Public Service Commission

www.dcpsc.org

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Description	FY 2012 Actual	FY 2013 Approved	FY 2014 Proposed	% Change from FY 2013
Operating Budget	$9,822,380	$10,822,922	$11,950,981	10.4
FTEs	67.5	72.6	78.6	8.2

The mission of the Public Service Commission (PSC) is to serve the public interest by ensuring that financially healthy electric, natural gas, and telecommunications companies provide safe, reliable, and quality services at reasonable rates for District of Columbia residential, business, and government customers. This mission includes:

- Protecting consumers to ensure public safety, reliability, and quality utility services;
- Regulating monopoly utility services to ensure that their rates are just and reasonable;
- Fostering fair and open competition among utility service providers;
- Conserving natural resources and preserving environmental quality;
- Resolving disputes among consumers and utility service providers;
- Educating utility consumers and informing the public; and
- Motivating customer and results-oriented employees.

Summary of Services

The Public Service Commission regulates public utilities operating in the District of Columbia by issuing orders in formal proceedings that may include written comments or testimony, hearings, studies, and investigations; ensuring fair and appropriate utility prices; fostering competition by licensing utility service providers and supervising the competitive bidding process; ensuring that utility providers meet various environmental regulations and standards by operating in ways that conserve natural resources and preserve environmental quality; and resolving disputes among consumers and utility service providers.

In addition to its regulatory services, the Commission also conducts outreach via its website, public forums, and various literature in order to educate utility consumers and inform the public.

The FY 2014 proposed budget is presented in the following tables:

FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table DH0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table DH0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
General Fund						
Special Purpose Revenue Funds	9,239	9,238	10,360	11,612	1,252	12.1
Total for General Fund	**9,239**	**9,238**	**10,360**	**11,612**	**1,252**	**12.1**
Federal Resources						
Federal Grant Funds	509	562	463	319	-144	-31.1
Total for Federal Resources	**509**	**562**	**463**	**319**	**-144**	**-31.1**
Private Funds						
Private Donations	0	10	0	20	20	N/A
Total for Private Funds	**0**	**10**	**0**	**20**	**20**	**N/A**
Intra-District Funds						
Intra-District Funds	50	13	0	0	0	N/A
Total for Intra-District Funds	**50**	**13**	**0**	**0**	**0**	**N/A**
Gross Funds	**9,799**	**9,822**	**10,823**	**11,951**	**1,128**	**10.4**

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2014 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Full-Time Equivalents, by Revenue Type

Table DH0-2 contains the proposed FY 2014 FTE level compared to the FY 2013 approved FTE level by revenue type. It also provides FY 2011 and FY 2012 actual data.

Table DH0-2

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change
General Fund						
Special Purpose Revenue Funds	66.3	62.0	68.0	76.2	8.3	12.2
Total for General Fund	**66.3**	**62.0**	**68.0**	**76.2**	**8.3**	**12.2**
Federal Resources						
Federal Grant Funds	4.2	5.5	4.7	2.4	-2.3	-48.6
Total for Federal Resources	**4.2**	**5.5**	**4.7**	**2.4**	**-2.3**	**-48.6**
Total Proposed FTEs	**70.5**	**67.5**	**72.6**	**78.6**	**6.0**	**8.2**

FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table DH0-3 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table DH0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
11 - Regular Pay - Continuing Full Time	4,861	4,997	5,442	6,407	965	17.7
12 - Regular Pay - Other	1,203	1,079	1,263	1,228	-35	-2.8
13 - Additional Gross Pay	29	48	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	1,104	1,152	1,349	1,589	240	17.8
Subtotal Personal Services (PS)	**7,197**	**7,276**	**8,054**	**9,224**	**1,170**	**14.5**
20 - Supplies and Materials	31	45	44	36	-8	-17.3
30 - Energy, Comm. and Building Rentals	2	2	2	2	-1	-27.8
31 - Telephone, Telegraph, Telegram, Etc.	74	83	76	80	4	5.0
32 - Rentals - Land and Structures	1,607	1,416	1,693	1,643	-50	-3.0
35 - Occupancy Fixed Costs	0	8	6	6	0	0.0
40 - Other Services and Charges	388	477	508	496	-12	-2.3
41 - Contractual Services - Other	350	267	257	257	0	0.0
70 - Equipment and Equipment Rental	148	248	182	207	25	13.7
Subtotal Nonpersonal Services (NPS)	**2,601**	**2,546**	**2,769**	**2,727**	**-42**	**-1.5**
Gross Funds	**9,799**	**9,822**	**10,823**	**11,951**	**1,128**	**10.4**

*Percent change is based on whole dollars.

Program Description

The Public Service Commission operates through the following 4 programs:

Natural Gas Pipeline Safety – conducts inspections, investigations, and audits, and issues notices of probable violations to Washington Gas so that it can provide safe and reliable natural gas service to District consumers in compliance with federal grant provisions and to prevent harmful incidents. Conducts inspections of natural gas construction projects, investigates incidents, audits Washington Gas' records, and issues notices of probable violations to ensure compliance with federal and District standards.

Utility Regulation – regulates natural gas, electric, and local telecommunications services to ensure providers offer safe, reliable, and quality services at reasonable rates to District of Columbia residential, business, and government customers.

This program contains the following 6 activities:

- **Public Safety and Reliability** – issues orders and regulations, monitors implementation of plans and quality service standards, and proposes legislation for services offered by natural gas, electric, and local telecommunications providers serving the District;
- **Regulate Monopoly** – provides rate-setting services to natural gas, electric, and local telecommunications utility companies through the issuance of orders and regulations;
- **Foster Competition** – monitors performance of natural gas, electric, and telecommunications service providers where the markets have been opened to competition, and ensures compliance with the Commission's restructuring rules;
- **Resolve Dispute** – provides investigation, mediation, and resolution services to District consumers and customers of energy and telecommunications services so that they can have their complaints resolved and inquiries addressed in a timely manner in accordance with applicable laws, regulations, and tariffs;
- **Public Information and Consumer Education** – facilitates the public's access to the Commission through its website and provides oral and written information services to District consumers and customers of energy and telecommunications services so that they can make informed choices in obtaining quality services at reasonable rates; and
- **Conserving Natural Resources and Preserving the Environment** – processes Renewable Energy Portfolio applications, monitors the fuel mix of electricity suppliers, participates in the Sustainable Energy Utility program, and implements sub-metering rules for commercial electricity customers.

Agency Management – provides for administrative support and the required tools to achieve operational and programmatic results. This program is standard for all agencies using performance-based budgeting.

Agency Financial Operations – provides comprehensive and efficient financial management services to, and on behalf of, District agencies so that the financial integrity of the District of Columbia is maintained. This program is standard for all agencies using performance-based budgeting.

Program Structure Change

The Public Service Commission has no program structure changes in the FY 2014 proposed budget.

FY 2014 Proposed Operating Budget and FTEs, by Program and Activity

Table DH0-4 contains the proposed FY 2014 budget by program and activity compared to the FY 2013 approved budget. It also provides the FY 2012 actual data.

Table DH0-4

(dollars in thousands)

