

**Legislative Appropriations Request
for Fiscal Years 2014 and 2015**

**Submitted to the
Governor's Office of Budget, Planning and Policy
and the Legislative Budget Board**

by

Office of Public Utility Counsel

Sheri Givens

December 21, 2009 – Present

Austin, Texas

August 6, 2012

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for Fiscal Years 2014 and 2015

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Approved:



Sheri Givens, Public Counsel

Office of Public Utility Counsel
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Office of Public Utility Counsel

**Legislative Appropriations Request
for Fiscal Years 2014 and 2015**

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475 Office of Public Utility Counsel

The Office of Public Utility Counsel (OPUC) is submitting its Request for Legislative Appropriations for fiscal years 2014 and 2015 in accordance with the Strategic Planning and Budgeting System.

The mission of the Office of Public Utility Counsel is to provide quality representation, pertinent information, and valuable customer assistance by skilled professionals in an efficient manner to Texas residential and small business telephone and electric utility customers in appropriate state and federal regulatory, judicial, and market-based venues to ensure abundant utility services are available to them at just and reasonable rates in an increasingly competitive environment.

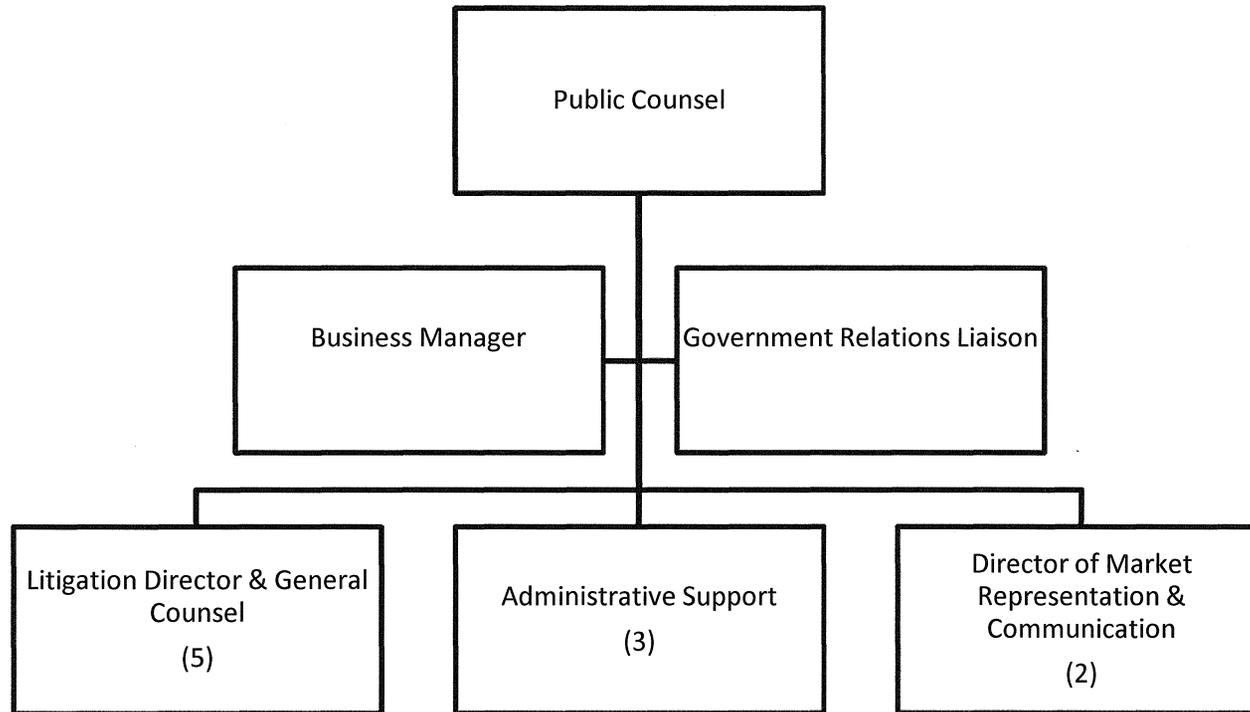
As requested, OPUC has attached the supplemental schedule detailing how the agency would reduce the base line budget by 10%, if required. The 10% budget reduction for OPUC is \$300,741 in General Revenue for the biennium. This reduction will be attained through across the board reductions for both agency strategies. The reduction impacts the agency's performance measures, primarily in the number of proceedings in which the agency represents residential and small commercial consumers and the robustness of OPUC's participation on issues in cases in which OPUC does participate. OPUC will prioritize its workload to ensure that it continues to represent consumers in the most critical proceedings impacting residential and small commercial customers.

