

# Consumer and Business Services

## PUBLIC UTILITY COMMISSION

	1999-2001 Actuals	2001-03 Legislatively Adopted at Close of Session	2001-03 Legislatively Approved through Fifth Special Session	2003-05 Governor's Balanced
General Fund	\$0	\$0	\$0	\$0
Lottery Funds	0	0	0	0
Other Funds	39,337,481	31,668,905	32,467,867	35,040,668
Federal Funds	293,978	290,904	302,965	337,108
Other Funds (Nonlimited)	0	243,100,000	243,100,000	121,920,072
Federal Funds (Nonlimited)	0	0	0	0
<b>Total Funds</b>	<b>\$39,631,459</b>	<b>\$275,059,809</b>	<b>\$275,870,832</b>	<b>\$157,297,848</b>
Positions	122	122	122	126
Full-time Equivalent	121.04	122.00	122.00	125.50

### Overview

The Public Utility Commission (PUC) consists of a Chairperson and two members who are appointed by the Governor. The PUC works to ensure that safe and reliable utility services are provided to consumers at just and reasonable rates through regulation and promoting the development of competitive markets. It does this by regulating investor-owned electricity and natural gas companies, as well as certain telephone and water companies. The companies under some form of Commission price, service quality, or safety regulation include:

- Three private electric utilities – Portland General Electric (PGE), PacifiCorp, and Idaho Power Company – serving more than 1.2 million Oregon households and businesses.
- Three natural gas utilities – Northwest Natural, Avista Utilities, and Cascade Natural Gas – serving more than 600,000 Oregon homes and businesses.
- Four large private telecommunication utilities – Qwest, Verizon, CenturyTel, Sprint/United, and 18 small private companies and 11 cooperative companies – providing about 94 percent of Oregon's telephone lines.
- More than 400 competitive telecommunications carriers – providing about six percent of Oregon's telephone lines.
- 82 water utilities – serving 21,000 customers.

The PUC also administers four Residential Service Protection Fund programs, which insure that adequate and affordable residential telecommunications services are available for all Oregonians. These programs include services for the hearing and speech-impaired, and low-income individuals.

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## Balanced Budget

The Governor's balanced budget for the PUC is \$157,297,848 total funds. This is 43 percent lower than the 2001-03 Legislatively Approved Budget through the Fifth Special Session. The decrease is due to a lower projection of anticipated revenues for the Nonlimited Oregon Universal Service Fund in 2003-05.

The balanced budget enables the agency to maintain its existing level of services. It accommodates increased workload in the Hearings Division by replacing two limited-duration positions with permanent positions. It adds two positions to support the legislative concept submitted to ensure regulation of slamming (unauthorized changes of telephone service) and cramming (unauthorized telephone charges) issues. It also reclassifies upwards seven positions based on increased job duties.

## Revenue

The majority of the agency's operating revenues come from fees paid by investor-owned utilities. To cover the cost of utility regulation, the PUC can collect up to .0025 percent of the gross operating revenues of natural gas and water utilities; up to .0025 percent of the gross retail intrastate revenues of telecommunications providers; and up to 0.018 cents per kilowatt-hour sold by electric utilities. The agency estimates that it will collect \$20,667,916 from these sources in 2003-05. The Governor's balanced budget would leave the agency with \$13,271,467 Other Funds (limited), or about nine months, operating ending cash balance for 2003-05.