

Representative Jerome Zeringue
Chairman



Representative Gary Carter
Vice Chairman

Fiscal Year 2020-21 HB105 Budget Review Public Service Commission

House Committee on Appropriations
by the House Fiscal Division

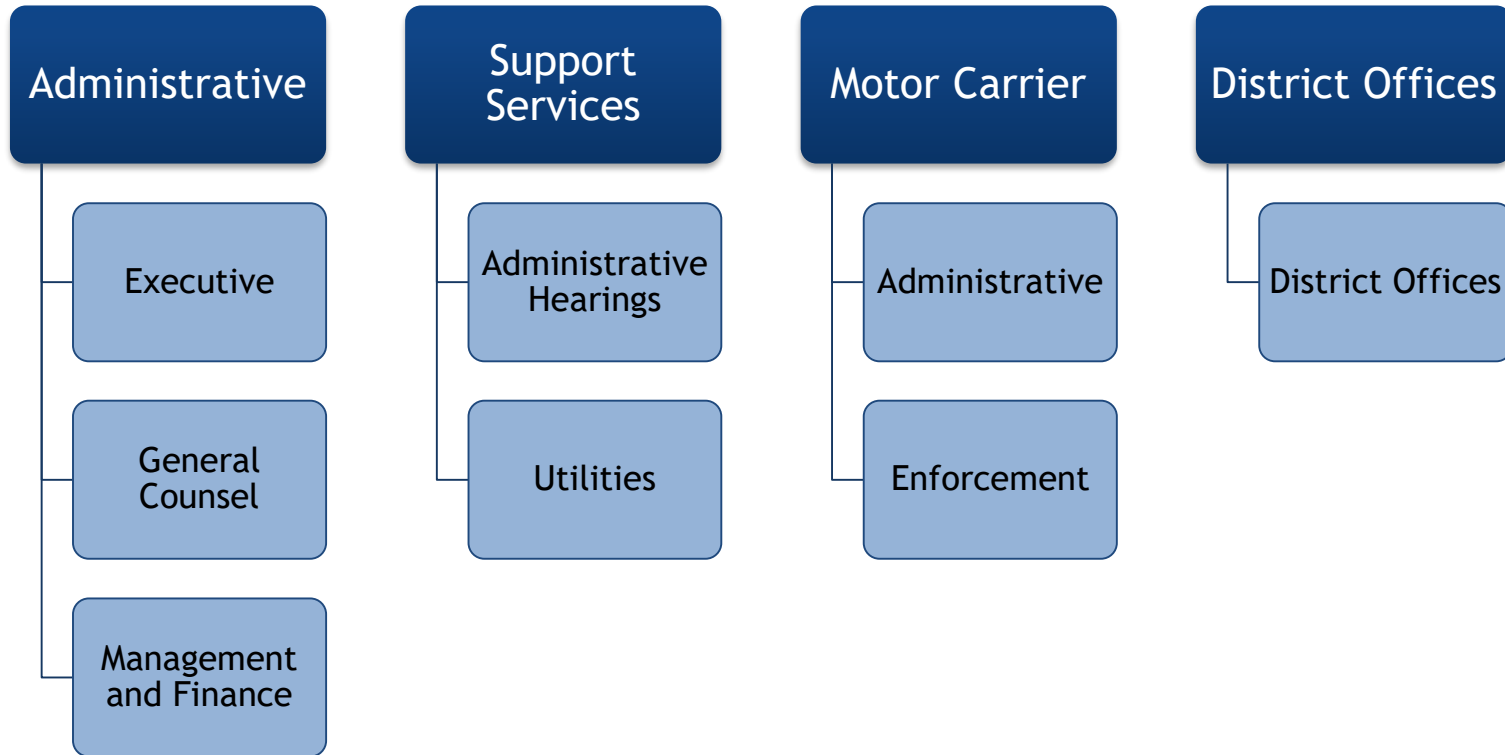
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DEPARTMENT ORGANIZATION



