

Legislative Appropriations Request

for Fiscal Years 2008 and 2009

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

by



Public Utility Commission of Texas

*Revised Submission Date:
August 30, 2006*

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ADMINISTRATOR'S STATEMENT
80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/30/2006
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Agency code: 473

Agency name: **Public Utility Commission of Texas**

Over the past eleven years, the Public Utility Commission of Texas (PUC or Commission) has been called upon to significantly change its mission and priorities to reflect the Legislative mandates associated with the restructuring of the electric and telecommunications industries. The agency will continue to adjust its focus as existing telecommunications and electric markets mature, while continuing to regulate parts of the State not yet open to competition. The PUC's traditional regulatory role has decreased over the years, but not to the extent expected because electric retail competition has been delayed outside the ERCOT region. In East Texas, West Texas, and the Panhandle, the PUC continues to regulate vertically integrated electric utilities. Where competitive markets exist, the Commission's role has shifted to oversight of those markets. The result is that overall, the PUC has not experienced a decreased need for funding of its core functions.

The PUC receives appropriations from two sources – General Revenue, and dedicated General Revenue, which is funded by the System Benefit Fund. The PUC has limited its base request for General Revenue funding to 90% of its fiscal years 2006 and 2007 amounts in accordance with the directives in the letter from the Legislative Budget Board and Governor's Office of Budget, Planning, and Policy dated June 2, 2006, and information subsequently provided by the Legislative Budget Board. However, because the PUC believes a reduction in its funding from General Revenue would seriously jeopardize the agency's ability to fulfill its statutory duties, the PUC's appropriations request includes an exceptional item to restore the General Revenue funding to its current levels. However, because of statutory changes effective September 1, 2005, which will be implemented during fiscal year 2007, the PUC is able reduce its appropriation request for dedicated General Revenue, not including the Low Income Discount Program, by approximately \$800,000, or about 22% of overall funding from that source. This results in a net reduction of 5% of funding from all sources, as compared to fiscal years 2006 and 2007.

Pursuant to the direction of Governor Rick Perry, in addition to the PUC's request for funds for agency operations, the PUC's request contains an exceptional item related to the electric low income discount program which was funded from the System Benefit Fund in fiscal years 2002 through 2005. This program, which was not funded in fiscal years 2006 and 2007, provides a rate discount for eligible low-income electric customers in areas of Texas open to retail electric competition.

General Revenue

The PUC requests funding from General Revenue for fiscal years 2008 and 2009 at the same level as for fiscal years 2006 and 2007, and has included an exceptional item to restore \$1,047,757 per fiscal year which was not included in its base request. Approximately 89% of the Commission's General Revenue appropriation is spent on salaries; decreases in funding mean decreases in staff. Due to past decreases in funding and changes in statutory responsibilities which have occurred, the PUC does not currently perform work that could be considered discretionary. All of the agency's activities are required by statute. If funding is reduced, work quality and quantity will suffer. The Commission has some discretion in prioritizing and scheduling its work, and in the overall level of resources that can be devoted to a particular function. For example, as part of the transition to its role of oversight of competitive markets, the PUC has been working to establish an enforcement program to assure that customers receive the benefits of competition. Unlike the Commission's statutory responsibility to respond to various applications for regulatory approvals, the burden to initiate enforcement actions is with the Commission. If the PUC has fewer employees, it will limit the agency's ability to enforce PURA and the Commission's rules. In the area of rulemaking, the Commission has many statutory mandates to adopt rules, and must periodically amend its rules in response to changing conditions. Decreased funding would make it difficult for the PUC to adopt rules required by new legislation on a timely basis, and would affect our ability to enact necessary rule amendments. Another area of concern would be the PUC's informal complaint resolution program. We place a high priority on timely processing of informal complaints, and are currently exceeding our performance measure for that function. The agency also serves consumers through operation of a call center to answer questions and receive complaints. Decreased funding would result in a lower level of service in this area. Additionally, as a result of Senate Bill 408, the Commission's Sunset legislation enacted in the last legislative session, the PUC has increased oversight responsibility over the Electric Reliability Council of Texas, the independent organization which operates the electric grid for about 70% of Texas. Decreased General Revenue funding would affect the PUC's ability to exercise the degree of oversight that is contemplated by Senate Bill 408.

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Dedicated General Revenue: System Benefit Fund

The System Benefit Fund (SBF) was created in 1999 as part of the comprehensive restructuring of the electric utility industry. Public Utility Regulatory Act (PURA) §39.905 provides that the SBF, which is funded by a non-bypassable fee assessed to retail electric providers via transmission and distribution utilities, based on electricity usage of customers, shall provide funding for the following programs:

- (1) programs to assist low income electric customers by providing a rate discount of 10 to 20 percent, and to provide one time bill payment assistance to low income electric customers who are seriously ill or disabled and who have been threatened with disconnection for non-payment;
- (2) customer education programs;
- (3) administrative expenses incurred by the PUC and the Office of Public Utility Counsel in administering Chapter 39 of PURA;
- (4) programs to assist low-income electric customers by providing targeted energy efficiency programs; and
- (5) losses to the Foundation School Program caused by electric restructuring.

Since the SBF's creation in 1999, the PUC has received appropriations in varying amounts for the purposes specified in PURA §39.903.

Customer Education

The PUC received funding from the SBF in fiscal years 2001 through 2007 for customer education related to electric restructuring. Beginning in fiscal year 2004, funding for this purpose was significantly reduced, such that at this time the agency's appropriation supports a call center, a Web-based tool to help residential electric customers compare prices, and limited outreach efforts.

The PUC requests an appropriation sufficient to fund customer education at the same level authorized for fiscal years 2004 through 2007.

PUC Administration of Chapter 39

In fiscal years 2001 through 2007, the PUC received an appropriation of \$875,842 per fiscal year for expenses incurred to administer Chapter 39 of PURA. Beginning in fiscal year 2004, the PUC received additional funds in the amount of \$2,000,000 per fiscal year to support its electric wholesale and retail market oversight functions. For fiscal years 2008 and 2009, the PUC has limited its request for total funding for implementation of Chapter 39 to \$2,075,842 per fiscal year, which is 72% of the amount appropriated for that purpose in fiscal years 2006 and 2007. The PUC is able to reduce its request because, pursuant to Senate Bill 408 enacted by the 79th Legislature, responsibility for monitoring the wholesale electric market has been transferred to an independent market monitor which will be overseen by the Commission, but funded by the Electric Reliability Council of Texas (ERCOT). Although in the future market monitoring will be performed by the independent market monitor, the PUC retains overall responsibility for wholesale and retail market oversight, including enforcement. In addition, the federal Energy Policy Act enacted in 2005 authorizes the Federal Energy Regulatory Commission (FERC) to set and enforce reliability standards for the bulk-power system throughout the continental United States. The Act requires that FERC certify an Electric Reliability Organization (ERO) to establish and enforce reliability standards, and provides for the ERO to delegate its enforcement authority to a Regional Entity. Texas is unique in that ERCOT constitutes a bulk-power system wholly contained within the State's boundaries, which affects implementation of the new federal reliability requirements. The PUC has been working with FERC to determine the best way to implement these new provisions of the Energy Policy Act, and expects to have additional responsibility related to electric reliability.

Historically, the additional \$2,000,000 per fiscal year related to market oversight was allocated \$1,500,000 to wholesale and \$500,000 to retail, and was designated

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Agency name: **Public Utility Commission of Texas**

to be used for contracts. The PUC requests that in the future, the distinction between wholesale and retail market oversight be eliminated, and the funds not be designated for contracts. The PUC has learned that oversight of electric markets is not cleanly divided between wholesale and retail issues. Many areas overlap, such that it does not make sense to separately appropriate funds. Also, due in large part to changes made in Senate Bill 408, the Commission anticipates less reliance on outside expertise to perform market oversight functions. It is important for the Commission to have flexibility in the use of its appropriated funds to achieve the most cost-effective mix of outside consultants and in-house expertise.

Low Income Discount Program and Bill Payment Assistance

Governor Rick Perry directed the PUC to include an exceptional item which requests funding for the low income discount program authorized by PURA §39.903 for fiscal years 2008 and 2009. The Legislature did not appropriate funds for the Low Income Discount Program in FY 2006 and 2007. The PUC's request for fiscal years 2008 and 2009 is based on providing a ten percent rate discount to eligible electric customers. If the Legislature wishes to provide for a greater discount level, or to provide the PUC with the flexibility to establish a rate discount greater than ten percent if funds are available, the appropriation to the agency would need to be increased to reflect that intent.