OPUC has experienced unpredictability in the use of its funds due to the timing and complexity of the many cases and projects in which the agency participates. When a proceeding continues from one fiscal year to the next, necessary funds for that proceeding may be lost simply due to timing. OPUC requests that its unexpended budget at the end of fiscal year 2014 be carried over to fiscal year 2015. This authority was granted last session and will be critical to the agency for the next biennium under the proposed reduced budget. OPUC respectfully requests this flexibility in fiscal year 2014.

OPUC is authorized by statute to ensure just and reasonable rates and the equitable availability of communications and electric industry services by assessing the effect of utility rate changes and other regulatory actions on residential and small business consumers. Accordingly, OPUC represents residential and small business consumers as a class in litigated proceedings, rulemaking meetings, workshops, market forums, and other venues before the appropriate regulatory entities on matters involving rates, rules, and policies pertaining to the provision of telecommunications and electric utility rates and services. One primary reason OPUC was created in 1983 was because residential and small business consumers were not adequately represented or protected in communications and electric utility regulatory and market proceedings. The need to protect these classes of consumers continues to be relevant.

OPUC is also authorized by statute to provide information of interest to the public and to communicate with the agency's clients in assessing their needs and setting the office's priorities for representation. OPUC receives numerous complaints and inquiries each year, and its professional staff works with customers to assist them to better understand and resolve the relevant issues and concerns they bring to the agency. OPUC also conducts annual customer surveys and an annual meeting, and continues to seek additional opportunities to communicate with its clients by targeting a variety of organizations and individuals. For example, OPUC meets with Chambers of Commerce, health and social services organizations, small business associations, representatives of the military community, and other associations in various towns and cities across the state. These opportunities establish a two-way dialogue so OPUC can foster the attorney-client relationship by hearing consumers' concerns and provide needed information to better represent customers in proceedings before the PUC and other regulatory venues. OPUC also updates and maintains its website and utilizes social media to continue to make it more consumer-relevant and informative regarding communications and electric industry services, with guidelines on energy savings, information on financial assistance, instruction on landowner participation in Certificate of Convenience and Necessity (CCN) proceedings, the process for filing a complaint with the appropriate entity, and updates on regulatory and market developments impacting customers.

Office of Public Utility Counsel



2.A. SUMMARY OF BASE REQUEST BY STRATEGY

8/6/2012 11:06:11AM

83rd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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Goal / Objective / STRATEGY	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
1 Equitable Electric Rates for Residential and Small Business Consumers					
1 <i>To Promote Electric Customer Choices and Consumer Protection Policies</i>					
1 PARTICIPATION IN PROCEEDINGS	1,212,960	1,229,464	1,229,464	1,229,464	1,229,464
TOTAL, GOAL 1	\$1,212,960	\$1,229,464	\$1,229,464	\$1,229,464	\$1,229,464
2 Provide Benefits and Protect Telephone Consumers in Competitive Market					
1 <i>Promote Telephone Customer Choices and Consumer Protection Policies</i>					
1 TELECOMMUNICATIONS PROCEEDINGS	558,717	274,239	274,239	274,239	274,239
TOTAL, GOAL 2	\$558,717	\$274,239	\$274,239	\$274,239	\$274,239
TOTAL, AGENCY STRATEGY REQUEST	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703

2.A. SUMMARY OF BASE REQUEST BY STRATEGY

8/6/2012 11:06:14AM

83rd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

475 Office of Public Utility Counsel

Goal / Objective / STRATEGY	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	1,771,677	1,503,703	1,503,703	1,503,703	1,503,703
SUBTOTAL	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703
TOTAL, METHOD OF FINANCING	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703

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

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE

8/6/2012 11:06:26AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **475**

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

METHOD OF FINANCING	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
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GENERAL REVENUE

1 General Revenue Fund

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2010-11 GAA)

\$1,758,717	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2012-13 GAA)

\$0	\$1,503,703	\$1,503,703	\$0	\$0
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Regular Appropriations from MOF Table (2014-15 GAA)

\$0	\$0	\$0	\$1,503,703	\$1,503,703
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RIDER APPROPRIATION

UB Authority-Strategy A.1.1 Participation in Proceedings

\$128,933	\$0	\$0	\$0	\$0
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UB Authority-Strategy B.1.1 Telecommunications Proceedings

\$23,271	\$0	\$0	\$0	\$0
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SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS

HB 4, 82nd Leg, Regular Session, Sec 1(a) General Revenue Reductions.

