

AGENCY STRATEGIC PLAN

Fiscal Years 2017-2021

by

OFFICE OF PUBLIC UTILITY COUNSEL



June 2016

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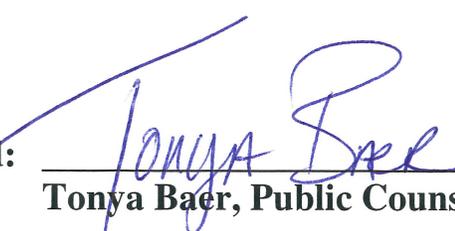
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Signed and Approved:



Tonya Baer, Public Counsel

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Office of Public Utility Counsel Mission

The mission of the Office of Public Utility Counsel (OPUC) is to represent residential and small commercial consumers, as a class, in cases and projects to protect consumer interests.

Office of Public Utility Counsel Philosophy

To accomplish our mission, we commit to providing the highest quality legal, professional, and technical representation on behalf of residential and small commercial utility consumers, as a class, so that all Texans are provided ample, affordable, and reliable utility services and competitive markets are developed and maintained to benefit all customers.

AGENCY OPERATIONAL GOALS AND ACTION PLAN

The Office of Public Utility Counsel’s goal is to provide comprehensive representation of residential and small commercial utility consumer interests.

SPECIFIC ACTION ITEMS TO ACHIEVE GOAL

To meet this goal OPUC has created certain action items. These action items include:

- (1) advocate on behalf of residential and small commercial consumers, as a class, in cases and projects before the Public Utility Commission, State Office of Administrative Hearings, Electric Reliability Council of Texas (ERCOT), Texas Reliability Entity, and state and federal courts, and
- (2) vote in support of consumer interests in the ERCOT stakeholder process.

The goal to provide legal representation and advocacy for residential and small commercial consumers will continue as long as OPUC continues to have statutory authority to represent consumer interests in utility matters. Likewise, OPUC will achieve our action items each fiscal year while the goal is operational.

HOW GOAL OR ACTION ITEMS SUPPORTS STATEWIDE OBJECTIVES

OPUC’s goal of providing comprehensive representation of residential and small commercial utility consumer interests supports Texas’s statewide objectives as follows:

- (1) **Accountable to tax and fee payers of Texas.** OPUC directly represents the interests of tax and fee payers in regulatory matters and stakeholder processes.
- (2) **Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions.** OPUC’s total annual budget is \$2.2 million for fiscal year 2016 and fiscal year 2017 with a full-time-equivalent cap of 25.5. Even with these lean resources, OPUC participates in over 30 utility cases per year and over 26 projects on average per year. OPUC’s average cost per utility case is approximately \$48,000 in comparison to the utilities’ rate case expenses that average over \$5.4 million per base rate case.

- (3) Effective in successfully fulfilling core functions, measuring success in achieving performance measures and implementing plans to continuously improve.** OPUC's comprehensive representation of residential and small commercial consumers contributes to OPUC consistently fulfilling its core functions of aggressively advocating on their behalf in both cases and projects and meeting performance measures. OPUC continually looks for ways to improve the regulatory process for consumers and will tackle both cases and projects that have consumer specific issues. Further, OPUC works with stakeholders to find compromise when that is in the best interests of consumers.
- (4) Providing excellent customer service.** OPUC is the sole agency exclusively representing the interests of residential and small commercial consumers. When consumers have someone on their side in the regulatory process, they feel that their concerns are being validated and addressed in the legal process and that, in turn, promotes customer satisfaction. In fact, historically OPUC has provided excellent customer service. In OPUC's June 2016 Report on Customer Service, the majority of respondents were satisfied with agency staff. In fact, ninety-seven percent (97%) believed that staff interacted in a personal and professional manner and eighty-six percent (86%) were satisfied overall with their experience. Further, ninety-seven percent (97%) of respondents believed the agency made it easy to ask questions and/or file a complaint and 100% believed that their call, email or letter was routed to proper staff and answered in a timely manner.
- (5) Transparent such that agency actions can be understood by any Texan.** OPUC's filings on behalf of residential and small commercial consumers are generally publicly available on the Public Utility Commission's website at www.puc.texas.gov. Any Texan can access the website and find out exactly how OPUC is advocating on their behalf.

