

PUBLIC SERVICE COMMISSION

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY13 Adjusted Base	FY14 Recommended	% Change Over FY13	FY15 Recommended	% Change Over FY14
PR-F	723,300	434,100	-40.0	343,900	-20.8
PR-O	17,200,900	16,793,700	-2.4	16,807,500	0.1
SEG-O	6,559,100	6,525,600	-0.5	6,525,600	0.0
TOTAL	24,483,300	23,753,400	-3.0	23,677,000	-0.3

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY13 Adjusted Base	FY14 Recommended	FTE Change Over FY13	FY15 Recommended	FTE Change Over FY14
PR-F	7.00	3.00	-4.00	1.00	-2.00
PR-O	141.00	141.00	0.00	141.00	0.00
SEG-O	5.00	5.00	0.00	5.00	0.00
TOTAL	153.00	149.00	-4.00	147.00	-2.00

AGENCY DESCRIPTION

The commission is an independent utility regulatory agency dedicated to serving the public interest. The commission works to ensure that in the absence of competition, adequate and reasonably priced service is provided to utility customers. The types of utilities regulated include electric, natural gas, water, combined water and sewer, and certain aspects of local telephone service. More than 1,100 utilities are under the agency's jurisdiction. Most of these must obtain commission approval before setting new rates, issuing stocks or bonds, or undertaking major construction projects such as power plants, water wells and transmission lines.

The commission is composed of three full-time commissioners who decide the cases brought to the commission for changes in utility operations and rates, and for construction projects after a complete and thorough review of all the records compiled in the case, including public comments. Commissioners are appointed by the Governor with the advice and consent of the Senate for staggered six-year terms. One of these commissioners is appointed chairperson by the Governor for a two-year term. The commissioners' office, under the direction of the chairperson, has oversight of all staff-related activities.

In keeping with its commitment to quality management principles, the commission is organized along industry and administrative lines into four operating divisions: Division of Administrative Services; Division of Water, Compliance and Consumer Affairs; Telecommunications Division; and Gas and Energy Division. Commission staff consists of auditors, accountants, engineers, rate analysts, attorneys, planners, research analysts, economists, consumer analysts, consumer specialists, court reporters, and paraprofessional and administrative support personnel. These experts work in an advisory role to the commissioners.

Public Service Commission

The primary function of the Office of the Commissioner of Railroads is to serve as the quasi-judicial agency which determines the public safety and convenience at over 4,100 rail-highway crossings in Wisconsin. The office also retains authority over the rates and services of intrastate water carriers.

The office is attached to the commission for administrative purposes. The office conducts formal investigations and public hearings based on the petition of a highway authority, local government, railroad, water carrier or on the commissioner's own motion. At the end of an investigation, and public hearing if required, the commissioner issues an order on such matters as establishing a new crossing, closing a crossing, altering a crossing, repairing a rough crossing, correcting drainage issues, allowing exemptions for clearances and, most often, installing warning devices. The commissioner's orders are legally binding. The establishment of new crossings, closure of crossings and alteration of crossings all require the commissioner's approval beforehand, as does the right to operate as a water carrier.

The office oversees a federal and state funding program that fully funds approximately 25 signal installations per year. The office allocates funding under a signal maintenance program which funds 50 percent of the cost of maintaining signal equipment at about 1,800 rail-highway crossings.

The office also has jurisdiction over a variety of railroad-related matters, such as drainage and fencing.

MISSION

The mission of the Public Service Commission is to oversee, facilitate and foster the efficient and fair provision of quality utility services by meeting consumers' changing needs in Wisconsin's dynamic and competitive utility industry environment.

The primary mission of the Office of the Commissioner of Railroads is to ensure public safety and convenience in matters involving railroads, especially at rail-highway crossings, through a judiciary process. To fulfill its mission, the office investigates the adequacy of warning devices and the safety of the crossing itself, conducts hearings and issues legally binding orders regarding some 4,100 rail-highway crossings located throughout the state.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Note: Goals, objectives and activities have been modified.

Program 1: Regulation of Public Utilities

Goal: Ensure safe, reliable and reasonably priced energy, water and telecommunications services are provided to Wisconsin's citizens and businesses.

Objective/Activity: Improve broadband service availability and usage information provided to Wisconsin consumers by conducting regular broadband inventory activities and maintaining the accuracy of Wisconsin's interactive broadband map.

Objective/Activity: Ensure reasonably priced water service is provided to consumers by efficiently processing requests for water rate adjustments under s. 196.20, Wisconsin Statutes, and under the Simplified Rate Case process.

Objective/Activity: Ensure appropriate service pricing by small telecommunications utilities by efficiently reviewing annual earnings.

