

Legislative Appropriations Request
for Fiscal Years 2016 and 2017

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

by

Office of Public Utility Counsel

July 25, 2014

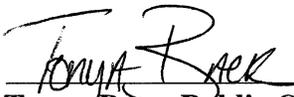
Legislative Appropriations Request
for Fiscal Years 2016 and 2017

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

by

Office of Public Utility Counsel

July 25, 2014

Submitted by: 
Tonya Baer, Public Counsel

Office of Public Utility Counsel
Legislative Appropriations Request
for Fiscal Years 2016 and 2017

Table of Contents

Administrator’s Statement	1
Organizational Chart.....	2
Summary of Base Request by Strategy	3
Summary of Base Request by Method of Finance	5
Summary of Base Request by Object of Expense	10
Summary of Base Request Objective Outcomes	11
Summary of Total Request by Strategy.....	12
Summary of Total Request Objective Outcomes	14
Strategy Request	15
Rider Request.....	22

Office of Public Utility Counsel

**Legislative Appropriations Request
for Fiscal Years 2016 and 2017**

Historically Underutilized Business Supporting Schedule.....23

Percent Biennial Base Reduction Options Schedule24

Indirect Administrative and Support Costs.....27

475 Office of Public Utility Counsel

The Office of Public Utility Counsel (OPUC) is submitting its Request for Legislative Appropriations for fiscal years 2016 and 2017 in accordance with the Strategic Planning and Budgeting System.

The mission of OPUC is to represent residential and small commercial consumers in cases and projects to achieve reasonable prices, to provide consumer protection, and to develop and encourage competitive markets.

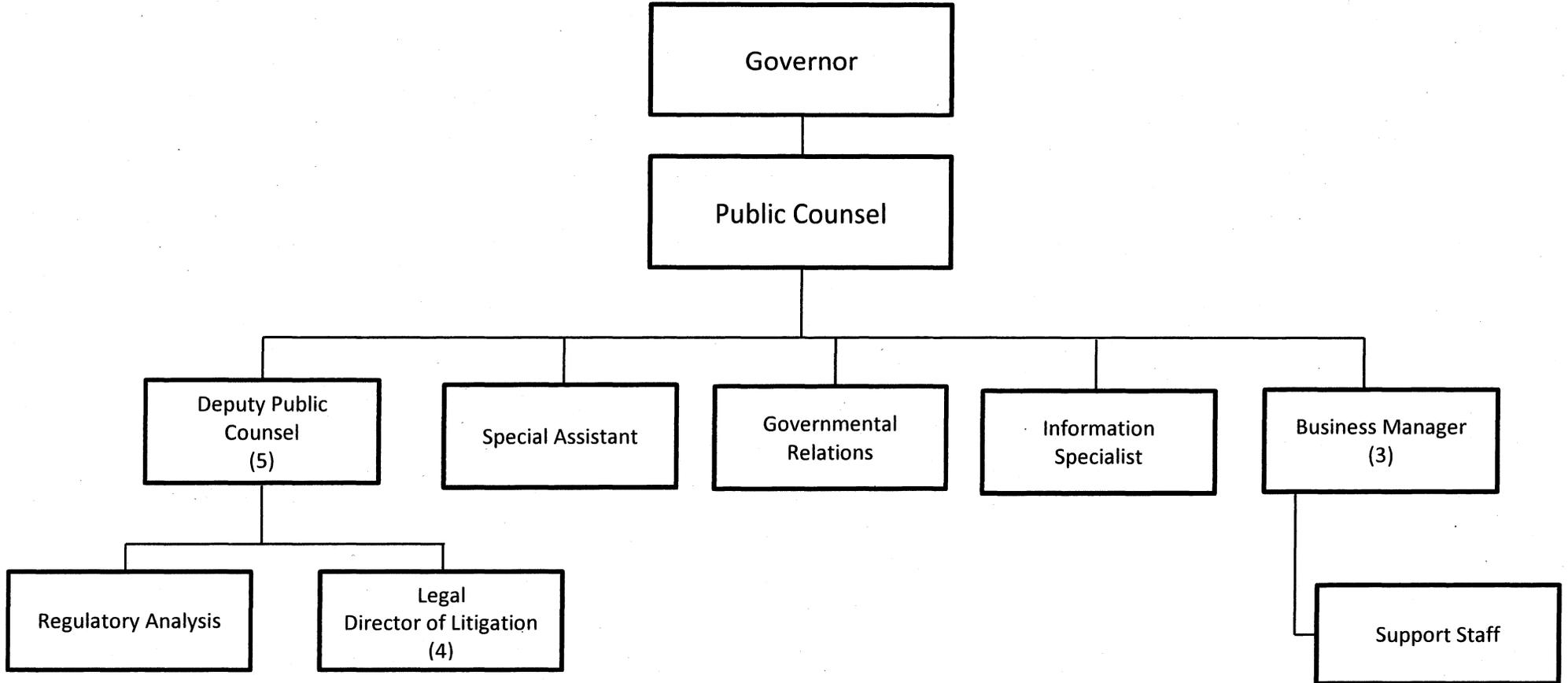
As requested, OPUC has attached the supplemental schedule detailing how the agency would reduce its base line budget by 10%, if required. The 10% budget reduction for OPUC is \$330,741 General Revenue and \$99,936 General Revenue Dedicated-Water Resources Management Account for the biennium. This reduction 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. OPUC will prioritize its workload to ensure that it continues to represent consumers in the most critical proceedings.