AGENCY REDUNDANCIES AND IMPEDIMENTS			
Service, Statute, Rule or Regulation (Provide Specific Citation if applicable)	Describe why the Service, Statute, rule or Regulation is Resulting in Inefficient or Ineffective Agency Operations	Provide Agency Recommendation for Modification or Elimination	Describe the Estimated Cost Savings or Other Benefit Associated with Recommended Change
<p>PURA¹ § 13.003(a)(5); TWC² 13.107(b)(5).</p>	<p>The statutory language grants OPUC the right to have access to non-confidential information that is provided to the Public Utility Commission (PUC) by utilities. The language describes OPUC’s access as the same as any other party other than the Staff of the PUC. When information is provided in the context of a contested case, OPUC can access through discovery both the confidential information pursuant to a Protective Order and the non-confidential information. However, if the information is provided to the Commission outside the context of a contested case, such as through a project, rulemaking, or investigation, then OPUC is not entitled to view the confidential information. The lack of access to pertinent information provides an impediment to OPUC by limiting the information that OPUC has which hinders OPUC’s ability to provide the highest quality representation to its clients. The restricted information could encompass a wide array of topics including financial information, market activities, customer protection issues, and potential violations of statutory provisions or PUC rules.</p>	<p>Because OPUC is an agency created in statute, it should have non-restricted access to information that is provided to the PUC. We recommend that PURA § 13.003(a)(5) be amended to state that OPUC is entitled to the same access as the commission staff to records gathered by the commission under Section 14.204.</p>	<p>Access to this information could help the agency better advocate for rule changes or actions necessary to protect consumers in furtherance of our goal to comprehensively represent the interests of residential and small commercial consumers.</p>

¹ Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001 – 66.016 (West Supp. 2016) (PURA).

² Tex. Water Code Ann. §§ 1.001 – 65.73 (West Supp. 2016).

Appendix A

Budget Structure Goals, Objectives, and Performance Measures

**Agency Goals, Objectives, Outcome Measures, Strategies, Output Measures,
and Efficiency Measures**

GOAL: Equitable Utility Rates for Residential and Small Commercial Consumers.

OBJECTIVE: To Protect Consumers and Ensure Reasonable Rates.

Outcome Measures:

- Percentage of OPUC Utility Cases that are Competition Related.
- Percentage of OPUC Utility Cases that are Resource Related.
- Current Year Bill Savings for Residential and Small Commercial Utility Consumers (In Millions).

STRATEGY: Participate in Major Utility Cases.

Output Measures:

- Number of Utility Cases in Which OPUC Participates.
- Number of Utility Court Cases in Which OPUC Participates.

Efficiency Measure:

- Average Cost Per Utility Case in Which OPUC Participates.

GOAL: Protect Consumer Interests in Utility Markets.

OBJECTIVE: Promote Utility Choices and Consumer Protection Policies.

Outcome Measures:

- Percentage of OPUC Utility Projects that are Competition Related.

STRATEGY: Participate in Major Utility Projects Affecting Consumers.

Output Measures:

- Number of Utility Projects in Which OPUC Participates.

Efficiency Measure:

- Average Cost Per Utility Project.

Appendix B

Performance Measure Definitions

Performance Measure Definitions

Goal:	Equitable Utility Rates for Residential and Small Commercial Consumers
Objective:	To Protect Consumers and Ensure Reasonable Rates
Strategy:	Participate in Major Utility Cases

Outcome Measure: Percentage of OPUC Utility Cases that are Competition Related.

Definition: Utility Cases that are competition related include OPUC cases, excluding court cases, which address issues such as choice in providers and services, market power, access to new and advanced technologies, and consumer protection policies.