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE

8/6/2012 11:06:29AM

83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **475**

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

METHOD OF FINANCING	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>GENERAL REVENUE</u>	\$(131,904)	\$0	\$0	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2010-11 GAA)	\$(7,340)	\$0	\$0	\$0	\$0
TOTAL, General Revenue Fund	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703
TOTAL, ALL GENERAL REVENUE	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703
GRAND TOTAL	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE

8/6/2012 11:06:29AM

83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **475**

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

METHOD OF FINANCING	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>FULL-TIME-EQUIVALENT POSITIONS</u>					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2010-11 GAA)	23.0	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2012-13 GAA)	0.0	20.5	20.5	0.0	0.0
Regular Appropriations from MOF Table (2014-15 GAA)	0.0	0.0	0.0	20.5	20.5
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over (Below) Cap	(6.5)	(5.2)	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	16.5	15.3	20.5	20.5	20.5
NUMBER OF 100% FEDERALLY FUNDED FTEs	0.0	0.0	0.0	0.0	0.0

2.C. SUMMARY OF BASE REQUEST BY OBJECT OF EXPENSE

8/6/2012 11:07:06AM

83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas(ABEST)

475 Office of Public Utility Counsel

OBJECT OF EXPENSE	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1001 SALARIES AND WAGES	\$1,209,406	\$1,163,126	\$1,163,126	\$1,163,126	\$1,163,126
1002 OTHER PERSONNEL COSTS	\$95,438	\$60,461	\$60,461	\$60,461	\$60,461
2001 PROFESSIONAL FEES AND SERVICES	\$76,347	\$163,756	\$163,756	\$163,756	\$163,756
2003 CONSUMABLE SUPPLIES	\$7,493	\$12,500	\$12,500	\$12,500	\$12,500
2004 UTILITIES	\$30	\$360	\$360	\$360	\$360
2005 TRAVEL	\$1,620	\$6,620	\$6,620	\$6,620	\$6,620
2006 RENT - BUILDING	\$1,423	\$3,264	\$3,264	\$3,264	\$3,264
2007 RENT - MACHINE AND OTHER	\$21,099	\$26,116	\$26,116	\$26,116	\$26,116
2009 OTHER OPERATING EXPENSE	\$358,821	\$67,500	\$67,500	\$67,500	\$67,500
OOE Total (Excluding Riders)	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703
OOE Total (Riders)					
Grand Total	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

8/6/2012 11:06:32AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas(ABEST)

475 Office of Public Utility Counsel

Goal/ Objective / Outcome	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1 Equitable Electric Rates for Residential and Small Business Consumers					
1 To Promote Electric Customer Choices and Consumer Protection Policies					
KEY 1 Percentage of OPUC Electric Proceedings That Are Competition Related					
	50.90%	55.00%	55.00%	55.00%	55.00 %
2 Percentage of OPUC Electric Proceedings That Are Resource Related					
	24.50%	4.00%	4.00%	4.00%	4.00 %
3 Current Year Bill Savings/Res/Sm Com Elect. Customer (In Millions)					
	366.10	18.00	18.00	18.00	18.00
4 Future Bill Savings for Res & Small Com. Elect. Cust. (In Millions)					
	0.00	0.00	0.00	0.00	0.00
2 Provide Benefits and Protect Telephone Consumers in Competitive Market					
1 Promote Telephone Customer Choices and Consumer Protection Policies					
KEY 1 Percent of OPUC Telecom Proceedings That Are Competition Related					
	69.20%	65.00%	65.00%	65.00%	65.00 %
2 Percentage of State Related Proceedings					
	61.50%	65.00%	65.00%	65.00%	65.00 %

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas(ABEST)

DATE : 8/6/2012
 TIME : 11:06:47AM

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

Goal/Objective/STRATEGY	Base 2014	Base 2015	Exceptional 2014	Exceptional 2015	Total Request 2014	Total Request 2015
1 Equitable Electric Rates for Residential and Small Business Consumers						
1 <i>To Promote Electric Customer Choices and Consumer Protection Po</i>						
1 PARTICIPATION IN PROCEEDINGS	\$1,229,464	\$1,229,464	\$0	\$0	\$1,229,464	\$1,229,464
TOTAL, GOAL 1	\$1,229,464	\$1,229,464	\$0	\$0	\$1,229,464	\$1,229,464
2 Provide Benefits and Protect Telephone Consumers in Competitive M						
1 <i>Promote Telephone Customer Choices and Consumer Protection Po</i>						
1 TELECOMMUNICATIONS PROCEEDINGS	274,239	274,239	0	0	274,239	274,239
TOTAL, GOAL 2	\$274,239	\$274,239	\$0	\$0	\$274,239	\$274,239
TOTAL, AGENCY STRATEGY REQUEST	\$1,503,703	\$1,503,703	\$0	\$0	\$1,503,703	\$1,503,703
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$1,503,703	\$1,503,703	\$0	\$0	\$1,503,703	\$1,503,703