OPUC has experienced unpredictability in the use of its funds due to the timing and complexity of the cases and projects in which the agency participates. When a case continues from one fiscal year to the next, the funds necessary for litigation, including deposition expenses and the hiring of testifying experts, may be lost simply due to timing. OPUC requests that its unexpended budget at the end of fiscal year 2016 be carried over to fiscal year 2017. This authority was granted in previous sessions and will be critical to the agency for the next biennium. OPUC respectfully requests this flexibility continue for fiscal year 2016.

OPUC is authorized by statute to ensure just and reasonable rates and the equitable availability of utility services by assessing the effect of utility rate changes and other regulatory actions on residential and small commercial consumers. Accordingly, OPUC represents residential and small commercial consumers, as a class, in litigated proceedings, rulemakings, projects, workshops, market forums, and other venues before the appropriate regulatory entities on matters involving rates, rules, and policies pertaining to the provision of utility rates and services. As of September 2013, OPUC began representing residential and small commercial consumers in water and wastewater matters. Similar to its representation of electric and telephone consumers, the agency protects residential and small commercial consumers' interests in water and wastewater rate proceedings and rulemakings. The agency's primary focus is contested proceedings of larger, class A utilities, although OPUC has the discretion to intervene in any water or wastewater rate proceeding. Since September 2013, the agency has filled four (4) full-time positions, two attorneys, a regulatory analyst and support staff to carry out its new duties.

OPUC is also authorized by statute to provide information of interest to the public and to communicate with consumers in assessing their needs and setting the office's priorities. OPUC receives numerous complaints and inquiries each year and works with consumers to resolve their issues. OPUC also conducts monthly customer surveys and an annual meeting. OPUC also continues to seek additional opportunities to communicate with consumers by targeting a variety of organizations and individuals. For example, OPUC meets with Chambers of Commerce, small business associations, representatives of the military community, and other associations across the state. OPUC also updates and maintains its website to continue to make it more consumer-relevant and informative regarding utility 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 consumers.

OFFICE OF PUBLIC UTILITY COUNSEL



2.A. Summary of Base Request by Strategy

7/25/2014 8:08:32AM

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

475. Office of Public Utility Counsel

Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
1 Equitable Utility Rates for Residential and Small Commercial Consumers					
1 To Protect Consumers and Ensure Reasonable Rates					
1 PARTICIPATION IN CASES	1,336,380	1,622,646	2,124,083	1,539,477	1,539,477
TOTAL, GOAL 1	\$1,336,380	\$1,622,646	\$2,124,083	\$1,539,477	\$1,539,477
2 Protect Consumer Interests in Utility Markets					
1 Promote Utility Choices and Consumer Protection Policies					
1 UTILITY PROJECTS	282,151	277,551	340,173	659,775	659,775
TOTAL, GOAL 2	\$282,151	\$277,551	\$340,173	\$659,775	\$659,775
TOTAL, AGENCY STRATEGY REQUEST	\$1,618,531	\$1,900,197	\$2,464,256	\$2,199,252	\$2,199,252
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$1,618,531	\$1,900,197	\$2,464,256	\$2,199,252	\$2,199,252