Purpose/Importance: Competition is an important benefit for consumers. As such, the agency workload will be best measured by the percentage of total utility cases that are competition related.

Source/Collection of Data: OPUC records.

Method of Calculation: OPUC determines the number of total utility cases in which it participates. OPUC divides this number into the number of utility competition cases in which OPUC actually participates.

Data Limitations: N/A

Calculation Type: Non-cumulative.

New Measure: No.

Target Attainment: Higher than target.

Outcome Measure:	Percentage of OPUC Utility Cases that are Resource Related.
Definition:	OPUC utility cases that are resource related include utility cases, excluding court cases, which address issues such as renewable energy requirements, energy efficiency goals, energy portfolio issues, transmission planning and water conservation.
Purpose/Importance:	SB7 instituted certain statewide goals and mandates related to resource planning and acquisition. The agency will actively pursue these requirements through the most cost-effective means possible.
Source/Collection of Data:	OPUC records.
Method of Calculation:	OPUC determines the total number of utility cases in which it participates. OPUC divides this number into the number of utility resource related cases in which OPUC actually participates.
Data Limitations:	N/A
Calculation Type:	Non-cumulative.
New Measure:	No.
Target Attainment:	Higher than target.

Outcome Measure:	Current Year Bill Savings/Res/Sm Com Utility Customers (In Millions).
Definition:	Bill savings measure the impact on residential and small commercial consumer's bills. Different types of utility cases result in rate adjustments on consumer's bills such as rate increases/decreases, surcharges, refunds, incentives, mark-ups, transition charges, and fuel charges.
Purpose/Importance:	OPUC will participate in utility cases, excluding court cases, to ensure the maximum bill savings on residential and small commercial consumer's bills. This measure will quantify the impact in the current year for participation in the current year's proceedings on a state-wide basis.
Source/Collection of Data:	OPUC records.
Method of Calculation:	<p>OPUC calculates the bill savings as the difference between a requested amount for a rate adjustment and the amount actually approved, for the current fiscal year. Bill savings should include only residential and small commercial, Industrial and transportation consumers will be removed using information from the U.S. Department of Energy.</p> <p>Impact on industrial and transportation consumers will be separated out using the most recently available information from the U.S. Department of Energy. The calculation is based on using one of the following: national retail sales of kilowatt hours, state retail sales of kilowatt hours, or state retail revenue earned by all electric companies that sell electricity in Texas. In addition, information from the U.S. Department of Energy should be used to calculate a three year average moving for residential and small commercial market sector to minimize the fluctuation in the market.</p>
Data Limitations:	Small commercial consumers and large commercial consumers cannot be separated based on the information currently available. Therefore, the "Commercial" information will be substituted for "Small Commercial".
Calculation Type:	Cumulative.
New Measure:	No.
Target Attainment:	Higher than target.

Output Measure:	Number of Utility Cases in Which OPUC Participates.
Definition:	OPUC intervenes in utility cases which have the most significant impact on residential and small commercial consumers in Texas. “Cases” include tariffs and docketed proceedings, excluding court cases.
Purpose/Importance:	This measure quantifies the number of utility cases OPUC participates in. Many significant issues are presented as tariffs or docketed proceedings. OPUC actively participates in these cases on behalf of residential and small commercial consumers.
Source/Collection of Data:	OPUC records.
Method of Calculation:	OPUC uses a manual count of all utility cases in which OPUC actually participates.
Data Limitations:	N/A
Calculation Type:	Non-cumulative.
New Measure:	No.
Target Attainment:	Higher than target.

Output Measure:	Number of Utility Court Cases in Which OPUC Participates.
Definition:	OPUC participates in court cases in which utility matters are litigated. OPUC can participate in court either as the petitioning party, as an intervenor, or as an <i>amicus curiae</i> . In many instances, OPUC performs two roles in the same case.
Purpose/Importance:	This measure quantifies the number of utility court cases in which OPUC participates. Many significant issues are litigated in the court system. OPUC actively participates in these cases on behalf of residential and small commercial consumers.
Source/Collection of Data:	OPUC records.
Method of Calculation:	OPUC uses a manual count of utility court cases in which OPUC actually participates.
Data Limitations:	N/A
Calculation Type:	Non-cumulative.
New Measure:	No.
Target Attainment:	Higher than target.