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 Finance

- 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

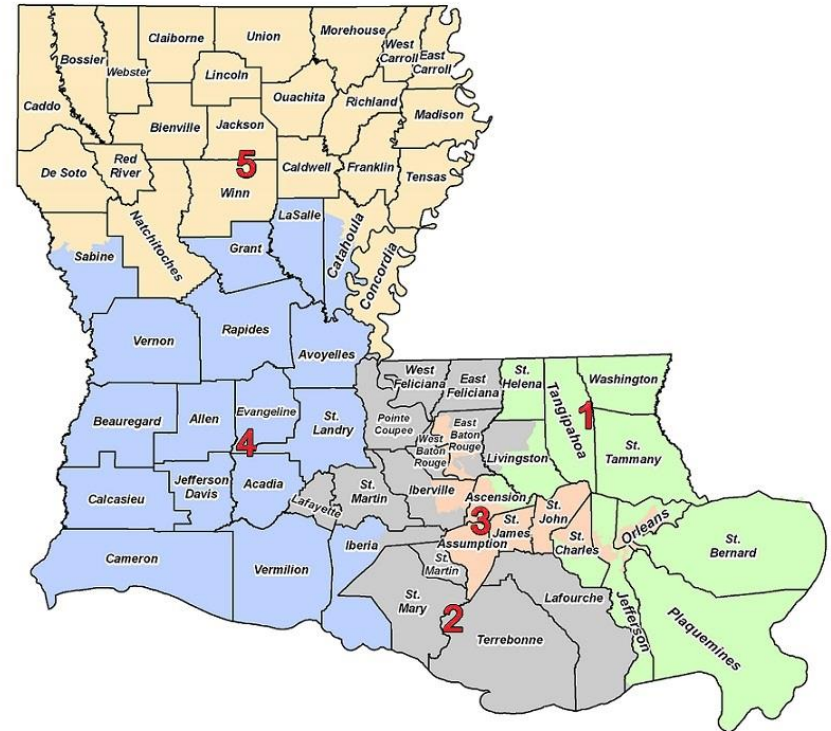
- Ensures compliance in regards to the rules and regulations for motor carriers operating in the state.



