248,877	\$275,000	\$275,000	\$0	0.0%	\$26,123	10.5%
Telephonic Solicitation Relief Fund	\$230,584	\$248,433	\$249,103	\$670	0.3%	\$18,519	8.0%
Total Statutory Dedications	\$8,366,686	\$9,722,536	\$10,124,533	\$401,997	4.1%	\$1,757,847	21.0%

EXPENDITURE CHANGE OVERVIEW

Expenditure	FY 17-18 Prior Year Actual Expenditures	FY 18-19 Existing Operating Budget	FY 19-20 HB 105	\$ Change from Existing	% Change from Existing	\$ Change from Actuals	% Change from Actuals
Salaries	\$4,284,933	\$5,072,031	\$5,185,596	\$113,565	2.2%	\$900,663	21.0%
Other Compensation	\$10,476	\$38,000	\$38,000	\$0	0.0%	\$27,524	262.7%
Related Benefits	\$2,499,163	\$2,893,808	\$3,034,639	\$140,831	4.9%	\$535,476	21.4%
Travel	\$26,649	\$90,868	\$90,868	\$0	0.0%	\$64,219	241.0%
Operating Services	\$367,638	\$396,913	\$387,563	(\$9,350)	(2.4%)	\$19,925	5.4%
Supplies	\$22,802	\$28,539	\$28,539	\$0	0.0%	\$5,737	25.2%
Professional Services	\$0	\$5,000	\$5,000	\$0	0.0%	\$5,000	0.0%
Other Charges	\$1,058,974	\$1,113,016	\$1,223,828	\$110,812	10.0%	\$164,854	15.6%
Acq/Major Repairs	\$96,051	\$84,361	\$130,500	\$46,139	54.7%	\$34,449	35.9%
Total Expenditures	\$8,366,686	\$9,722,536	\$10,124,533	\$401,997	4.1%	\$1,757,847	21.0%
Authorized Positions	99	97	97	0	0.0%	(2)	(2.0%)

SIGNIFICANT EXPENDITURE CHANGES

Operating Services (\$9,350)

- Decreases funding out the Utility and Carrier Inspection/Supervision Fund for a Vserver operating system maintenance that was purchased in FY 19.

Personnel Services \$254,396

- Increases funding within the administrative program, the motor carrier registration program and the district offices for statewide salary adjustment and related benefits, including the market rate adjustment, and the salary base.

