

## Public Utility Commission

	2013-15 Actual	2015-17 Legislatively Approved*	2017-19 Current Service Level	2017-19 Governor's Budget
Other Funds	37,395,874	45,461,175	48,094,159	45,748,827
Other Funds (Nonlimited)	80,665,904	66,279,866	56,290,822	56,290,822
Federal Funds	2,345,176	726,238	721,958	721,958
<b>Total Funds</b>	120,406,954	112,467,279	105,106,939	102,761,607
Positions	126	129	126	126
FTE	124.63	126.60	125.13	125.13

\*Includes Emergency Board and administrative actions through December 2016

### Program Description

The Public Utility Commission of Oregon (PUC) regulates rates and services offered by private Oregon electric and natural gas utilities, telecommunications companies, and water companies. The PUC works to ensure consumers receive safe and reliable utility services at fair and reasonable rates, while allowing regulated companies the opportunity to earn an adequate return on their investment. The three-member commission is appointed by the Governor and subject to Senate confirmation. The Commission provides administrative and budget support to the Oregon Board of Maritime Pilots, an independent occupational licensing and regulatory agency for state maritime pilots, whose mission is to protect public health, safety, and welfare by ensuring only the best-qualified persons are licensed to pilot vessels.

### CSL Summary and Issues

The PUC is funded almost entirely by Other Funds derived from fees assessed on regulated entities. The Commission also receives Federal Funds from the US Department of Transportation for the Natural Gas Pipeline Safety Program. The current service level (CSL) budget represents a 6.5% decrease compared to the 2015-17 legislatively adopted budget. This decrease mostly reflects anticipated reduced payments to eligible telecommunications carriers necessitated by a continued decline in telecommunication revenues as customers move from traditional wireline to wireless service. The CSL budget includes standard inflation adjustments, as well as increases for Attorney General fees and state government service charges. There are no significant CSL issues.

### Policy Issues

The Commission assesses annual fees on regulated electric, natural gas, water utilities, and telecommunications providers that fund the majority of the Commission's operating expenditures. As customers continue to transition from landline to wireless services, the telecommunications industry's projected gross revenues will decrease between 2017 and 2019 resulting in a revenue loss of approximately

3% per year. Commission revenue from the energy industry will increase by an estimated 2% per year. Given that the Commission receives more revenue from the energy industry than it does from the telecommunication industry, the growth in electricity industry revenue will continue to offset the loss of telecommunications industry revenue.

#### Other Significant Issues and Current Discussions

- PUC is seeking \$400,000 (OF) to begin implementation of a new e-filing/e-discovery system to replace the existing filing and docketing system. The new system will provide a means to electronically transfer large files and provide a secure means to electronically transfer protected information. This project is in the planning stage. Cost estimate is based on a quote from a vendor that built a similar platform for the California Energy Commission. If approved the PUC will, per State IT Policy, need to submit a business case and project planning documents to the Office of the State Chief Information Officer (OSCIO) and obtain State CIO approval prior to releasing a Request For Proposals to initiate the project.