2.A. Summary of Base Request by Strategy

7/25/2014 8:08:32AM

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

475 Office of Public Utility Counsel

Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	1,618,531	1,528,614	1,825,018	1,690,198	1,690,198
SUBTOTAL	\$1,618,531	\$1,528,614	\$1,825,018	\$1,690,198	\$1,690,198
General Revenue Dedicated Funds:					
153 Water Resource Management	0	371,583	639,238	509,054	509,054
SUBTOTAL	\$0	\$371,583	\$639,238	\$509,054	\$509,054
TOTAL, METHOD OF FINANCING	\$1,618,531	\$1,900,197	\$2,464,256	\$2,199,252	\$2,199,252

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

2.B. Summary of Base Request by Method of Finance
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

7/25/2014 8:09:23AM

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>GENERAL REVENUE</u>					
<u>1</u> General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2012-13 GAA)	\$1,503,703	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2014-15 GAA)	\$0	\$1,653,703	\$1,653,703	\$0	\$0
Regular Appropriations from MOF Table (2016-17 GAA)	\$0	\$0	\$0	\$1,690,198	\$1,690,198
<i>RIDER APPROPRIATION</i>					
Rider 2, UB Authority-Strategy A.1.1 Participation in Proceedings (2012-13 GAA)	\$178,560	\$0	\$0	\$0	\$0
Rider 2, UB-Authority-Strategy B.1.1 Telecommunications Proceedings (2012-13 GAA)	\$15,133	\$0	\$0	\$0	\$0
Rider 2, UB Authority-Strategy A.1.1 Participation in proceedings (2014-15 GAA)	\$0	\$(106,186)	\$106,186	\$0	\$0

2.B. Summary of Base Request by Method of Finance
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

7/25/2014 8:09:23AM

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>GENERAL REVENUE</u>					
Rider 2, UB Authority-Strategy B.1.1 Telecommunications Proceedings (2014-15 GAA)	\$0	\$(28,634)	\$28,634	\$0	\$0
<i>TRANSFERS</i>					
Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)	\$0	\$9,731	\$36,495	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2012-13 GAA)	\$(78,865)	\$0	\$0	\$0	\$0
TOTAL, General Revenue Fund	\$1,618,531	\$1,528,614	\$1,825,018	\$1,690,198	\$1,690,198
TOTAL, ALL GENERAL REVENUE	\$1,618,531	\$1,528,614	\$1,825,018	\$1,690,198	\$1,690,198

GENERAL REVENUE FUND - DEDICATED

153 GR Dedicated - Water Resource Management Account No. 153

REGULAR APPROPRIATIONS

Regular Appropriation from MOF Table (2016-17 GAA)

2.B. Summary of Base Request by Method of Finance
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

7/25/2014 8:09:23AM

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>GENERAL REVENUE FUND - DEDICATED</u>					
	\$0	\$0	\$0	\$509,054	\$509,054
<i>RIDER APPROPRIATION</i>					
Art.IX, Sec.18.15 (b) (2014-15 GAA) Contingency for HB 1600	\$0	\$499,680	\$499,680	\$0	\$0
Rider 2, UB Authority-Strategy A.1.1 Participation in Proceedings (2014-15 GAA)	\$0	\$(130,184)	\$130,184	\$0	\$0
<i>TRANSFERS</i>					
Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)	\$0	\$2,087	\$9,374	\$0	\$0
TOTAL, GR Dedicated - Water Resource Management Account No. 153	\$0	\$371,583	\$639,238	\$509,054	\$509,054
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	\$0	\$371,583	\$639,238	\$509,054	\$509,054
TOTAL, GR & GR-DEDICATED FUNDS	\$1,618,531	\$1,900,197	\$2,464,256	\$2,199,252	\$2,199,252
GRAND TOTAL	\$1,618,531	\$1,900,197	\$2,464,256	\$2,199,252	\$2,199,252

2.B. Summary of Base Request by Method of Finance
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