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas(ABEST)

DATE : 8/6/2012
 TIME : 11:06:49AM

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

Goal/Objective/STRATEGY	Base 2014	Base 2015	Exceptional 2014	Exceptional 2015	Total Request 2014	Total Request 2015
General Revenue Funds:						
1 General Revenue Fund	\$1,503,703	\$1,503,703	\$0	\$0	\$1,503,703	\$1,503,703
	\$1,503,703	\$1,503,703	\$0	\$0	\$1,503,703	\$1,503,703
TOTAL, METHOD OF FINANCING	\$1,503,703	\$1,503,703	\$0	\$0	\$1,503,703	\$1,503,703
FULL TIME EQUIVALENT POSITIONS	20.5	20.5	0.0	0.0	20.5	20.5

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

Date : 8/6/2012
Time: 11:06:54AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas(ABEST)

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

Goal/ Objective / Outcome

		BL 2014	BL 2015	Excp 2014	Excp 2015	Total Request 2014	Total Request 2015
1	Equitable Electric Rates for Residential and Small Business Consumers						
1	<i>To Promote Electric Customer Choices and Consumer Protection Policies</i>						
KEY	1 Percentage of OPUC Electric Proceedings That Are Competition Related						
		55.00%	55.00%			55.00%	55.00 %
	2 Percentage of OPUC Electric Proceedings That Are Resource Related						
		4.00%	4.00%			4.00%	4.00 %
	3 Current Year Bill Savings/Res/Sm Com Elect. Customer (In Millions)						
		18.00	18.00			18.00	18.00
	4 Future Bill Savings for Res & Small Com. Elect. Cust. (In Millions)						
		0.00	0.00			0.00	0.00
2	Provide Benefits and Protect Telephone Consumers in Competitive Market						
1	<i>Promote Telephone Customer Choices and Consumer Protection Policies</i>						
KEY	1 Percent of OPUC Telecom Proceedings That Are Competition Related						
		65.00%	65.00%			65.00%	65.00 %
	2 Percentage of State Related Proceedings						
		65.00%	65.00%			65.00%	65.00 %

3.A. STRATEGY REQUEST

8/6/2012 11:07:00AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas(ABEST)

475 Office of Public Utility Counsel

GOAL: 1 Equitable Electric Rates for Residential and Small Business Consumers Statewide Goal/Benchmark: 7 8
 OBJECTIVE: 1 To Promote Electric Customer Choices and Consumer Protection Policies Service Categories:
 STRATEGY: 1 Participate in Major Electric Rate Cases, Rules and Other Proceedings Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Output Measures:						
KEY 1	Number of Electric Cases in Which OPUC Participates	33.00	20.00	20.00	20.00	20.00
KEY 2	Number of Electric Projects in Which OPUC Participates	20.00	15.00	15.00	15.00	15.00
3	Number of Electric Court Cases in Which OPUC Participates	7.00	5.00	4.00	4.00	4.00
Efficiency Measures:						
KEY 1	Average Cost Per Electric Proceeding in Which OPUC Participates	14,347.94	18,196.25	21,500.00	21,500.00	21,500.00
Explanatory/Input Measures:						
1	Avg Price Electricity Per kWh for Residential Cust as % of Nat'l Avg	78.27	81.59	84.91	84.52	87.10
Objects of Expense:						
1001	SALARIES AND WAGES	\$810,302	\$930,501	\$930,501	\$930,501	\$930,501
1002	OTHER PERSONNEL COSTS	\$64,085	\$48,369	\$48,369	\$48,369	\$48,369
2001	PROFESSIONAL FEES AND SERVICES	\$76,347	\$156,432	\$156,432	\$156,432	\$156,432
2003	CONSUMABLE SUPPLIES	\$4,850	\$10,000	\$10,000	\$10,000	\$10,000
2004	UTILITIES	\$20	\$288	\$288	\$288	\$288
2005	TRAVEL	\$1,484	\$6,370	\$6,370	\$6,370	\$6,370

3.A. STRATEGY REQUEST
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/6/2012 11:07:03AM

