

Legislative Appropriations

Request for Fiscal Years

2018 and 2019

**Submitted to the
Office of the Governor, Budget Division,
and the Legislative Budget Board**

by

Office of Public Utility Counsel

August 4, 2016

Office of Public Utility Counsel
Legislative Appropriations Request
for Fiscal Years 2018 and 2019

Table of Contents

Administrator’s Statement	1
Organizational Chart	2
Certificate of Dual Submissions	3
Budget Overview – Biennial Amounts	4
Summary of Base Request by Strategy	5
Summary of Base Request by Method of Finance	7
Summary of Base Request by Object of Expense	11
Summary of Base Request Objective Outcomes	12
Summary of Total Request by Strategy	13
Summary of Total Request Objective Outcomes	15

Office of Public Utility Counsel
Legislative Appropriations Request
for Fiscal Years 2018 and 2019

Strategy Request16

Program-Level Request Schedule.....23

Historically Underutilized Business Supporting Schedule24

Percent Biennial Base Reduction Options Schedule26

Indirect Administrative and Support Costs.....29

475 Office of Public Utility Counsel

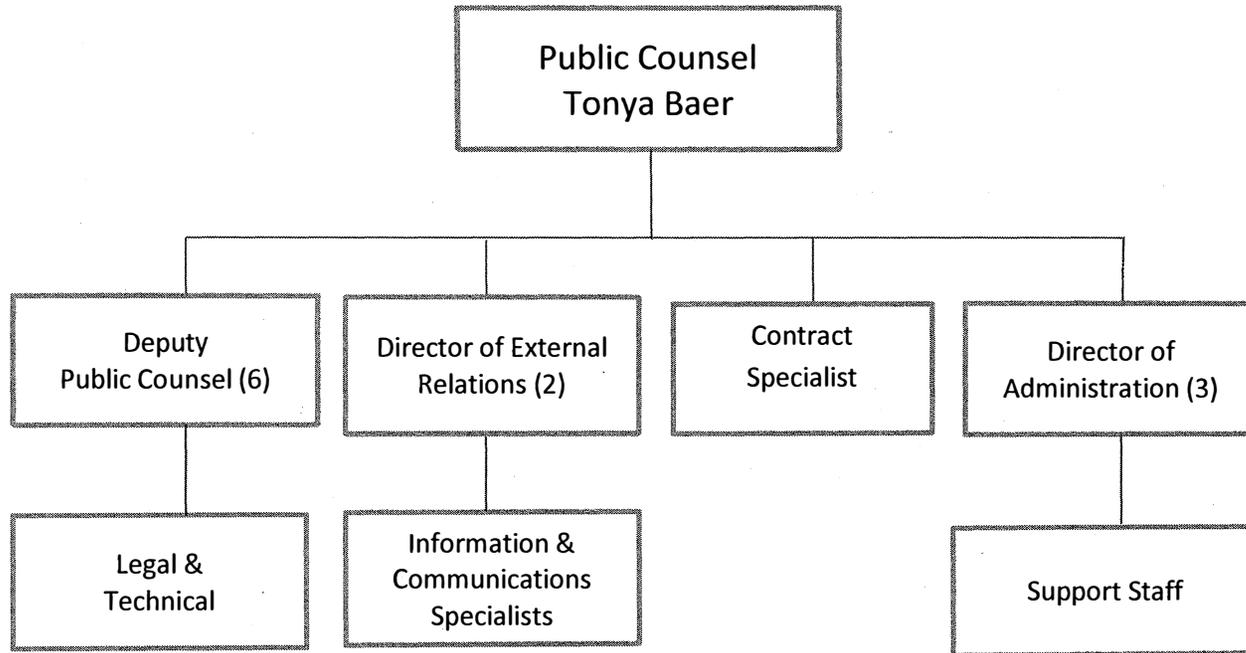
The Office of Public Utility Counsel (OPUC) is submitting its Request for Legislative Appropriations for fiscal years 2018 and 2019. The mission of the OPUC is to represent residential and small commercial consumers in cases and projects to protect consumer interests. OPUC represents residential and small commercial consumers, as a class, in litigated proceedings, rulemakings, projects, workshops and other venues before the appropriate regulatory entities on matters involving rates, rules, and policies pertaining to the provision of electric, telecom, and water and wastewater utility rates and services.

In accordance with the June 30, 2016 Policy Letter, OPUC has reduced its base appropriation levels by four percent which is \$136,909 in General Revenue and \$41,311 in General Revenue Dedicated-Water Resources Management Account for the biennium. Further, OPUC is not requesting any exceptional items. This reduction will be attained through across the board reductions for both agency strategies. These reductions will impact the amount of funds available for expert witnesses. In the past, the agency has utilized outside experts in cases and projects and has been granted the flexibility between funding FTEs and funding outside expert witnesses on an as-needed basis in order to maximize the financial efficiency and leverage technical expertise of the agency. This reduction will not impact the agency's performance measures. OPUC will prioritize its workload to ensure that essential needs are met and to achieve the core mission of the agency.