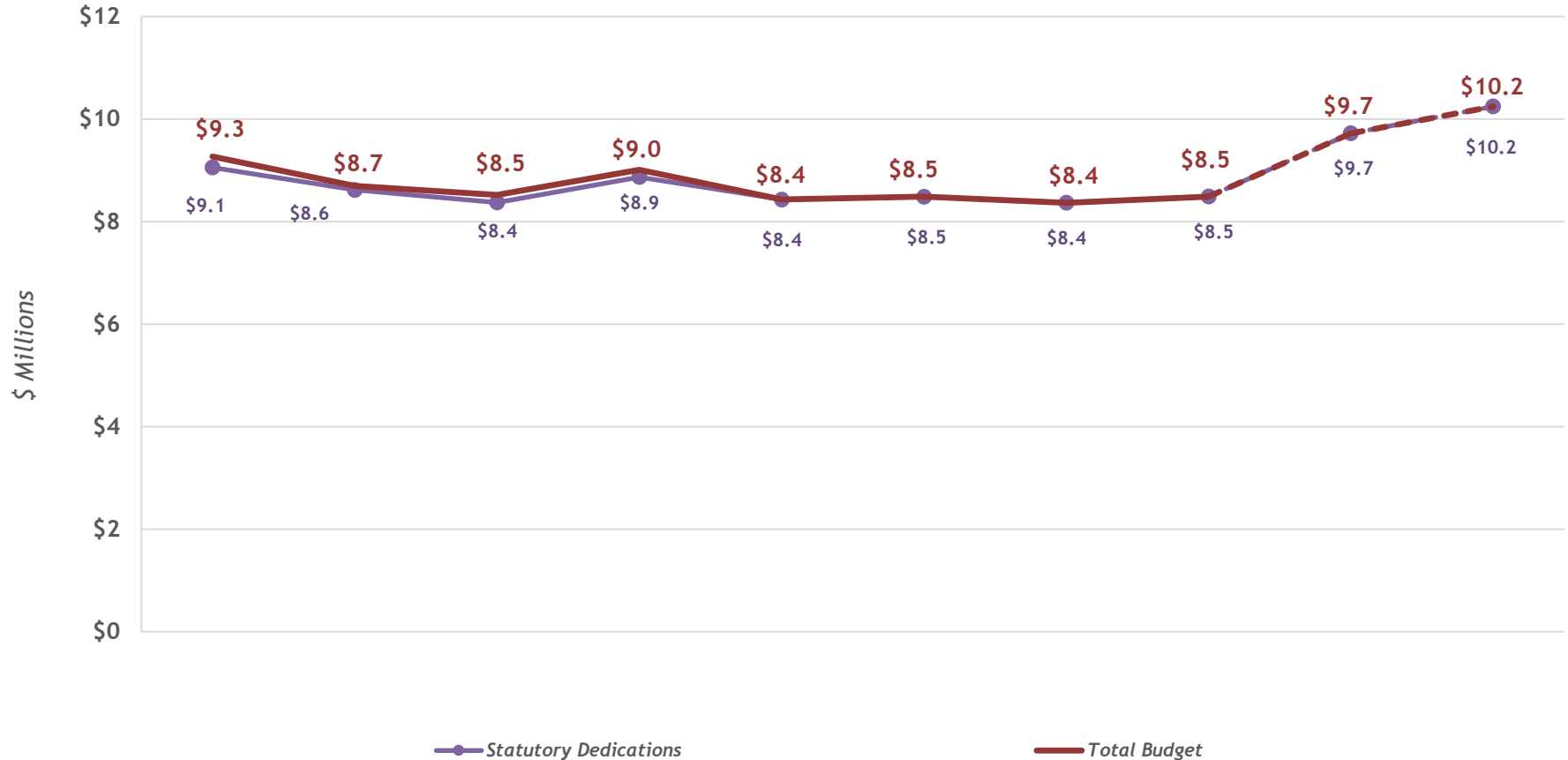
DISTRICT OFFICES

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



HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB105 of the 2020 Regular Session

SOURCES OF FUNDING

Motor Carrier Regulation Fund \$220,662

Under RS 45:169.1, monies in the fund are from the collection of intrastate application, registration, and permit fees, and fines collected from penalties.

Telephonic Solicitation Relief Fund \$239,103

Under R.S. 45:844.14, any residential telephonic subscriber desiring to be placed on a "do not call" listing shall be placed on that listing upon the commission's receipt of a request form. The monies in the fund are from the collection from solicitors looking to do business in the state, as well as fines to those that violate Do Not Call provisions.

Utility and Carrier Inspection/Supervision Fund \$9,783,078

Under RS 45:1177, each common carrier, contract carrier, and public utility doing business in Louisiana, pays to the state a fee for inspection, control, and supervision of the business service and rates.

FUNDING CHANGE COMPARISON

Means of Finance	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
SGF	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
IAT	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
FSGR	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
STAT DED	\$8,489,064	\$9,722,536	\$10,242,843	\$520,307	5.4%	\$1,753,779	20.7%
FEDERAL	\$0	\$0		\$0	0.0%	\$0	0.0%
Total	\$8,489,064	\$9,722,536	\$10,242,843	\$520,307	5.4%	\$1,753,779	20.7%

Significant Revenue Changes from EOB:



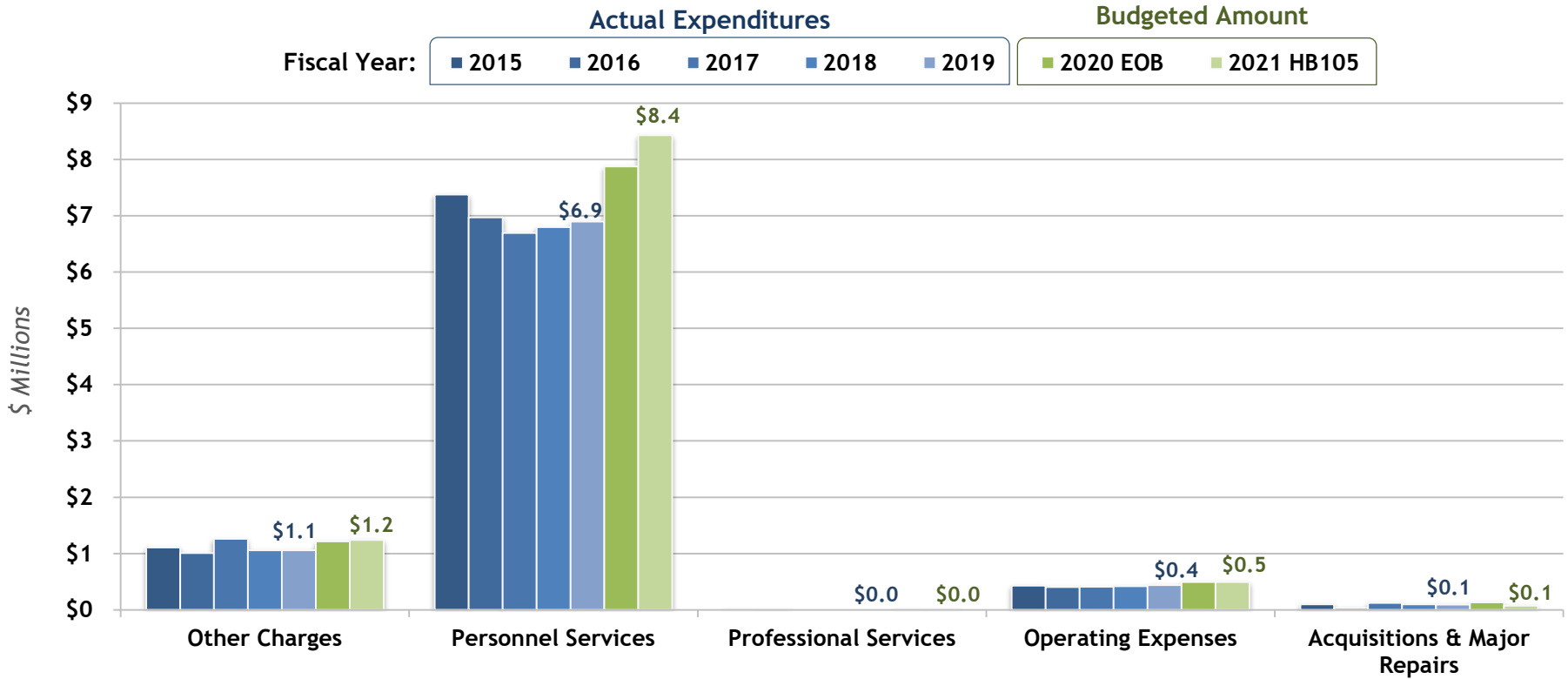
\$520,307 Statutory Dedication

Net increase in budget authority in the Utility Carrier Inspection/Supervision Fund due to new ruling that will generate more fees.

STATUTORY DEDICATIONS

Statutory Dedication Name	FY 18-19	FY 19-20	FY 20-21	Change from EOB		Change from Actuals	
	Actual Expenditures	Existing Operating Budget	HB105 Budget	\$	%	\$	%
Utility Carrier Inspection/Supervision Fund	\$7,987,770	\$9,198,433	\$9,783,078	\$584,645	6.4%	\$1,795,308	22.5%
Motor Carrier Regulation Fund	\$269,633	\$275,000	\$220,662	(\$54,338)	(19.8%)	(\$48,971)	(18.2%)
Telephonic Solicitation Relief Fund	\$231,661	\$249,103	\$239,103	(\$10,000)	(4.0%)	\$7,442	3.2%
Total	\$8,489,064	\$9,722,536	\$10,242,843	\$520,307	5.4%	\$1,753,779	20.7%

