

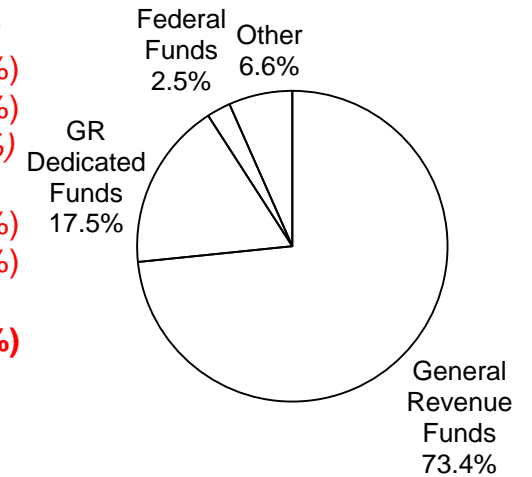
**Public Utility Commission of Texas
Summary of Recommendations - Senate**

Page VIII-68
Brian Lloyd, Executive Director

Rachel Niven, LBB Analyst

Method of Financing	2010-11 Appropriations	2010-11 Base	2012-13 Recommended	Biennial Change	% Change
General Revenue Funds	\$21,662,956	\$20,579,808	\$18,472,808	(\$2,107,000)	(10.2%)
GR Dedicated Funds	\$257,771,141	\$225,475,671	\$4,408,944	(\$221,066,727)	(98.0%)
<i>Total GR-Related Funds</i>	<i>\$279,434,097</i>	<i>\$246,055,479</i>	<i>\$22,881,752</i>	<i>(\$223,173,727)</i>	<i>(90.7%)</i>
Federal Funds	\$0	\$746,192	\$623,863	(\$122,329)	(16.4%)
Other	\$950,000	\$1,927,230	\$1,670,228	(\$257,002)	(13.3%)
All Funds	\$280,384,097	\$248,728,901	\$25,175,843	(\$223,553,058)	(89.9%)

RECOMMENDED FUNDING
BY METHOD OF FINANCING



	FY 2011 Appropriations	FY 2011 Budgeted	FY 2013 Recommended	Biennial Change	% Change
FTEs	188.6	195.6	162.7	(32.9)	(16.8%)

The bill pattern for this agency (2012-13 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2012-13 biennium.