As requested, OPUC has attached the supplemental schedule detailing how the agency could reduce the base line budget by 10%, if required. The 10% budget reduction for OPUC is \$328,582 General Revenue and \$99,146 in General Revenue Dedicated-Water Resources Management Account for the biennium. This reduction could be achieved through across the board reductions for both strategies. The 10% reductions further reduce the amount of funds available for expert witnesses and require the reduction of two full-time equivalent positions. The reduction impacts the agency's performance measures, primarily in the number of proceedings in which the agency represents residential and small commercial consumers. OPUC will prioritize its workload to ensure that it continues to represent consumers in the most critical proceedings. OPUC has attached the supplemental schedule detailing how the agency could achieve a 10% baseline budget reduction, if required.

Pursuant to the Texas Government Code, Section 2101.036, the Comptroller of Public Accounts (CPA) has identified the Office of Public Utility Counsel to transition to the central CAPPs Financials during the 2018-19 biennium. Project begins September 1, 2018; deployment September 2019. OPUC is not requesting additional appropriation for this project.

OFFICE OF PUBLIC UTILITY COUNSEL





CERTIFICATE

Agency Name Office of Public Utility Counsel

This is to certify that the information contained in the agency Legislative Appropriation Request filed with the Legislative Budget Board (LBB) and the Office of the Governor, Budget Division, is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the PDF file submitted via the LBB Document Submission application are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Governor's office will be notified in writing in accordance with Article IX, Section 7.01 (2016-17 GAA).

Chief Executive Officer or Presiding Judge

Tonya Baer
Signature

Tonya Baer
Printed Name

Public Counsel
Title

August 4, 2016
Date

Board or Commission Chair

Signature

Printed Name

Title

Date

Chief Financial Officer

Brenda Sevier
Signature

Brenda Sevier
Printed Name

Director of Administration
Title

August 4, 2016
Date

Budget Overview - Biennial Amounts
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

475 Office of Public Utility Counsel
 Appropriation Years: 2018-19

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2018-19
Goal: 1. Equitable Utility Rates for Residential and Small Commercial Consumers											
1.1.1. Participation In Cases	2,395,910	2,300,072	722,941	694,022					3,118,851	2,994,094	
Total, Goal	2,395,910	2,300,072	722,941	694,022					3,118,851	2,994,094	
Goal: 2. Protect Consumer Interests in Utility Markets											
2.1.1. Utility Projects	1,026,817	985,746	309,831	297,439					1,336,648	1,283,185	
Total, Goal	1,026,817	985,746	309,831	297,439					1,336,648	1,283,185	
Total, Agency	3,422,727	3,285,818	1,032,772	991,461					4,455,499	4,277,279	
Total FTEs									25.5	25.5	0.0

2.A. Summary of Base Request by Strategy

8/4/2016 9:51:03AM

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

475 Office of Public Utility Counsel

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
1 Equitable Utility Rates for Residential and Small Commercial Consumers					
1 <i>To Protect Consumers and Ensure Reasonable Rates</i>					
1 PARTICIPATION IN CASES	2,069,777	1,561,050	1,557,801	1,497,047	1,497,047
TOTAL, GOAL 1	\$2,069,777	\$1,561,050	\$1,557,801	\$1,497,047	\$1,497,047
2 Protect Consumer Interests in Utility Markets					
1 <i>Promote Utility Choices and Consumer Protection Policies</i>					
1 UTILITY PROJECTS	321,947	669,020	667,628	641,592	641,593
TOTAL, GOAL 2	\$321,947	\$669,020	\$667,628	\$641,592	\$641,593
TOTAL, AGENCY STRATEGY REQUEST	\$2,391,724	\$2,230,070	\$2,225,429	\$2,138,639	\$2,138,640
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$2,391,724	\$2,230,070	\$2,225,429	\$2,138,639	\$2,138,640

2.A. Summary of Base Request by Strategy

8/4/2016 9:51:03AM

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

475 Office of Public Utility Counsel

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	1,835,298	1,713,239	1,709,488	1,642,909	1,642,909
SUBTOTAL	\$1,835,298	\$1,713,239	\$1,709,488	\$1,642,909	\$1,642,909
General Revenue Dedicated Funds:					
153 Water Resource Management	556,426	516,831	515,941	495,730	495,731
SUBTOTAL	\$556,426	\$516,831	\$515,941	\$495,730	\$495,731
TOTAL, METHOD OF FINANCING	\$2,391,724	\$2,230,070	\$2,225,429	\$2,138,639	\$2,138,640

*Rider appropriations for the historical years are included in the strategy amounts.

