

Representative Cameron Henry  
Chairman



Representative Franklin Foil  
Vice Chairman

# **FY17-18 Executive Budget Review Public Service Commission**

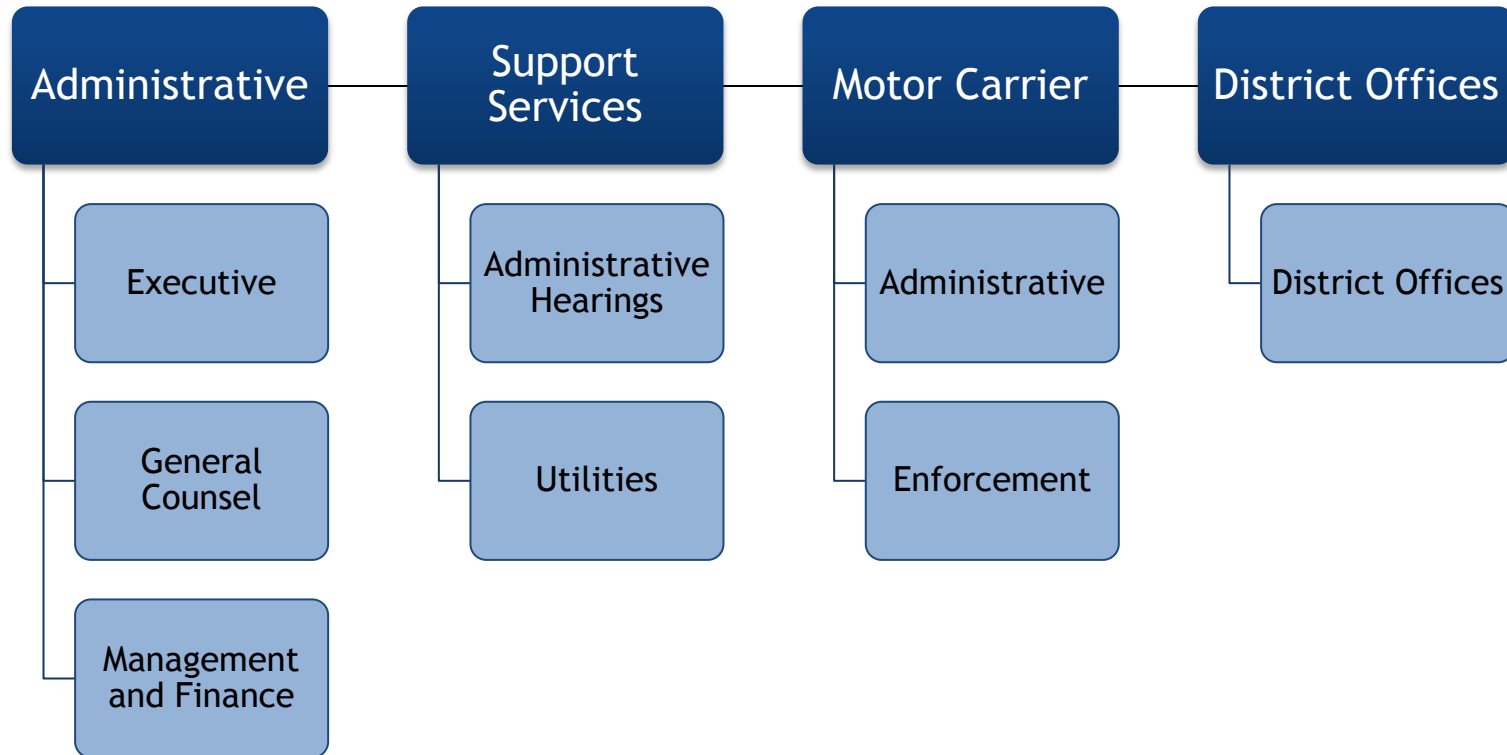
**House Committee on Appropriations**  
Prepared by the House Fiscal Division