The Commission is also proposing a contingency rider in connection with the low income discount program. The purpose of the rider would be to provide additional funding for the program in the event electric cooperatives or municipally owned utilities opt into competition and participate in the program, and to provide funding that may be needed to provide the minimum ten percent rate discount if program enrollment exceeds projections.

The PUC has also included a request for funding for the bill payment assistance program created by PURA §39.903(j-1). This section, which was effective September 1, 2005, provides for bill payment assistance to prevent the disconnection of electric service for nonpayment of bills if there is one or more seriously ill or disabled low-income persons in the household whose health or safety may be injured by disconnection.

Executive Director's Compensation

The Executive Director's compensation level continues to be a concern for the PUC. Although the PUC is not a large agency, all persons who use telecommunications and electric services are affected by the PUC's activities. The Commission oversees multi-billion dollar industries through the Executive Director's leadership of a staff of highly specialized professionals who perform sophisticated analyses of complex issues. The Commission has had the responsibility of implementing legislative initiatives restructuring both the telecommunications and electric industries. During that time, the PUC has adapted the agency's functions and priorities to its new role, which includes oversight of competitive wholesale and retail markets, continuing to regulate the rates of companies that are still subject to traditional cost of service regulation, and enforcement of statutes and regulations. The PUC also plays a key role in providing important information to customers who now purchase telecommunications and electric services in competitive markets rather than being served by monopoly providers.

The Commissioners believe that the Executive Director's salary should be increased to reflect the contribution of the person holding that position to the State of Texas. The Executive Director is an exempt employee whose salary group and specific salary are established in the Appropriations Act. The Commissioners request that the Executive Director's salary be established at \$117,516, which is the maximum amount for the salary group for that position.

W. Lane Lanford
Executive Director

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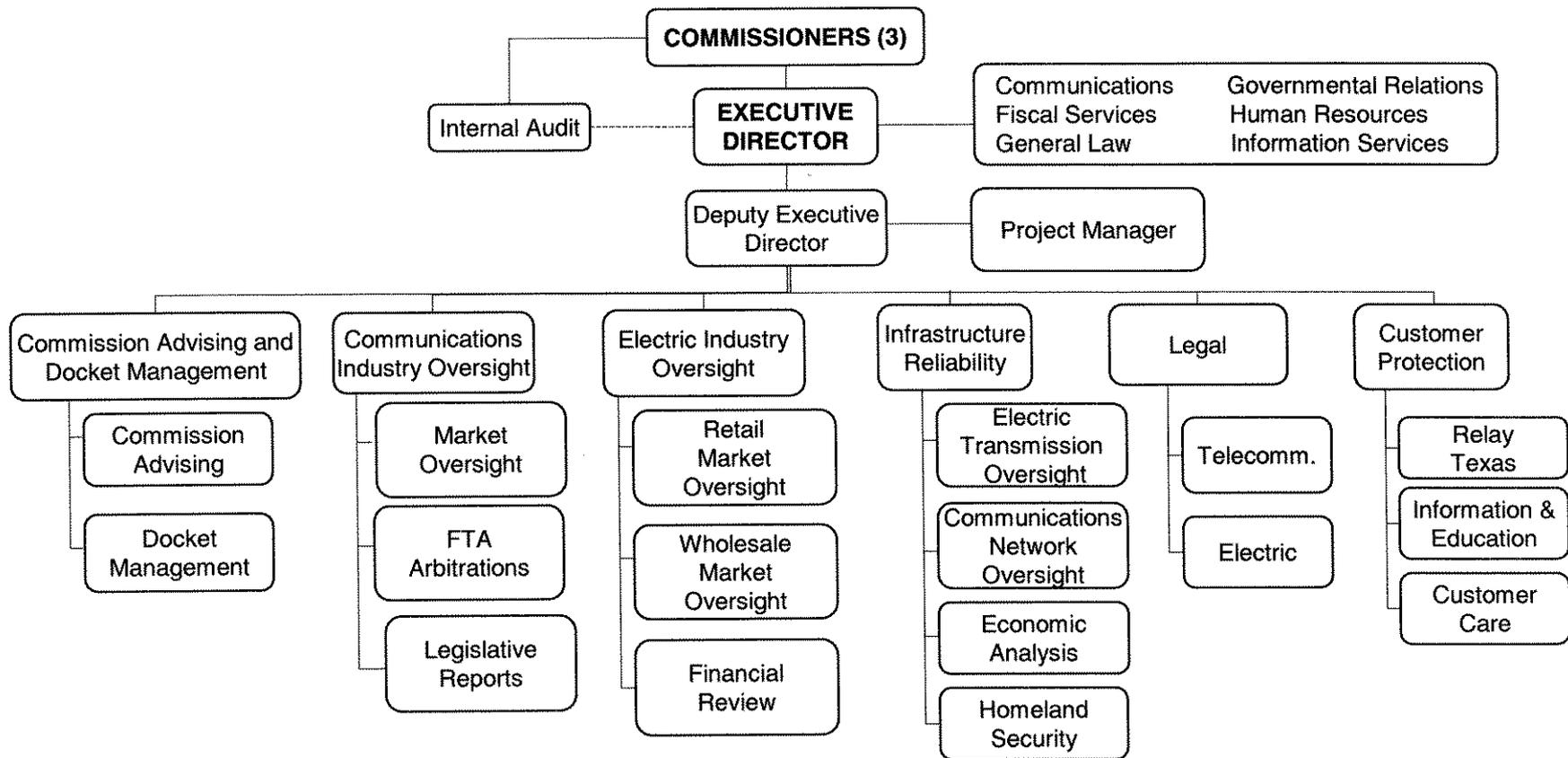
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Agency name: **Public Utility Commission of Texas**

Chairman Paul Hudson	August 26, 2003 - August 31, 2009	Austin
Commissioner Julie Parsley	November 15, 2002 - August 31, 2011	Austin
Commissioner Barry Smitherman	April 24, 2004 - August 31, 2007	Austin

**PUBLIC UTILITY COMMISSION OF TEXAS
FUNCTIONAL ORGANIZATION CHART
Fiscal Year 2006**



2.A. SUMMARY OF BASE REQUEST BY STRATEGY
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:29:46PM

Agency code: 473 Agency name: **Public Utility Commission of Texas**

Goal / Objective / STRATEGY	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service					
1 <i>Maintain Policies to Foster Competition in Telecom & Elec Mkts</i>					
1 MARKET COMPETITION	5,291,357	4,527,995	7,026,054	4,148,805	4,148,805
2 <i>Regulate Providers Ensuring Rates do not Exceed National Average</i>					
1 UTILITY REGULATION	2,537,786	2,585,326	3,033,952	2,639,626	2,639,626
TOTAL, GOAL 1	\$7,829,143	\$7,113,321	\$10,060,006	\$6,788,431	\$6,788,431
2 Educate Customers, Ensure Compliance with Laws, and Assist Customers					
1 <i>Inform Customers of Choices & Rights & Facilitate Information Access</i>					
1 PROVIDE FACTS ABOUT CHANGES	1,497,103	1,404,408	1,648,111	1,704,280	1,704,280
2 <i>Resolve Complaints and Ensure Compliance w/Laws & PUC Rules & Orders</i>					
1 INVESTIGATIONS AND ENFORCEMENT	1,340,961	1,600,161	1,877,833	1,830,523	1,830,523
TOTAL, GOAL 2	\$2,838,064	\$3,004,569	\$3,525,944	\$3,534,803	\$3,534,803
3 Electric Utility Restructuring					
1 <i>Provide Financial Assistance</i>					
1 ENERGY ASSISTANCE	61,319,156	0	0	0	0
2 CONSUMER EDUCATION	754,867	728,067	771,933	750,000	750,000
TOTAL, GOAL 3	\$62,074,023	\$728,067	\$771,933	\$750,000	\$750,000

5 Indirect Administration

2.A. SUMMARY OF BASE REQUEST BY STRATEGY
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DATE: 8/28/2006
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Agency code: 473 Agency name: Public Utility Commission of Texas