Objective/Activity: Improve the safety of gas pipelines in Wisconsin by enforcing compliance with state and federal regulations through inspection and investigation activities.

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Goal: Meet consumers' changing needs in Wisconsin's dynamic and competitive utility industry environment.

Objective/Activity: Maintain participation of diverse groups in commission regulatory actions by providing consistent and prompt assistance to organizations applying for intervenor compensation.

Objective/Activity: Increase consumers' access to alternate telecommunication providers by effectively and efficiently certifying new applicants to telecommunications markets.

Objective/Activity: Facilitate consumer access to competitive telecommunications providers by reviewing and approving interconnection agreements and arbitrating or mediating agreements when providers cannot negotiate one.

Objective/Activity: Thoroughly investigate, resolve and respond to consumer complaints from utility customers.

Goal: Foster innovative, cost-effective and conscientious methods of water distribution.

Objective/Activity: Increase the number of external training sessions given by commission staff to water utilities, including speaking engagements at water industry association meetings.

Goal: Continue to identify and address telecommunication needs for low-income customers, high-rate areas of the state, customers with disabilities, nonprofit groups, and medical clinics and public health agencies through outreach and marketing efforts.

Objective/Activity: Maintain participation levels in the Telecommunications Equipment Purchase Program (TEPP).

Objective/Activity: Maintain TEPP expenditures between \$1.4 million and \$1.8 million.

Objective/Activity: Work with social service agencies and organizations to improve program knowledge of TEPP.

Objective/Activity: Market the telemedicine program to encourage participation.

Objective/Activity: Diversify locations and types of Medical Telecommunications Equipment Program (MTEP) applications.

Objective/Activity: Meet MTEP expenditure goals of \$500,000.

Program 2: Office of the Commissioner of Railroads

Goal: Protect the Wisconsin public by assuring safe rail-highway crossings are maintained in Wisconsin.

Objective/Activity: Ensure public safety at rail-highway crossings by conducting regular on-site visits of all 4,100 plus crossings in the state.

Objective/Activity: Streamline docket records by closing and archiving records as appropriate; electronically logging crossing surveys and photos, significantly reducing excess paperwork and redundant dockets; allowing for electronic transmissions on dockets; and converting paper files of landmark cases to electronic form and making them accessible to the public.

Objective/Activity: Improve public safety at rail-highway crossings by developing a signal installation program that schedules signal projects several years in advance.

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Program 3: Affiliated Grant Programs

Goal: Ensure quality utility services are provided in Wisconsin by facilitating the development of programs promoting energy efficiency.

Objective/Activity: Improve the likelihood of successful energy efficiency incentive programs by working with utilities to facilitate a broad distribution of requests for proposal (RFPs) for business program subcontractors.

PERFORMANCE MEASURES

2011 AND 2012 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2011	Actual 2011	Goal 2012	Actual 2012
1.	Frequency of updates to Wisconsin's broadband map.	Every 6 months	Every 6 months	Every 6 months	Every 6 months
1.	Percent of water rate case dockets reviewed under s. 196.20, Wisconsin Statutes, in less than 120 days from filing date of application.	90%	29%	90%	45%
1.	Percent of water Simplified Rate Case dockets where a decision is issued in less than 45 days from filing date of application.	95%	66%	95%	80%
1.	Percent of telecommunications annual price regulation reviews and percent of renewals of expiring alternative regulation plans processed per statutory deadlines and plan expirations.	100%	Not applicable due to passage of 2011 Wisconsin Act 22 ¹	100%	Not applicable due to passage of 2011 Wisconsin Act 22 ¹
1.	Percent of small telecommunications utilities' annual earnings reviews completed within 6 months of report filing.	100%	Not applicable due to passage of 2011 Wisconsin Act 22 ²	100%	Not applicable due to passage of 2011 Wisconsin Act 22 ²
1.	Percent of pipeline safety units in compliance within 45 days. ³	85%	90%	86%	88%
1.	Number of gas pipeline safety violations each year. ³	68	59	67	53
1.	Number of different organizations receiving intervenor compensation awards.	5	5	5	7
1.	Percent of alternate telecommunications provider applications reviewed and appropriate certifications issued within 60 days of receipt of completed applications.	95%	100%	95%	86%

