



October 15, 2018

Senator Julie A. Rosen
Chair
Senate Finance Committee

Senator Richard Cohen
Ranking Minority Member
Senate Finance Committee

Senator David J. Osmek
Chair
Senate Energy and Utilities
Finance and Policy Committee

Senator John Marty
Ranking Minority Member
Senate Energy and Utilities
Finance and Policy Committee

Rep. Jim Knoblach
Chair
House Ways and Means Committee

Rep. Lyndon Carlson Sr.
Ranking Minority Member
House Ways and Means Committee

Rep. Pat Garofalo
Chair
House Job Growth and Energy Affordability
Policy and Finance Committee

Rep. Karen Clark
Rep. Tim Mahoney
Rep. Jean Wagenius
Co-Ranking Minority Members
House Job Growth and Energy Affordability
Policy and Finance Committee

Dear Senators Rosen, Cohen, Osmek, and Marty and Representatives Knoblach, Carlson, Garofalo, Clark, Mahoney, and Wagenius:

Laws of Minnesota 2017, Chapter 94, Article 12, Section 2 provides that certain State agencies must submit to you an Agency Activity and Expenditure Report by October 15, 2018. Attached is the Report of the Minnesota Public Utilities Commission.

Note – This does not include updated biennial budget financial statements which will be available on November 30, 2018.

Please let me know if you have any questions or would like additional information.

Sincerely,

A handwritten signature in black ink that reads 'Daniel P. Wolf'.

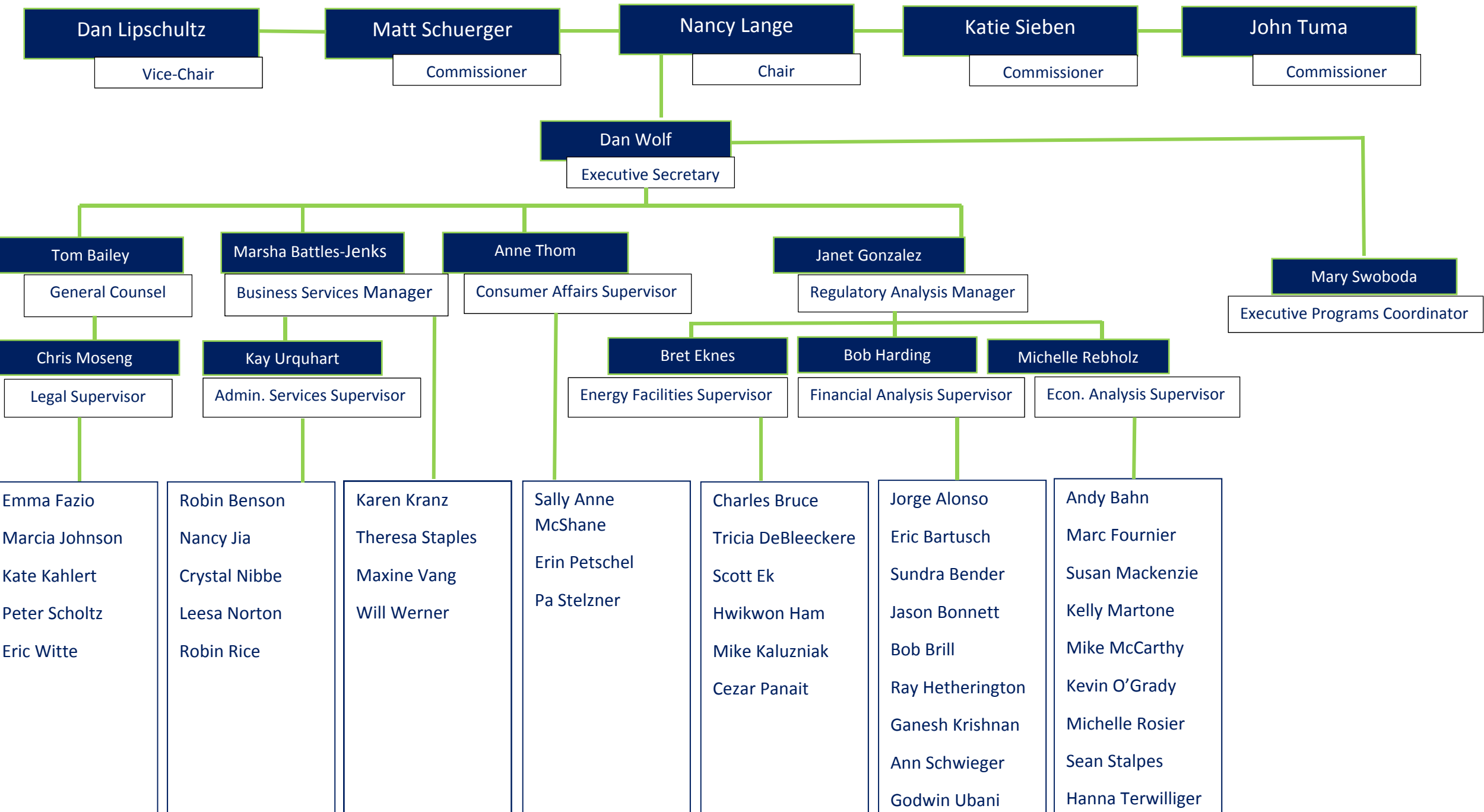
Daniel P. Wolf
Executive Secretary

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Agency Activity and Expenditure Report