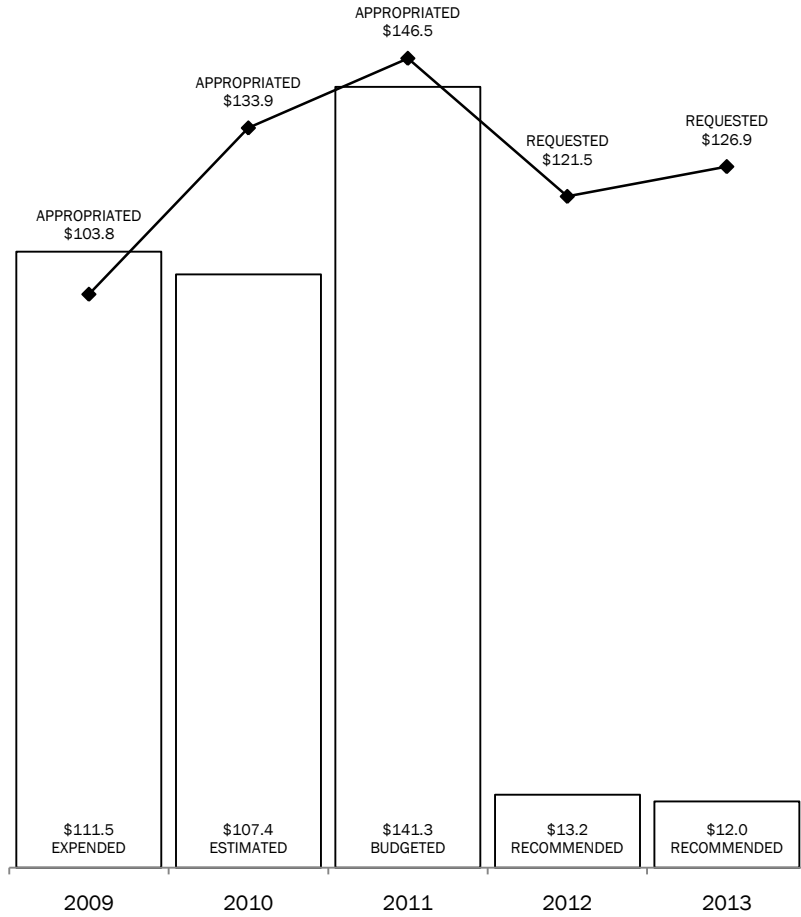
Public Utility Commission of Texas

2012-2013 BIENNIUM

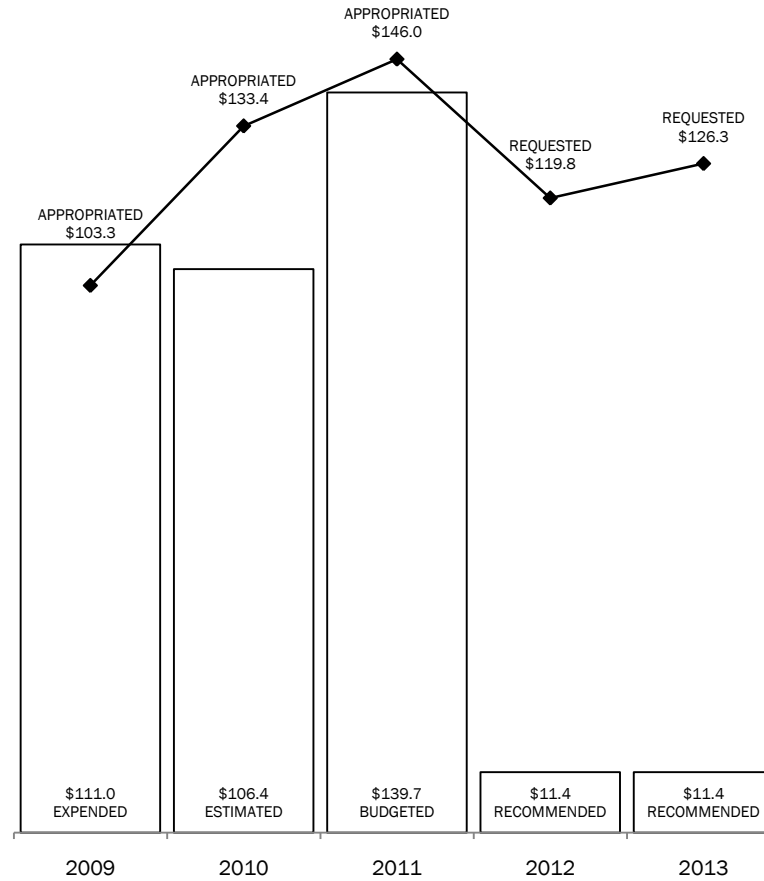
IN MILLIONS

TOTAL= \$25.2 MILLION

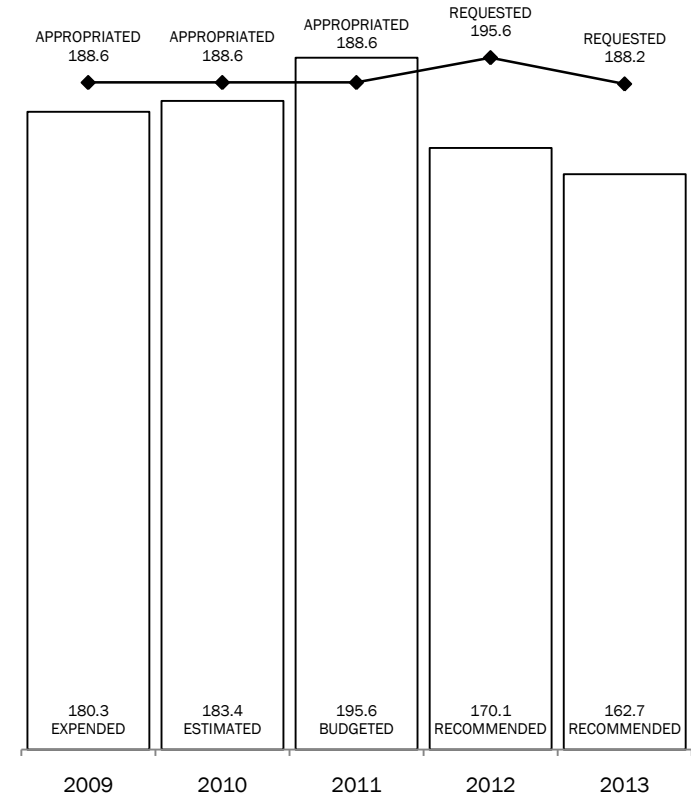
ALL FUNDS



**GENERAL REVENUE AND
GENERAL REVENUE-DEDICATED FUNDS**



FULL-TIME-EQUIVALENT POSITIONS



Public Utility Commission of Texas
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
MARKET COMPETITION A.1.1	\$9,003,422	\$8,206,615	(\$796,807)	(8.9%)	
UTILITY REGULATION A.2.1	\$8,270,554	\$7,706,848	(\$563,706)	(6.8%)	
INVESTIGATION AND ENFORCEMENT A.3.1	\$3,647,536	\$3,330,067	(\$317,469)	(8.7%)	
Total, Goal A, COMPETITION/CHOICE/RATES/SERVICE	\$20,921,512	\$19,243,530	(\$1,677,982)	(8.0%)	
PROVIDE FACTS ABOUT CHANGES B.1.1	\$1,302,566	\$1,075,300	(\$227,266)	(17.4%)	
ASSIST CUSTOMERS B.2.1	\$1,562,730	\$1,336,489	(\$226,241)	(14.5%)	
Total, Goal B, EDUCATION AND CUSTOMER ASSISTANCE	\$2,865,296	\$2,411,789	(\$453,507)	(15.8%)	
ENERGY ASSISTANCE C.1.1	\$219,566,727	\$0	(\$219,566,727)	(100.0%)	
CONSUMER EDUCATION C.1.2	\$1,500,001	\$0	(\$1,500,001)	(100.0%)	
Total, Goal C, ELECTRIC UTILITY RESTRUCTURING	\$221,066,728	\$0	(\$221,066,728)	(100.0%)	
CENTRAL ADMINISTRATION D.1.1	\$2,583,577	\$2,345,016	(\$238,561)	(9.2%)	
INFORMATION RESOURCES D.1.2	\$1,076,490	\$960,210	(\$116,280)	(10.8%)	
OTHER SUPPORT SERVICES D.1.3	\$215,298	\$215,298	\$0	0.0%	
Total, Goal D, INDIRECT ADMINISTRATION	\$3,875,365	\$3,520,524	(\$354,841)	(9.2%)	