Goal / Objective / STRATEGY	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
1 <i>Indirect Administration</i>					
1 CENTRAL ADMINISTRATION	773,155	753,323	903,696	696,833	696,833
2 INFORMATION RESOURCES	578,822	476,500	571,616	472,196	472,196
3 OTHER SUPPORT SERVICES	407,144	226,905	272,197	252,143	252,143
TOTAL, GOAL 5	\$1,759,121	\$1,456,728	\$1,747,509	\$1,421,172	\$1,421,172
TOTAL, AGENCY STRATEGY REQUEST	\$74,500,351	\$12,302,685	\$16,105,392	\$12,494,406	\$12,494,406
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$74,500,351	\$12,302,685	\$16,105,392	\$12,494,406	\$12,494,406
METHOD OF FINANCING:					
General Revenue Funds:					
1 GENERAL REVENUE FUND	9,810,700	9,095,843	11,006,300	9,193,564	9,193,564
SUBTOTAL	\$9,810,700	\$9,095,843	\$11,006,300	\$9,193,564	\$9,193,564
General Revenue Dedicated Funds:					
5100 System Benefit Account	64,262,211	2,731,842	4,624,092	2,825,842	2,825,842
SUBTOTAL	\$64,262,211	\$2,731,842	\$4,624,092	\$2,825,842	\$2,825,842
Other Funds:					
666 APPROPRIATED RECEIPTS	427,440	475,000	475,000	475,000	475,000
SUBTOTAL	\$427,440	\$475,000	\$475,000	\$475,000	\$475,000
TOTAL, METHOD OF FINANCING	\$74,500,351	\$12,302,685	\$16,105,392	\$12,494,406	\$12,494,406

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

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
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METHOD OF FINANCING	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
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GENERAL REVENUE

1 General Revenue Fund

REGULAR APPROPRIATIONS

Regular Appropriation per GAA

	\$10,242,444	\$9,666,300	\$9,666,300	\$9,193,564	\$9,193,564
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TRANSFERS

ART IX SEC 5.09 REDUCTION for COMMERCIAL AIR TRAVEL (2006-2007 GAA)

	\$0	\$(7,457)	\$0	\$0	\$0
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Art IX, Sec 12.01, Reduction of Management Costs (2004-05 GAA)

	\$(252,050)	\$0	\$0	\$0	\$0
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Art IX, Sec 12.03, Retirement Incentives (2004-05 GAA)

	\$(110,985)	\$0	\$0	\$0	\$0
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Art IX, Sec 13.17(a), Salary Increase (2006-07 GAA)

	\$0	\$288,000	\$504,000	\$0	\$0
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LAPSED APPROPRIATIONS

CAPITAL BUDGET APPROPRIATION

	\$(29,247)	\$0	\$0	\$0	\$0
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REGULAR APPROPRIATIONS

	\$(46,968)	\$0	\$(15,000)	\$0	\$0
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UNEXPENDED BALANCES AUTHORITY

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 80th Regular Session, Agency Submission, Version 1
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DATE: 8/28/2006
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Agency code: 473 Agency name: Public Utility Commission of Texas

METHOD OF FINANCING	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
<u>GENERAL REVENUE</u>					
Art IX, Sec 6.16(j), Capital Budget UB (2006-07 GAA)	\$0	\$(35,000)	\$35,000	\$0	\$0
Art VIII. pg 75 RIDER 5 (2004-05 GAA)	\$7,506	\$0	\$0	\$0	\$0
Art VIII. pg 82 RIDER 6 (2006-07 GAA)	\$0	\$(816,000)	\$816,000	\$0	\$0
TOTAL, General Revenue Fund	\$9,810,700	\$9,095,843	\$11,006,300	\$9,193,564	\$9,193,564
TOTAL, ALL GENERAL REVENUE	\$9,810,700	\$9,095,843	\$11,006,300	\$9,193,564	\$9,193,564

GENERAL REVENUE FUND - DEDICATED

5100 GR Dedicated - System Benefit Account No. 5100

REGULAR APPROPRIATIONS

Regular Appropriation per GAA

\$121,129,928	\$3,625,842	\$3,625,842	\$2,825,842	\$2,825,842
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RIDER APPROPRIATION

Art VIII. pg 76 (2004-05 GAA) RIDER 8

\$9,800,000	\$0	\$0	\$0	\$0
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TRANSFERS

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
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DATE: **8/28/2006**
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Agency name: **Public Utility Commission of Texas**

METHOD OF FINANCING	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
<u>GENERAL REVENUE FUND - DEDICATED</u>					
Art IX, Sec 12.01, Reduction of Management Costs (2004-05 GAA)	\$(1,420)	\$0	\$0	\$0	\$0
Art IX, Sec 13.17(a), Salary Increase (2006-07 GAA)	\$0	\$47,000	\$82,250	\$0	\$0
House Bill 10, 79th Legislature, Regular Session	\$(57,200,000)	\$0	\$0	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					
Art VIII. pg 75 RIDER 5 (2004-05 GAA)	\$(1,990,791)	\$0	\$0	\$0	\$0
Art VIII. pg 87 RIDER 6 (2006-07 GAA)	\$0	\$0	\$(25,000)	\$0	\$0
LAPSED APPROPRIATIONS - RIDER 8	\$(9,800,000)	\$0	\$0	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>					
Art VIII. pg 75 RIDER 5 (2004-05 GAA)	\$2,324,494	\$0	\$0	\$0	\$0
Art VIII. pg 87 RIDER 6 (2006-07 GAA)	\$0	\$(941,000)	\$941,000	\$0	\$0

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 80th Regular Session, Agency Submission, Version 1
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DATE: 8/28/2006
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Agency code: 473		Agency name: Public Utility Commission of Texas			
METHOD OF FINANCING	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
<u>GENERAL REVENUE FUND - DEDICATED</u>					
TOTAL, GR Dedicated - System Benefit Account No. 5100	\$64,262,211	\$2,731,842	\$4,624,092	\$2,825,842	\$2,825,842
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	\$64,262,211	\$2,731,842	\$4,624,092	\$2,825,842	\$2,825,842
TOTAL, GR & GR-DEDICATED FUNDS	\$74,072,911	\$11,827,685	\$15,630,392	\$12,019,406	\$12,019,406
<u>OTHER FUNDS</u>					
<u>666</u> Appropriated Receipts					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriation per GAA	\$375,000	\$475,000	\$475,000	\$475,000	\$475,000
<i>RIDER APPROPRIATION</i>					
Art IX, Sec 8.03, Reimbursements and Payments (2004-05 GAA)	\$52,440	\$0	\$0	\$0	\$0
TOTAL, Appropriated Receipts	\$427,440	\$475,000	\$475,000	\$475,000	\$475,000
TOTAL, ALL OTHER FUNDS	\$427,440	\$475,000	\$475,000	\$475,000	\$475,000
GRAND TOTAL	\$74,500,351	\$12,302,685	\$16,105,392	\$12,494,406	\$12,494,406

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
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Agency name: **Public Utility Commission of Texas**

METHOD OF FINANCING	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
<u>FULL-TIME-EQUIVALENT POSITIONS</u>					
REGULAR APPROPRIATIONS					
AUTHORIZED FTE LIMIT IN GAA FY 2005 & SB 1 FY 2006 - 2007	210.9	210.9	210.9	210.9	210.9
LAPSED APPROPRIATIONS					
REDUCTION IN FTE'S DUE TO BUDGET CONSTRAINTS & TURNOVER	(25.9)	(28.9)	(20.9)	(20.9)	(20.9)
TOTAL, ADJUSTED FTES	185.0	182.0	190.0	190.0	190.0
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
 80th Regular Session, Agency Submission, Version I
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/28/2006**
 TIME: **2:35:01PM**

Agency code: **473**

Agency name: **Public Utility Commission of Texas**

OBJECT OF EXPENSE	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
1001 SALARIES AND WAGES	\$9,448,132	\$9,289,811	\$11,160,392	\$10,212,407	\$10,212,407
1002 OTHER PERSONNEL COSTS	\$369,031	\$450,820	\$515,001	\$515,000	\$515,000
2001 PROFESSIONAL FEES AND SERVICES	\$4,124,471	\$1,371,449	\$3,195,999	\$779,999	\$779,999
2003 CONSUMABLE SUPPLIES	\$58,397	\$54,199	\$60,000	\$49,999	\$49,999
2004 UTILITIES	\$26,179	\$25,001	\$25,001	\$25,000	\$25,000
2005 TRAVEL	\$50,562	\$53,228	\$59,999	\$45,001	\$45,001
2006 RENT - BUILDING	\$15,556	\$15,499	\$15,001	\$10,000	\$10,000
2009 OTHER OPERATING EXPENSE	\$804,735	\$547,674	\$614,000	\$432,000	\$432,000
3001 CLIENT SERVICES	\$59,171,849	\$0	\$0	\$0	\$0
5000 CAPITAL EXPENDITURES	\$431,439	\$495,004	\$459,999	\$425,000	\$425,000
OOE Total (Excluding Riders)	\$74,500,351	\$12,302,685	\$16,105,392	\$12,494,406	\$12,494,406
OOE Total (Riders)	\$74,500,351	\$12,302,685	\$16,105,392	\$12,494,406	\$12,494,406
Grand Total	\$74,500,351	\$12,302,685	\$16,105,392	\$12,494,406	\$12,494,406