	Dollars in Thousands				Full-Time Equivalents			
Program/Activity	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(1000) Agency Management								
(1010) Personnel	295	307	326	19	2.6	2.9	3.0	0.1
(1015) Training and Development	240	236	347	111	1.1	1.2	1.5	0.3
(1020) Contracting and Procurement	189	207	266	59	1.7	1.8	2.8	0.9
(1030) Property Management	2,044	2,128	2,189	61	0.5	0.6	0.5	0.0
(1040) Information Technology	337	301	312	11	1.2	1.3	1.2	0.0
(1050) Financial Management	69	79	78	-2	0.4	0.4	0.5	0.1
(1060) Legal	148	203	191	-13	0.8	0.9	0.7	-0.2
(1070) Fleet Management	2	2	2	-1	0.0	0.0	0.0	0.0
(1080) Communications	214	173	297	124	2.0	2.1	3.4	1.2
(1085) Customer Service	170	184	232	48	2.0	2.2	2.6	0.4
(1090) Performance Management	35	52	56	4	0.3	0.4	0.4	0.0
Subtotal (1000) Agency Management	**3,742**	**3,873**	**4,294**	**421**	**12.6**	**13.7**	**16.5**	**2.9**
(100F) Agency Financial Operations								
(110F) Budget Operations	207	208	109	-99	1.5	1.6	0.8	-0.8
(120F) Accounting Operations	93	88	200	112	0.9	1.0	1.8	0.8
Subtotal (100F) Agency Financial Operations	**300**	**295**	**309**	**13**	**2.4**	**2.6**	**2.6**	**0.0**
(2000) Pipeline Safety								
(2010) Pipeline Safety	531	314	402	88	6.7	2.7	3.0	0.3
Subtotal (2000) Pipeline Safety	**531**	**314**	**402**	**88**	**6.7**	**2.7**	**3.0**	**0.3**
(3000) Utility Regulation								
(3010) Public Safety and Reliability	707	1,239	1,283	44	5.9	9.6	10.1	0.5
(3020) Regulate Monopoly	1,646	1,901	2,058	157	13.5	14.8	15.6	0.8
(3030) Foster Competition	920	1,084	1,069	-15	7.9	8.5	8.3	-0.2
(3040) Resolve Dispute	678	709	844	136	6.0	6.7	7.0	0.3
(3050) Public Information/Consumer Education	622	707	801	94	7.3	8.3	8.6	0.3
(3060) Conserving Energy and Preserving the Environment	603	701	890	189	5.1	5.9	7.0	1.1
Subtotal (3000) Utility Regulation	**5,176**	**6,341**	**6,946**	**605**	**45.8**	**53.7**	**56.5**	**2.8**
(7000) Intra-District - Broadband Mapping								
(7010) Intra-District - Broadband Mapping	13	0	0	0	0.0	0.0	0.0	0.0
Subtotal (7000) Intra-District- Broadband Mapping	**13**	**0**	**0**	**0**	**0.0**	**0.0**	**0.0**	**0.0**
(8000) Public Service Commission								
(8010) Pipeline Safety-One Call Grant	60	0	0	0	0.0	0.0	0.0	0.0
Subtotal (8000) Public Service Commission	**60**	**0**	**0**	**0**	**0.0**	**0.0**	**0.0**	**0.0**
Total Proposed Operating Budget	**9,822**	**10,823**	**11,951**	**1,128**	**67.5**	**72.6**	**78.6**	**6.0**

(Change is calculated by whole numbers and numbers may not add due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2014 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Budget Changes

The Public Service Commission's (PSC) proposed FY 2014 gross budget is $11,950,981, which represents a 10.4 percent increase over its FY 2013 approved gross budget of $10,822,922. The budget is comprised of $318,992 in Federal Grant funds, and $20,000 in Private Donations and $11,611,989 in Special Purpose Revenue funds.

Agency Budget Submission

Increase: The Public Service Commission will increase Federal Grant funding in two areas of fixed costs as the projections for Rent and Telecommunications will increase by $29,379 and $2,777 respectively. The agency will receive $20,000 in Private Donations, which will be used for out-of-state travel. The Special Purpose Revenue funds (SPR) budget proposes an increase of $825,083 for planned salary step increases and an additional 8.3 FTEs. The positions are proposed to continue efforts in compliance, procurement, and enforcement. The proposed SPR funds budget will also require an additional $216,961 to cover projected Fringe Benefit costs.