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/4/2016 9:51:03AM

Agency code: **475** Agency name: **Office of Public Utility Counsel**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
---------------------	----------	----------	----------	----------	----------

GENERAL REVENUE

1 General Revenue Fund

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2014-15 GAA)

\$1,653,703	\$0	\$0	\$1,642,909	\$1,642,909
-------------	-----	-----	-------------	-------------

Regular Appropriations from MOF Table (2016-17 GAA)

\$0	\$1,692,568	\$1,692,568	\$0	\$0
-----	-------------	-------------	-----	-----

RIDER APPROPRIATION

Rider 2,UB Authority-Strategy A.1.1 Participate in Major Utility Cases

\$282,043	\$0	\$0	\$0	\$0
-----------	-----	-----	-----	-----

Rider 2,UB Authority-Strategy B.1.1 Participate in Major Utility Projects

\$58,079	\$0	\$0	\$0	\$0
----------	-----	-----	-----	-----

TRANSFERS

Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)

\$17,716	\$0	\$0	\$0	\$0
----------	-----	-----	-----	-----

Art IX, Sec 18.02, Salary Increase for General State Employees (2016-17)

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/4/2016 9:51:03AM

Agency code: **475** Agency name: **Office of Public Utility Counsel**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>GENERAL REVENUE</u>					
	\$0	\$20,671	\$16,920	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2014-15 GAA)					
	\$(176,243)	\$0	\$0	\$0	\$0
TOTAL, General Revenue Fund	\$1,835,298	\$1,713,239	\$1,709,488	\$1,642,909	\$1,642,909
TOTAL, ALL GENERAL REVENUE	\$1,835,298	\$1,713,239	\$1,709,488	\$1,642,909	\$1,642,909

GENERAL REVENUE FUND - DEDICATED

153 GR Dedicated - Water Resource Management Account No. 153

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2016-17 GAA)

\$0	\$509,054	\$509,054	\$495,730	\$495,731
-----	-----------	-----------	-----------	-----------

RIDER APPROPRIATION

Art.IX,Sec.18.15(2014-1015)Contingency for HB 1600

\$499,680	\$0	\$0	\$0	\$0
-----------	-----	-----	-----	-----

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/4/2016 9:51:03AM

Agency code: **475** Agency name: **Office of Public Utility Counsel**

METHOD OF FINANCING		Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>GENERAL REVENUE FUND - DEDICATED</u>						
	Rider 2, UB Authority-Strategy A.1.1 Participation in Major Utility Cases	\$250,251	\$0	\$0	\$0	\$0
<i>TRANSFERS</i>						
	Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)	\$6,743	\$0	\$0	\$0	\$0
	Art IX, Sec 18.02, Salary Increase for General State Employees (2016-17)	\$0	\$7,777	\$6,887	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>						
	Regular Appropriations from MOF Table (2014-15 GAA)	\$(200,248)	\$0	\$0	\$0	\$0
TOTAL,	GR Dedicated - Water Resource Management Account No. 153	\$556,426	\$516,831	\$515,941	\$495,730	\$495,731
TOTAL, ALL	GENERAL REVENUE FUND - DEDICATED	\$556,426	\$516,831	\$515,941	\$495,730	\$495,731
TOTAL,	GR & GR-DEDICATED FUNDS	\$2,391,724	\$2,230,070	\$2,225,429	\$2,138,639	\$2,138,640

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/4/2016 9:51:03AM

Agency code: **475** Agency name: **Office of Public Utility Counsel**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
GRAND TOTAL	\$2,391,724	\$2,230,070	\$2,225,429	\$2,138,639	\$2,138,640

FULL-TIME-EQUIVALENT POSITIONS

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2014-15 GAA)	20.5	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2016-17 GAA)	0.0	25.5	25.5	0.0	0.0
Regular Appropriations from MOF Table (2018-19 GAA)	0.0	0.0	0.0	25.5	25.5

RIDER APPROPRIATION

Art.IX,Sec.18.15(b)(2014-2015 GAA) Contingency for HB 1600	5.0	0.0	0.0	0.0	0.0
---	-----	-----	-----	-----	-----

UNAUTHORIZED NUMBER OVER (BELOW) CAP

Unauthorized Number Over(Below)Cap	(7.6)	(8.4)	0.0	0.0	0.0
------------------------------------	-------	-------	-----	-----	-----

TOTAL, ADJUSTED FTES	17.9	17.1	25.5	25.5	25.5
-----------------------------	-------------	-------------	-------------	-------------	-------------

**NUMBER OF 100% FEDERALLY
FUNDED FTEs**

2.C. Summary of Base Request by Object of Expense
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/4/2016 9:51:04AM