EXPENDITURE HISTORY



Source: Office of Planning and Budget - Executive and Proposed Budget Supporting Documents

EXPENDITURE CHANGE COMPARISON

Expenditure Category	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
Salaries	\$4,377,814	\$4,943,316	\$5,222,373	\$279,057	5.6%	\$844,559	19.3%
Other Compensation	\$16,402	\$38,000	\$38,000	\$0	0.0%	\$21,598	131.7%
Related Benefits	\$2,502,785	\$2,894,107	\$3,169,615	\$275,508	9.5%	\$666,830	26.6%
Travel	\$32,048	\$90,868	\$90,868	\$0	0.0%	\$58,820	183.5%
Operating Services	\$388,085	\$375,351	\$375,351	\$0	0.0%	(\$12,734)	(3.3%)
Supplies	\$21,145	\$28,539	\$28,539	\$0	0.0%	\$7,394	35.0%
Professional Services	\$0	\$5,000	\$5,000	\$0	0.0%	\$5,000	0.0%
Other Charges/IAT	\$1,055,973	\$1,216,855	\$1,241,237	\$24,382	2.0%	\$185,264	17.5%
Acq/Major Repairs	\$94,812	\$130,500	\$71,860	(\$58,640)	(44.9%)	(\$22,952)	(24.2%)
Total	\$8,489,064	\$9,722,536	\$10,242,843	\$520,307	5.4%	\$1,753,779	20.7%

SIGNIFICANT EXPENDITURE CHANGES

\$554,565 - Personal Services

\$279,057	Increase in “Salaries” is due to net change in statewide adjustments from salary base adjustments and attrition adjustments.
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\$275,508	Increase in “Related Benefits” is due to statewide related benefits base adjustments.
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(\$58,640) - Acquisitions

\$71,860	Increase is due to the acquisitions of various non-IT items across all programs such as annual updates for law libraries, office furniture for commissioners, central staff and equipment replacement.
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IT related acquisitions include scanners, computers, software and upgrade and replacement of equipment.

(\$130,500)	Reduction is due to the non-recurring acquisitions and major repairs from FY 20.
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OTHER CHARGES DETAIL

Other Charges

Amount	Description
\$13,250	Services for system maintenance and support.
\$34,700	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.
\$25,000	STAR (Store, Track, and Report) Case Management System.
\$23,400	Broadcast of the Commissioners' Business and Executive Sessions for the general public unable to attend.
\$121,350	Total Other Charges

Interagency Transfers

Amount	Description
\$15,281	Civil Service
\$42,623	DOA Office of Technology Services (OTS)
\$4,664	DOA Office of State Procurement (OSP)
\$2,000	DOA State Printing
\$9,800	DEQ - EBRPSO Security Cost Allocation
\$26,715	Legislative Auditor Fees
\$797,516	Rent In-State Owned Buildings
\$4,081	Uniform Payroll System
\$45,045	Office of Risk Management
\$40,410	Capitol Park Security
\$10,250	Office of State Mail
\$121,502	Office of Telecom. for Telephone Services
\$1,119,887	Total OC-Interagency Transfers

FY19 UNSPENT AUTHORITY

	End of Fiscal Year Budget	Actual Amount Spent	Unspent Budget Authority	Unspent Budget %	Unspent % by MOF
SGF	\$0	\$0	\$0	0.0%	0.0%
IAT	\$0	\$0	\$0	0.0%	0.0%
FSGR	\$0	\$0	\$0	0.0%	0.0%
STAT DED	\$9,722,536	\$8,489,063	\$1,233,473	12.7%	100.0%
FEDERAL	\$0	\$0	\$0	0.0%	0.0%
FY19 TOTAL	\$9,722,536	\$8,489,063	\$1,233,473	12.7%	100.0%

Historical Total Unspent Authority for Comparison

FY18 TOTAL	\$9,770,839	\$8,366,686	\$1,404,153	14.4%
FY17 TOTAL	\$9,686,259	\$8,485,175	\$1,201,084	12.4%
3 YR AVG	\$9,726,545	\$8,446,975	\$1,279,570	13.2%

In FY 2019, the Commission had \$1.21M of unspent budget authority in their Utility and Carrier Inspection/Supervision Fund. The remainder \$22,139 was from their other two statutory dedication funds.