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Prog. No.	Performance Measure	Goal 2011	Actual 2011	Goal 2012	Actual 2012
1.	Percent of interconnection agreement reviews completed within 45 days.	85%	98%	85%	49% ⁴
1.	Percent of complaints with an informal determination provided within 30 days.	95%	81%	95%	81%
1.	Percent reduction in the amount of money owed to utility customers from inappropriate billings.	5%	5%	6%	2.5%
1.	Number of articles published in water industry newsletters.	3	12	3	9
1.	Number of speaking engagements scheduled at water industry or association meetings.	4	21	4	15
1.	Number of issues of <i>PSC Water Currents</i> published.	6	5	6	2
2.	Crossing surveys.	750 logged	675 logged	750 logged	825 logged
2.	Close docket in database.	200 closed	67 closed	200 closed	297 closed
2.	Send paper files to archives.	12 boxes	0 boxes	12 boxes	15 boxes
2.	Electronic petitions and correspondence.	Develop	Not developed	Complete	Preliminary structure development
2.	Full public access to database.	Develop	Develop	Complete	Partial availability, continued development
2.	Schedule signal projects.	To 2016	To 2015	To 2018	To 2016
3.	Number of Web sites on which business program RFPs are posted.	5	3	5	0

Note: Based on fiscal year, unless noted.

¹As a result of 2011 Wisconsin Act 22, telecommunications utilities are no longer required to submit annual price regulation reviews or renew expiring alternative regulation plans.

²As a result of 2011 Wisconsin Act 22, the commission no longer reviews annual earnings of small telecommunications utilities.

³Based on calendar year.

⁴Lower result in 2012 due to increased frequency of multiple, same-day filings and learning curve with new workflow system. Federal interconnection agreement target is 90 days; using that target, the actual measure for the division is at 100 percent.

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2013, 2014 AND 2015 GOALS

Prog. No.	Performance Measure	Goal 2013	Goal 2014	Goal 2015
1.	Frequency of updates to Wisconsin's broadband map.	Every 6 months	Every 6 months	Every 6 months
1.	Percent of noncontested water rate cases where a decision is issued in less than 180 days from filing date of application. ²	90%	90%	90%
1.	Percent of water Simplified Rate Case dockets where a decision is issued in less than 45 days from filing date of application.	95%	95%	95%
1.	Percent of water utility construction cases where a decision is issued in less than 90 days from the filing date of the application, for cases that do not require a hearing. ²	95%	95%	95%
1.	Percent of pipeline safety units in compliance within 45 days. ¹	86%	86%	86%
1.	Number of gas pipeline safety violations each year. ^{1,2}	68	68	66
1.	Number of different organizations receiving intervenor compensation awards. ²	5	5	5
1.	Percent of alternate telecommunications provider applications reviewed and appropriate certifications issued within 60 days of receipt of completed applications.	95%	95%	95%
1.	Percent of interconnection agreement reviews completed within 45 days.	85%	85%	85%
1.	Percent of complaints with an informal determination provided within 30 days.	95%	95%	95%
1.	Number of external training sessions given by commission staff to water utilities, including speaking engagements at water industry association meetings. ²	10	10	10
1.	Maintain participation levels in TEPP. ²	8,000	8,000	8,000
1.	Maintain TEPP expenditures between \$1.4 million and \$1.8 million. ²	\$1.6 million	\$1.6 million	\$1.6 million
1.	Work with social service agencies and organizations to improve their program knowledge of TEPP. ²	Outreach or TEPP meetings 2-3 times	Outreach or TEPP meetings 2-3 times	Outreach or TEPP meetings 2-3 times
1.	Market the telemedicine program to encourage participation. ²	20	20	20

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Prog. No.	Performance Measure	Goal 2013	Goal 2014	Goal 2015
1.	Diverse locations and types of MTEP applications. ²	Statewide and 5 different types	Statewide and 5 different types	Statewide and 5 different types
1.	Meet MTEP expenditure goals of \$500,000. ²	\$500,000	\$500,000	\$500,000
2.	Crossing surveys.	750 logged	750 logged	750 logged
2.	Close docket in database.	200 closed	200 closed	200 closed
2.	Send paper files to archives.	12 boxes	12 boxes	12 boxes
2.	Accept electronic transmission of petitions, correspondence and public comments.	Develop	Complete	Improve implemented system
2.	Full public access to database. ²	Complete	Improve implemented system	Maintain
2.	Convert paper dockets to electronic filing system available for public access. ²	Develop	Complete	Improve implemented system
2.	Schedule signal projects. ²	To 2017	To 2018	To 2019
3.	Number of Web sites on which business program RFPs are posted.	5	5	5

Note: Based on fiscal year, unless noted.

¹Based on calendar year.

²Performance measure has been added or modified.