7/25/2014 8:09:23AM

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2012-13 GAA)	20.5	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2014-15 GAA)	0.0	20.5	20.5	0.0	0.0
Regular Appropriations from MOF Table (2016-17 GAA)	0.0	0.0	0.0	20.5	20.5
GR Dedicated-Water Resource Management Acct No. 153 (2016-17 GAA)	0.0	0.0	0.0	5.0	5.0
RIDER APPROPRIATION					
Art. IX, Sec. 18.15 (b) (2014-15 GAA) Contingency HB 1600	0.0	5.0	5.0	0.0	0.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over (Below) Cap (2012-13)	(5.5)	0.0	0.0	0.0	0.0
Unauthorized Number Over (Below) Cap-Non-Water(2014-15)	0.0	(6.3)	0.0	0.0	0.0
Unauthorized Number Over (Below) Cap-Water (2014-15)	0.0	(2.1)	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	15.0	17.1	25.5	25.5	25.5

2.B. Summary of Base Request by Method of Finance
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

7/25/2014 8:09:23AM

Agency code: **475**

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
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
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

7/25/2014 8:09:50AM

475 Office of Public Utility Counsel

OBJECT OF EXPENSE	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1001 SALARIES AND WAGES	\$1,138,640	\$1,355,944	\$1,688,995	\$1,688,995	\$1,688,995
1002 OTHER PERSONNEL COSTS	\$136,665	\$74,554	\$65,998	\$65,998	\$65,998
2001 PROFESSIONAL FEES AND SERVICES	\$202,757	\$313,756	\$578,760	\$313,756	\$313,756
2003 CONSUMABLE SUPPLIES	\$8,258	\$12,500	\$12,500	\$12,500	\$12,500
2004 UTILITIES	\$458	\$2,550	\$2,550	\$2,550	\$2,550
2005 TRAVEL	\$2,125	\$11,000	\$9,120	\$9,120	\$9,120
2006 RENT - BUILDING	\$1,770	\$3,264	\$3,264	\$3,264	\$3,264
2007 RENT - MACHINE AND OTHER	\$21,646	\$26,116	\$23,926	\$23,926	\$23,926
2009 OTHER OPERATING EXPENSE	\$106,212	\$100,513	\$79,143	\$79,143	\$79,143
OOE Total (Excluding Riders)	\$1,618,531	\$1,900,197	\$2,464,256	\$2,199,252	\$2,199,252
OOE Total (Riders)					
Grand Total	\$1,618,531	\$1,900,197	\$2,464,256	\$2,199,252	\$2,199,252

2.D. Summary of Base Request Objective Outcomes
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

7/25/2014 8:10:16AM

475 Office of Public Utility Counsel

Goal/ Objective / Outcome	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1 Equitable Utility Rates for Residential and Small Commercial Consumers <i>1 To Protect Consumers and Ensure Reasonable Rates</i>					
KEY 1 Percentage of OPUC Utility Cases that are Competition Related					
	0.00%	0.00%	0.00%	40.00%	40.00%
2 Percentage of OPUC Utility Cases that are Resource Related					
	0.00%	0.00%	0.00%	4.00%	4.00%
3 Current Year Bill Savings/Res/Sm Com Utility Consumer (In Millions)					
	0.00	0.00	0.00	18.00	18.00
2 Protect Consumer Interests in Utility Markets <i>1 Promote Utility Choices and Consumer Protection Policies</i>					
1 Percent of OPUC Utility Projects that are Competition Related					
	0.00%	0.00%	0.00%	40.00%	40.00%

2.F. Summary of Total Request by Strategy
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 7/25/2014
 TIME : 8:10:55AM

Agency code: 475	Agency name: Office of Public Utility Counsel					
Goal/Objective/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
1 Equitable Utility Rates for Residential and Small Commercial Consum						
1 <i>To Protect Consumers and Ensure Reasonable Rates</i>						
1 PARTICIPATION IN CASES	\$1,539,477	\$1,539,477	\$0	\$0	\$1,539,477	\$1,539,477
TOTAL, GOAL 1	\$1,539,477	\$1,539,477	\$0	\$0	\$1,539,477	\$1,539,477
2 Protect Consumer Interests in Utility Markets						
1 <i>Promote Utility Choices and Consumer Protection Policies</i>						
1 UTILITY PROJECTS	659,775	659,775	0	0	659,775	659,775
TOTAL, GOAL 2	\$659,775	\$659,775	\$0	\$0	\$659,775	\$659,775
TOTAL, AGENCY STRATEGY REQUEST	\$2,199,252	\$2,199,252	\$0	\$0	\$2,199,252	\$2,199,252
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$2,199,252	\$2,199,252	\$0	\$0	\$2,199,252	\$2,199,252