FY19 UNSPENT AUTHORITY

Did department collect all revenue budgeted?

	Final Budget (w/o carryforward)	Actual Revenue Collections	Uncollected Revenue
SGF	\$0	\$0	\$0
IAT	\$0	\$0	\$0
FSGR	\$0	\$0	\$0
SD	\$9,722,536	\$9,137,390	(\$585,146)
FED	\$0	\$0	\$0
TOTAL	\$9,722,536	\$9,137,390	(\$585,146)

The department collected \$585K less than was budgeted. The majority of empty budget authority over collections was in their Utility and Carrier Inspection/Supervision Fund. At the end of FY 19, the balance of the Utility and Carrier Inspection/Supervision Fund was \$4.2M mostly due to \$2.0M of seed monies transferred from the state general fund as a result of actions taken in Act 633 of 2010 Regular Session.

Did department spend all collections?

	Actual Revenue Collections	Actual Expenditures	Unspent Revenue
SGF	\$0	\$0	\$0
IAT	\$0	\$0	\$0
FSGR	\$0	\$0	\$0
SD	\$9,137,390	\$8,489,063	(\$648,327)
FED	\$0	\$0	\$0
TOTAL	\$9,137,390	\$8,489,063	(\$648,327)

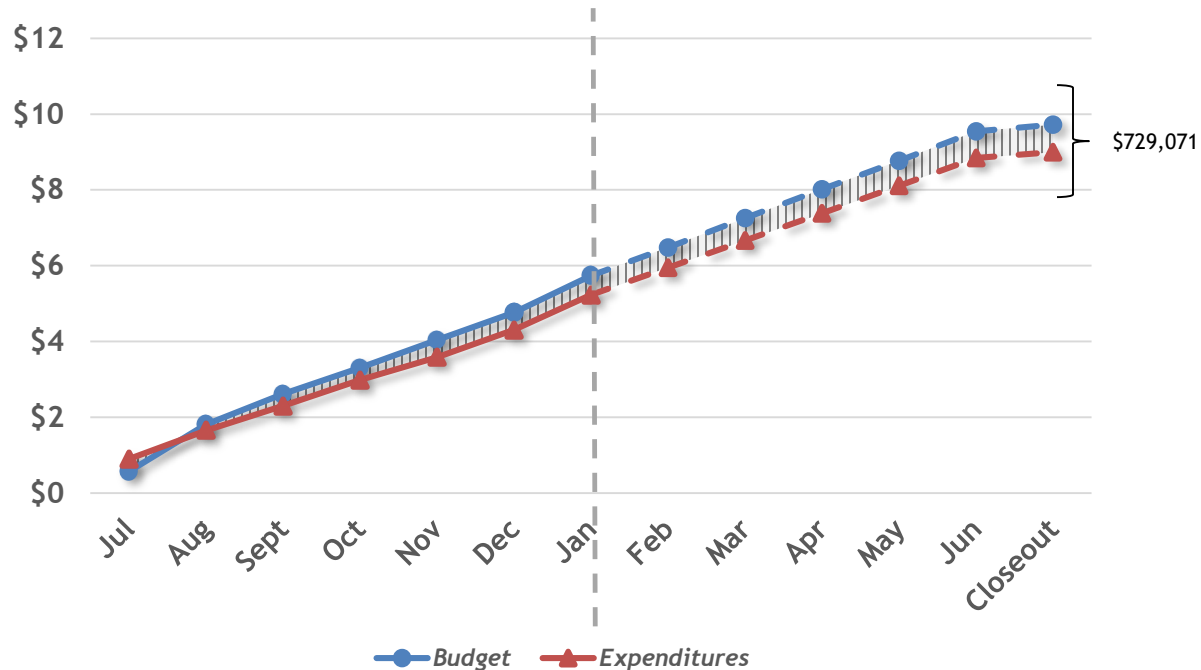
The department spent \$648K less than was collected in statutory dedication revenue. The unspent balance will remain in the fund.