April 4, 2017

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# DEPARTMENT ORGANIZATION



# 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

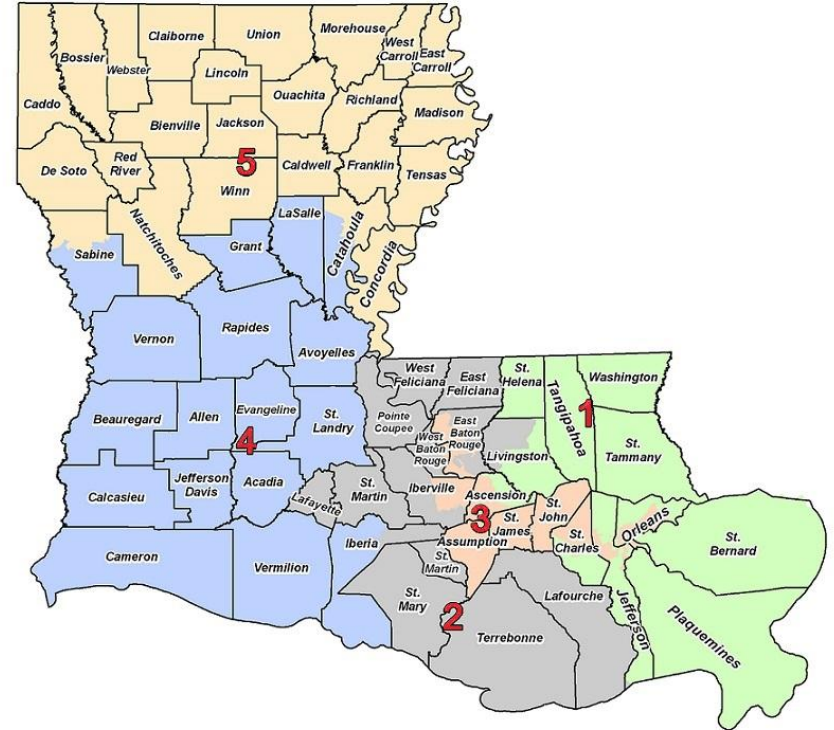
- Ensures compliance in regards to the rules and regulations for motor carriers operating in the state.