475 Office of Public Utility Counsel

OBJECT OF EXPENSE	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1001 SALARIES AND WAGES	\$1,374,349	\$1,417,828	\$1,734,017	\$1,734,017	\$1,734,017
1002 OTHER PERSONNEL COSTS	\$139,915	\$97,644	\$67,757	\$67,757	\$67,757
2001 PROFESSIONAL FEES AND SERVICES	\$249,182	\$577,664	\$293,152	\$206,362	\$206,363
2003 CONSUMABLE SUPPLIES	\$13,179	\$12,500	\$12,500	\$12,500	\$12,500
2004 UTILITIES	\$3,261	\$4,245	\$4,245	\$4,245	\$4,245
2005 TRAVEL	\$13,850	\$13,856	\$9,120	\$9,120	\$9,120
2006 RENT - BUILDING	\$1,817	\$3,264	\$1,569	\$1,569	\$1,569
2007 RENT - MACHINE AND OTHER	\$20,870	\$23,926	\$23,926	\$23,926	\$23,926
2009 OTHER OPERATING EXPENSE	\$575,301	\$79,143	\$79,143	\$79,143	\$79,143
OOE Total (Excluding Riders)	\$2,391,724	\$2,230,070	\$2,225,429	\$2,138,639	\$2,138,640
OOE Total (Riders)					
Grand Total	\$2,391,724	\$2,230,070	\$2,225,429	\$2,138,639	\$2,138,640

2.D. Summary of Base Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

8/4/2016 9:51:05AM

475 Office of Public Utility Counsel

Goal/ Objective / Outcome	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1 Equitable Utility Rates for Residential and Small Commercial Consumers					
1 To Protect Consumers and Ensure Reasonable Rates					
KEY 1 Percentage of OPUC Utility Cases that are Competition Related	35.30%	40.00%	40.00%	40.00%	40.00%
2 Percentage of OPUC Utility Cases that are Resource Related	11.80%	4.00%	4.00%	4.00%	4.00%
3 Current Year Bill Savings/Res/Sm Com Utility Consumer (In Millions)	47,677,541.67	18,000,000.00	18,000,000.00	18,000,000.00	18,000,000.00
2 Protect Consumer Interests in Utility Markets					
1 Promote Utility Choices and Consumer Protection Policies					
1 Percent of OPUC Utility Projects that are Competition Related	55.60%	40.00%	40.00%	40.00%	40.00%

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/4/2016
 TIME : 9:51:05AM

Agency code: 475 Agency name: Office of Public Utility Counsel

Goal/Objective/STRATEGY	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
1 Equitable Utility Rates for Residential and Small Commercial Consum						
1 <i>To Protect Consumers and Ensure Reasonable Rates</i>						
1 PARTICIPATION IN CASES	\$1,497,047	\$1,497,047	\$0	\$0	\$1,497,047	\$1,497,047
TOTAL, GOAL 1	\$1,497,047	\$1,497,047	\$0	\$0	\$1,497,047	\$1,497,047
2 Protect Consumer Interests in Utility Markets						
1 <i>Promote Utility Choices and Consumer Protection Policies</i>						
1 UTILITY PROJECTS	641,592	641,593	0	0	641,592	641,593
TOTAL, GOAL 2	\$641,592	\$641,593	\$0	\$0	\$641,592	\$641,593
TOTAL, AGENCY STRATEGY REQUEST	\$2,138,639	\$2,138,640	\$0	\$0	\$2,138,639	\$2,138,640
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$2,138,639	\$2,138,640	\$0	\$0	\$2,138,639	\$2,138,640

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/4/2016
 TIME : 9:51:05AM

Agency code: 475 Agency name: Office of Public Utility Counsel

<i>Goal/Objective/STRATEGY</i>	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
General Revenue Funds:						
1 General Revenue Fund	\$1,642,909	\$1,642,909	\$0	\$0	\$1,642,909	\$1,642,909
	\$1,642,909	\$1,642,909	\$0	\$0	\$1,642,909	\$1,642,909
General Revenue Dedicated Funds:						
153 Water Resource Management	495,730	495,731	0	0	495,730	495,731
	\$495,730	\$495,731	\$0	\$0	\$495,730	\$495,731
TOTAL, METHOD OF FINANCING	\$2,138,639	\$2,138,640	\$0	\$0	\$2,138,639	\$2,138,640
FULL TIME EQUIVALENT POSITIONS	25.5	25.5	0.0	0.0	25.5	25.5

2.G. Summary of Total Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABES 1)

Date : 8/4/2016
 Time: 9:51:06AM

Agency code: 475 Agency name: Office of Public Utility Counsel

Goal/ Objective / Outcome

	BL 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
1 Equitable Utility Rates for Residential and Small Commercial Consumers						
1 <i>To Protect Consumers and Ensure Reasonable Rates</i>						
KEY 1 Percentage of OPUC Utility Cases that are Competition Related						
	40.00%	40.00%			40.00%	40.00%
2 Percentage of OPUC Utility Cases that are Resource Related						
	4.00%	4.00%			4.00%	4.00%
3 Current Year Bill Savings/Res/Sm Com Utility Consumer (In Millions)						
	18,000,000.00	18,000,000.00			18,000,000.00	18,000,000.00
2 Protect Consumer Interests in Utility Markets						
1 <i>Promote Utility Choices and Consumer Protection Policies</i>						
1 Percent of OPUC Utility Projects that are Competition Related						
	40.00%	40.00%			40.00%	40.00%

3.A. Strategy Request F
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/4/2016 9:51:06AM