Grand Total, All Strategies	\$248,728,901	\$25,175,843	(\$223,553,058)	(89.9%)	Decrease All Funds by \$223,533,058 for program funding and staffing from the 2010-11 levels including a reduction of 32.9 FTEs (see Selected Fiscal and Policy Issues #1).

Public Utility Commission of Texas
Summary of Recommendations - Senate, By Method of Finance -- GENERAL REVENUE FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
MARKET COMPETITION A.1.1	\$5,968,146	\$5,369,744	(\$598,402)	(10.0%)	
UTILITY REGULATION A.2.1	\$5,762,346	\$5,416,038	(\$346,308)	(6.0%)	
INVESTIGATION AND ENFORCEMENT A.3.1	\$2,881,173	\$2,542,863	(\$338,310)	(11.7%)	
Total, Goal A, COMPETITION/CHOICE/RATES/SERVICE	\$14,611,665	\$13,328,645	(\$1,283,020)	(8.8%)	
PROVIDE FACTS ABOUT CHANGES B.1.1	\$1,028,990	\$794,430	(\$234,560)	(22.8%)	
ASSIST CUSTOMERS B.2.1	\$1,234,788	\$1,000,209	(\$234,579)	(19.0%)	
Total, Goal B, EDUCATION AND CUSTOMER ASSISTANCE	\$2,263,778	\$1,794,639	(\$469,139)	(20.7%)	
ENERGY ASSISTANCE C.1.1	\$0	\$0	\$0	0.0%	
CONSUMER EDUCATION C.1.2	\$0	\$0	\$0	0.0%	
Total, Goal C, ELECTRIC UTILITY RESTRUCTURING	\$0	\$0	\$0	0.0%	
CENTRAL ADMINISTRATION D.1.1	\$2,469,577	\$2,231,016	(\$238,561)	(9.7%)	
INFORMATION RESOURCES D.1.2	\$1,028,990	\$912,710	(\$116,280)	(11.3%)	
OTHER SUPPORT SERVICES D.1.3	\$205,798	\$205,798	\$0	0.0%	
Total, Goal D, INDIRECT ADMINISTRATION	\$3,704,365	\$3,349,524	(\$354,841)	(9.6%)	
Grand Total, All Strategies	\$20,579,808	\$18,472,808	(\$2,107,000)	(10.2%)	Decrease General Revenue by \$2,107,000 to reflect a 10 percent reduction in funding (\$2,057,981) and the removal of one time funding for the Data Center Consolidation (\$49,019) (see Selected Fiscal and Policy Issues #1).