CURRENT EXPENDITURE TREND

Analysis shows approximately 7% or \$729,071 in total budget authority from all means of finance (\$9.7M Budgeted - \$8.9M Expended) could be unspent at year-end based on actual spending through January and projections to the end of the year.

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.

For FY19, HFD projected the department would have \$1.0M in remaining budget authority, when they actually had \$1.2M authority left at year end.

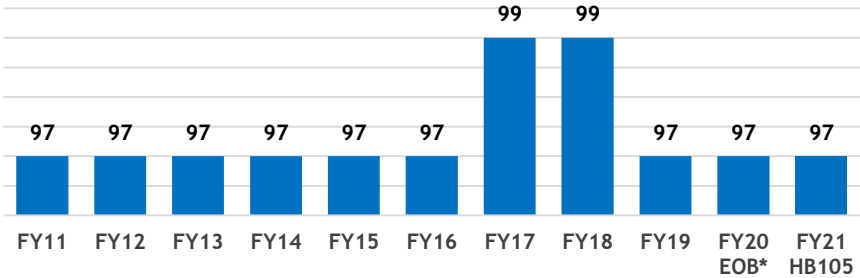


PERSONNEL INFORMATION

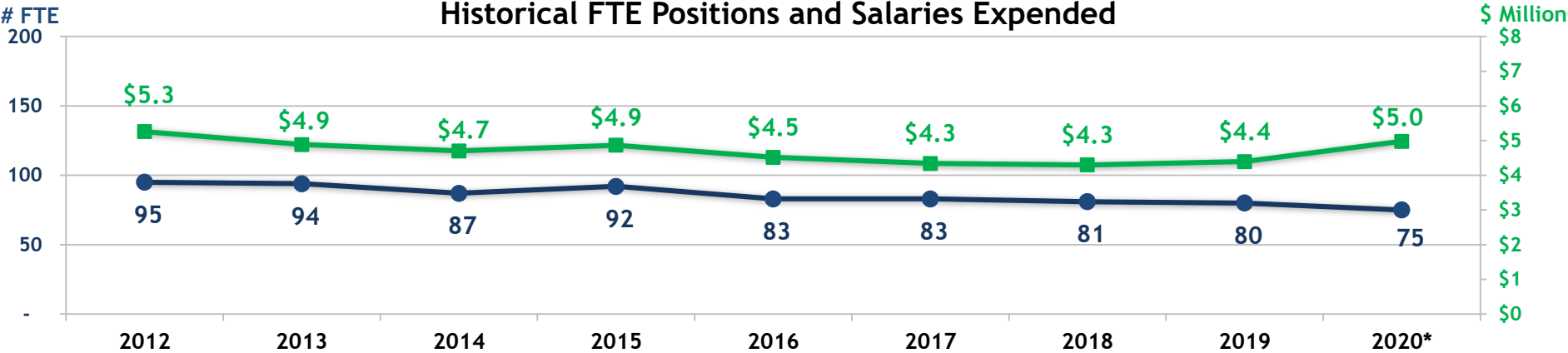
FY 2021 Recommended Positions

97	Total Authorized T.O. Positions (79 Classified, 18 Unclassified)
0	Authorized Other Charges Positions
1	Non-T.O. FTE Positions
21	Vacant Positions (February 3, 2020)

Historical Authorized T.O. Positions



Historical FTE Positions and Salaries Expended



Source: Dept. of Civil Service and Budget Supporting Documents

*Existing Operating Budget 12/1/19

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:

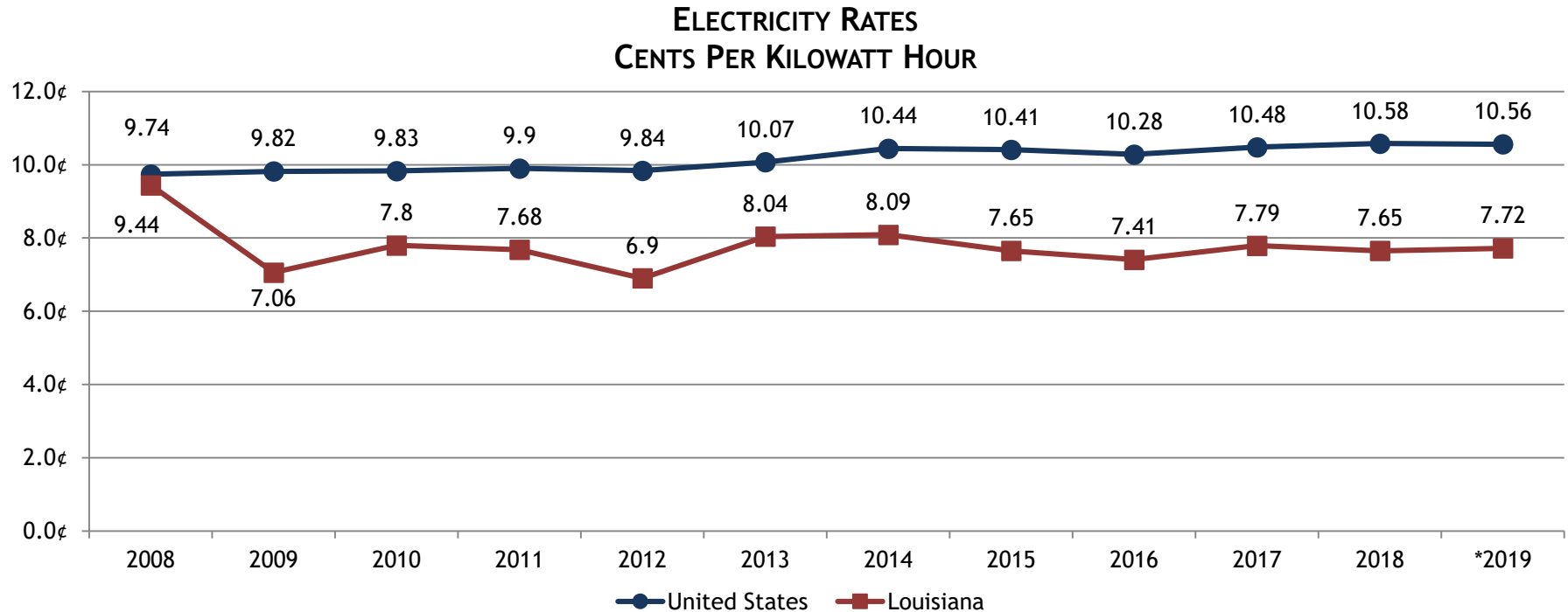
- The range for fines is \$500 to \$10,000.
- The program is free to all Louisiana residential landline telephone customers.
- The collection of registration fees and fines support the program.

DO NOT CALL PROGRAM

Do Not Call	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19
Residents Registered Statewide	2,995,928	3,047,938	3,100,346	3,154,224	3,228,617	3,300,629
Solicitors Registered	1,461	1,883	1,716	1,878	1,615	1,672
Solicitor Registration Fee Collections	\$283,101	\$266,900	\$254,400	\$242,700	\$236,400	\$231,700
Solicitor Fines Collected	\$1,500	N/A	\$3,000	\$1,500	\$1,500	\$0

According to the Commission, a decrease in fines is due to the success of the “Do Not Call” Program. The slight decrease in registration fees from FY 18 to FY 19 is due to some smaller telemarketing firms going out of business or being purchased by larger companies.

ELECTRICITY RATES IN LOUISIANA



Louisiana has the lowest electricity rate in the country.

*Full year data not yet released. The rate is as of November 2019.

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

DEPARTMENT CONTACTS



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