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The Minnesota Public Utilities Commission's mission is to create and maintain a regulatory environment that ensures safe, reliable and efficient utility services at fair and reasonable rates. The Commission is a quasi-judicial body whose authority, powers and functions resemble those of a court or a judge. Commission decisions are based on a set of guidelines or statutory criteria applied to the factual and legal record developed in the particular proceeding to assess the relief sought. Commission Orders are enforceable under the law. Accordingly, the Commission must be objective in determining facts and drawing conclusions of law that justify its decisions or official actions. The Commission staff is approximately 50 permanent full-time staff members:

Commissioners

The Minnesota Public Utilities Commission's five commissioners are appointed by the governor to six-year, staggered terms. By law, no more than three commissioners can be of the same political party and at least one commissioner must reside at the time of appointment outside the seven-county metropolitan area. Commissioners must be persons learned in the law, engineering, public accounting, property and utility valuation, finance, physical or natural sciences, production agriculture or natural resources as well as being representative of the general public. Commissioners shall not be swayed by partisan interests, public clamor, or fear of criticism. The governor designates one of the commissioners to serve as chair. The commissioners and staff work full time at the Commission's office in Saint Paul, except when attending hearings in other parts of the state.

Position/Working Title:	Commissioner
Employees:	Nancy Lange (Chair), Dan Lipschultz, Matt Schuerger, Katie Sieben, John Tuma

Executive Services

This unit carries out the powers and duties of the Commission as set forth in Minnesota Stat. 216A.04, subd. 1a. by coordinating and implementing programs and practices which assure that Commission's policies governing the rates and terms of service of jurisdictional energy utilities and telephone companies, as well as those governing the permitting of large energy facilities, are implemented and followed.

Position/Working Title:	Executive Secretary
Employee:	Dan Wolf
Position Description Summary:	Serves as the Commission's chief of staff. Carries out the powers and duties of the position as set forth in Minnesota Stat. 216A.04, subd. 1a. The Executive Secretary plans, directs, coordinates and implements programs and practices which assures that Commission's policies governing the rates and terms of service of jurisdictional energy utilities and telephone companies, as well as those governing the permitting of large energy

	<p>facilities, are implemented and followed. The Executive Secretary directs a management team that, in turn, supervises the work of six individual units, consisting of economists, accountants, statisticians, planners, attorneys, mediators, information technology specialists, and financial and administrative support, whose responsibility it is to ensure the Commission is prepared to make well-informed, transparent, and timely decisions in technical and policy matters coming before it in formal proceedings. The Executive Secretary also is directly involved with the Commission in developing statutes, rules and other Commission policies concerning jurisdictional companies, including representing the interests of the Commission before the Legislature. Additional duties include advising the Commission regarding issues before regional and national organizations and, in some cases, serving as a representative.</p>
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Position/Working Title:	State Program Admin Manager Principal/General Counsel
Employee:	Tom Bailey
Position Description Summary:	<p>The Commission Counsel is responsible for overseeing and directing the legal aspects of the Commission's operations. This position (1) regularly monitors and analyzes the results of regulatory proceedings in other states as well as the Federal Energy Regulatory Commission, Federal Communications Commission, and other federal agency proceedings; (2) identifies legal and policy issues that may affect the Commission; and (3) communicates information and analysis to the Commissioners and staff as necessary to maintain the integrity of the agency's operations and quasi-judicial decisions. Duties include: supervising PUC legal unit and staff; maintaining up-to-date knowledge of applicable law; evaluating legal staff training needs to assure relevant staff are knowledgeable; assuring compliance with Minnesota's Open Meeting Law and the Commission's Code of Conduct; serving as the agency's Responsible Authority for Minnesota's Government Data Practices Act; coordinating with the Attorney General's Office on pending litigation; and providing information and analysis to the Commissioners and Commission staff related to the agency's docket-related and non-docketed work.</p>

Position/Working Title:	Executive Aide
Employee:	Mary Swoboda
Position Description Summary:	<p>To provide executive assistance to the Commissioners in the performance of their responsibilities; to assist in the dissemination of information to departmental employees, the Governor's Office, Legislature, other state agencies and the general public; to coordinate agency-wide projects that support Commission staff; and to represent the Commissioners to agency clientele.</p>

Position/Working Title:	Executive 2
Employee:	Crystal Nibbe
Position Description Summary:	This position exists to serve as an executive administrative assistant to three Public Utility Commissioners to assist them in fulfilling their responsibilities by providing administrative support relating to successfully implementing the Commission's mission.

The Regulatory Analysis Division

This division includes four major units within the Commission: Economic Analysis, Financial Analysis, Telecommunications and Energy Facilities Planning. The Economic and Financial Analysis units review all natural gas and electric matters coming before the Commission. Cases investigated fall into several broad categories including rate changes, energy resource planning, service area matters, mergers and acquisitions, and formal complaints. The Units have also been actively engaged in monitoring the structural changes occurring in these industries. Telecommunications staff review matters relating to rates and services of telephone companies. In addition to the more traditional types of cases under regulation, the Unit also assists the Commission in addressing significant policy issues regarding the ongoing evolution of competition in the telecommunications industry. The Energy Facilities Planning unit is responsible for the need, site and route permitting of certain energy facilities, including power plant and wind turbine siting, transmission line and pipeline routing. The Energy Facilities Planning unit also has responsibilities for certain electric transmission planning activities.