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/28/2006

Time: 2:35:53PM

Agency code: 473

Agency name: Public Utility Commission of Texas

Goal/ Objective / Outcome	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009	
1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service <i>Maintain Policies to Foster Competition in Telecom & Elec Mkts</i>						
KEY	1 Avg Price Elec/kWh in TX for Residential Customers As % of Nat'l Avg	120.70%	104.10%	114.00%	113.00%	113.00%
	2 Avg Price Electricity/kWh for TX Commercial Customers As % Nat'l Avg	108.90%	101.00%	105.00%	105.00%	105.00%
	3 Avg Price Electricity/kWh for TX Industrial Customers As % Nat'l Avg	127.58%	110.30%	105.00%	105.00%	105.00%
	4 Percentage of Households in Texas with Telephone Service in Place	91.80%	95.50%	95.70%	96.10%	92.10%
KEY	5 Avg Ann Resid Elec Bill from Competitive Suppliers as a % of Nat'l Avg	169.90%	149.90%	150.00%	150.00%	149.00%
KEY	6 % Tx Cities Srvd by 3 or More Certificated Telecommunication Providers	84.68%	66.00%	84.70%	85.20%	85.70%
	7 Percent of Goal Achieved for Renewable Energy	140.00%	260.00%	123.00%	100.00%	100.00%
<i>Regulate Providers Ensuring Rates do not Exceed National Average</i>						
KEY	1 Average Annual Residential Telephone Bill as a % of National Average	63.92%	76.40%	76.60%	76.80%	72.40%
	2 Average Annual Business Telephone Bill as a % of the National Average	70.42%	76.40%	76.60%	77.20%	77.40%
	3 Avg Price Electricity Per kWh for Residential Cust as % of Nat'l Avg	95.04	106.70	104.00	104.00	104.00
	4 Avg Price Electricity Per kWh for Commercial Cust as % of Nat'l Avg	89.02	94.40	94.70	95.60	96.30
	5 Average Annual Residential Electric Bill from Regulated Suppliers	110.90	70.40	112.00	113.00	113.00

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

Date : 8/28/2006

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Time: 2:36:07PM

Agency code: 473

Agency name: Public Utility Commission of Texas

Goal/ Objective / Outcome	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
6 % of Subscriber Lines in Texas Are Served by Digital Switches					
	96.58	93.00	96.00	96.50	97.00
2 Educate Customers, Ensure Compliance with Laws, and Assist Customers <i>Resolve Complaints and Ensure Compliance w/Laws & PUC Rules & Orders</i>					
4 % of Subscribers Served by Exchanges Meeting Service Quality Standards					
	87.37%	94.00%	96.00%	96.00%	96.00%
5 % Electric Customers Served					
	96.20%	96.40%	96.60%	96.70%	96.80%

2.E. SUMMARY OF EXCEPTIONAL ITEMS REQUEST
 80th Regular Session, Agency Submission, Version I
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME : 2:40:00PM

Agency code: 473

Agency name: **Public Utility Commission of Texas**

Priority	Item	2008			2009			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Low Income Assistance Program	\$80,000,000	\$80,000,000		\$90,000,000	\$90,000,000		\$170,000,000	\$170,000,000
3	Restoration of 100% General Revenue	\$1,047,757	\$1,047,757	20.9	\$1,047,757	\$1,047,757	20.9	\$2,095,514	\$2,095,514
Total, Exceptional Items Request		\$81,047,757	\$81,047,757	20.9	\$91,047,757	\$91,047,757	20.9	\$172,095,514	\$172,095,514

Method of Financing

General Revenue	\$1,047,757	\$1,047,757		\$1,047,757	\$1,047,757		\$2,095,514	\$2,095,514
General Revenue - Dedicated	80,000,000	80,000,000		90,000,000	90,000,000		170,000,000	170,000,000
Federal Funds								
Other Funds								
	\$81,047,757	\$81,047,757		\$91,047,757	\$91,047,757		\$172,095,514	\$172,095,514

Full Time Equivalent Positions

20.9

20.9

Number of 100% Federally Funded FTEs

0.0

0.0

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/28/2006
 TIME : 2:37:00PM

Agency code: 473 Agency name: Public Utility Commission of Texas

Goal/Objective/STRATEGY	Base 2008	Base 2009	Exceptional 2008	Exceptional 2009	Total Request 2008	Total Request 2009
1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service						
1 <i>Maintain Policies to Foster Competition in Telecom & Elec Mkts</i>						
1 MARKET COMPETITION	\$4,148,805	\$4,148,805	\$359,189	\$359,189	\$4,507,994	\$4,507,994
2 <i>Regulate Providers Ensuring Rates do not Exceed National Average</i>						
1 UTILITY REGULATION	2,639,626	2,639,626	228,529	228,529	2,868,155	2,868,155
TOTAL, GOAL 1	\$6,788,431	\$6,788,431	\$587,718	\$587,718	\$7,376,149	\$7,376,149
2 Educate Customers, Ensure Compliance with Laws, and Assist Customers						
1 <i>Inform Customers of Choices & Rights & Facilitate Information Access</i>						
1 PROVIDE FACTS ABOUT CHANGES	1,704,280	1,704,280	147,550	147,550	1,851,830	1,851,830
2 <i>Resolve Complaints and Ensure Compliance w/Laws & PUC Rules & Orders</i>						
1 INVESTIGATIONS AND ENFORCEMENT	1,830,523	1,830,523	158,480	158,480	1,989,003	1,989,003
TOTAL, GOAL 2	\$3,534,803	\$3,534,803	\$306,030	\$306,030	\$3,840,833	\$3,840,833
3 Electric Utility Restructuring						
1 <i>Provide Financial Assistance</i>						
1 ENERGY ASSISTANCE	0	0	80,000,000	90,000,000	80,000,000	90,000,000
2 CONSUMER EDUCATION	750,000	750,000	0	0	750,000	750,000
TOTAL, GOAL 3	\$750,000	\$750,000	\$80,000,000	\$90,000,000	\$80,750,000	\$90,750,000
5 Indirect Administration						
1 <i>Indirect Administration</i>						
1 CENTRAL ADMINISTRATION	696,833	696,833	75,514	75,514	772,347	772,347
2 INFORMATION RESOURCES	472,196	472,196	51,171	51,171	523,367	523,367
3 OTHER SUPPORT SERVICES	252,143	252,143	27,324	27,324	279,467	279,467
TOTAL, GOAL 5	\$1,421,172	\$1,421,172	\$154,009	\$154,009	\$1,575,181	\$1,575,181

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/28/2006
 TIME : 2:37:24PM

Agency code: 473 Agency name: Public Utility Commission of Texas

<i>Goal/Objective/STRATEGY</i>	Base 2008	Base 2009	Exceptional 2008	Exceptional 2009	Total Request 2008	Total Request 2009
TOTAL, AGENCY STRATEGY REQUEST	\$12,494,406	\$12,494,406	\$81,047,757	\$91,047,757	\$93,542,163	\$103,542,163
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$12,494,406	\$12,494,406	\$81,047,757	\$91,047,757	\$93,542,163	\$103,542,163

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/28/2006
 TIME : 2:37:24PM

Agency code: 473		Agency name: Public Utility Commission of Texas				
<i>Goal/Objective/STRATEGY</i>	Base 2008	Base 2009	Exceptional 2008	Exceptional 2009	Total Request 2008	Total Request 2009
General Revenue Funds:						
1 GENERAL REVENUE FUND	\$9,193,564	\$9,193,564	\$1,047,757	\$1,047,757	\$10,241,321	\$10,241,321
	\$9,193,564	\$9,193,564	\$1,047,757	\$1,047,757	\$10,241,321	\$10,241,321
General Revenue Dedicated Funds:						
5100 System Benefit Account	2,825,842	2,825,842	80,000,000	90,000,000	\$82,825,842	\$92,825,842
	\$2,825,842	\$2,825,842	\$80,000,000	\$90,000,000	\$82,825,842	\$92,825,842
Other Funds:						
666 APPROPRIATED RECEIPTS	475,000	475,000	0	0	\$475,000	\$475,000
	\$475,000	\$475,000	\$0	\$0	\$475,000	\$475,000
TOTAL, METHOD OF FINANCING	\$12,494,406	\$12,494,406	\$81,047,757	\$91,047,757	\$93,542,163	\$103,542,163
FULL TIME EQUIVALENT POSITIONS	190.0	190.0	20.9	20.9	210.9	210.9