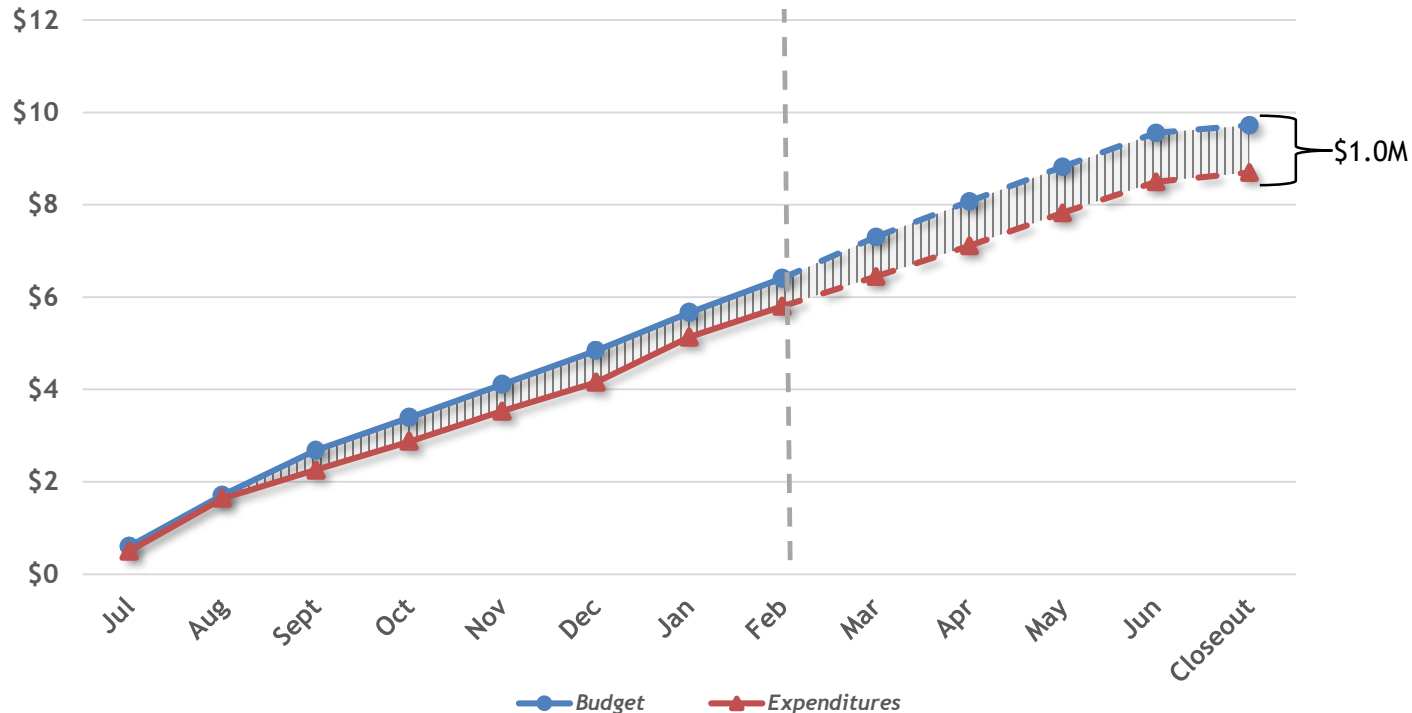
Other Charges \$110,812

- Increases funding for the I.T contract for the system maintenance and support within both the Administrative and Support Services Program.
- Increases funding for the MCI contract for the “Do Not Call” Program.

Acquisitions/Major Repairs \$46,139

- Increases funding within the Administrative, Support Services and Motor Carrier Program for the replacement of system at OTS-Information Services Building, servers and reference materials.