Position/Working Title:	Public Utilities Regulatory Analysis Unit Manager
Employee:	Janet Gonzalez
Position Description Summary:	Plans, organizes, directs and manages the activities of the Commission's professional analyst staff concerning electric and natural gas utility financial, rate-of-return, rate design, cost-of-service, service delivery, conservation and planning matters, as well as matters related to the regulation of telephone services in Minnesota. To initiate and direct research and resolution of utility and telecommunications issues so that the Commission can fulfill its statutory mission. To oversee the analysis and reporting requirements of the Regulatory Division.

Position/Working Title:	Public Utilities Energy Facilities Supervisor
Employee:	Bret Eknes
Position Description Summary:	To plan, organize, and direct the Energy Facilities Permitting Unit of the Public Utilities Commission on large energy facilities matters coming before the Commission under Minn. Stat. §§ 216B, 216E, 216F and 216G and other relevant state and federal statutes, to assure that the Commission has the information necessary to make informed decisions in an orderly and timely fashion.

	To direct, in consultation with the Regulatory Analysis Division Manager, the work of the Regional Energy Program Manager and other staff participation in regional state committees like the Organization of MISO States (OMS), regional transmission organizations like the Midcontinent Independent System Operator (MISO), and other entities to support Commissioners' participation and help assure the interests of the State of Minnesota are represented in regional and federal transmission and energy market matters.
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Position/Working Title:	Public Utilities Financial Analysis Supervisor
Employee:	Robert Harding
Position Description Summary:	To plan, organize and direct the Financial Analysis Unit of the Public Utilities Commission under Minn. Stat. §216B to assure that the Commission has the information necessary to make informed decisions in an orderly and timely fashion. The primary focus of the Unit will be on issues related to revenue requirements, rate of return, and other financial issues.

Position/Working Title:	Public Utilities Economic Analysis Evaluation Supervisor
Employee:	Michelle Rebholz
Position Description Summary:	To plan, organize, and direct the Economic Analysis Unit of the Public Utilities Commission on telecommunications and energy matters under Minn. Stat. §§ 237 and 216B to assure that the Commission has the information necessary to make informed decisions in an orderly and timely fashion. The primary focus of the Unit is related to utility rate design, utility planning, service quality, and policy issues. To plan, organize, direct and evaluate the activities of the Economic Analysis Unit's multi-disciplinary professional staff.

Position/Working Title:	Regional Energy Program Manager
Employee:	Hwikwon Ham
Position Description Summary:	Administers, directs, and coordinates the agency's activities related to regional transmission planning, regional energy markets, and federal transmission and energy market actions, in close coordination with the Energy Facilities Permitting Manager. Provides technical, policy, and planning analysis and advice relating to regional transmission planning and energy markets. Serves as principal advisor to the designated regional state committee lead Commissioner, and all other Commissioners, on these issues. Assures that managers, supervisors, and staff of all relevant units in the agency are informed of major regional and federal matters that impact energy policies and dockets developed by the Commission. Coordinates

	with staff at the Minnesota Department of Commerce and other relevant Minnesota state agencies on these issues.
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Position/Working Title:	State Planning Director
Employees:	Tricia DeBleekere, Scott Ek, Michael Kaluzniak, Sean Stalpes
Position Description Summary:	Under administrative direction of the Facilities unit supervisor, develop, in conjunction with various state administrative agencies, local units of government and other relevant parties as needed, a program of coordinated and integrated planning for use in the State's overall comprehensive energy policy planning, including electrical energy capacity planning, energy production and transmission efficiency, conservation and environmental impacts, potential for use of alternative energy producing sources, certificates of need, capacity analysis rate design and service policies.

Position/Working Title:	State Program Admin. Senior/Public Advisor
Employee:	Charles Bruce
Position Description Summary:	The Public Advisor administers a Commission program to assist Commission stakeholders and the general public to effectively participate in the broad array of controversial matters that come before the Commission. This position must provide leadership to ensure the program successfully informs stakeholders about how to meaningfully participate in those proceedings and reduces barriers that prevent effective public participation. The Public Advisor prepares and presents informational offerings that guide Commission stakeholders through its administrative processes, answers stakeholder questions and provides assistance in accessing information about the Commission's decision-making processes. However, other than facilitating public involvement in Commission proceedings, the Public Advisor, unlike other Commission advisory staff, is not involved in the record development process and has no responsibility for evaluating the substantive issues in the record or advising the Commission about substantive issues.

Position/Working Title:	Engineer Administrative
Employee:	Cezar Panait
Position Description Summary:	Under supervision of the Supervisor, Energy Facilities Permits, provide advanced professional engineering and technical analysis and expertise on energy utility facilities planning and permitting as well as other energy-related matters. This position is responsible for directing the Commission's work on engineering, scientific and other complex technical issues sufficient to allow the Commission to make fully informed decisions and to adequately protect Minnesota's interests in national and regional forums. The incumbent is required to take initiative with significant discretion to carry out the agency responsibilities in these technical areas.

Position/Working Title:	Public Utilities Financial Analyst 4
Employees:	Jorge Alonso, Sundra Bender
Position Description Summary:	To act as lead worker and provide financial, accounting and other technical analysis and interpretation of complex gas and electric utility regulatory matters and other energy-related issues for the Commission.