475 Office of Public Utility Counsel

GOAL: 1 Equitable Utility Rates for Residential and Small Commercial Consumers
 OBJECTIVE: 1 To Protect Consumers and Ensure Reasonable Rates Service Categories:
 STRATEGY: 1 Participate in Major Utility Cases Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
KEY 1	Number of Utility Cases in which OPUC Participates	34.00	34.00	30.00	30.00	30.00
2	Number of Utility Court Cases in which OPUC Participates	5.00	7.00	5.00	5.00	5.00
Efficiency Measures:						
KEY 1	Average Cost Per Utility Case in which OPUC Participates	19,647.06	47,674.00	47,674.00	47,674.00	47,674.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,168,653	\$992,479	\$1,213,812	\$1,213,812	\$1,213,812
1002	OTHER PERSONNEL COSTS	\$119,018	\$68,384	\$47,430	\$47,430	\$47,430
2001	PROFESSIONAL FEES AND SERVICES	\$249,182	\$404,258	\$205,207	\$144,453	\$144,453
2003	CONSUMABLE SUPPLIES	\$10,598	\$8,750	\$8,750	\$8,750	\$8,750
2004	UTILITIES	\$2,434	\$2,972	\$2,972	\$2,972	\$2,972
2005	TRAVEL	\$13,850	\$9,774	\$6,384	\$6,384	\$6,384
2006	RENT - BUILDING	\$1,418	\$2,285	\$1,098	\$1,098	\$1,098
2007	RENT - MACHINE AND OTHER	\$16,996	\$16,748	\$16,748	\$16,748	\$16,748
2009	OTHER OPERATING EXPENSE	\$487,628	\$55,400	\$55,400	\$55,400	\$55,400
TOTAL, OBJECT OF EXPENSE		\$2,069,777	\$1,561,050	\$1,557,801	\$1,497,047	\$1,497,047

475 Office of Public Utility Counsel

GOAL: 1 Equitable Utility Rates for Residential and Small Commercial Consumers
 OBJECTIVE: 1 To Protect Consumers and Ensure Reasonable Rates Service Categories:
 STRATEGY: 1 Participate in Major Utility Cases Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Method of Financing:						
1	General Revenue Fund	\$1,513,351	\$1,199,268	\$1,196,642	\$1,150,036	\$1,150,036
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,513,351	\$1,199,268	\$1,196,642	\$1,150,036	\$1,150,036
Method of Financing:						
153	Water Resource Management	\$556,426	\$361,782	\$361,159	\$347,011	\$347,011
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$556,426	\$361,782	\$361,159	\$347,011	\$347,011
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,497,047	\$1,497,047
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,069,777	\$1,561,050	\$1,557,801	\$1,497,047	\$1,497,047
FULL TIME EQUIVALENT POSITIONS:		15.3	12.1	17.9	17.9	17.9

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Public Utility Regulatory Act (PURA), Tex. Util. Code Ann. §§13.001 et seq. and Texas Water Code §13.107, charge OPUC with representing residential and small commercial consumers in proceedings affecting utility rates and services. OPUC represents these consumers at the Public Utility Commission (PUC) and in state and federal courts. This strategy continues the agency's representation of residential and small commercial consumers in cases to achieve reasonable prices, to provide consumer protection, and to develop and encourage competitive markets.

475 Office of Public Utility Counsel

GOAL: 1 Equitable Utility Rates for Residential and Small Commercial Consumers
 OBJECTIVE: 1 To Protect Consumers and Ensure Reasonable Rates Service Categories:
 STRATEGY: 1 Participate in Major Utility Cases Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

OPUC represents residential and small commercial utility consumers, as a class, in a variety of regulatory proceedings and in court. The agency primarily represents consumers in electric, water and wastewater, and telecommunications cases. OPUC was created so that individual consumers would not have to bear the burden and expense of participating in complex and expensive legal proceedings to have their interests represented. The agency has both legal and technical staff that analyzes and advocates on behalf of consumers. When necessary, OPUC utilizes outside technical personnel as expert witnesses in cases. The agency has been granted the flexibility between funding FTEs and funding outside expert witnesses on an as-needed basis in order to maximize the financial efficiency and leverage the technical expertise of the agency.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$3,118,851	\$2,994,094	\$(124,757)	\$(95,838)	Reduced Professional Fees & Services. All GR.
			\$(28,919)	Reduced Professional Fees & Services. All GRD.
			\$(124,757)	Total of Explanation of Biennial Change

3.A. Strategy Request
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/4/2016 9:51:06AM

475 Office of Public Utility Counsel

GOAL: 2 Protect Consumer Interests in Utility Markets
 OBJECTIVE: 1 Promote Utility Choices and Consumer Protection Policies
 STRATEGY: 1 Participate in Major Utility Projects Affecting Consumers

Service Categories:

Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
KEY 1	Number of Utility Projects in which OPUC Participates	27.00	28.00	26.00	26.00	26.00
Efficiency Measures:						
1	Average Cost Per Utility Project	11,997.56	18,403.00	18,403.00	18,403.00	18,403.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$205,696	\$425,349	\$520,205	\$520,205	\$520,205
1002	OTHER PERSONNEL COSTS	\$20,897	\$29,260	\$20,327	\$20,327	\$20,327
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$173,406	\$87,945	\$61,909	\$61,910
2003	CONSUMABLE SUPPLIES	\$2,581	\$3,750	\$3,750	\$3,750	\$3,750
2004	UTILITIES	\$827	\$1,273	\$1,273	\$1,273	\$1,273
2005	TRAVEL	\$0	\$4,082	\$2,736	\$2,736	\$2,736
2006	RENT - BUILDING	\$399	\$979	\$471	\$471	\$471
2007	RENT - MACHINE AND OTHER	\$3,874	\$7,178	\$7,178	\$7,178	\$7,178
2009	OTHER OPERATING EXPENSE	\$87,673	\$23,743	\$23,743	\$23,743	\$23,743
TOTAL, OBJECT OF EXPENSE		\$321,947	\$669,020	\$667,628	\$641,592	\$641,593
Method of Financing:						
1	General Revenue Fund	\$321,947	\$513,971	\$512,846	\$492,873	\$492,873

475 Office of Public Utility Counsel

GOAL: 2 Protect Consumer Interests in Utility Markets
 OBJECTIVE: 1 Promote Utility Choices and Consumer Protection Policies
 STRATEGY: 1 Participate in Major Utility Projects Affecting Consumers

Service Categories:

Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$321,947	\$513,971	\$512,846	\$492,873	\$492,873
Method of Financing:						
153	Water Resource Management	\$0	\$155,049	\$154,782	\$148,719	\$148,720
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$155,049	\$154,782	\$148,719	\$148,720
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$641,592	\$641,593
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$321,947	\$669,020	\$667,628	\$641,592	\$641,593
FULL TIME EQUIVALENT POSITIONS:		2.6	5.0	7.6	7.6	7.6

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Public Utility Regulatory Act (PURA), Tex. Util. Code Ann. §§13.001 et seq., and Texas Water Code §13.107 charge OPUC with representing residential and small commercial consumers in projects affecting utility rates and services. OPUC represents consumers at the Public Utility Commission (PUC), the Electric Reliability Council of Texas (ERCOT), the Texas Reliability Entity Inc., (Texas RE), and other regulatory agencies. This strategy continues the agency's representation of residential and small commercial consumers in projects to achieve reasonable prices, to provide consumer protection, and to develop and encourage competitive markets.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

475 Office of Public Utility Counsel

GOAL: 2 Protect Consumer Interests in Utility Markets
 OBJECTIVE: 1 Promote Utility Choices and Consumer Protection Policies Service Categories:
 STRATEGY: 1 Participate in Major Utility Projects Affecting Consumers Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

OPUC represents residential and small commercial utility consumers, as a class, in a variety of projects. The agency represents consumers in electric, water and wastewater, and telecommunications projects. OPUC was created so that individual consumers would not have to bear the burden and expense of participating in complex and expensive legal proceedings to have their interests represented. OPUC's responsibilities include participating in workshops, projects, and rulemakings related to ratemaking, retail electric competition, and consumer safeguards. In projects and rulemakings, the agency focuses on developing reasonable regulations, fostering competition, and promoting consumer safeguards. In addition to representing consumers, OPUC also provides information of interest to the public and communicates with the agency's clients to assess their needs and set the agency's priorities.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$1,336,648	\$1,283,185	\$(53,463)	\$(41,072)	Reduced Professional Fees & Services. All GR.
			\$(12,391)	Reduced Professional Fees & Services. All GRD.
			<u>\$(53,463)</u>	Total of Explanation of Biennial Change

3.A. Strategy Request

8/4/2016 9:51:06AM

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$2,391,724	\$2,230,070	\$2,225,429	\$2,138,639	\$2,138,640
METHODS OF FINANCE (INCLUDING RIDERS):				\$2,138,639	\$2,138,640
METHODS OF FINANCE (EXCLUDING RIDERS):	\$2,391,724	\$2,230,070	\$2,225,429	\$2,138,639	\$2,138,640
FULL TIME EQUIVALENT POSITIONS:	17.9	17.1	25.5	25.5	25.5

6.A. Historically Underutilized Business Supporting Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2016
 Time: 9:51:11AM

Agency Code: 475 Agency: Office of Public Utility Counsel

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2014 - 2015 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2014			Total Expenditures FY 2014	% Goal	HUB Expenditures FY 2015			Total Expenditures FY 2015
			% Actual	Diff	Actual \$	Actual \$		% Actual	Diff	Actual \$	
11.2%	Heavy Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0
21.1%	Building Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0
32.9%	Special Trade	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0
23.7%	Professional Services	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0
26.0%	Other Services	24.6 %	1.3%	-23.3%	\$275	\$20,701	26.0 %	1.3%	-24.7%	\$4,859	\$383,082
21.1%	Commodities	21.0 %	37.8%	16.8%	\$12,825	\$33,914	21.1 %	62.1%	41.0%	\$35,500	\$57,142
	Total Expenditures		24.0%		\$13,100	\$54,615		9.2%		\$40,359	\$440,224

B. Assessment of Fiscal Year 2014 - 2015 Efforts to Meet HUB Procurement Goals

Attainment:

OPUC attained or exceeded one of two, or 50%, of the applicable Statewide HUB Procurement Goals in Fiscal Years 2014 and 2015.