Public Utility Commission of Texas
Summary of Recommendations - Senate, By Method of Finance -- GR DEDICATED

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
MARKET COMPETITION A.1.1	\$2,013,584	\$1,937,508	(\$76,076)	(3.8%)	
UTILITY REGULATION A.2.1	\$1,264,978	\$1,304,582	\$39,604	3.1%	
INVESTIGATION AND ENFORCEMENT A.3.1	\$633,363	\$654,204	\$20,841	3.3%	
Total, Goal A, COMPETITION/CHOICE/RATES/SERVICE	\$3,911,925	\$3,896,294	(\$15,631)	(0.4%)	
PROVIDE FACTS ABOUT CHANGES B.1.1	\$226,076	\$233,370	\$7,294	3.2%	
ASSIST CUSTOMERS B.2.1	\$270,942	\$279,280	\$8,338	3.1%	
Total, Goal B, EDUCATION AND CUSTOMER ASSISTANCE	\$497,018	\$512,650	\$15,632	3.1%	
ENERGY ASSISTANCE C.1.1	\$219,566,727	\$0	(\$219,566,727)	(100.0%)	
CONSUMER EDUCATION C.1.2	\$1,500,001	\$0	(\$1,500,001)	(100.0%)	
Total, Goal C, ELECTRIC UTILITY RESTRUCTURING	\$221,066,728	\$0	(\$221,066,728)	(100.0%)	
CENTRAL ADMINISTRATION D.1.1	\$0	\$0	\$0	0.0%	
INFORMATION RESOURCES D.1.2	\$0	\$0	\$0	0.0%	
OTHER SUPPORT SERVICES D.1.3	\$0	\$0	\$0	0.0%	
Total, Goal D, INDIRECT ADMINISTRATION	\$0	\$0	\$0	0.0%	
Grand Total, All Strategies	\$225,475,671	\$4,408,944	(\$221,066,727)	(98.0%)	Decrease General Revenue Dedicated funding by \$221,066,727 to reflect a 100 percent reduction in funding to the Low Income Discount Program and Consumer Education.

Section 3

Public Utility Commission Selected Fiscal and Policy Issues

1. **Program Funding and Staffing.** Recommendations decrease All Funds by \$223,533,058 and staffing levels by 32.9 FTEs.
 - a. General Revenue is reduced by \$2,107,000 to reflect a 10 percent reduction in funding (\$2,057,981), a reduction of 17.6 FTEs and the removal of one time funding for the Data Center Consolidation (\$49,019). Reductions are expected to delay the development of tools for companies to make filings via internet, result in longer wait times for customers who contact PUC by phone, result in delays in the development of rules, reduce staff participation in protocol development at the Electric Reliability Council of Texas, reduce staff participation in rate cases, and result in longer processing time for informal complaints.
 - b. General Revenue-Dedicated funding is reduced by \$221,066,727 and 7.9 FTEs to reflect a 100 percent reduction in funding for the Low Income Discount Program and Consumer education. This includes a reduction of \$219,566,727 to the Low Income Discount Program, and a reduction of \$1,500,000 and 7.9 FTEs to Consumer Education (see Item #2 below).
 - c. Inter-Agency Contract funds are reduced by \$257,002 in the biennium to reflect what the agency will receive in 2012-13. These funds are ARRA funds passed through the State Energy Conservation Office to update the state's energy assurance and emergency preparedness planning. The project will end at the end of 2012 and the agency's FTE cap will be reduced by 4.0 FTEs to reflect the loss of funding for those FTEs in alignment with the agency's request.
 - d. Federal Funds are reduced by \$122,329 to reflect what the agency will receive in 2012-13. These funds are ARRA funds to increase the capacity of the PUC to manage an anticipated increase in regulatory issues related to ARRA. The project as approved by the Department of Energy allows for funds to be spent through 2013. The agency's FTE cap is reduced by 3.4 FTEs in 2013 to reflect the loss of federal funding for those FTEs in alignment with the agency's request. The project will end at the end of 2013.
2. **Low Income Discount Program.** Recommendations do not fund the Low Income Discount Program.
3. **Sunset Review.** The agency is currently undergoing Sunset review. The Sunset Commission has recommended continuing the agency for 12 years (see Rider Highlights #6). Sunset recommendations also include transferring responsibility for water and wastewater utility regulation from the Texas Commission on Environmental Quality to PUC. This would include the transfer of \$1.5 million in annual appropriations from the GR-Dedicated Water Resource Management Account No. 153 and 20.0 FTEs from TCEQ to PUC.