2.F. Summary of Total Request by Strategy
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 7/25/2014
 TIME : 8:10:55AM

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

Goal/Objective/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
General Revenue Funds:						
1 General Revenue Fund	\$1,690,198	\$1,690,198	\$0	\$0	\$1,690,198	\$1,690,198
	\$1,690,198	\$1,690,198	\$0	\$0	\$1,690,198	\$1,690,198
General Revenue Dedicated Funds:						
153 Water Resource Management	509,054	509,054	0	0	509,054	509,054
	\$509,054	\$509,054	\$0	\$0	\$509,054	\$509,054
TOTAL, METHOD OF FINANCING	\$2,199,252	\$2,199,252	\$0	\$0	\$2,199,252	\$2,199,252
FULL TIME EQUIVALENT POSITIONS	25.5	25.5	0.0	0.0	25.5	25.5

2.G. Summary of Total Request Objective Outcomes
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 7/25/2014
 Time: 8:11:16AM

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

Goal/ Objective / Outcome

	BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
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)						
	18.00	18.00			18.00	18.00
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

7/25/2014 8:11:39AM

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

475 Office of Public Utility Counsel

GOAL: 1 Equitable Utility Rates for Residential and Small Commercial Consumers Statewide Goal/Benchmark: 7 8
 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Output Measures:						
KEY 1	Number of Utility Cases in which OPUC Participates	0.00	0.00	0.00	30.00	30.00
	2 Number of Utility Court Cases in which OPUC Participates	0.00	0.00	0.00	5.00	5.00
Efficiency Measures:						
KEY 1	Average Cost Per Utility Case in which OPUC Participates	0.00	0.00	0.00	47,674.00	47,674.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$910,912	\$1,126,311	\$1,419,070	\$1,182,297	\$1,182,297
1002	OTHER PERSONNEL COSTS	\$109,332	\$60,451	\$53,906	\$46,199	\$46,199
2001	PROFESSIONAL FEES AND SERVICES	\$202,757	\$306,432	\$542,802	\$219,629	\$219,629
2003	CONSUMABLE SUPPLIES	\$6,610	\$10,000	\$10,000	\$8,750	\$8,750
2004	UTILITIES	\$366	\$2,040	\$2,040	\$1,785	\$1,785
2005	TRAVEL	\$2,072	\$10,750	\$8,870	\$6,384	\$6,384
2006	RENT - BUILDING	\$1,410	\$2,611	\$2,611	\$2,285	\$2,285
2007	RENT - MACHINE AND OTHER	\$17,315	\$20,893	\$19,141	\$16,748	\$16,748
2009	OTHER OPERATING EXPENSE	\$85,606	\$83,158	\$65,643	\$55,400	\$55,400
TOTAL, OBJECT OF EXPENSE		\$1,336,380	\$1,622,646	\$2,124,083	\$1,539,477	\$1,539,477

475 Office of Public Utility Counsel

GOAL:	1	Equitable Utility Rates for Residential and Small Commercial Consumers	Statewide Goal/Benchmark:	7	8
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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Method of Financing:						
1	General Revenue Fund	\$1,336,380	\$1,251,063	\$1,484,845	\$1,183,139	\$1,183,139
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,336,380	\$1,251,063	\$1,484,845	\$1,183,139	\$1,183,139
Method of Financing:						
153	Water Resource Management	\$0	\$371,583	\$639,238	\$356,338	\$356,338
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$371,583	\$639,238	\$356,338	\$356,338
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,539,477	\$1,539,477
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,336,380	\$1,622,646	\$2,124,083	\$1,539,477	\$1,539,477
FULL TIME EQUIVALENT POSITIONS:		12.0	14.3	21.4	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), the Texas Commission on Environmental Quality (TCEQ), other regulatory agencies, and 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	Statewide Goal/Benchmark:	7	8
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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
------	-------------	----------	----------	----------	---------	---------

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. OPUC's representation of water and wastewater consumers is a new function that began in September 2013. Similar to its representation of electric and telephone consumers, the agency protects residential and small commercial consumers' interests in water and wastewater rate proceedings. While much of Texas' telecommunications market is deregulated, there are some parts of the state in which telecommunication rates and services remain fully regulated. In those markets, OPUC works to ensure that rates are just and reasonable. In the deregulated markets, the agency focuses on fostering competition and promoting consumer safeguards. 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.