Applicability:

OPUC did not make any expenditures in the Heavy Construction, Building Construction, Special Trade or Professional Services procurement categories since the agency did not have any strategies or programs related to these categories.

Factors Affecting Attainment:

OPUC strives to meet or exceed established HUB goals, although due to the unique nature of our agency's mission we are limited to spend in two (2) of the available six (6) reportable procurement categories.

The agency's efforts consistently produce percentages that far exceed the Statewide and agency goals for the Commodities procurement category. Heavy Construction, Building Construction, Special Trade Construction and Professional Services procurement categories were not applicable to the agency's operations in Fiscal Years 2014 and 2015. Therefore, the agency set its own HUB goals appropriate to its purchasing requirements. OPUC contracts directly with vendors for highly specialized expert witness services where a HUB vendor base is very limited or non-existent.

"Good-Faith" Efforts:

OPUC performed the following good faith efforts to promote HUB utilization and comply with Statewide HUB Procurement Goals:

- *ensured that requests for goods and services clearly and accurately reflected the agency's needs and requirements;
- *contacted at least two (2) HUB vendors for purchases and service contract opportunities where applicable;
- *utilized HUB vendors on non-competitive spot purchases of \$5,000.00 or less, whenever possible;

6.A. Historically Underutilized Business Supporting Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2016
Time: 9:51:11AM

Agency Code: 475 Agency: Office of Public Utility Counsel

- *utilized HUB resellers from Department of Information Resources (DIR) contracts as often as possible;
- *attended Economic Opportunity Forum Events;
- *attended HUB related meetings to network with other state agency HUB coordinators to share ideas and recommendations with regard to HUB utilization; and
- *encouraged HUB vendors to register on the Centralized Master Bidder's List (CMBL).

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2016
Time: 9:51:29AM

Agency code: 475 Agency name: Office of Public Utility Counsel

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	
1 Participate in Proceedings							
Category: Across the Board Reductions							
Item Comment: The agency will reduce \$164,291 from General Revenue and \$49,573 from General Revenue Dedicated-Water Resources Management Account for the biennium. This reduction will be attained through across-the-board reductions for both agency strategies. This reduction will impact the agency's performance measures, primarily in the number of proceedings in which the agency represents residential and small commercial consumers.							
Strategy: 1-1-1 Participate in Major Utility Cases							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$57,502	\$57,502	\$115,004	
General Revenue Funds Total	\$0	\$0	\$0	\$57,502	\$57,502	\$115,004	
<u>Gr Dedicated</u>							
153 Water Resource Management	\$0	\$0	\$0	\$17,351	\$17,351	\$34,702	
Gr Dedicated Total	\$0	\$0	\$0	\$17,351	\$17,351	\$34,702	
Strategy: 2-1-1 Participate in Major Utility Projects Affecting Consumers							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$24,643	\$24,644	\$49,287	
General Revenue Funds Total	\$0	\$0	\$0	\$24,643	\$24,644	\$49,287	
<u>Gr Dedicated</u>							
153 Water Resource Management	\$0	\$0	\$0	\$7,436	\$7,435	\$14,871	
Gr Dedicated Total	\$0	\$0	\$0	\$7,436	\$7,435	\$14,871	
Item Total	\$0	\$0	\$0	\$106,932	\$106,932	\$213,864	
FTE Reductions (From FY 2018 and FY 2019 Base Request)				1.0	1.0		

2 Participate in Proceedings

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2016
Time: 9:51:29AM

Agency code: 475 Agency name: Office of Public Utility Counsel

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	
Category: Across the Board Reductions							
Item Comment: The agency will reduce \$164,291 from General Revenue and \$49,573 from General Revenue Dedicated-Water Resources Management Account for the biennium. This reduction will be attained through across-the-board reductions for both agency strategies. This reduction will impact the agency's performance measures, primarily in the number of proceedings in which the agency represents residential and small commercial consumers.							
Strategy: 1-1-1 Participate in Major Utility Cases							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$57,502	\$57,502	\$115,004	
General Revenue Funds Total	\$0	\$0	\$0	\$57,502	\$57,502	\$115,004	
<u>Gr Dedicated</u>							
153 Water Resource Management	\$0	\$0	\$0	\$17,351	\$17,351	\$34,702	
Gr Dedicated Total	\$0	\$0	\$0	\$17,351	\$17,351	\$34,702	
Strategy: 2-1-1 Participate in Major Utility Projects Affecting Consumers							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$24,643	\$24,644	\$49,287	
General Revenue Funds Total	\$0	\$0	\$0	\$24,643	\$24,644	\$49,287	
<u>Gr Dedicated</u>							
153 Water Resource Management	\$0	\$0	\$0	\$7,436	\$7,435	\$14,871	
Gr Dedicated Total	\$0	\$0	\$0	\$7,436	\$7,435	\$14,871	
Item Total	\$0	\$0	\$0	\$106,932	\$106,932	\$213,864	
FTE Reductions (From FY 2018 and FY 2019 Base Request)				1.0	1.0		
AGENCY TOTALS							
General Revenue Total				\$164,290	\$164,292	\$328,582	\$328,582
GR Dedicated Total				\$49,574	\$49,572	\$99,146	\$99,146