PUBLIC SERVICE COMMISSION

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Standard Budget Adjustments

ITEMS NOT APPROVED

2. PR Reestimate for Salary and Fringe
3. Increase of Intervenor Compensation Grant

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**Table 1
Department Budget Summary by Funding Source (in thousands of dollars)**

	ACTUAL FY12	ADJUSTED BASE FY13	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY14	FY15	FY14	FY15
FEDERAL REVENUE (1)	\$1,160.2	\$723.3	\$434.1	\$343.9	\$434.1	\$343.9
State Operations	1,160.2	723.3	434.1	343.9	434.1	343.9
PROGRAM REVENUE (2)	\$14,998.7	\$17,200.9	\$17,172.4	\$17,186.2	\$16,793.7	\$16,807.5
State Operations	14,427.7	16,158.4	16,129.9	16,143.7	15,751.2	15,765.0
Aids to Ind. & Org.	571.0	1,042.5	1,042.5	1,042.5	1,042.5	1,042.5
SEGREGATED REVENUE (3)	\$5,086.4	\$6,559.1	\$6,525.6	\$6,525.6	\$6,525.6	\$6,525.6
State Operations	373.8	619.1	585.6	585.6	585.6	585.6
Aids to Ind. & Org.	4,712.6	5,940.0	5,940.0	5,940.0	5,940.0	5,940.0
TOTALS - ANNUAL	\$21,245.2	\$24,483.3	\$24,132.1	\$24,055.7	\$23,753.4	\$23,677.0
State Operations	15,961.6	17,500.8	17,149.6	17,073.2	16,770.9	16,694.5
Aids to Ind. & Org.	5,283.6	6,982.5	6,982.5	6,982.5	6,982.5	6,982.5

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

**Table 2
Department Position Summary by Funding Source (in FTE positions) (4)**

	ADJUSTED BASE FY13	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY14	FY15	FY14	FY15
FEDERAL REVENUE (1)	7.00	3.00	1.00	3.00	1.00
PROGRAM REVENUE (2)	141.00	141.00	141.00	141.00	141.00
SEGREGATED REVENUE (3)	5.00	5.00	5.00	5.00	5.00
TOTALS - ANNUAL	153.00	149.00	147.00	149.00	147.00

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

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**Table 3
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY12	ADJUSTED BASE FY13	AGENCY REQUEST FY14	AGENCY REQUEST FY15	GOVERNOR'S RECOMMENDATION FY14	GOVERNOR'S RECOMMENDATION FY15
1. Regulation of public utilities	\$20,305.5	\$23,281.2	\$23,012.4	\$22,935.6	\$22,633.7	\$22,556.9
2. Office of the commissioner of railroads	\$566.0	\$583.0	\$534.1	\$534.5	\$534.1	\$534.5
3. Affiliated grant programs	\$373.8	\$619.1	\$585.6	\$585.6	\$585.6	\$585.6
TOTALS	\$21,245.2	\$24,483.3	\$24,132.1	\$24,055.7	\$23,753.4	\$23,677.0

**Table 4
Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY13	AGENCY REQUEST FY14	AGENCY REQUEST FY15	GOVERNOR'S RECOMMENDATION FY14	GOVERNOR'S RECOMMENDATION FY15
1. Regulation of public utilities	142.00	138.00	136.00	138.00	136.00
2. Office of the commissioner of railroads	6.00	6.00	6.00	6.00	6.00
3. Affiliated grant programs	5.00	5.00	5.00	5.00	5.00
TOTALS	153.00	149.00	147.00	149.00	147.00

(4) All positions are State Operations unless otherwise specified

Public Service Commission

1. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendations			
	FY14		FY15		FY14		FY15	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-289,200	-4.00	-379,400	-6.00	-289,200	-4.00	-379,400	-6.00
PR-O	-407,200	0.00	-393,400	0.00	-407,200	0.00	-393,400	0.00
SEG-O	-33,500	0.00	-33,500	0.00	-33,500	0.00	-33,500	0.00
TOTAL	-729,900	-4.00	-806,300	-6.00	-729,900	-4.00	-806,300	-6.00

The Governor recommends adjusting the commission's base budget for: (a) turnover reduction (-\$262,700 in each year); (b) removal of noncontinuing elements from the base (-\$261,400 and -4.0 FTE positions in FY14 and -\$351,600 and -6.0 FTE positions in FY15); (c) full funding of continuing position salaries and fringe benefits (-\$226,900 in each year); (d) full funding of lease and directed moves costs (\$21,100 in FY14 and \$34,900 in FY15); and (e) minor transfers within the same alpha appropriation.

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the Public Service Commission.

Decision Item	Source of Funds	FY14		FY15	
		Dollars	Positions	Dollars	Positions
2. PR Reestimate for Salary and Fringe	PR-O	378,700	0.00	378,700	0.00
3. Increase of Intervenor Compensation Grant	PR-O	0	0.00	0	0.00
TOTAL OF ITEMS NOT APPROVED	PR-O	378,700	0.00	378,700	0.00