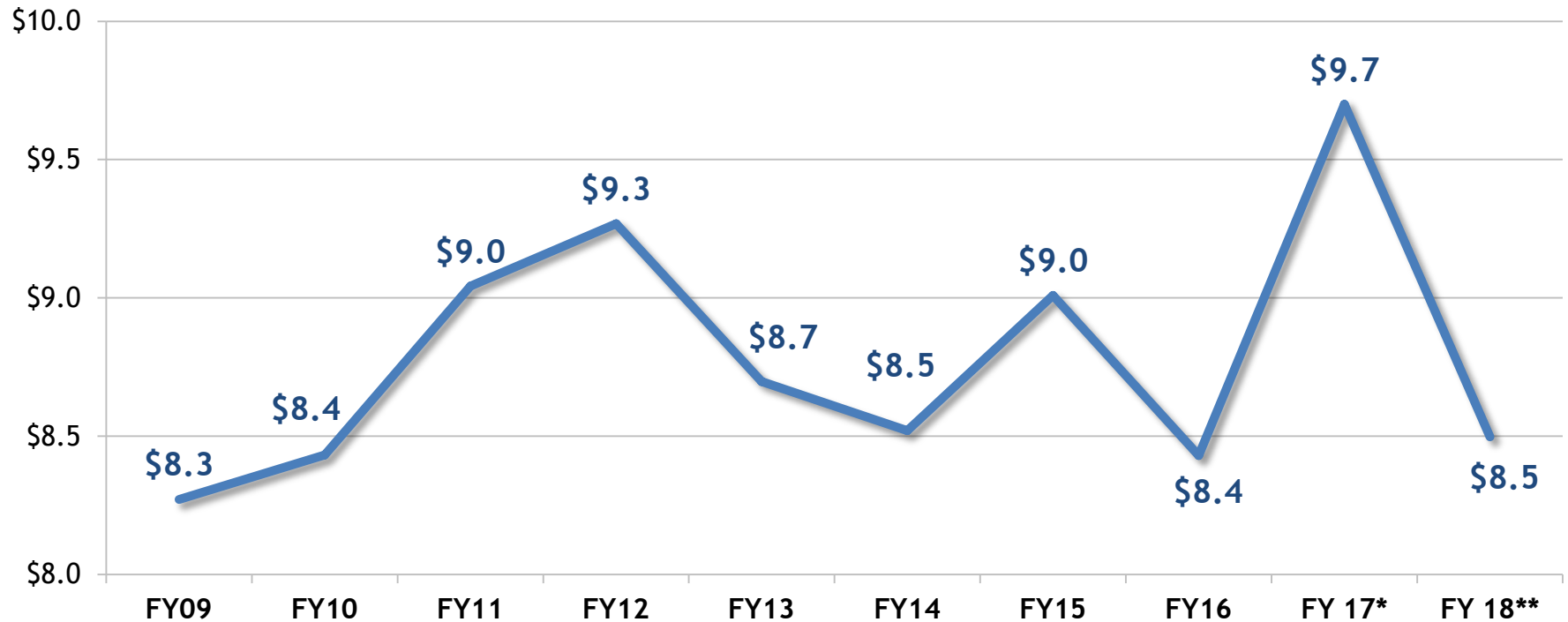
# DISTRICT OFFICES

## District Offices

- Made up of each elected commissioner and their staff within their respective district.
- Commissioners include:
  - District 1 - Eric Skrmetta
  - District 2 - Scott A. Angelle
  - 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 12/1/16  
\*\*Governor's Executive Budget Recommendation



# SOURCES OF REVENUE

Statutory Dedication	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
Utility and Carrier Inspection and Supervision Fund	\$9,200,000	\$8,000,000	(\$1,200,000)	(13.0%)
Telephonic Solicitation Relief Fund	\$250,786	\$248,741	(\$2,045)	(0.8%)
Motor Carrier Regulation Fund	\$248,877	\$248,877	\$0	0.0%
<b>Total</b>	<b>\$9,699,663</b>	<b>\$8,497,618</b>	<b>(\$1,202,045)</b>	<b>(12.4%)</b>

# MEANS OF FINANCE BREAKDOWN

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$0	\$0	\$0	\$0	0.0%
Interagency Transfers	\$0	\$0	\$0	\$0	0.0%
Fees and Self-Gen Rev.	\$0	\$0	\$0	\$0	0.0%
Statutory Dedications	\$8,429,499	\$9,699,663	\$8,497,618	(\$1,202,045)	(12.4%)
Federal Funds	\$0	\$0	\$0	\$0	0.0%
<b>Total Means of Finance</b>	<b>\$8,429,499</b>	<b>\$9,699,663</b>	<b>\$8,497,618</b>	<b>(\$1,202,045)</b>	<b>(12.4%)</b>
State Effort	\$8,429,499	\$9,699,663	\$8,497,618	(\$1,202,045)	(12.4%)

These comparisons are to the Existing Operating Budget at December 1, 2016.

# MEANS OF FINANCE BREAKDOWN - AFTER DEFICITS

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$0	\$0	\$0	\$0	0.0%
Interagency Transfers	\$0	\$0	\$0	\$0	0.0%
Fees and Self-Gen Rev.	\$0	\$0	\$0	\$0	0.0%
Statutory Dedications	\$8,429,499	\$9,686,259	\$8,497,618	(\$1,188,641)	(12.3%)
Federal Funds	\$0	\$0	\$0	\$0	0.0%
<b>Total Means of Finance</b>	<b>\$8,429,499</b>	<b>\$9,686,259</b>	<b>\$8,497,618</b>	<b>(\$1,188,641)</b>	<b>(12.3%)</b>
State Effort	\$8,429,499	\$9,686,259	\$8,497,618	(\$1,188,641)	(12.3%)


Change in FY16-17 Existing  
Operating Budget:

**(\$13,404) or (0.1%)**

- **1<sup>st</sup> Deficit:** \$0  
No reductions
- **2<sup>nd</sup> Deficit:** **(\$13,404)**  
Reductions in related benefits  
and other charges.

These comparisons are to the Existing Operating Budget at March 1, 2017, which includes all adjustments since December 1, 2016, including the two mid-year deficit reductions.