475 Office of Public Utility Counsel

GOAL: 1 Equitable Electric Rates for Residential and Small Business Consumers Statewide Goal/Benchmark: 7 8
 OBJECTIVE: 1 To Promote Electric Customer Choices and Consumer Protection Policies Service Categories:
 STRATEGY: 1 Participate in Major Electric Rate Cases, Rules and Other Proceedings Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
2006	RENT - BUILDING	\$933	\$2,611	\$2,611	\$2,611	\$2,611
2007	RENT - MACHINE AND OTHER	\$14,137	\$20,893	\$20,893	\$20,893	\$20,893
2009	OTHER OPERATING EXPENSE	\$240,802	\$54,000	\$54,000	\$54,000	\$54,000
TOTAL, OBJECT OF EXPENSE		\$1,212,960	\$1,229,464	\$1,229,464	\$1,229,464	\$1,229,464
Method of Financing:						
1	General Revenue Fund	\$1,212,960	\$1,229,464	\$1,229,464	\$1,229,464	\$1,229,464
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,212,960	\$1,229,464	\$1,229,464	\$1,229,464	\$1,229,464
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,229,464	\$1,229,464
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,212,960	\$1,229,464	\$1,229,464	\$1,229,464	\$1,229,464
FULL TIME EQUIVALENT POSITIONS:		11.0	12.2	16.4	16.4	16.4
STRATEGY DESCRIPTION AND JUSTIFICATION:						

475 Office of Public Utility Counsel

GOAL:	1	Equitable Electric Rates for Residential and Small Business Consumers	Statewide Goal/Benchmark:	7	8
OBJECTIVE:	1	To Promote Electric Customer Choices and Consumer Protection Policies	Service Categories:		
STRATEGY:	1	Participate in Major Electric Rate Cases, Rules and Other Proceedings	Service: 01	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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The Public Utility Regulatory Act (PURA), Tex. Util. Code Ann. §§13.001 et seq., charges OPUC with representing residential and small business consumers in proceedings affecting electric rates and services. In 2005, the Legislature expanded the agency's enabling legislation to provide information of interest to the public and to communicate with the agency's clients in assessing their needs and setting the office's priorities to enhance agency representation of their interests. OPUC represents these consumers at the Public Utility Commission (PUC), the Electric Reliability Council of Texas (ERCOT), the Texas Reliability Entity Inc. (Texas RE), the North American Electric Reliability Corporation (NERC), the Federal Energy Regulatory Commission (FERC) as well as in state and federal courts. This strategy continues the agency's provision of quality representation, pertinent information, and valuable customer assistance by skilled professionals in an efficient manner to Texas residential and small business electric utility customers in appropriate state and federal regulatory, judicial, and market-based venues to ensure abundant utility services are available to them at just and reasonable rates in an increasingly competitive environment.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Texas continues to advance its restructured competitive markets as well as maintain traditional regulation for some utility services and areas. OPUC has structured its organization in such a way as to provide quality representation, pertinent information and valuable customer assistance to residential and small business utility customers for both traditional regulated and market-based, competitive issues. OPUC anticipates that its work will be focused on implementing competitive market matters, including participation in numerous projects involving customer protection and market design issues. Additionally, OPUC will continue to participate at ERCOT developing protocols for creating and maintaining wholesale and retail markets as well as at the Texas RE to ensure Texas compliance with NERC reliability standards. OPUC will also continue to advocate for customers in rate cases in competitive areas, where transmission and distribution utility rates remain regulated, and regulated areas of investor-owned utilities to ensure abundant and affordable utility services are available to them.

The agency has both legal and technical staff that analyzes and advocates on behalf of customers. When necessary, in-house staff is supplemented by outside technical expertise 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.

3.A. STRATEGY REQUEST

8/6/2012 11:07:03AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas(ABEST)

475 Office of Public Utility Counsel

GOAL: 2 Provide Benefits and Protect Telephone Consumers in Competitive Market Statewide Goal/Benchmark: 7 0
OBJECTIVE: 1 Promote Telephone Customer Choices and Consumer Protection Policies Service Categories:
STRATEGY: 1 Participate in Telecom Proceedings Involving Competitive Issues Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Output Measures:						
KEY 1	Number of Telecommunications Cases in Which OPUC Participates	3.00	5.00	3.00	3.00	3.00
KEY 2	Number of Telecommunications Projects in Which OPUC Participates	10.00	5.00	5.00	5.00	5.00
Efficiency Measures:						
KEY 1	Average Cost Per Telecommunications Proceeding	361.41	2,649.17	6,500.00	6,500.00	6,500.00
Explanatory/Input Measures:						
1	Avg Annual Residential Telephone Bill in Texas as % of National Avg	102.55 %	102.13 %	101.70 %	101.28 %	100.85 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$399,104	\$232,625	\$232,625	\$232,625	\$232,625
1002	OTHER PERSONNEL COSTS	\$31,353	\$12,092	\$12,092	\$12,092	\$12,092
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$7,324	\$7,324	\$7,324	\$7,324
2003	CONSUMABLE SUPPLIES	\$2,643	\$2,500	\$2,500	\$2,500	\$2,500
2004	UTILITIES	\$10	\$72	\$72	\$72	\$72
2005	TRAVEL	\$136	\$250	\$250	\$250	\$250
2006	RENT - BUILDING	\$490	\$653	\$653	\$653	\$653