Position/Working Title:	Public Utilities Financial Analyst 3
Employees:	Eric Bartusch, Ann Schwieger, Godwin Ubani
Position Description Summary:	Provides financial, accounting and other technical analysis and interpretation of complex gas and electric utility regulatory matters and other energy-related issues for the Commission.

Position/Working Title:	Public Utilities Financial Analyst 2
Employee:	Raymond Hetherington
Position Description Summary:	Provides financial, accounting and other technical analysis and interpretation of more routine gas and electric utility regulatory matters and other energy-related issues for the Commission.

Position/Working Title:	Public Utilities Rates Analyst 4
Employees:	Andrew Bahn, Jason Bonnett, Robert Brill, Marc Fournier, Ganesh Krishnan, Susan Mackenzie, Kevin O’Grady, Michelle Rosier
Position Description Summary:	To act as lead workers and provide technical analysis and interpretation of complex gas and electric utility rate design and other regulatory and energy-related issues for the Commission, and to provide expertise on resource planning, conservation, renewable energy, and the environmental effects of energy use.

Position/Working Title:	Public Utilities Rates Analyst 3
Employee:	Kelly Martone, Michael McCarthy, Hanna Terwilliger
Position Description Summary:	To provide policy and technical analysis and interpretation of complex gas and electric utility regulatory matters and other energy-related issues for the Commission.

Legal Services

Legal Services provides legal perspective to assist the Commissioners in their decision-making process. The unit drafts the Commission's decisions and orders, leads and coordinates the Commission's rulemakings, and documents the Commission's actions through the production of meeting minutes.

Position/Working Title:	Attorney 3/Legal Supervisor
Employee:	Christopher Moseng
Position Description Summary:	This position exists to plan, organize, direct and evaluate the activities of staff attorneys and legal interns; to write and edit Commission Orders; to manage rulemaking efforts of the Commission; and to assist in developing legislative proposals.

Position/Working Title:	Attorney 2
Employee:	Emma Fazio, Marcia Johnson, Kate Kahlert, Peter Scholtz, Eric Witte
Position Description Summary:	In conjunction with other members of the legal unit, to draft or supervise the drafting of the approximately 1000 legally appealable Orders issued by the Public Utilities Commission each year. To lead and coordinate Commission rulemakings, doing necessary legal and policy research; to prepare and promulgate Commission rules. To review briefing materials prepared by non-legal staff and by staff of the Department of Public Service for consistency with Commission legal and policy precedents. To analyze proposed legislation and draft legislation as requested by Commission.

Consumer Affairs Office

The Consumer Affairs Office (CAO) serves as the Commission's information, consumer education, and dispute resolution hub. Consumer Affairs staff provide mediation assistance to consumers filing complaints against utilities under the Commission's jurisdiction. The CAO administers the Cold and Hot Weather laws governing natural gas and electric service terminations, the telephone Lifeline discount programs, and serves as key public contact office for the Commission.

Position/Working Title:	State Program Administrator Director/Consumer Affairs Office Supervisor
Employee:	Anne Thom
Position Description Summary:	This position exists to direct and administer the Commission's Consumer Affairs Office. The Office is responsible for public information/education and outreach programs designed to educate consumers about their right related to electric, gas and telephone utility services; facilitate communication and dispute resolution between customers and utilities; review and oversee utility compliance with Commission consumer rules, state statutes and company tariffs; and to communicate essential customer

	rights information to the Commission, consumers, and legislative and industry staff.
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Position/Working Title:	Consumer Mediator 2
Employees:	Sally Anne McShane, Pa Stelzner
Position Description Summary:	To provide information, guidance, mediation services and consumer education materials and information to customers of regulated gas, electric and telephone utilities in Minnesota, service as a staff member of the Commission's Consumer Affairs Office, service as first point of contact for consumer related problems, issues and complaints, and service as the liaison between the customer and the regulated utility and service as facilitator in involving the public and stakeholders in Commission processes and decisions as required under statutes 216A and 216B.

Position/Working Title:	Consumer Mediator 1
Employee:	Erin Petschel
Position Description Summary:	To provide information and mediation services to customers of regulated gas, electric and telephone utilities in Minnesota. To serve as Consumer Affairs Office staff member, specializing in telecommunications issues. To provide Minnesota utility customers with consumer education information to increase public awareness of the regulatory industry. Work is subject to general review of results obtained.

Business Services

The Business Services Office is responsible for human resources administrative support in the areas of recruitment, selection, personnel and benefit transactions processing, job classification, compensation administration, labor relations, diversity, health/safety promotion and facilities management. The unit is responsible for the Telephone Assistance Program (TAP) administration, financial analysis, program audit and utility assessment. In addition, this office provides general accounting, procurement and budget/fiscal and administrative support services to the Commission.

Position/Working Title:	Administrative Management Director 2
Employee:	Marsha Battles-Jenks
Position Description Summary:	Serves as primary administrative manager under the Executive Secretary. This includes management of the following: accounting and IT personnel, the agency's fiscal management program, the agency's personnel management system, utility assessments, budget preparation and control, inter-agency affairs related to administration, and other tasks as needed.