# SIGNIFICANT ADJUSTMENTS



\$237,171  
SD

Decrease in the Utility and Carrier Inspection and Supervision Fund that was utilized for the creation of the Motor Carrier Database, which should be completed by the end of FY17.



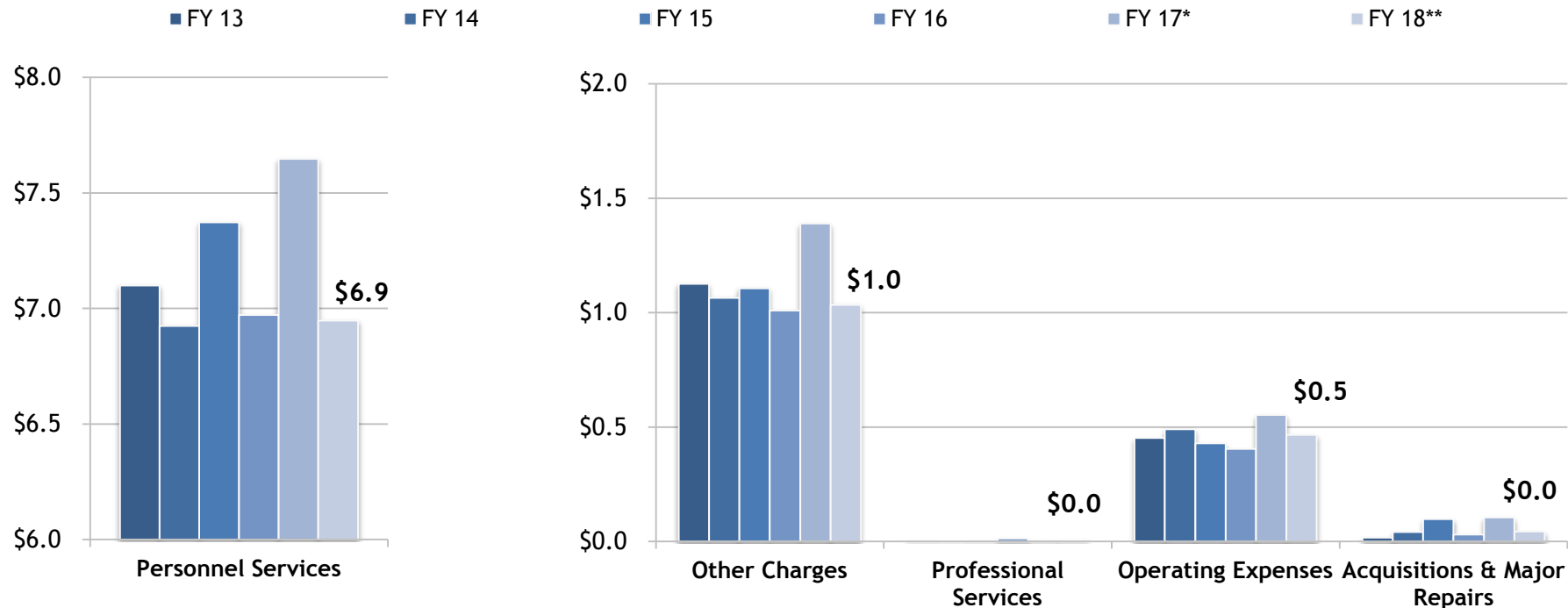
\$1.4 M  
SD

Decrease in the Utility and Carrier Inspection and Supervision Fund to reflect the current revenue estimates by the Revenue Estimating Conference. This reduction will largely affect salaries and related benefits, and will prohibit the department from filling critical positions, such as attorneys, auditors, and enforcement agents. This reduction may also jeopardize the migration to the Star PSC Case Management System.