6.I. Percent Biennial Base Reduction Options
10 % REDUCTION
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2016
Time: 9:51:29AM

Agency code: 475 Agency name: Office of Public Utility Counsel

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	
Agency Grand Total	\$0	\$0	\$0	\$213,864	\$213,864	\$427,728	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2018 and FY 2019 Base Request)				2.0	2.0		

7.A. Indirect Administrative and Support Costs

8/4/2016 9:51:29AM

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

475 Office of Public Utility Counsel

Strategy	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1-1-1 Participate in Major Utility Cases					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$89,421	\$ 117,116	\$ 117,116	\$ 117,116	\$ 117,116
1002 OTHER PERSONNEL COSTS	10,447	2,962	2,974	2,974	2,974
2003 CONSUMABLE SUPPLIES	796	1,072	720	720	720
2007 RENT - MACHINE AND OTHER	1,259	2,057	1,379	1,379	1,379
2009 OTHER OPERATING EXPENSE	25,519	2,937	2,292	2,292	2,292
Total, Objects of Expense	\$127,442	\$126,144	\$124,481	\$124,481	\$124,481
METHOD OF FINANCING:					
1 General Revenue Fund	98,130	97,131	95,850	95,850	95,850
153 Water Resource Management	29,312	29,013	28,631	28,631	28,631
Total, Method of Financing	\$127,442	\$126,144	\$124,481	\$124,481	\$124,481
FULL TIME EQUIVALENT POSITIONS	0.9	1.5	1.5	1.5	1.5
Method of Allocation					

In general, administrative and support costs are allocated proportionally between all strategies because this agency is labor-intensive and the administrative demands are closely related to budget size.

7.A. Indirect Administrative and Support Costs
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/4/2016 9:51:29AM

475 Office of Public Utility Counsel

Strategy	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
2-1-1 Participate in Major Utility Projects Affecting Consumers					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$22,355	\$ 50,193	\$ 50,193	\$ 50,193	\$ 50,193
1002 OTHER PERSONNEL COSTS	2,612	1,270	1,274	1,274	1,274
2003 CONSUMABLE SUPPLIES	199	460	309	309	309
2007 RENT - MACHINE AND OTHER	315	881	591	591	591
2009 OTHER OPERATING EXPENSE	6,380	1,259	982	982	982
Total, Objects of Expense	\$31,861	\$54,063	\$53,349	\$53,349	\$53,349
METHOD OF FINANCING:					
1 General Revenue Fund	24,533	41,629	41,079	41,079	41,079
153 Water Resource Management	7,328	12,434	12,270	12,270	12,270
Total, Method of Financing	\$31,861	\$54,063	\$53,349	\$53,349	\$53,349
FULL TIME EQUIVALENT POSITIONS	0.2	0.6	0.6	0.6	0.6
Method of Allocation					

In general, administrative and support costs are allocated proportionately between all strategies on the basis of budget size for each fiscal year. This method was selected because this agency is labor-intensive and the administrative demands are closely related to budget size.

7.A. Indirect Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/4/2016 9:51:29AM

475 Office of Public Utility Counsel

	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$111,776	\$167,309	\$167,309	\$167,309	\$167,309
1002 OTHER PERSONNEL COSTS	\$13,059	\$4,232	\$4,248	\$4,248	\$4,248
2003 CONSUMABLE SUPPLIES	\$995	\$1,532	\$1,029	\$1,029	\$1,029
2007 RENT - MACHINE AND OTHER	\$1,574	\$2,938	\$1,970	\$1,970	\$1,970
2009 OTHER OPERATING EXPENSE	\$31,899	\$4,196	\$3,274	\$3,274	\$3,274
Total, Objects of Expense	\$159,303	\$180,207	\$177,830	\$177,830	\$177,830
Method of Financing					
1 General Revenue Fund	\$122,663	\$138,760	\$136,929	\$136,929	\$136,929
153 Water Resource Management	\$36,640	\$41,447	\$40,901	\$40,901	\$40,901
Total, Method of Financing	\$159,303	\$180,207	\$177,830	\$177,830	\$177,830
Full-Time-Equivalent Positions (FTE)	1.1	2.1	2.1	2.1	2.1