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/28/2006
Time: 2:38:19PM

Agency code: 473 Agency name: Public Utility Commission of Texas

Goal/ Objective / Outcome

	BL 2008	BL 2009	Excp 2008	Excp 2009	Total Request 2008	Total Request 2009
1	Ensure Competition, Choice, Just Rates, and Reliable Quality Service					
1	<i>Maintain Policies to Foster Competition in Telecom & Elec Mkts</i>					
KEY	1 Avg Price Elec/kWh in TX for Residential Customers As % of Nat'l Avg					
	113.00%	113.00%			113.00%	113.00%
	2 Avg Price Electricity/kWh for TX Commercial Customers As % Nat'l Avg					
	105.00%	105.00%			105.00%	105.00%
	3 Avg Price Electricity/kWh for TX Industrial Customers As % Nat'l Avg					
	105.00%	105.00%			105.00%	105.00%
	4 Percentage of Households in Texas with Telephone Service in Place					
	96.10%	92.10%			96.10%	92.10%
KEY	5 Avg Ann Resid Elec Bill from Competitive Suppliers as a % of Nat'l Avg					
	150.00%	149.00%			150.00%	149.00%
KEY	6 % Tx Cities Srvd by 3 or More Certificated Telecommunication Providers					
	85.20%	85.70%			85.20%	85.70%
	7 Percent of Goal Achieved for Renewable Energy					
	100.00%	100.00%			100.00%	100.00%
2	<i>Regulate Providers Ensuring Rates do not Exceed National Average</i>					
KEY	1 Average Annual Residential Telephone Bill as a % of National Average					
	76.80%	72.40%			76.80%	72.40%

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/28/2006

Time: 2:38:32PM

Agency code: 473

Agency name: Public Utility Commission of Texas

Goal/ Objective / Outcome

	BL 2008	BL 2009	Excp 2008	Excp 2009	Total Request 2008	Total Request 2009
2 Average Annual Business Telephone Bill as a % of the National Average	77.20%	77.40%			77.20%	77.40%
3 Avg Price Electricity Per kWh for Residential Cust as % of Nat'l Avg	104.00	104.00			104.00	104.00
4 Avg Price Electricity Per kWh for Commercial Cust as % of Nat'l Avg	95.60	96.30			95.60	96.30
5 Average Annual Residential Electric Bill from Regulated Suppliers	113.00	113.00			113.00	113.00
6 % of Subscriber Lines in Texas Are Served by Digital Switches	96.50	97.00			96.50	97.00
2 Educate Customers, Ensure Compliance with Laws, and Assist Customers						
2 <i>Resolve Complaints and Ensure Compliance w/Laws & PUC Rules & Orders</i>						
4 % of Subscribers Served by Exchanges Meeting Service Quality Standards	96.00%	96.00%			96.00%	96.00%
5 % Electric Customers Served	96.70%	96.80%			96.70%	96.80%

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:41:00PM

Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service
 OBJECTIVE: 1 Maintain Policies to Foster Competition in Telecom & Elec Mkts
 STRATEGY: 1 Foster and Monitor Market Competition

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Number of Retail Electric Providers Registered	101.00	110.00	110.00	120.00	130.00
2	Number of Competitive Telecommunications Service Providers Licensed	1,199.00	1,194.00	1,133.00	1,072.00	1,019.00
3	Number of Investigations Conducted for Market Power Electric	9.00	8.00	10.00	10.00	10.00
4	# of Investigations for Market Power in the Telephone Market	1.00	3.00	3.00	3.00	3.00
5	Number of Cases Completed Related to Competition Among Providers	663.00	700.00	700.00	600.00	600.00
6	# of Rules Adopted or Amended Relating to Competitive Electric Issues	7.00	20.00	20.00	10.00	10.00
7	# of Rules Adopted or Amended Relating to Competitive Telecom Issues	0.00	5.00	5.00	5.00	5.00
Efficiency Measures:						
1	Avg # of Days to Process an Application for a Telecom COA & SPCOA	52.25	60.00	60.00	60.00	60.00
Explanatory/Input Measures:						
1	# of Elect Coops and Municipal Utilities Reg for Wholesale Trans Rate	41.00	41.00	41.00	41.00	41.00
2	Percent of Statewide Electric Generating Capacity Above Peak Demand	23.65	17.00	16.00	14.00	16.00
3	Energy Savings Due to Energy Efficiency Programs	126.60	100.00	100.00	100.00	100.00
4	Demand Reductions Due to Energy Efficiency Programs	100.00	100.00	100.00	100.00	100.00
5	Number of Power Generation Companies in Texas	120.00	135.00	145.00	155.00	165.00
6	Number of Aggregators in Texas	196.00	250.00	250.00	300.00	300.00

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:41:16PM

Agency code: 473 Agency name: Public Utility Commission of Texas

GOAL: 1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service
 OBJECTIVE: 1 Maintain Policies to Foster Competition in Telecom & Elec Mkts
 STRATEGY: 1 Foster and Monitor Market Competition

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
7	Average Cost of Natural Gas in Texas as a Percent of 2001 Avg Costs	174.00	210.00	230.00	200.00	180.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,418,833	\$3,349,212	\$4,007,777	\$3,623,610	\$3,623,610
1002	OTHER PERSONNEL COSTS	\$121,375	\$158,182	\$180,702	\$176,550	\$176,550
2001	PROFESSIONAL FEES AND SERVICES	\$1,330,846	\$602,034	\$2,404,593	\$10,284	\$10,284
2003	CONSUMABLE SUPPLIES	\$18,985	\$19,020	\$21,052	\$17,142	\$17,142
2004	UTILITIES	\$8,516	\$8,772	\$8,772	\$8,570	\$8,570
2005	TRAVEL	\$16,630	\$18,676	\$21,053	\$15,427	\$15,427
2006	RENT - BUILDING	\$5,207	\$5,438	\$5,263	\$3,428	\$3,428
2009	OTHER OPERATING EXPENSE	\$227,676	\$192,977	\$215,439	\$148,097	\$148,097
5000	CAPITAL EXPENDITURES	\$143,289	\$173,684	\$161,403	\$145,697	\$145,697
TOTAL, OBJECT OF EXPENSE		\$5,291,357	\$4,527,995	\$7,026,054	\$4,148,805	\$4,148,805
Method of Financing:						
1	GENERAL REVENUE FUND	\$3,225,294	\$3,191,524	\$3,861,860	\$3,151,706	\$3,151,706
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$3,225,294	\$3,191,524	\$3,861,860	\$3,151,706	\$3,151,706
Method of Financing:						
5100	System Benefit Account	\$1,941,577	\$1,169,805	\$2,997,528	\$834,261	\$834,261
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$1,941,577	\$1,169,805	\$2,997,528	\$834,261	\$834,261
Method of Financing:						
666	APPROPRIATED RECEIPTS	\$124,486	\$166,666	\$166,666	\$162,838	\$162,838
SUBTOTAL, MOF (OTHER FUNDS)		\$124,486	\$166,666	\$166,666	\$162,838	\$162,838

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:41:16PM

Agency code: 473 Agency name: Public Utility Commission of Texas

GOAL: 1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service
 OBJECTIVE: 1 Maintain Policies to Foster Competition in Telecom & Elec Mkts
 STRATEGY: 1 Foster and Monitor Market Competition

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009			
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$4,148,805	\$4,148,805			
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)					\$5,291,357	\$4,527,995	\$7,026,054	\$4,148,805	\$4,148,805
FULL TIME EQUIVALENT POSITIONS:					67.1	63.9	66.7	65.1	65.1

STRATEGY DESCRIPTION AND JUSTIFICATION:

Changes to the Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§11.001-63.063 (Vernon 1999) (PURA), made in 1995 and 1999, and the Telecommunications Act of 1996 changed PUC regulatory activities. The PUC's focus has shifted from rate regulation of monopoly utility service providers to overseeing transitions to competitive markets in both the telecom and electric utility industries. This strategy reflects major tasks of the agency and a significant share of its resources devoted to fostering competition in telecom and electric services. PURA §§39.157 and 52.051 require oversight of competitive electric and telecom markets; other provisions of PURA establish ongoing responsibilities in specific areas. This strategy focuses on oversight; Strategy 1-2-1 relates to the PUC's price-regulation. Key activities are evaluating the design and operation of competitive markets, identifying and implementing improvements, and detecting anti-competitive conduct by market participants. Four areas with output measures: licensing new market participants; conducting investigations concerning market power, market design, and anti-competitive conduct; resolving disputes among market participants; and adopting or revising PUC rules relating to competition. PURA §§54.001-54.155 and §§ 39.351-39.356: the PUC licenses telecom and retail electric providers, and must consider customer protection and enhancement of customer choice in competitive markets. PURA §§ 39.153-39.157: responsibilities relating to market power in the electric industry and authority to adopt rules in PURA, Chapter 39.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The PUC has some ability to control the resources committed to this strategy, but some resource factors are outside of its control. Activities like monitoring market operations and market power must be conducted on a full-time basis. The PUC has some ability to control the commitment of resources in areas where external events are important, by identifying matters that are high priority and focusing resources on these matters first. Agency activity related to market design and operation changes when it appears there are market design issues that call for resolution or when market participants appear to have engaged in anti-competitive conduct. The level of activity related to licensing is largely controlled by the number and timing of filings made by market participants, and in some cases by the complexity and duration of case processing which are matters outside PUC control. The PUC has no control over certain other events that affect its workload such as requests from market participants to resolve disputes, mergers and acquisitions, and the emergence of issues requiring new rules or revision of existing rules. Also, case remands from the courts, evolving technology and markets, actions of federal regulatory agencies, Congress, and other states, and health, safety, and privacy issues are external factors that affect the PUC's performance. Internal factors influencing agency effectiveness include limited budget and staff resources available to accomplish a demanding workload and high staff turnover related to competitive external job opportunities.

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:41:16PM

Agency code: 473 Agency name: Public Utility Commission of Texas

GOAL: 1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service
 OBJECTIVE: 2 Regulate Providers Ensuring Rates do not Exceed National Average
 STRATEGY: 1 Conduct Rate Cases for Regulated Telephone and Electric Utilities

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Number of Rate Cases Completed for Regulated Electric Utilities	36.00	13.00	13.00	20.00	20.00
2	Number of Rate Cases Completed for Telecommunications Providers	15.00	6.00	6.00	6.00	6.00
3	Number of Investigations Conducted Concerning Telecom Service Quality	3.00	3.00	3.00	3.00	3.00
4	Number of Investigations Conducted Concerning Electric Service Quality	0.00	0.00	0.00	0.00	0.00
5	# Rules Adopted/Amended Relating to Elec Issues Other Than Competition	3.00	8.00	8.00	80.00	8.00
6	# Rules Adopted Relating to Telecom Issues Other Than Competition	3.00	7.00	7.00	7.00	7.00
Efficiency Measures:						
1	Average Number of Days to Process a Major Rate Case for TDU	240.00	220.00	220.00	220.00	220.00
2	Average Cost Per Transmission and Distribution Utility Rate Case	252,929.00	80,000.00	80,000.00	80,000.00	80,000.00
Explanatory/Input Measures:						
1	Number of Electric Utilities Regulated	11.00	11.00	11.00	11.00	11.00
2	Number of Telecommunications Service Providers Regulated	62.00	62.00	63.00	63.00	63.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$2,141,069	\$2,193,734	\$2,625,094	\$2,305,477	\$2,305,477
1002	OTHER PERSONNEL COSTS	\$86,166	\$103,610	\$118,360	\$112,328	\$112,328
2001	PROFESSIONAL FEES AND SERVICES	\$17,459	\$14,663	\$6,895	\$6,543	\$6,543
2003	CONSUMABLE SUPPLIES	\$14,200	\$12,456	\$13,790	\$10,906	\$10,906

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version I
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:41:16PM

Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service
 OBJECTIVE: 2 Regulate Providers Ensuring Rates do not Exceed National Average
 STRATEGY: 1 Conduct Rate Cases for Regulated Telephone and Electric Utilities

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
2004	UTILITIES	\$6,333	\$5,746	\$5,746	\$5,453	\$5,453
2005	TRAVEL	\$11,806	\$12,233	\$13,789	\$9,815	\$9,815
2006	RENT - BUILDING	\$3,421	\$3,562	\$3,447	\$2,181	\$2,181
2009	OTHER OPERATING EXPENSE	\$134,989	\$125,558	\$141,112	\$94,225	\$94,225
5000	CAPITAL EXPENDITURES	\$122,343	\$113,764	\$105,719	\$92,698	\$92,698
TOTAL, OBJECT OF EXPENSE		\$2,537,786	\$2,585,326	\$3,033,952	\$2,639,626	\$2,639,626
Method of Financing:						
1	GENERAL REVENUE FUND	\$2,308,233	\$2,090,448	\$2,529,518	\$2,005,235	\$2,005,235
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,308,233	\$2,090,448	\$2,529,518	\$2,005,235	\$2,005,235
Method of Financing:						
5100	System Benefit Account	\$141,590	\$385,711	\$395,267	\$530,787	\$530,787
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$141,590	\$385,711	\$395,267	\$530,787	\$530,787
Method of Financing:						
666	APPROPRIATED RECEIPTS	\$87,963	\$109,167	\$109,167	\$103,604	\$103,604
SUBTOTAL, MOF (OTHER FUNDS)		\$87,963	\$109,167	\$109,167	\$103,604	\$103,604
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,639,626	\$2,639,626
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,537,786	\$2,585,326	\$3,033,952	\$2,639,626	\$2,639,626
FULL TIME EQUIVALENT POSITIONS:		42.0	41.8	43.7	41.4	41.4
STRATEGY DESCRIPTION AND JUSTIFICATION:						

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:41:16PM

Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service Statewide Goal/Benchmark: 7 9
 OBJECTIVE: 2 Regulate Providers Ensuring Rates do not Exceed National Average Service Categories:
 STRATEGY: 1 Conduct Rate Cases for Regulated Telephone and Electric Utilities Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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Major reforms in 1995, 1996 and 1999 changed the PUC's regulatory activities. The focus shifted from rate regulation of monopoly utility service providers to overseeing competitive markets. Legislation in 1995 opened local telecom markets and wholesale electric markets to competition. In 1999, legislation opened retail electric markets to competition beginning in 2002. Despite major changes, the PUC continues to have significant responsibility for regulating rates and services in both the telecommunications and electric industries. Rate regulation is more limited than in the past. For telecom providers, rate regulation for incumbent local exchange companies encompasses review of prices, terms and conditions charged for new services and changes in prices, terms and conditions for existing services to guard against anti-competitive behavior and to ensure that the service offering is in the public interest. Rate regulation for non-dominant telephone carriers is limited to ensuring that prices, terms and conditions for services are filed with the PUC. For electric service providers in the Electric Reliability Council of Texas (ERCOT), rate regulation is limited to transmission and distribution service beginning 1-1-2002 (PURA §§35.001-35.007, 39.103) and to determining stranded costs (PURA §39.262). In areas outside ERCOT, retail competition has not yet begun; the PUC continues to be responsible for setting rates under PURA Chapter 36. The PUC is also responsible for regulating electric service quality under PURA §§38.002 and 39.101, and for telecom providers under §52.106.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The PUC has some ability to control the resources committed to this strategy, but some factors that affect the commitment of resources are outside of its control. Activities like the monitoring of utility revenues and quality of service will need to be conducted essentially on a full-time basis. The PUC has some ability to control the commitment of resources in areas where external events are important, by identifying matters that are high priority and focusing resources on these matters first.

The level of activity related to rates and quality of service will change when rate or quality of service issues emerge that call for resolution. The PUC has no control over certain events, such as requests from utilities to change rates and episodes of poor service quality. In addition, remands of cases from the courts, evolving technology and markets, actions of federal regulatory agencies, Congress, and other states, and health and safety issues are external factors that affect the PUC's performance. Internal factors influencing agency effectiveness include limited budget and staff resources available to accomplish a demanding workload and high staff turnover related to competitive external job opportunities.