3.A. Strategy Request
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

7/25/2014 8:11:39AM

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

Statewide Goal/Benchmark: 7 8
 Service Categories:
 Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Output Measures:						
1	Number of Utility Projects in which OPUC Participates	0.00	0.00	0.00	26.00	26.00
Efficiency Measures:						
1	Average Cost Per Utility Project	0.00	0.00	0.00	18,403.00	18,403.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$227,728	\$229,633	\$269,925	\$506,698	\$506,698
1002	OTHER PERSONNEL COSTS	\$27,333	\$14,103	\$12,092	\$19,799	\$19,799
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$7,324	\$35,958	\$94,127	\$94,127
2003	CONSUMABLE SUPPLIES	\$1,648	\$2,500	\$2,500	\$3,750	\$3,750
2004	UTILITIES	\$92	\$510	\$510	\$765	\$765
2005	TRAVEL	\$53	\$250	\$250	\$2,736	\$2,736
2006	RENT - BUILDING	\$360	\$653	\$653	\$979	\$979
2007	RENT - MACHINE AND OTHER	\$4,331	\$5,223	\$4,785	\$7,178	\$7,178
2009	OTHER OPERATING EXPENSE	\$20,606	\$17,355	\$13,500	\$23,743	\$23,743
TOTAL, OBJECT OF EXPENSE		\$282,151	\$277,551	\$340,173	\$659,775	\$659,775
Method of Financing:						
1	General Revenue Fund	\$282,151	\$277,551	\$340,173	\$507,059	\$507,059

475 Office of Public Utility Counsel

GOAL:	2	Protect Consumer Interests in Utility Markets	Statewide Goal/Benchmark:	7	8
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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$282,151	\$277,551	\$340,173	\$507,059	\$507,059
Method of Financing:						
153	Water Resource Management	\$0	\$0	\$0	\$152,716	\$152,716
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$0	\$0	\$152,716	\$152,716
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$659,775	\$659,775
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$282,151	\$277,551	\$340,173	\$659,775	\$659,775
FULL TIME EQUIVALENT POSITIONS:		3.0	2.8	4.1	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	Statewide Goal/Benchmark:	7	8
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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
------	-------------	----------	----------	----------	---------	---------

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. OPUC's representation of water and wastewater consumers is a new function that began in September 2013. Similar to its representation of electric and telephone consumers, the agency protects residential and small commercial consumers' interests in water and wastewater rate projects, and rulemakings. 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. OPUC also meets with various organizations and representatives of the military community to provide information to consumers. These opportunities establish a two-way dialogue between OPUC and consumers where OPUC is better able to understand consumers' concerns.

3.A. Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

7/25/2014 8:11:39AM

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$1,618,531	\$1,900,197	\$2,464,256	\$2,199,252	\$2,199,252
METHODS OF FINANCE (INCLUDING RIDERS):				\$2,199,252	\$2,199,252
METHODS OF FINANCE (EXCLUDING RIDERS):	\$1,618,531	\$1,900,197	\$2,464,256	\$2,199,252	\$2,199,252
FULL TIME EQUIVALENT POSITIONS:	15.0	17.1	25.5	25.5	25.5

3.B. Rider Revisions and Additions Request

Agency Code: 475	Agency Name: Office of Public Utility Counsel	Prepared By: Brenda Sevier	Date: 07-25-2014	Request Level: Base
----------------------------	---	--------------------------------------	----------------------------	-------------------------------

Current Rider Number	Page Number in 2014-15 GAA	Proposed Rider Language
----------------------	----------------------------	-------------------------

2	VIII-66	<p>Reappropriation of 2014-16 Appropriations. The unobligated and unexpended balances of appropriations to the Public Utility Counsel for the fiscal year ending August 31, 2014-16 are hereby reappropriated to the Counsel for the same purposes for the fiscal year ending August 31, 2015-17.</p>
---	---------	--

The agency requests authority to carry its unexpended budget from FY14-16 to FY15-17. The agency needs this flexibility in order to effectively represent residential and small commercial 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 proceedings 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.