Position/Working Title:	Office Services Supervisor 3
Employee:	Kay Urquhart
Position Description Summary:	This position exists to plan, organize and implement administrative systems to ensure operations run smoothly and are in compliance with all applicable state and federal laws and rules. Duties include supervision of administrative staff; monitoring, evaluating and improving department-wide administrative policies, processes, and procedures; conducting internal audits; assisting the Administrative Management Director in implementing the Human Resources management program; and coordinating facilities management activities.

Position/Working Title:	Accounting Officer, Intermediate
Employee:	Karen Kranz
Position Description Summary:	This position oversees a major multi-agency accounting function involving the assessment of utility regulation costs of the Commission and the Attorney General's Office (AG) back to the regulated gas, electric and telephone utility companies, cooperatives and municipalities. This position helps determine needed modifications to the Agency's utility cost assessment and accounts receivable databases, and will partner with the Commission and Department of Commerce IT and management staff in their implementation. This position also has primary responsibility for Agency purchasing, accounting and payroll functions.

Position/Working Title:	State Program Admin. Senior/TAP Administrator
Employee:	Theresa Staples
Position Description Summary:	This position exists to serve as the program administrator for the Telephone Assistance Plan (TAP) program and fund. This position provides also financial analysis, program audit, utility assessment, and segregation of accounting duties for the Business Office.

Position/Working Title:	Office & Administrative Specialist, Senior
Employee:	Robin Benson, Leesa Norton
Position Description Summary:	<i>Position 1:</i> This position provides administrative support in two major program areas of Commission activities: The Commission's internal agenda process and docketing process. As agenda coordinator, this position is responsible for ensuring potential agenda items are submitted for the appropriate manager's review in a timely fashion. In addition, this position is responsible for the preparation of the

	<p>Commission's preliminary, semifinal and 10-day meeting notice, final agenda, and the consent agenda process, including preparation and processing of consent orders approved by the Commission Subcommittee. This position is also responsible for various docketing functions and backup support in the absence of other docketing staff.</p> <p><i>Position 2:</i> This position exists to facilitate the function of the Commission by serving as content contributor to the Commission's website; providing Commissioners with information relevant to upcoming formal agenda meetings, oral argument and deliberations; maintaining service lists, master contact lists and user profiles as well as e-filing documents using the eFiling/eService/eDockets system; serves as the Commission's Department Designated Insurance Representative (DDIR), and providing administrative support to the Commission and Human Resources/Business Office in general.</p>
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Position/Working Title:	Office & Administrative Specialist, Intermediate/Records Coordinator
Employee:	Nancy Jia
Position Description Summary:	This position exists to facilitate the function of the Commission by serving as content contributor to the Commission's website; updating Project Management databases; providing Commissioners with information relevant to upcoming formal agenda meetings, oral argument and deliberations; maintaining service lists, master contact lists and user profiles, as well as e-filing documents using the eFiling/eService/eDockets system. This position is responsible for the Commission's records retention program.

Position/Working Title:	Office & Administrative Specialist/Receptionist
Employee:	Robin Rice
Position Description Summary:	This position greets visitors to the Public Utilities Commission by answering their inquiries and directing visitors to their destinations. Equally relevant duties include coordinating mailings of the Commission formal orders, notices and rulemaking documents, eFiling documents, processing incoming mail, providing crowd control for high profile proceedings and daily access/security control, managing reception area and hearing room traffic, and serve as key operator for the Agency's 3 main copiers.

mn.gov/puc/

AT A GLANCE

The Public Utilities Commission:

- Regulates the rates and services of three cornerstone industries in Minnesota's economy: electricity, natural gas and telephone utilities.
- Determines need for and location of large energy facilities.
- Manages an average of 1,400 utility filings annually.
- Closes over 3,500 consumer complaint cases per year.
- Has a staff size and budget that is, per capita, among the lowest nationally.

PURPOSE

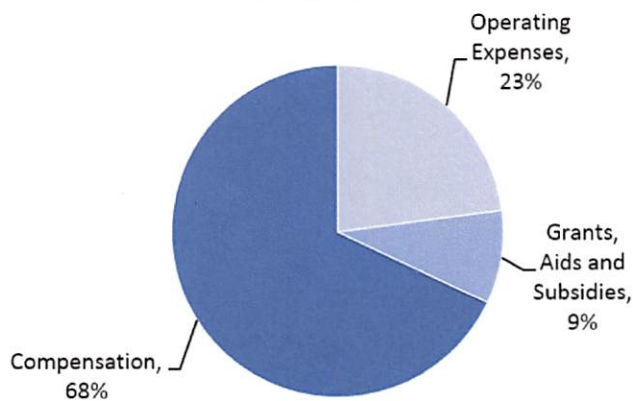
The Minnesota Public Utilities Commission's mission is to create and maintain a regulatory environment that ensures safe, reliable and efficient utility services at fair and reasonable rates. The Commission is a quasi-judicial body whose authority, powers and functions resemble those of a court or a judge. Commission decisions are based on a set of guidelines or statutory criteria applied to the factual and legal record developed in the particular proceeding to assess the relief sought. Commission Orders are enforceable under the law. Accordingly, the Commission must be objective in determining facts and drawing conclusions of law that justify its decisions or official actions.