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:41:16PM

Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 2 Educate Customers, Ensure Compliance with Laws, and Assist Customers
 OBJECTIVE: 1 Inform Customers of Choices & Rights & Facilitate Information Access
 STRATEGY: 1 Provide Information about Changes in Electric and Telecom Industries

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Number of Website Hits to Customer Protection Home Page	235,937.00	200,000.00	200,000.00	210,000.00	210,000.00
2	Number of Information Requests to Which Responses Were Provided	94,206.00	130,000.00	130,000.00	130,000.00	130,000.00
3	Number of Customer Information Products Distributed	102,211.00	300,000.00	300,000.00	300,000.00	300,000.00
Efficiency Measures:						
1	Average Cost Per Customer Information Product Distributed	0.76	0.25	0.25	0.25	0.25
Explanatory/Input Measures:						
1	Number of Calls Completed through Relay Texas	3,610,291.00	2,779,255.00	3,000,000.00	3,100,000.00	3,200,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,292,543	\$1,191,686	\$1,426,010	\$1,488,536	\$1,488,536
1002	OTHER PERSONNEL COSTS	\$52,070	\$56,283	\$64,296	\$72,525	\$72,525
2001	PROFESSIONAL FEES AND SERVICES	\$8,732	\$7,965	\$3,745	\$4,225	\$4,225
2003	CONSUMABLE SUPPLIES	\$8,116	\$6,767	\$7,492	\$7,041	\$7,041
2004	UTILITIES	\$3,653	\$3,121	\$3,121	\$3,521	\$3,521
2005	TRAVEL	\$7,134	\$6,645	\$7,491	\$6,337	\$6,337
2006	RENT - BUILDING	\$2,234	\$1,935	\$1,873	\$1,408	\$1,408
2009	OTHER OPERATING EXPENSE	\$93,283	\$68,206	\$76,655	\$60,836	\$60,836
5000	CAPITAL EXPENDITURES	\$29,338	\$61,800	\$57,428	\$59,851	\$59,851
TOTAL, OBJECT OF EXPENSE		\$1,497,103	\$1,404,408	\$1,648,111	\$1,704,280	\$1,704,280
Method of Financing:						
1	GENERAL REVENUE FUND	\$1,372,951	\$1,135,579	\$1,374,091	\$1,294,684	\$1,294,684

3.A. STRATEGY REQUEST
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Agency code: **473** Agency name: **Public Utility Commission of Texas**

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 OBJECTIVE: 1 Inform Customers of Choices & Rights & Facilitate Information Access
 STRATEGY: 1 Provide Information about Changes in Electric and Telecom Industries

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,372,951	\$1,135,579	\$1,374,091	\$1,294,684	\$1,294,684
Method of Financing:						
	5100 System Benefit Account	\$20,425	\$209,527	\$214,718	\$342,704	\$342,704
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$20,425	\$209,527	\$214,718	\$342,704	\$342,704
Method of Financing:						
	666 APPROPRIATED RECEIPTS	\$103,727	\$59,302	\$59,302	\$66,892	\$66,892
SUBTOTAL, MOF (OTHER FUNDS)		\$103,727	\$59,302	\$59,302	\$66,892	\$66,892
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,704,280	\$1,704,280
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,497,103	\$1,404,408	\$1,648,111	\$1,704,280	\$1,704,280
FULL TIME EQUIVALENT POSITIONS:		25.4	22.7	23.7	26.8	26.8

STRATEGY DESCRIPTION AND JUSTIFICATION:

With the advent of customer choice in telecom and electric services, the need for accurate, unbiased information increases. Providing information assists utility customers in determining that they are billed correctly, and it helps promote awareness of alternative energy sources. PUC customer education activities are a regulatory tool that supports the transition to competitive markets. The PUC provides information to regulated entities, competitors, and customers as follows: a toll-free customer hot line; postings on the PUC's Web page; a newsletter and other materials; Internet electronic access and download capability for all documents filed in the PUC's Central Records; walk-in access, including on-site electronic access, to all documents filed in Central Records; and responses to written inquiries, including requests under the Public Information Act. PURA requires the PUC to prepare information describing agency functions and the procedures by which complaints are filed and resolved. PURA §39.902 requires an educational program to inform customers about changes in the provision of electric service resulting from the opening of the retail electric market. PURA §56.102 requires the PUC to provide a statewide telecom relay access service for persons with hearing or speech impairments, and a financial assistance program for eligible persons to purchase specialized equipment functionally equivalent to equipment used by individuals without such impairments. The Relay Texas Advisory Committee assists the PUC in administering both programs.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
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Agency code: **473** Agency name: **Public Utility Commission of Texas**

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 STRATEGY: 1 Provide Information about Changes in Electric and Telecom Industries

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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Dramatic changes in the telecommunications and electric industries have created public demand for detailed information regarding customer and utility rights, market opportunities, and protective remedies. Increases in the amount of information needed, changes in the types of information needed, and the desire for electronic availability of that information affect the PUC's activities under this strategy. Customer satisfaction with rates and terms for electric and telecommunications services affects their demand for information from the PUC and is a significant factor affecting the PUC's activities under this strategy. Additionally, competition in both industries have increased the use of the Public Information Act to gain access to competitor information, which creates additional workload for the agency. Internal factors influencing agency effectiveness include limited budget and staff resources to accomplish a demanding workload and high staff turnover related to competitive external job opportunities and burnout.

3.A. STRATEGY REQUEST
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Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 2 Educate Customers, Ensure Compliance with Laws, and Assist Customers
 OBJECTIVE: 2 Resolve Complaints and Ensure Compliance w/Laws & PUC Rules & Orders
 STRATEGY: 1 Conduct Investigations and Initiate Enforcement Actions

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Number of Utilities for Which Detailed Review of Earnings is Conducted	5.00	5.00	5.00	5.00	5.00
2	Number of Enforcement Investigations Conducted	263.00	120.00	120.00	150.00	150.00
3	Number of Customer Complaints Concluded	12,636.00	20,000.00	20,000.00	22,000.00	22,000.00
Efficiency Measures:						
1	Average Cost Per Enforcement Investigation Conducted	850.00	550.00	550.00	500.00	500.00
2	Average Number of Days to Conclude Customer Complaints	48.00	30.00	30.00	30.00	30.00
Explanatory/Input Measures:						
1	Number Complaints Received for Unauthorized Changes in Service	2,525.00	5,000.00	5,000.00	5,000.00	5,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,130,816	\$1,357,789	\$1,624,774	\$1,598,798	\$1,598,798
1002	OTHER PERSONNEL COSTS	\$45,523	\$64,128	\$73,257	\$77,897	\$77,897
2001	PROFESSIONAL FEES AND SERVICES	\$7,634	\$9,076	\$4,267	\$4,538	\$4,538
2003	CONSUMABLE SUPPLIES	\$7,113	\$7,709	\$8,536	\$7,562	\$7,562
2004	UTILITIES	\$3,194	\$3,556	\$3,556	\$3,781	\$3,781
2005	TRAVEL	\$6,237	\$7,572	\$8,535	\$6,807	\$6,807
2006	RENT - BUILDING	\$1,953	\$2,205	\$2,134	\$1,513	\$1,513
2009	OTHER OPERATING EXPENSE	\$81,553	\$77,713	\$87,340	\$65,343	\$65,343
5000	CAPITAL EXPENDITURES	\$56,938	\$70,413	\$65,434	\$64,284	\$64,284
TOTAL, OBJECT OF EXPENSE		\$1,340,961	\$1,600,161	\$1,877,833	\$1,830,523	\$1,830,523
Method of Financing:						
1	GENERAL REVENUE FUND	\$1,210,069	\$1,293,861	\$1,565,619	\$1,390,586	\$1,390,586

3.A. STRATEGY REQUEST
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Agency code: **473** Agency name: **Public Utility Commission of Texas**

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 STRATEGY: 1 Conduct Investigations and Initiate Enforcement Actions

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,210,069	\$1,293,861	\$1,565,619	\$1,390,586	\$1,390,586
Method of Financing:						
	5100 System Benefit Account	\$84,596	\$238,732	\$244,646	\$368,090	\$368,090
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$84,596	\$238,732	\$244,646	\$368,090	\$368,090
Method of Financing:						
	666 APPROPRIATED RECEIPTS	\$46,296	\$67,568	\$67,568	\$71,847	\$71,847
SUBTOTAL, MOF (OTHER FUNDS)		\$46,296	\$67,568	\$67,568	\$71,847	\$71,847
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,830,523	\$1,830,523
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,340,961	\$1,600,161	\$1,877,833	\$1,830,523	\$1,830,523
FULL TIME EQUIVALENT POSITIONS:		22.2	26.0	27.0	28.7	28.7

STRATEGY DESCRIPTION AND JUSTIFICATION:

The PUC is responsible for assuring compliance with the provisions of the Public Utility Regulatory Act (PURA). This responsibility includes areas such as service quality and reliability, market power, customer choice, affiliate relationships, accurate billing, charging appropriate rates, and record-keeping and reporting requirements. The PUC also monitors the level of revenues for regulated service providers to ensure that the level of rates is not excessive. The PUC is authorized to enforce the provisions of PURA by assessing administrative penalties under PURA §§15.023-15.027 and by referral to the attorney general for seeking injunctive relief or civil penalties through the courts under PURA §§15.028-15.033.