# EXPENDITURE BREAKDOWN

Expenditure	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
Salaries	\$4,495,336	\$4,764,711	\$4,440,988	(\$323,723)	(6.8%)
Other Compensation	\$24,553	\$38,000	\$33,000	(\$5,000)	(13.2%)
Related Benefits	\$2,452,071	\$2,844,789	\$2,473,656	(\$371,133)	(13.0%)
Travel	\$36,377	\$82,747	\$38,940	(\$43,807)	(52.9%)
Operating Services	\$348,024	\$434,855	\$402,855	(\$32,000)	(7.4%)
Supplies	\$20,174	\$35,365	\$24,365	(\$11,000)	(31.1%)
Professional Services	\$13,240	\$5,000	\$5,000	\$0	0.0%
Other Charges	\$1,008,807	\$1,389,196	\$1,034,394	(\$354,802)	(25.5%)
Acq/Major Repairs	\$30,917	\$105,000	\$44,420	(\$60,580)	(57.7%)
<b>Total Expenditures</b>	<b>\$8,429,499</b>	<b>\$9,699,663</b>	<b>\$8,497,618</b>	<b>(\$1,202,045)</b>	<b>(12.4%)</b>
Authorized Positions	97	99	99	0	0.0%

# EXPENDITURE HISTORY (IN MILLIONS)



Source: Executive Budget Supporting Documents

\*Existing Operating Budget as of 12/1/16  
 \*\*Governor's Executive Budget Recommendation

# OTHER CHARGES

AMOUNT	DESCRIPTION
\$677,950	Rent in State Owned Buildings
\$100,579	Office of Telecommunications fees
\$55,281	Risk Management fees
\$32,900	Do Not Call Program Contract (Automated Telephone Subscriber Registration)
\$167,684	Various Other Charges Expenditures
<b>\$1,034,394</b>	<b>TOTAL OTHER CHARGES</b>