The PUC contributes to the following statewide outcomes:

- **People in Minnesota are safe**
- **A clean, healthy environment with sustainable uses of natural resources**
- **Efficient and accountable government services**

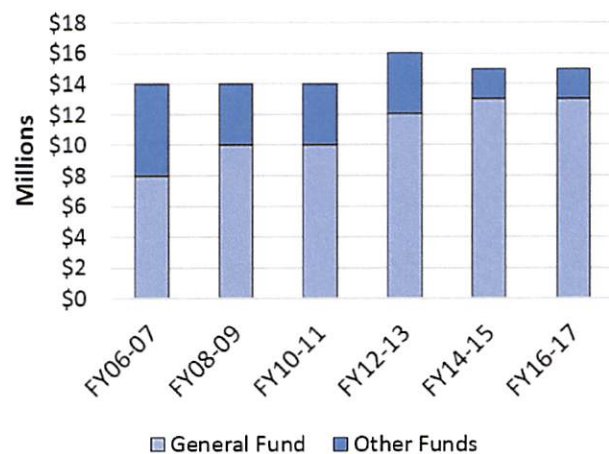
BUDGET

**Spending by Program
FY 17 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

The Commission has a total annual General Fund budget of approximately \$7.4 Million. Nearly 100% of the agency's expenditures are recovered through special assessment authority (Minnesota Statutes, Sections 216B.62 and 237.295). The agency also administers the Telephone Assistance Program from a special revenue fund.

Reimbursement grants are provided to telephone companies who assist their low income customers with reduced rates.

STRATEGIES

The Commission emphasizes several strategies to fulfill its mission. These include:

- Court-like decision-making process according to formal rules of evidence which relies on active engagement by other state agencies and regulated companies, as well as a very diverse stakeholder base.
- Active engagement with all stakeholders to anticipate conditions affecting the provision of necessary services.
- Public outreach to support orderly and informed decision-making, as well as provide consumer assistance and understanding.
- Extensive use of technology to increase transparency; e.g., all record documents publically accessible through web site; web-cast all Commission meetings; public comments submitted via an online platform.
- Active engagement in regional and national forums affecting Minnesota's interests.

RESULTS

The Commission's strategies, combined with state policies, Minnesota's natural advantages, and active engagement by industry and a diverse group of stakeholders, have produced important results. These include:

- Minnesota's overall natural gas rates are below the national average for 2016 (\$6.76 versus \$7.51/MMBtu). ¹ The state's electric rates remain competitive with other states. ²
- Minnesota is a leader in generation from renewable energy. It ranks 8th in the nation in net electricity generation from wind energy in 2017. ³
- Minnesota continues to lead in energy efficiency. Despite its winters, it ranks 20th nationally in residential per capita energy use; surpassing 7 other Northern Tier States. ⁴
- Minnesota ranks 6th in terms of accessibility to telephone service. ⁵
- Minnesota's state regulatory staff size remains well below states of comparable size, while its work-load is equal to other states of comparable population size.
- Minnesota regulators' leadership in regional and national forums have enhanced Minnesota's stature among the states and protected its vital interests.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i> <i>*FY18-19</i> <i>estimation on</i> <i>data to-date</i>
Quantity	Orders Issued by the Commission	850	950	FY16-17; FY18-19*
Quality	Percentage of consumer complaints timely resolved (cases closed/cases opened)	3,460/ 3,520 = 98%	3,676/ 3,685 = 98%	FY16-17; FY18-19*
Results	Percent of Commission Orders Issued within Statutory Deadlines	100%	100%	FY16-17; FY18-19*

Legal Authority: Minnesota Statutes, Chapters 216A, 216B, 216E, 216F, 216G and 237

Results Notes:

1. American Gas Association, 2017.
2. *Rankings: Average Retail Price of Electricity, 2017, U.S. Energy Information Administration*
3. *Minnesota State Energy Profile, March 2018, U.S. Energy Information Administration*

4. *Energy Consumption per capita by End-Use Sector, Ranked by State, 2017*, U.S. Energy Information Administration. [Northern Tier states with higher per capita energy consumption include: Indiana; Iowa; Montana; Nebraska; North Dakota; South Dakota; & Wyoming.]
5. *Universal Service Monitoring Report; September 2017; Table 6.6, Voice Penetration by State, 2011 – 2016*; (Percentage of Occupied Housing Units with Voice Service); Federal Communications Commission.

(Dollars in Thousands)

Expenditures By Fund

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecasted Base		Governor's Recommendation	
					FY18	FY19	FY18	FY19
1000 - General	6,194	6,431	6,341	8,437	7,465	7,465	7,465	7,465
2000 - Restrict Misc Special Revenue	1,844	1,802	1,266	1,253	1,303	1,253	1,303	1,253
Total	8,038	8,233	7,606	9,690	8,768	8,718	8,768	8,718
Biennial Change				1,025		189		189
Biennial % Change				6		1		1
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Program

Program: Public Utilities Comm	8,038	8,233	7,606	9,690	8,768	8,718	8,768	8,718
Total	8,038	8,233	7,606	9,690	8,768	8,718	8,768	8,718

Expenditures by Category

Compensation	5,170	5,077	5,253	6,402	6,125	6,125	6,125	6,125
Operating Expenses	1,439	1,837	1,554	2,538	1,873	1,873	1,873	1,873
Other Financial Transactions	15	68	25	50	20	20	20	20
Grants, Aids and Subsidies	1,415	1,252	774	700	750	700	750	700
Total	8,038	8,233	7,606	9,690	8,768	8,718	8,768	8,718
Full-Time Equivalents	53.6	50.2	47.5	54.0	55.5	55.5	55.5	55.5