3	VIII-66	<p>Contingency for HB 1600.¹ Included in amounts appropriated above in Strategy A.1.1, Participation in Proceedings, are \$499,680 in Water Resource Management Account No. 153 funds an 5.0 FTEs each fiscal year to represent water and wastewater utility customers under the provisions of HB 1600, Eighty-third Legislature, Regular Session, 2013.</p>
---	---------	---

¹ Incorporates Article IX, §18.15(b), of this Act, due to enactment of HB 1600, 83rd Legislature, Regular Session, relating to rates for water service and to the duties of the Office of Public Utility Counsel regarding the economic regulation of water and sewer service, resulting in increases of \$499,680 out of Water Resource Management Account No. 153 and 5.0 FTEs each fiscal year of the biennium.

6.A. Historically Underutilized Business Supporting Schedule
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 7/25/2014
 Time: 8:28:01AM

Agency Code: 475 Agency: Office of Public Utility Counsel

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2012 - 2013 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2012			Total Expenditures FY 2012		HUB Expenditures FY 2013			Total Expenditures FY 2013	
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$	FY 2013		
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	
32.7%	Special Trade Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
23.6%	Professional Services	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
24.6%	Other Services	24.6 %	0.1%	-24.5%	\$280	\$297,784	24.6 %	10.4%	-14.2%	\$2,277	\$21,988	
21.0%	Commodities	21.0 %	15.7%	-5.3%	\$4,020	\$25,599	21.0 %	33.0%	12.0%	\$10,736	\$32,518	
	Total Expenditures		1.3%		\$4,300	\$323,383		23.9%		\$13,013	\$54,506	

B. Assessment of Fiscal Year 2012 - 2013 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained or exceeded 25% of the applicable HUB goals in fiscal years 2012-2013.

Applicability:

Heavy Construction, Building Construction, Special Trade Construction, and Professional Services categories were not applicable to the agency's operations in fiscal year 2012 or 2013.

Factors Affecting Attainment:

In fiscal year 2012 the goal for Commodities was not meet. The agency made a total of 6 purchases, 5 from HUB's and 1 Non-HUB. The Non-HUB purchase was due to the unavailability of HUB vendors.

In fiscal year 2013 the agency exceeded the goal in the Commodities category.

In fiscal years 2012 and 2013 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.

"Good-Faith" Efforts:

OPUC made the following good faith efforts to comply with statewide HUB Procurement goals:

- 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.

6.I. Percent Biennial Base Reduction Options
10 % REDUCTION
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 7/25/2014
Time: 8:12:06AM

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

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2016	2017	Biennial Total	2016	2017	Biennial Total	
1 Participate in Proceedings							
Category: Across the Board Reductions							
Item Comment: The agency will reduce \$165,370 from General Revenue and \$49,968 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	\$57,880	\$57,880	\$115,760	
General Revenue Funds Total	\$0	\$0	\$0	\$57,880	\$57,880	\$115,760	
<u>Gr Dedicated</u>							
153 Water Resource Management	\$0	\$0	\$0	\$17,489	\$17,489	\$34,978	
Gr Dedicated Total	\$0	\$0	\$0	\$17,489	\$17,489	\$34,978	
Strategy: 2-1-1 Participate in Major Utility Projects Affecting Consumers							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$24,805	\$24,805	\$49,610	
General Revenue Funds Total	\$0	\$0	\$0	\$24,805	\$24,805	\$49,610	
<u>Gr Dedicated</u>							
153 Water Resource Management	\$0	\$0	\$0	\$7,495	\$7,495	\$14,990	
Gr Dedicated Total	\$0	\$0	\$0	\$7,495	\$7,495	\$14,990	
Item Total	\$0	\$0	\$0	\$107,669	\$107,669	\$215,338	
FTE Reductions (From FY 2016 and FY 2017 Base Request)				1.0	1.0		