3.A. STRATEGY REQUEST

8/6/2012 11:07:03AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas(ABEST)

475 Office of Public Utility Counsel

GOAL:	2	Provide Benefits and Protect Telephone Consumers in Competitive Market	Statewide Goal/Benchmark:	7	0
OBJECTIVE:	1	Promote Telephone Customer Choices and Consumer Protection Policies	Service Categories:		
STRATEGY:	1	Participate in Telecom Proceedings Involving Competitive Issues	Service: 01	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
2007	RENT - MACHINE AND OTHER	\$6,962	\$5,223	\$5,223	\$5,223	\$5,223
2009	OTHER OPERATING EXPENSE	\$118,019	\$13,500	\$13,500	\$13,500	\$13,500
TOTAL, OBJECT OF EXPENSE		\$558,717	\$274,239	\$274,239	\$274,239	\$274,239
Method of Financing:						
1	General Revenue Fund	\$558,717	\$274,239	\$274,239	\$274,239	\$274,239
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$558,717	\$274,239	\$274,239	\$274,239	\$274,239
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$274,239	\$274,239
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$558,717	\$274,239	\$274,239	\$274,239	\$274,239
FULL TIME EQUIVALENT POSITIONS:		5.5	3.1	4.1	4.1	4.1
STRATEGY DESCRIPTION AND JUSTIFICATION:						

3.A. STRATEGY REQUEST

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas(ABEST)

475 Office of Public Utility Counsel

GOAL:	2	Provide Benefits and Protect Telephone Consumers in Competitive Market	Statewide Goal/Benchmark:	7	0
OBJECTIVE:	1	Promote Telephone Customer Choices and Consumer Protection Policies	Service Categories:		
STRATEGY:	1	Participate in Telecom Proceedings Involving Competitive Issues	Service: 01	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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The Public Utility Regulatory Act (PURA), Tex. Util. Code Ann. §§13.001 et seq., charges OPUC with representing residential and small business consumers in proceedings affecting telecommunications rates and services. In 2005, the Legislature expanded the agency’s enabling legislation to provide information of interest to the public and to communicate with the agency’s clients in assessing their needs and setting the office’s priorities to enhance agency representation of their interests. OPUC represents these consumers at the PUC, the Federal Communications Commission(FCC) and in state and federal courts. This strategy continues the agency’s provision of quality representation, pertinent information, and valuable customer assistance by skilled professionals in an efficient manner to Texas residential and small business telephone utility customers in appropriate state and federal regulatory, judicial, and market-based venues to ensure abundant utility services are available to them at just and reasonable rates in an increasingly competitive environment

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The communications industry continues to be subject to new laws and regulations aimed at creating sustainable competitive markets. Many challenges regarding competitive markets continue at the federal level. OPUC anticipates that its work will be focused on continuing to implement competitive market matters, including implementation of the National Broadband Plan, a review of the various programs within the universal service fund and network neutrality proceedings. With the emergence of the FCC establishing policy on most communications issues, OPUC will continue to participate at the federal level. OPUC will continue to advocate for residential and small commercial customers to receive the benefits of a more competitive market and to protect the principles of universal service. At the state level, OPUC continues to advocate changes to universal service funding to remove inefficiencies while promoting policies that enhance competition, protect consumers and preserve affordable rates.

The agency has both legal and technical staff that analyzes and advocates on behalf of customers. In-house staff is supplemented by outside expert witnesses when necessary. The agency has also 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.

3.A. STRATEGY REQUEST

8/6/2012 11:07:03AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas(ABEST)

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703
METHODS OF FINANCE (INCLUDING RIDERS):				\$1,503,703	\$1,503,703
METHODS OF FINANCE (EXCLUDING RIDERS):	\$1,771,677	\$1,503,703	\$1,503,703	\$1,503,703	\$1,503,703
FULL TIME EQUIVALENT POSITIONS:	16.5	15.3	20.5	20.5	20.5