1000 - General

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY14	FY15	FY16	FY17	FY18	FY19	FY18	FY19
Balance Forward In	0	248	0	850	0	0	0	0
Direct Appropriation	6,457	6,441	7,191	7,587	7,465	7,465	7,465	7,465
Receipts	0	0	0	0	0	0	0	0
Net Transfers	(22)	(150)	0	0	0	0	0	0
Cancellations	0	108	0	0	0	0	0	0
Expenditures	6,194	6,431	6,341	8,437	7,465	7,465	7,465	7,465
Balance Forward Out	241	0	850	0	0	0	0	0
<i>Biennial Change in Expenditures</i>				2,153		152		152
<i>Biennial % Change in Expenditures</i>				17		1		1
<i>Gov's Exp Change from Base</i>								0
<i>Gov's Exp % Change from Base</i>								0
Full-Time Equivalents	52.9	49.5	47.1	53.5	55.0	55.0	55.0	55.0

2000 - Restrict Misc Special Revenue

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY14	FY15	FY16	FY17	FY18	FY19	FY18	FY19
Balance Forward In	2,237	1,582	1,295	1,180	1,130	980	0	0
Receipts	1,154	1,107	1,150	1,203	1,153	1,153	1,153	1,153
Expenditures	1,844	1,802	1,266	1,253	1,303	1,253	1,303	1,253
Balance Forward Out	1,548	887	1,180	1,130	980	880	980	880
<i>Biennial Change in Expenditures</i>				(1,128)		37		37
<i>Biennial % Change in Expenditures</i>				(31)		1		1
<i>Gov's Exp Change from Base</i>								0
<i>Gov's Exp % Change from Base</i>								0
Full-Time Equivalents	0.7	0.6	0.5	0.5	0.5	0.5	0.5	0.5

Revenue Sources

Regulated Energy Utilities

Minn. Stat. § 216B.62 subd. 2, permits the Public Utilities Commission (PUC) to recover its direct and indirect regulatory expenses from regulated energy utilities. Minn. Stat. § 216B.62 limits the assessment of costs to no more than two-fifths of one percent of the gross jurisdictional revenues regulated utilities reported for the previous year. The PUC typically recovers nearly all (nearly 98%) of its direct and indirect regulation costs.

Regulated Telephone Utilities

Minn. Stat. § 237.295 sets the maximum limitations for assessment of telephone costs at three-eighths of one percent of the gross jurisdictional revenues it reported for the previous year. Minn. Stat. § 216B.62 limits the assessment of costs to no more than two-fifths of one percent of the gross jurisdictional revenues regulated utilities reported for the previous year. The PUC typically recovers nearly all (nearly 98%) of its direct and indirect regulation costs.

Telephone Assistance Program (TAP) Receipts

Minn. Stat. § 237.70, subd. 6, authorizes the Commission to assess a uniform monthly surcharge not to exceed ten cents per wireline access line. Currently, the program is funded by a three-cent monthly surcharge. TAP provides monthly credits to low-income subscribers who also qualify for the federal Lifeline program. The funds collected are used to reimburse telephone utilities for offering the credit to their low income customers.

Administrative Hearings

The assessment of administrative hearings costs recovers the costs to the PUC for contested case hearings held by the Office of Administrative Hearings. Minn. Stat. § 216B.62, Subd. 6 and Minn. Stat. § 237.295 require that administrative hearing costs for contested cases be paid from a special revolving fund and subsequently assessed to the utilities involved.

FY 2018 Revenue Detail - Dedicated & Non-Dedicated Receipts

Fund	Revenue Budget Dept	Appropriation	Fin Department	Monetary Amt	Approp Dept ID
1000 - General	B8210000 - Public Utilities Commission	B82NDR0 - Non-Dedicated Receipts	B8210000 - Public Utilities Commission	6,052,732.42	B8210000
1000 - General		B82NDR0 - Non-Dedicated Receipts Total		6,052,732.42	
2000 - Restrict Misc Special Revenue	B8210000 - Public Utilities Commission	B82ALJ0 - Administrative Hearings	B8210000 - Public Utilities Commission	296,387.99	B8210000
2000 - Restrict Misc Special Revenue		B82ALJ0 - Administrative Hearings Total		296,387.99	
2000 - Restrict Misc Special Revenue	B8210000 - Public Utilities Commission	B82TAP0 - Telephone Assistance Plan - It	B8210000 - Public Utilities Commission	655,361.11	B8210000
2000 - Restrict Misc Special Revenue		B82TAP0 - Telephone Assistance Plan - It Total		655,361.11	
2000 - Restrict Misc Special Revenue		2000 - Restrict Misc Special Revenue Total		951,749.10	
Grand Total				7,004,481.52	

Existing Rider Language

Minnesota Laws, 2017, Chapter 94, Article 1, Section 8

Sec. 8. PUBLIC UTILITIES COMMISSION \$ 7,465,000 \$ 7,465,000

\$21,000 each year is for the purposes of Minnesota Statutes, section 237.045.

Minnesota Laws, 2016, Chapter 180, Section 3:

Sec. 3. APPROPRIATION.

\$80,000 in fiscal year 2017 is appropriated from the general fund to the Public Utilities Commission for the purposes of section 2. This appropriation is added to the appropriation in Laws 2015, First Special Session chapter 1, article 1, section 9. The base for this appropriation in fiscal year 2018 and after is \$21,000.