2 Participate in Proceedings

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 7/25/2014
Time: 8:12:06AM

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

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2016	2017	Biennial Total	2016	2017	Biennial Total	
Category: Across the Board Reductions							
Item Comment: The agency will reduce \$165,371 from General Revenue and \$49,968 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	\$57,880	\$57,880	\$115,760	
General Revenue Funds Total	\$0	\$0	\$0	\$57,880	\$57,880	\$115,760	
<u>Gr Dedicated</u>							
153 Water Resource Management	\$0	\$0	\$0	\$17,489	\$17,489	\$34,978	
Gr Dedicated Total	\$0	\$0	\$0	\$17,489	\$17,489	\$34,978	
Strategy: 2-1-1 Participate in Major Utility Projects Affecting Consumers							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$24,805	\$24,806	\$49,611	
General Revenue Funds Total	\$0	\$0	\$0	\$24,805	\$24,806	\$49,611	
<u>Gr Dedicated</u>							
153 Water Resource Management	\$0	\$0	\$0	\$7,495	\$7,495	\$14,990	
Gr Dedicated Total	\$0	\$0	\$0	\$7,495	\$7,495	\$14,990	
Item Total	\$0	\$0	\$0	\$107,669	\$107,670	\$215,339	
FTE Reductions (From FY 2016 and FY 2017 Base Request)				1.0	1.0		
AGENCY TOTALS							
General Revenue Total				\$165,370	\$165,371	\$330,741	\$330,741
GR Dedicated Total				\$49,968	\$49,968	\$99,936	\$99,936

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 7/25/2014
Time: 8:12:06AM

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

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2016	2017	Biennial Total	2016	2017	Biennial Total	
Agency Grand Total	\$0	\$0	\$0	\$215,338	\$215,339	\$430,677	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2016 and FY 2017 Base Request)				2.0	2.0		

7.A. Indirect Administrative and Support Costs

7/25/2014 8:28:43AM

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

475 Office of Public Utility Counsel

Strategy	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1-1-1 Participate in Major Utility Cases					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$69,582	\$ 73,938	\$ 75,417	\$ 65,990	\$ 65,990
1002 OTHER PERSONNEL COSTS	8,850	2,214	2,227	1,949	1,949
2003 CONSUMABLE SUPPLIES	485	643	431	377	377
2007 RENT - MACHINE AND OTHER	1,270	1,344	826	722	722
2009 OTHER OPERATING EXPENSE	1,657	1,842	1,258	1,100	1,100
Total, Objects of Expense	\$81,844	\$79,981	\$80,159	\$70,138	\$70,138
METHOD OF FINANCING:					
1 General Revenue Fund	81,844	79,981	80,159	70,138	70,138
Total, Method of Financing	\$81,844	\$79,981	\$80,159	\$70,138	\$70,138
FULL TIME EQUIVALENT POSITIONS	0.9	0.9	0.9	0.8	0.8
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.

7.A. Indirect Administrative and Support Costs

7/25/2014 8:28:43AM

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

475 Office of Public Utility Counsel

Strategy	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
2-1-1 Participate in Major Utility Projects Affecting Consumers					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$17,396	\$ 18,485	\$ 18,854	\$ 28,281	\$ 28,281
1002 OTHER PERSONNEL COSTS	2,213	554	557	835	835
2003 CONSUMABLE SUPPLIES	121	161	108	162	162
2007 RENT - MACHINE AND OTHER	317	336	206	310	310
2009 OTHER OPERATING EXPENSE	414	461	314	472	472
Total, Objects of Expense	\$20,461	\$19,997	\$20,039	\$30,060	\$30,060
METHOD OF FINANCING:					
1 General Revenue Fund	20,461	19,997	20,039	30,060	30,060
Total, Method of Financing	\$20,461	\$19,997	\$20,039	\$30,060	\$30,060
FULL TIME EQUIVALENT POSITIONS	0.2	0.2	0.2	0.3	0.3
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.

7.A. Indirect Administrative and Support Costs

7/25/2014 8:28:43AM

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

475 Office of Public Utility Counsel

	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$86,978	\$92,423	\$94,271	\$94,271	\$94,271
1002 OTHER PERSONNEL COSTS	\$11,063	\$2,768	\$2,784	\$2,784	\$2,784
2003 CONSUMABLE SUPPLIES	\$606	\$804	\$539	\$539	\$539
2007 RENT - MACHINE AND OTHER	\$1,587	\$1,680	\$1,032	\$1,032	\$1,032
2009 OTHER OPERATING EXPENSE	\$2,071	\$2,303	\$1,572	\$1,572	\$1,572
Total, Objects of Expense	\$102,305	\$99,978	\$100,198	\$100,198	\$100,198
Method of Financing					
1 General Revenue Fund	\$102,305	\$99,978	\$100,198	\$100,198	\$100,198
Total, Method of Financing	\$102,305	\$99,978	\$100,198	\$100,198	\$100,198
Full-Time-Equivalent Positions (FTE)	1.1	1.1	1.1	1.1	1.1