3.B. Rider Revisions and Additions Request

Agency Code: 475	Agency Name: Office of Public Utility Counsel	Prepared By: Brenda Sevier	Date: 08-06-12	Request Level: Base
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Current Rider Number	Page Number in 2010-11 GAA	Proposed Rider Language
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2.	VIII-65	<p>Reappropriation of 2012-14 Appropriations. The unobligated and unexpended balances of appropriations to the Public Utility Counsel for the fiscal year ending August 31, 2012-14 are hereby reappropriated to the Counsel for the same purposes for the fiscal year ending August 31, 2013-15.</p> <p>The agency requests authority to carry its unexpended budget from FY 12-14 to FY 13-15. The agency needs this flexibility in order to effectively represent residential and small business consumers in litigated proceedings. The agency has no control over the timing of the many proceedings which will cross over these fiscal years. Because the cases cross fiscal years, so do the workload and the contracts for the agency's expert witnesses. This flexibility will ensure that the funds will be expended as intended by the legislature, regardless of the timing of the proceeding.</p>
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3.	VIII-65	<p>Sunset Contingency. Funds appropriated above for fiscal year 2013 for the Office of Public Utility Counsel are made contingent on the continuation of the Office of Public Utility Counsel by the Eighty-second Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2012 or as much thereof as may be necessary are to be used to provide for the phase out of the agency operations.</p> <p>This rider is no longer applicable because the Office of Public Utility Counsel was continued for twelve years during the eighty-second legislative session.</p>
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6.A. HISTORICALLY UNDERUTILIZED BUSINESS SUPPORTING SCHEDULE
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas(ABEST)

Date: 8/6/2012
 Time: 11:08:07AM

Agency Code: 475 Agency: Office of Public Utility Counsel

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2010 - 2011 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2010			Total Expenditures FY 2010		HUB Expenditures FY 2011			Total Expenditures FY 2011
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$		
33.0%	Other Services	1.0 %	1.0%	0.0%	\$1,504	\$144,951	8.2 %	8.2%	0.0%	\$1,057	\$12,894
12.6%	Commodities	24.2 %	24.3%	0.1%	\$11,799	\$48,604	27.9 %	27.9%	0.0%	\$12,048	\$43,210
	Total Expenditures		6.9%		\$13,303	\$193,555		23.4%		\$13,105	\$56,104

B. Assessment of Fiscal Year 2010 - 2011 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained or exceed one of two, or 50% of the applicable statewide HUB procurement goals in FY2010 and 2011.

Applicability:

The "Heavy Construction", "Building Construction", "Special Trade Construction", and "Professional Services" categories are not applicable to agency operations in fiscal years 2010 and 2011.

Factors Affecting Attainment:

In fiscal years 2010 and 2011, the goal of "Other Services" category was not met because of the limited number of HUB vendors that specialize in the specific areas which OPUC requires those services.

"Good-Faith" Efforts:

The agency made the following good faith efforts to comply with statewide HUB procurement goals per34 TAC Section 20.13(d).

- ensured that request for goods and services reflected the agency's requirements, were clearly stated, and did not impose unreasonable or unnecessary requirements
- contacted at least two HUB vendors for purchases and services where applicable.

6I. PERCENT BIENNIAL BASE REDUCTION OPTIONS

10 % REDUCTION

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas(ABEST)

Date: 8/6/2012
Time: 11:07:31AM

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

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
1 Participate in Proceedings							
Category: Across the Board Reductions							
Item Comment: The agency will reduce \$150,370 from General Revenue for the 2014-2015 biennium. This reduction will be attained through across-the-board reductions for both strategies. This reduction will reduce the number of proceedings OPUC is able to participate in and the robustness of OPUC's participation on certain issues important to residential and small business utility customers							
Strategy: 1-1-1 Participate in Major Electric Rate Cases, Rules and Other Proceedings							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$59,331	\$59,331	\$118,662	
General Revenue Funds Total	\$0	\$0	\$0	\$59,331	\$59,331	\$118,662	
Strategy: 2-1-1 Participate in Telecom Proceedings Involving Competitive Issues							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$15,854	\$15,854	\$31,708	
General Revenue Funds Total	\$0	\$0	\$0	\$15,854	\$15,854	\$31,708	
Item Total	\$0	\$0	\$0	\$75,185	\$75,185	\$150,370	
FTE Reductions (From FY 2014 and FY 2015 Base Request)				1.0	1.0		

2 Participate in Proceeding

Category: Across the Board Reductions

Item Comment: The agency will reduce \$150,371 from General Revenue for the 2014-2015 biennium. This reduction will be attained through across-the-board reductions for both strategies. This reduction will reduce the number of proceedings OPUC is able to participate in and the robustness of OPUC's participation on certain issues important to residential and small business customers

Strategy: 1-1-1 Participate in Major Electric Rate Cases, Rules and Other Proceedings