Efficiency Measure:	Average Cost Per Utility Case in Which OPUC Participates.
Definition:	Average cost per utility case.
Purpose/Importance:	This measure provides a guide as to the average cost per utility case, excluding court cases. The amount determined will be higher if longer or more complex cases are more common. It will be lower if shorter or less complex cases are more common.
Source/Collection of Data:	OPUC records.
Method of Calculation:	OPUC calculates the hourly rate for each attorney and technical staff and multiplies that hourly rate by the individual time spent on each case. The sum of all attorney and technical staff time is then divided by the total number of utility cases in which OPUC participates. Outside expert witness contracts are included in this calculation.
Data Limitations:	N/A
Calculation Type:	Non-cumulative.
New Measure:	No.
Target Attainment:	Lower than target.

Goal:	Protect Consumer Interests in Utility Markets
Objective:	Promote Utility Choices and Consumer Protection Policies
Strategy:	Participate in Major Utility Projects Affecting Consumers

Outcome Measure: Percent of OPUC Utility Projects That Are Competition Related.

Definition: Projects include rulemakings and generic projects. Utility projects that are competition related include projects which address choice in utility providers and services, market power, access to new and advanced technologies, & consumer protection policies.

A rulemaking is an agency process for formulating, amending, or repealing a rule. A rule is an agency statement of general applicability designed to implement, interpret, or prescribe law or policy or describes procedure, or practice requirements of an agency and includes the amendment or repeal of a prior rule.

A generic project is matter in which an agency has assigned a control number but is not a case or rulemaking. Examples of generic projects can include such activities such as fact-finding, development of policy that does not result in a rulemaking, communicating with the legislature or stakeholders, providing assistance or information to customers, or participating at the ERCOT or the Texas RE.

Purpose/Importance: Competition is an important benefit to consumers. As such, OPUC workload is best measured by the percentage of total projects that are competition related.

Source/Collection of Data: OPUC records.

Method of Calculation: OPUC determines the total number of utility projects in which it participates. OPUC divides this number into the number of utility competition projects in which OPUC participates.

Data Limitations: N/A

Calculation Type: Non-cumulative.

New Measure: No.

Target Attainment: Higher than target.

Output Measure:	Number of Utility Projects in Which OPUC Participates.
Definition:	<p>OPUC participates in utility projects which have the most significant impact for residential and small commercial utility consumers in Texas. “Projects” include rulemaking proceedings and generic projects. A rulemaking is an agency process for formulating, amending, or repealing a rule. A rule is an agency statement of general applicability designed to implement, interpret, or prescribe law or policy or describes procedure, or practice requirements of an agency and includes the amendment or repeal of a prior rule.</p> <p>A generic project is matter in which an agency has assigned a control number but is not a case or rulemaking. Examples of generic projects can include such activities such as fact-finding, development of policy that does not result in a rulemaking, communicating with the legislature or stakeholders, providing assistance or information to customers, or participating at the Electric Reliability Council of Texas or the Texas RE.</p>
Purpose/Importance:	Many significant issues are decided through projects at the PUC. OPUC participates in these projects on behalf of residential and small commercial consumers.
Source/Collection of Data:	OPUC records.
Method of Calculation:	OPUC uses a manual count of all utility projects in which OPUC actually participates.
Data Limitations:	OPUC does not control the number, subject matter, or timing of projects that the Public Utility Commission files.
Calculation Type:	Non-cumulative.
New Measure:	No.
Target Attainment:	Higher than target.