Decrease: A reduction of $112,001 and 2.0 FTEs in Federal Grant funds is the result of the expiration of the American Recovery and Reinvestment Act (ARRA) grant. PSC proposes adjustments to Other Services and Charges, Equipment, and Supplies. Collectively, it will decrease the budget by $40,126, properly aligning the Federal Grant budget with anticipated grant awards. In addition, Fringe Benefits will decrease by $23,202. A reduction in funding to the Pipeline Safety Federal Grant will result in the elimination of 0.3 FTE providing additional saving of $7,565 in the Federal Grant budget. A decrease of $53,901 in SPR funds is attributed to the estimate for Rent. The terms of the lease agreement allows for a decrease in FY 2014.

Mayor's Proposed Budget

Cost of Living Adjustment: This agency received a proposed cost of living adjustment (COLA) in non-Local funds. This adjustment includes $6,420 in Federal Grant funds, and $264,234 in Special Purpose Revenue funds.

FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table DH0-5 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

Table DH0-5
(dollars in thousands)

	PROGRAM	BUDGET	FTE
FEDERAL GRANT FUNDS: FY 2013 Approved Budget and FTE		**463**	**4.7**
Increase: Rent estimate	Pipeline Safety	29	0.0
Increase: Telecommunications costs	Pipeline Safety	3	0.0
Decrease: Expiration of the ARRA grant	Utility Regulation	-112	-2.0
Decrease: Adjustments to Other Services and Charges, Equipment, and Supplies	Multiple Programs	-40	0.0
Decrease: Fringe Benefits	Multiple Programs	-23	0.0
Decrease: Reduction in funding for the Pipeline Safety grant	Pipeline Safety	-8	-0.3
FEDERAL GRANT FUNDS: FY 2014 Agency Budget Submission		**313**	**2.4**
Cost of Living Adjustment: FY 2014 proposed adjustment	Multiple Programs	6	0.0
FEDERAL GRANT FUNDS: FY 2014 Mayor's Proposed Budget		**319**	**2.4**
PRIVATE DONATIONS: FY 2013 Approved Budget and FTE		**0**	**0.0**
Increase: Private donations for travel	Agency Management	20	0.0
PRIVATE DONATIONS: FY 2014 Agency Budget Submission		**20**	**0.0**
No Changes		0	0.0
PRIVATE DONATIONS: FY 2014 Mayor's Proposed Budget		**20**	**0.0**
SPECIAL PURPOSE REVENUE FUNDS: FY 2013 Approved Budget and FTE		**10,360**	**68.0**
Increase: FTEs for compliance, procurement, and enforcement activities, and planned salary step increases	Multiple Programs	825	8.3
Increase: Fringe Benefits	Multiple Programs	217	0.0
Decrease: Rent estimate	Multiple Programs	-54	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Agency Budget Submission		**11,348**	**76.3**
Cost of Living Adjustment: FY 2014 proposed adjustment	Multiple Programs	264	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Mayor's Proposed Budget		**11,612**	**76.3**
Gross for DH0 - Public Service Commission		**11,951**	**78.6**

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Agency Performance Plan

The agency's performance plan has the following objectives for FY 2014:

Objective 1: Ensure safe, reliable, and quality electric, natural gas and local telecommunications services by managing the natural gas pipeline safety program, monitoring utility providers' compliance with the Commission's service quality standards, and investigating outages.

Objective 2: Conserve natural resources and preserve the environment

Objective 3: Educate consumers and inform the public.

KEY PEFORMANCE INDICATORS

Measure	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Projection	FY 2014 Projection	FY 2015 Projection
USDOT rating for the Commission's natural gas pipeline safety program	Not Available	98%	Not Available	98%	98%	98%
Adjudicative case decisions to be issued within 90 days from the close of the record	100%	95%	Not Available	95%	95%	95%
Percentage of consumer complaints resolved at the informal level	Not Available	Not Available	Not Available	80%	85%	90%

Performance Plan Endnotes:

[1]The Commission had only one adjudicative proceeding in FY 2011 – F.C. No. 1079.