Source: Executive Budget Supporting Documents

# 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 collections of registration fees and fines support the program.



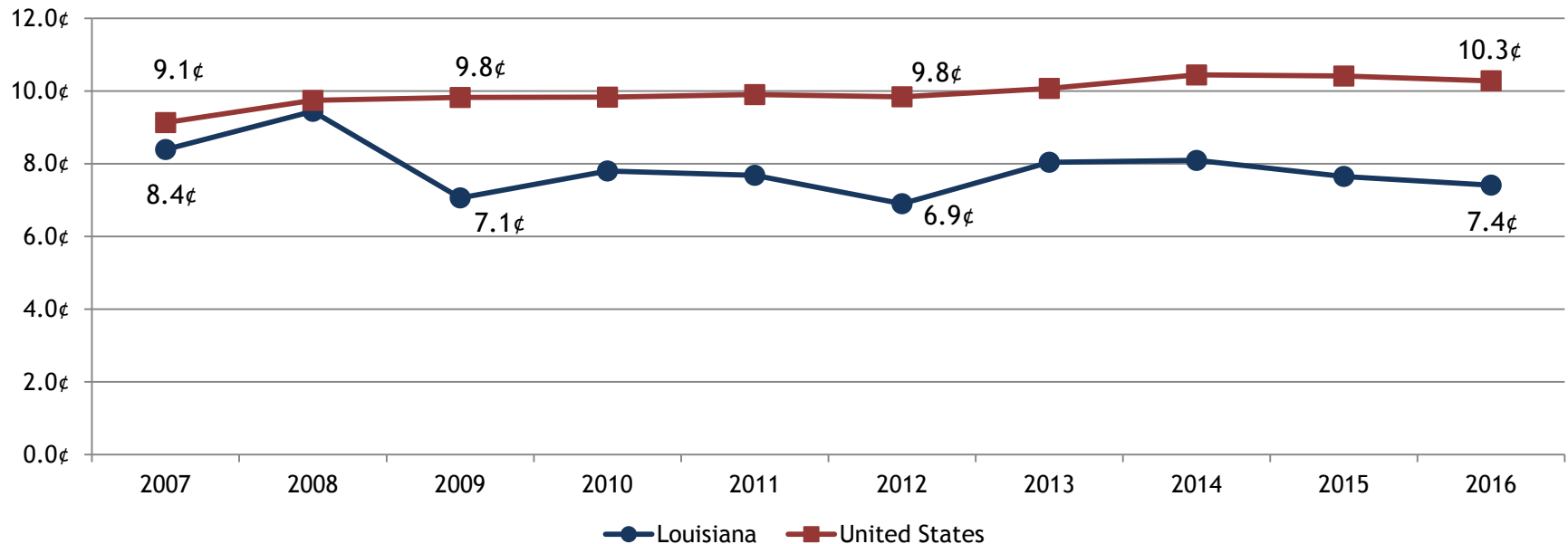
# DO NOT CALL PROGRAM

DO NOT CALL	FY 12	FY 13	FY 14	FY 15	FY 16
Residents Registered Statewide	2,851,855	2,933,556	2,995,928	3,047,938	3,100,346
Solicitors Registered	1,064	1,729	1,461	1,883	1,716
Solicitor Registration Fee Collections	\$288,100	\$299,550	\$283,101	\$266,900	\$254,400
Solicitor Fines Collected	\$5,000	\$1,000	\$1,500	\$0	\$3,000

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

# PERSONNEL INFORMATION

## Personnel/Budget Ratio

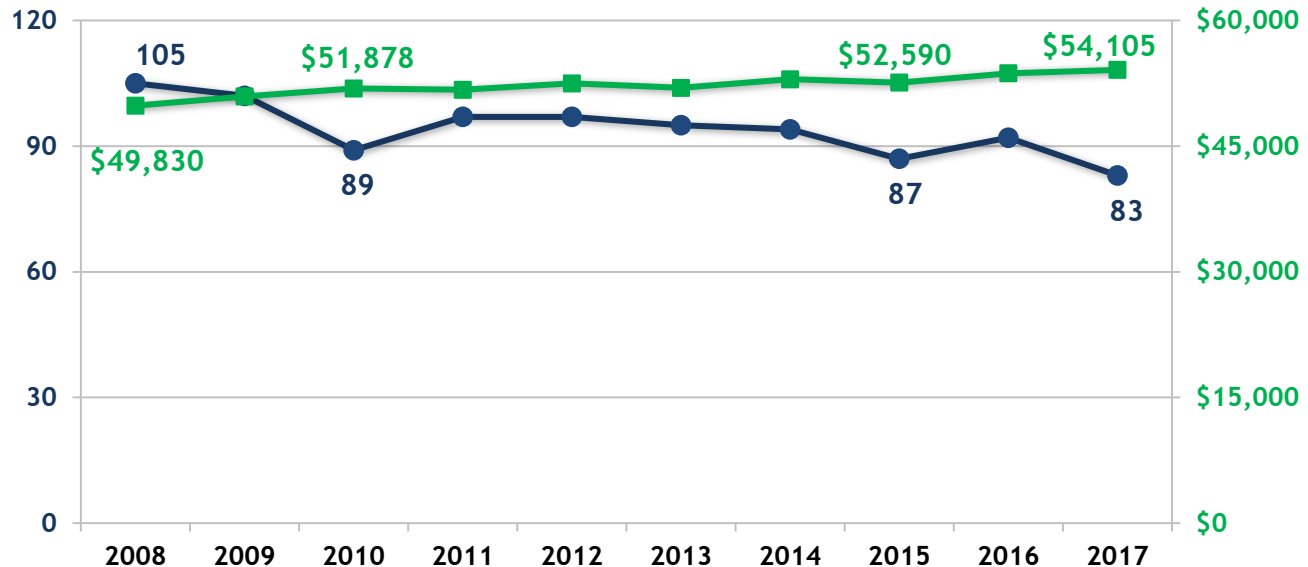
\$4.5 M      Salaries and Other Comp.  
+ \$2.5 M      Related Benefits  
= \$7.0 M      Total Personnel Services

**93.1% of budget expenditures  
(excluding Other Charges)**

## Authorized Positions

- 99 (81 classified and 18 unclassified)
- Public Services Commission had 17 vacancies as of 1/27/2017
- 0 Other Charges Positions

## 10 YEAR FTE POSITIONS / AVERAGE SALARY



Source: FTE and Average Salary data provided by the Dept. of Civil Service

# DEPARTMENT CONTACTS



## Public Service Commission

Eve Gonzalez	Executive Secretary	(225) 342-4427
Johnny Snellgrove	Deputy Undersecretary	(225) 342-4999
Colby Cook	Press Secretary	(225) 342-4427