The Commission established a separate appropriation account for this appropriation, which was made for resolving disputes on access to land owned by railroad companies.

FY 2018 EXPENDITURE SUMMARY BY APPROPRIATION

Fund	Appropriation (CF3)	Department - Financials	Fact All	Department Tree - Exp		Appropriation (CF3)	
		Fin Department	Monetary Amt	Approp Dept Id	Altmt Dept Id	Bdgt Program	Bdgt Activity
1000 - General	B82PUC0 - Public Utilities Commission Total		6,071,769.49				
1000 - General	B82RRX0 - Rail Rd Rights of Way	B8230020 - Rail Road Crossing	782.77	B8210000	B8220020	B8201 - Public Utilities Comm	B820111 - Public Utilities Comm
1000 - General	B82RRX0 - Rail Rd Rights of Way Total		782.77				
1000 - General Total			6,072,552.26				
2000 - Restrict Misc Special Revenue	B82ALJ0 - Administrative Hearings	B8230013 - Administrative Hearings	568,822.48	B8210000	B8220013	B8201 - Public Utilities Comm	B820111 - Public Utilities Comm
2000 - Restrict Misc Special Revenue	B82ALJ0 - Administrative Hearings Total		568,822.48				
2000 - Restrict Misc Special Revenue	B82TAP0 - Telephone Assistance Plan - It	B8230011 - Tap Admin. Expenses	36,724.26	B8210000	B8220011	B8201 - Public Utilities Comm	B820111 - Public Utilities Comm
2000 - Restrict Misc Special Revenue	B82TAP0 - Telephone Assistance Plan - It	B8230012 - Tap Payment Telco	489,424.85	B8210000	B8220012	B8201 - Public Utilities Comm	B820111 - Public Utilities Comm
2000 - Restrict Misc Special Revenue	B82TAP0 - Telephone Assistance Plan - It Total		526,149.11				
2000 - Restrict Misc Special Revenue Total			1,094,971.59				
Grand Total			7,167,523.85				

FY 2018 Appropriation Expenditures by Account

B82PUC0 - Public Utilities Commission		1000 - General Fund	
Account		Actual FY 2018	
41000 - Full Time Salary		\$	5,281,330
41030 - Part-Time-Seasonal-Labor Serv		\$	14,150
41050 - Overtime and Premium Pay		\$	3,252
41070 - Other Employee Cost		\$	21,501
41100 - Space Rental and Utilities		\$	427,763
41110 - Printing and Advertising		\$	9,460
41130 - Prof-Tech Serv-Outside Vend		\$	4,496
41150 - Computer and System Services		\$	9,945
41155 - Communications		\$	47,310
41160 - Trav-Sub-Instate-Border Comm		\$	46,815
41170 - Trav/Sub-OutOfState-Border Comm		\$	(11,629)
41180 - Employee Development		\$	16,484
41190 - State Agcy-Prov Prof-Tech Serv		\$	42,314
41196 - Centralized IT Services		\$	469,872
41300 - Supplies		\$	45,796
41400 - Equipment		\$	125
41500 - Repairs To Equip & Furn		\$	15,899
43000 - Other Operating Costs		\$	299,385
47160 - Equipment-Non Capital		\$	10,113
TOTAL		\$	6,754,381
<i>FTE - Full Time Equivalent Positions = 47.55</i>			
B82RRX0 - Rail Rd Rights of Way		1000 - General Fund	
41000 - Full Time Salary		\$	783
TOTAL		\$	783
<i>FTE - Full Time Equivalent Positions = 0</i>			
B82TAP0 - Telephone Assistance Plan		2000 - Special Revenue	
41000 - Full Time Salary		\$	39,000
44160 - Aid-Grants to NGO		\$	591,885
TOTAL		\$	630,885
<i>FTE - Full Time Equivalent Positions = 0.41</i>			

B82ALJ0 - Administrative Hearings	2000 - Special Revenue
41190 - State Agecy-Prov Prof-Tech Serv	\$ 678,672
TOTAL	\$ 678,672
<i>FTE - Full Time Equivalent Positions = 0</i>	
B82EAS0 - Extended Area Service Ballot	2000 - Special Revenue
No Expenditures	\$ -
TOTAL	\$ -
<i>FTE - Full Time Equivalent Positions = 0</i>	

Legal Citation Report for 2018-2019 Appropriations						
Fund Name	Appropriation	Program	Activity	Legal Cite 1	Legal Cite 2	Legal Cite 2
General	B82PUC0 - Public Utilities Commission	B8201 - Public Utilities Comm	B820111 - Public Utilities Comm	17 094 01 008		171 004 01 042
	B82RRX0 - Rail Rd Rights of Way	B8201 - Public Utilities Comm	B820111 - Public Utilities Comm	17 094 01 008 000	16 180 00 003 000	151 001 01 009 000
Misc Special Revenue	B82ALJ0 - Administrative Hearings	B8201 - Public Utilities Comm	B820111 - Public Utilities Comm	MS 216B.62 6		
	B82EAS0 - Extended Area Service Ballot	B8201 - Public Utilities Comm	B820111 - Public Utilities Comm	MS 237.295 6		
	B82TAP0 - Telephone Assistance Plan - It	B8201 - Public Utilities Comm	B820111 - Public Utilities Comm	MS 237.701 2		