FY 19 EXPENDITURES TREND

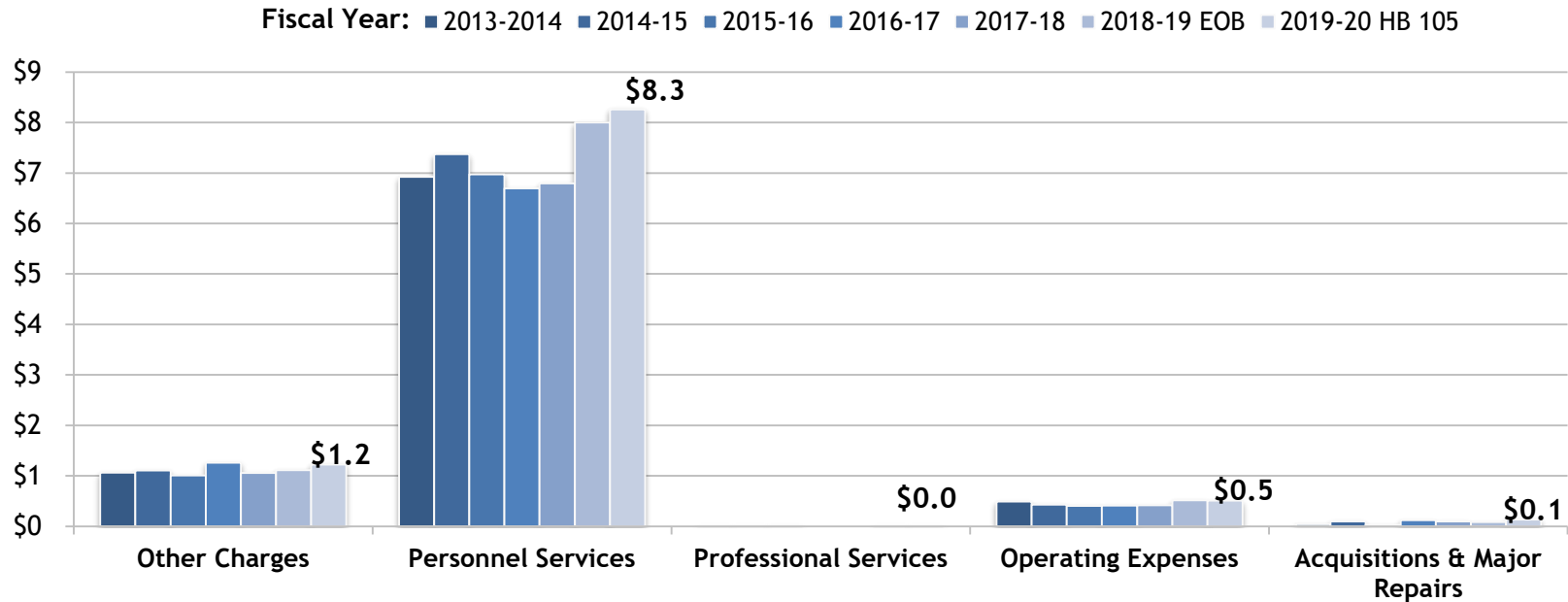


The department's budget is comprised of 100% Statutory Dedications that are carried from one fiscal year to the next. Anticipated collection balances from FY19 are built into the FY20 budget.

Analysis shows approximately \$1.0 M or 11% in total means of finance budget authority (\$9.7M budgeted - \$8.7M projected) could be unspent at year-end based on actuals through February and projections through the end of the year.

In FY18, the Department did not spend \$1.4M or 14.4% of its budget authority comparing its end of year budget and actual expenditures.

EXPENDITURE HISTORY



Source: Budget Supporting Documents and HB 105 of 2019 RS

OTHER CHARGES

AMOUNT	DESCRIPTION
\$1,107,878	Various interagency transfers which includes Office of Telecommunications, Rent in State-Owned Buildings, Mail, etc.
\$37,700	MCI Contract- Do Not Call Program- contract for automated telephone subscriber registration in Louisiana.
\$25,000	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.
\$25,000	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.
\$15,000	Broadcast of the Commissioners' Business and Executive Sessions for the general public unable to attend.
\$9,250	I.T. Contract and services for System Maintenance.
\$4,000	Services for system maintenance and support.
\$1,223,828	Total Other Charges

PERSONNEL INFORMATION

FY 19-20

Personnel/Budget Ratio

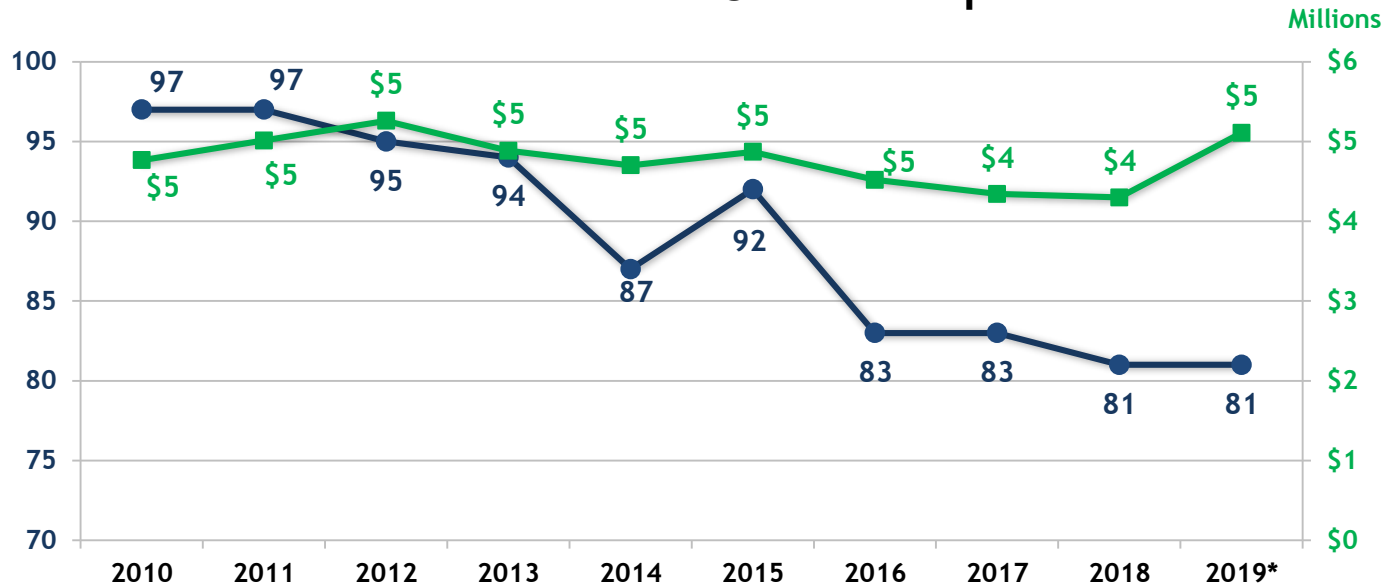
\$5.2M Salaries and Other
Comp.
+ \$3.0M Related Benefits
= \$8.2 M Total Personnel
Services