Efficiency Measure:	Average Cost Per Utility Project.
Definition:	<p>Average cost per utility project. Projects include rulemakings and generic projects. A rulemaking is an agency process for formulating, amending, or repealing a rule. A rule is an agency statement of general applicability designed to implement, interpret, or prescribe law or policy or describes procedure, or practice requirements of an agency and includes the amendment or repeal of a prior rule.</p> <p>A generic project is matter in which an agency has assigned a control number but is not a case or rulemaking. Examples of generic projects can include such activities such as fact-finding, development of policy that does not result in a rulemaking, communicating with the legislature or stakeholders, providing assistance or information to customers, or participating at the Electric Reliability Council of Texas or the Texas RE.</p>
Purpose/Importance:	This measure provides a guide as to the average cost per project. The amount determined will be higher if longer or more complex projects are more common. It will be lower if shorter or less complex projects are more common.
Source/Collection of Data:	OPUC records.
Method of Calculation:	OPUC calculates the hourly rate for each attorney and technical staff and multiplies that hourly rate by the individual time spent on each project. The sum of all attorney and technical staff time is then divided by the total number of utility projects in which OPUC participates. Outside expert witness contracts are included in this calculation.
Data Limitations:	N/A
Calculation Type:	Non-cumulative.
New Measure:	No.
Target Attainment:	Lower than target.

Appendix C

Historically Underutilized Business Plan

Agency Use of Historically Underutilized Businesses

The Office of Public Utility Counsel will continue to make a good faith effort to utilize historically underutilized businesses (HUBs) in its delegated purchases and contracts. Because of the nature of the agency’s business, OPUC does not procure in the Heavy Construction, Building Construction, Special Trade Construction or Professional Services categories. OPUC’s percentages for the Other Services category are below the state goal for this category because of the limited number of HUB vendors specializing in areas that OPUC requires services.

Category	Statewide Goal	OPUC FY 2015
Other Services	26%	1.27%
Commodities	21.1%	62.13%

GOAL: We will establish and carry out policies governing purchasing that strive to meet or exceed established HUB goals.

OBJECTIVE: We will include historically underutilized businesses in at least the same percentages designated by the Comptroller of Public Accounts in its Annual Procurement Utilization Goals.

Outcome Measure:

- Percent of Total Dollar Value of all categories of delegated purchases and contracts awarded annually to HUBs.

STRATEGY: We will continue to expand and maintain a list of all certified HUB vendors and contractors by collecting updated information from the Comptroller of Public Accounts.

Output Measures:

- Number of HUBs Contractors Contacted for Bid Proposals.
- Number of HUB Contracts Awarded.
- Dollar Value of HUB Contracts Awarded.

Appendix D

Agency Workforce Plan

Office of Public Utility Counsel's Workforce Plan

The mission of the Office of Public Utility Counsel (OPUC) is to represent residential and small commercial consumers, as a class, in cases and projects to protect consumer interests.

The following charts profile the agency's workforce as of June 2016. The agency currently has 17.0 full-time equivalents (FTEs) consisting of attorneys, technical experts, and administrative staff. Currently, OPUC's workforce comprises approximately 18 percent males and 82 percent females with 35 percent being between ages 30-39 and 41 percent being between ages 40-49. The agency strives to maintain a diverse workplace. At present, 24 percent of the agency's employees are minority. Tenure remains high with 53 percent of the agency workforce having over 10 years of state service.

Over the past five years, OPUC's turnover rate has averaged 12.3% per year and we anticipate OPUC's turnover rate to follow this trend. Currently, OPUC has one employee eligible to retire within the next five years.

The agency will continue to need a diverse workforce. However, in an increasingly competitive environment, recruiting and retaining adequate talent will be a challenge given current resources and benefits. Further, with the extensive expertise necessary for this industry the number of qualified persons is small and could lead to a shortage of qualified personnel.

Each employee currently has workforce skills critical to the mission and goals of the agency.

Workforce Planning Goals:

- Continue to issue merit raises where appropriate
- Continue to offer flexible work schedules whenever possible and requested
- Continue to offer additional training when possible
- Continue to encourage formal and informal communication among all employees on all aspects of the agency's functions
- Continue to use outside sources for recruitment when necessary