General Revenue Funds

6I. PERCENT BIENNIAL BASE REDUCTION OPTIONS

10 % REDUCTION

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/6/2012
Time: 11:07:34AM

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

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
1 General Revenue Fund	\$0	\$0	\$0	\$71,523	\$71,524	\$143,047	
General Revenue Funds Total	\$0	\$0	\$0	\$71,523	\$71,524	\$143,047	
Strategy: 2-1-1 Participate in Telecom Proceedings Involving Competitive Issues							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$3,662	\$3,662	\$7,324	
General Revenue Funds Total	\$0	\$0	\$0	\$3,662	\$3,662	\$7,324	
Item Total	\$0	\$0	\$0	\$75,185	\$75,186	\$150,371	
FTE Reductions (From FY 2014 and FY 2015 Base Request)							
AGENCY TOTALS							
General Revenue Total				\$150,370	\$150,371	\$300,741	\$300,741
Agency Grand Total	\$0	\$0	\$0	\$150,370	\$150,371	\$300,741	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2014 and FY 2015 Base Request)				1.0	1.0		

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS

83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas(ABEST)

DATE: 8/6/2012
 TIME : 11:08:15AM

Agency code: 475

Agency name: Office of Public Utility Counsel

Strategy	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1-1-1	Participate in Major Electric Rate Cases, Rules and Other Proceedings				
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$58,275	\$ 69,582	\$ 69,582	\$ 69,582	\$ 69,582
1002 OTHER PERSONNEL COSTS	1,833	2,206	2,206	2,206	2,206
2003 CONSUMABLE SUPPLIES	334	719	719	719	719
2007 RENT - MACHINE AND OTHER	943	1,502	1,502	1,502	1,502
2009 OTHER OPERATING EXPENSE	13,938	1,881	1,881	1,881	1,881
Total, Objects of Expense	\$75,323	\$75,890	\$75,890	\$75,890	\$75,890
METHOD OF FINANCING:					
1 General Revenue Fund	75,323	75,890	75,890	75,890	75,890
Total, Method of Financing	\$75,323	\$75,890	\$75,890	\$75,890	\$75,890
FULL TIME EQUIVALENT POSITIONS	0.7	0.9	0.9	0.9	0.9

Method of Allocation

In general, administrative support costs are allocated proportionately between all strategies on the basis of budget size. The following percentages apply to each strategy. FY 2011-electric utility proceedings approximately 67% and telephone utility proceedings approximately 33%. For FYs 2012-2015 electric utility proceedings approximately 80% and telephone utility proceedings approximately 20%.

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

83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas(ABEST)

DATE: 8/6/2012
 TIME : 11:08:18AM

Agency code: 475

Agency name: Office of Public Utility Counsel

Strategy	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
2-1-1 Participate in Telecom Proceedings Involving Competitive Issues					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$28,703	\$ 17,396	\$ 17,396	\$ 17,396	\$ 17,396
1002 OTHER PERSONNEL COSTS	903	552	552	552	552
2003 CONSUMABLE SUPPLIES	165	180	180	180	180
2007 RENT - MACHINE AND OTHER	464	376	376	376	376
2009 OTHER OPERATING EXPENSE	6,865	470	470	470	470
Total, Objects of Expense	\$37,100	\$18,974	\$18,974	\$18,974	\$18,974
METHOD OF FINANCING:					
1 General Revenue Fund	37,100	18,974	18,974	18,974	18,974
Total, Method of Financing	\$37,100	\$18,974	\$18,974	\$18,974	\$18,974
FULL TIME EQUIVALENT POSITIONS	0.4	0.2	0.2	0.2	0.2

Method of Allocation

In general, administrative and support costs are allocated proportionately between all strategies on the basis of budget size. The following percentages apply to each strategy: FY 2011-electric utility proceeding approximately 67% and telephone utility proceedings approximately 33%. For FY 2012-2015-electric utility proceedings approximately 80% and telephone utility proceedings approximately 20%.

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

DATE: 8/6/2012

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas(ABEST)

TIME : 11:08:18AM

Agency code: 475

Agency name: Office of Public Utility Counsel

	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$86,978	\$86,978	\$86,978	\$86,978	\$86,978
1002 OTHER PERSONNEL COSTS	\$2,736	\$2,758	\$2,758	\$2,758	\$2,758
2003 CONSUMABLE SUPPLIES	\$499	\$899	\$899	\$899	\$899
2007 RENT - MACHINE AND OTHER	\$1,407	\$1,878	\$1,878	\$1,878	\$1,878
2009 OTHER OPERATING EXPENSE	\$20,803	\$2,351	\$2,351	\$2,351	\$2,351
Total, Objects of Expense	\$112,423	\$94,864	\$94,864	\$94,864	\$94,864
Method of Financing					
1 General Revenue Fund	\$112,423	\$94,864	\$94,864	\$94,864	\$94,864
Total, Method of Financing	\$112,423	\$94,864	\$94,864	\$94,864	\$94,864
Full-Time-Equivalent Positions (FTE)	1.1	1.1	1.1	1.1	1.1