**93% of budget
expenditures
(excluding Other Charges)**

Authorized Positions

- 97 (79 classified and 18 unclassified)
- Public Service Commission had 18 vacancies as of 1/31/2019.
- 0 Other Charges Positions
- 1 non TO position

10 Year FTE Positions/Salaries Expended



Source: Data from the Dept. of Civil Service and Budget Supporting Documents and HB 105 of 2019 RS

*Existing Operating Budget as of 12/1/2018

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.

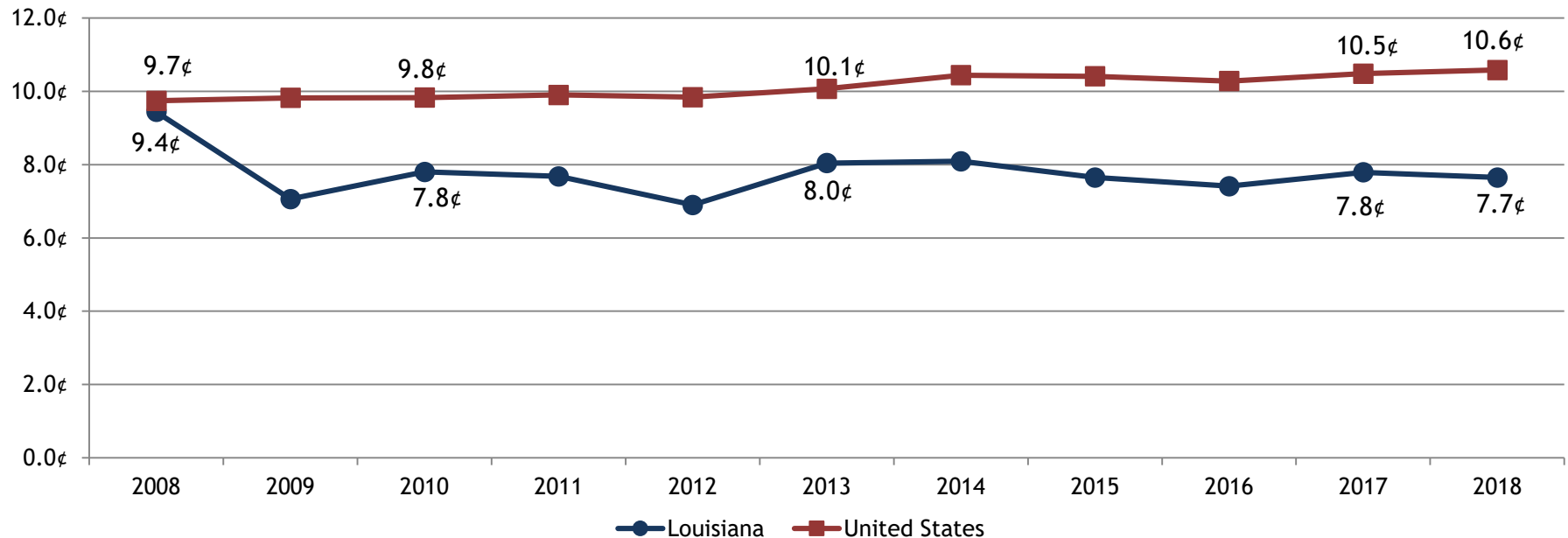
DO NOT CALL PROGRAM

DO NOT CALL	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18
Residents Registered Statewide	2,933,556	2,995,928	3,047,938	3,100,346	3,154,224	3,228,617
Solicitors Registered	1,729	1,461	1,883	1,716	1,878	1,615
Solicitor Registration Fee Collections	\$299,550	\$283,101	\$266,900	\$254,400	\$242,700	\$236,400
Solicitor Fines Collected	\$1,000	\$1,500	\$0	\$3,000	\$1,500	\$1,500

Source: Budget Supporting Documents and Louisiana Public Service Commission

ELECTRICITY RATES IN LOUISIANA

ELECTRICITY RATES
CENTS PER KILOWATT HOUR



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

DEPARTMENT CONTACTS



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