Public Utility Commission
Performance Review and Policy Report Highlights

Reports & Recommendations	GEER Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Is included in the Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

Section 5

Public Utility Commission Rider Highlights

2. **Capital Budget.** Recommendations remove authority for digital copier lease payments and desktop software and computer lease payments from the capital budget rider.
6. **Sunset Contingency.** Recommendations include a rider making agency appropriations in 2013 contingent upon the continuation of the agency and requiring appropriations for 2012 to be used to provide for the phase out of agency operations if the agency is not continued.
7. **Contingent Revenue.** Recommendations update the amounts in the contingent revenue rider to reflect 2012-13 appropriations.
8. **(new) Allocation of System Benefit Account.** Recommendations update the amounts in this rider to reflect the allocation for 2012-13.
8. **(former) Low Income Discount.** Recommendations delete this rider because the recommendations do not include funding for the Low Income Discount Program.
9. **Consumer Education Requirements.** Recommendations delete this rider because it was fully implemented in the 2010-11 biennium.
10. **Cable and Video Service Provider Study.** Recommendations delete this rider because it was fully implemented in the 2010-11 biennium.

Section 6

**Public Utility Commission
Items not Included in Recommendations**

	2012-13 Biennial Total	
	GR & GR-Dedicated	All Funds
1. Set Agency FTE cap at 167.0 FTEs	\$ -	\$ -
2. Restoration of General Revenue-Dedicated funding and authority for 7.9 FTEs per year at 2010-2011 funding levels for Customer Education	\$ 520,000	\$ 520,000
A. \$92,000 - 1.0 Information Specialist III at \$46,000 each year		
B. \$82,000 - 1.0 Information Specialist II at \$41,000 each year		
C. \$346,000 - 5.9 Customer Service Representative I at \$29,322 each per year		
3. Restoration of General Revenue funding and authority for 17.6 FTEs per year at 2010-2011 funding levels. The amount requested is for salaries and wages for the following positions:	\$ 2,057,981	\$ 2,057,981
A. \$136,000 - 1.0 Financial Examiner V at \$68,000		
B. \$260,000 - 2.0 Economist III at \$65,000 each		
C. \$140,000 - 1.0 Engineering Specialist IV at \$70,000		
D. \$128,000 - 1.0 Utility Specialist III at \$64,000		
E. \$260,000 - 2.0 Enforcement Analyst III at \$65,000 each		
F. \$341,983 - 2.6 Attorney II at \$65,766 each		
G. \$156,000 - 2.0 Customer Service Representative III at \$39,000 each		
H. \$136,000 - 1.0 Utility Specialist III at \$68,000		
I. \$176,000 - 2.0 Investigator IV at \$44,000		
J. \$204,000 - 2.0 Accountant IV at \$51,000 each		
K. \$119,998 - 1.0 Systems Analyst IV at \$59,999		
4. Restoration of General Revenue-Dedicated funding for contracted educational outreach services to 2010-2011 levels for Customer Education	\$ 980,000	\$ 980,000
5. Restoration of General Revenue-Dedicated funding for the Low-Income Discount Program to 2010-2011 funding levels.	\$ 219,566,727	\$ 219,566,727
6. Reclassification of Executive Director position from Group 4 to Group 5 with a salary cap of \$145,000 per year.	\$ -	\$ -
Total, Items Not Included in the Recommendations	\$ 223,124,708	\$ 223,124,708