PURA §17.157 empowers the PUC to resolve disputes between customers and service providers. PURA §§17.102 and 39.101 require the PUC to adopt and enforce rules providing specific customer protections. PURA §15.051 provides that any affected person may complain about a public utility, and requires that the Commission review or investigate the matter and keep specific records.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
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Agency code: **473** Agency name: **Public Utility Commission of Texas**

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 OBJECTIVE: 2 Resolve Complaints and Ensure Compliance w/Laws & PUC Rules & Orders
 STRATEGY: 1 Conduct Investigations and Initiate Enforcement Actions

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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The need for enforcement is largely determined by the conduct of service providers in the market, and by customers' perceptions of that conduct as compared to legal requirements. To the extent that the PUC is successful in informing customers and service providers of changes in the telecommunications and electric markets and the customer protections that apply, an activity that is funded under Strategy 2-2-1, the need for enforcement may decrease. For the electric industry, the adoption of the rules took place before retail competition began in January 2002. In both cases, the PUC and customers have had little experience under these new rules. Changes in the rules or level of enforcement activity may be needed as new services emerge in the industries and as customer expectations become clearer. Internal factors influencing agency effectiveness include limited budget and staff resources to accomplish a demanding workload and high staff turnover related to competitive external job opportunities and burnout.

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
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DATE: 8/28/2006
 TIME: 2:41:16PM

Agency code: 473 Agency name: Public Utility Commission of Texas

GOAL: 3 Electric Utility Restructuring
 OBJECTIVE: 1 Provide Financial Assistance
 STRATEGY: 1 Energy Assistance. Nontransferable

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Efficiency Measures:						
	1 Average Number of Days for Retail Electric Provider Reimbursement	3.68	5.00	5.00	5.00	5.00
Objects of Expense:						
	2001 PROFESSIONAL FEES AND SERVICES	\$1,994,961	\$0	\$0	\$0	\$0
	2009 OTHER OPERATING EXPENSE	\$152,346	\$0	\$0	\$0	\$0
	3001 CLIENT SERVICES	\$59,171,849	\$0	\$0	\$0	\$0
	TOTAL, OBJECT OF EXPENSE	\$61,319,156	\$0	\$0	\$0	\$0
Method of Financing:						
	5100 System Benefit Account	\$61,319,156	\$0	\$0	\$0	\$0
	SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)	\$61,319,156	\$0	\$0	\$0	\$0
	TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)				\$0	\$0
	TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)	\$61,319,156	\$0	\$0	\$0	\$0

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

Amendments to the Public Utilities Regulatory Act (PURA) enacted in 1999 established the low-income discount program to be supported by the System Benefit Account in General Revenue Dedicated. The discount is provided by Retail Electric Providers (REP's) in the competitive electricity market to customers who meet the eligibility criteria prescribed by law, PURA §39.903. The PUC administers the fund by establishing and collecting a System Benefit Non-bypassable fee from electric utilities and reimbursing the Retail Electric Providers for the low income discounts that were granted on the customer bills. An important element of the PUC's implementation of this program is the automatic enrollment feature, which matches the REP's customers with the Health and Human Service Commission database of citizens receiving benefits through that agency. This automatic matching process is required by §39.903 and is administered under a contract with an information service provider.

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Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 3 Electric Utility Restructuring
 OBJECTIVE: 1 Provide Financial Assistance
 STRATEGY: 1 Energy Assistance. Nontransferable

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The PUC has some ability to control the resources committed to this strategy, but some factors that affect the commitment of resources are outside of its control. Activities like the collection of SBF charges, reimbursement of retail electric providers, and administration of the automatic enrollment are conducted routinely. Activity related to outreach to eligible populations will fluctuate based on the success of the program in reaching eligible customers. This factor is, to some degree, outside of the PUC's control when eligible customers are not identified by the automatic enrollment process or, once enrolled, change their residences, names, or their retail electric providers. External factors will also impact the required level of audit and collection activities.

3.A. STRATEGY REQUEST
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DATE: 8/28/2006
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Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 3 Electric Utility Restructuring
 OBJECTIVE: 1 Provide Financial Assistance
 STRATEGY: 2 Customer Education. Nontransferable

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Efficiency Measures:						
	1 Average Cost of Education Campaign Per Ratepayer	0.13	0.10	0.10	0.10	0.10
Objects of Expense:						
	2001 PROFESSIONAL FEES AND SERVICES	\$754,450	\$728,000	\$771,933	\$750,000	\$750,000
	2009 OTHER OPERATING EXPENSE	\$417	\$67	\$0	\$0	\$0
	TOTAL, OBJECT OF EXPENSE	\$754,867	\$728,067	\$771,933	\$750,000	\$750,000
Method of Financing:						
	5100 System Benefit Account	\$754,867	\$728,067	\$771,933	\$750,000	\$750,000
	SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)	\$754,867	\$728,067	\$771,933	\$750,000	\$750,000
	TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)				\$750,000	\$750,000
	TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)	\$754,867	\$728,067	\$771,933	\$750,000	\$750,000

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

PURA section 39.902 requires the PUC to develop and implement an educational program to inform customers about the choice they have in choosing a Retail Electric Provider for their electricity needs. As envisioned by section 39.902, the PUC contracts for professional services to carry out the customer education program in all areas of the state participating in the competitive electric market.

This strategy tracks expenditures related to the professional services contract. PURA section 39.903 established the System Benefit Fund, a fund financed by a non-bypassable fee paid by electric customers through their electric provider. The professional services contract is funded by the System Benefit Fund.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Dramatic failures in the energy markets, delays in switching and billing, lack of confidence in corporate ethics as well as the exit of the largest competitive electric provider from the Texas market have made customers hesitant about becoming educated on the new provisioning of electric service.

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Agency code: 473 Agency name: Public Utility Commission of Texas

GOAL: 5 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Central Administration

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Objects of Expense:						
1001	SALARIES AND WAGES	\$643,701	\$619,211	\$763,671	\$586,419	\$586,419
1002	OTHER PERSONNEL COSTS	\$28,078	\$35,484	\$40,536	\$37,117	\$37,117
2001	PROFESSIONAL FEES AND SERVICES	\$4,709	\$5,022	\$2,361	\$2,162	\$2,162
2003	CONSUMABLE SUPPLIES	\$4,388	\$4,265	\$4,722	\$3,603	\$3,603
2004	UTILITIES	\$1,970	\$1,968	\$1,968	\$1,802	\$1,802
2005	TRAVEL	\$3,847	\$4,190	\$4,722	\$3,243	\$3,243
2006	RENT - BUILDING	\$1,204	\$1,220	\$1,181	\$721	\$721
2009	OTHER OPERATING EXPENSE	\$50,301	\$43,001	\$48,328	\$31,135	\$31,135
5000	CAPITAL EXPENDITURES	\$34,957	\$38,962	\$36,207	\$30,631	\$30,631
TOTAL, OBJECT OF EXPENSE		\$773,155	\$753,323	\$903,696	\$696,833	\$696,833
Method of Financing:						
1	GENERAL REVENUE FUND	\$744,606	\$715,936	\$866,309	\$662,599	\$662,599
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$744,606	\$715,936	\$866,309	\$662,599	\$662,599
Method of Financing:						
666	APPROPRIATED RECEIPTS	\$28,549	\$37,387	\$37,387	\$34,234	\$34,234
SUBTOTAL, MOF (OTHER FUNDS)		\$28,549	\$37,387	\$37,387	\$34,234	\$34,234
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$696,833	\$696,833
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$773,155	\$753,323	\$903,696	\$696,833	\$696,833
FULL TIME EQUIVALENT POSITIONS:		12.5	14.3	14.9	13.7	13.7

3.A. STRATEGY REQUEST
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DATE: 8/28/2006
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Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 5 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Central Administration

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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STRATEGY DESCRIPTION AND JUSTIFICATION:

The strategy supports activities managed by the Executive Director and includes Fiscal Services, General Law, Human Resources, Information Technology and Governmental Relations, and Communications. PURA §12.103 designates the Executive Director as responsible for the daily operations and coordinating activities of PUC employees. The strategy ensures effective and efficient procedures for strategic planning, business planning, and budgeting, accounting, and personnel management. Administration meets external reporting deadlines for the strategic plan, performance measure reports, annual financial report, and PUC budgets. It provides monthly internal financial reports, meets reporting deadlines for payroll, ensures the most cost effective method of travel and compliance with state travel regulations; provides for dissemination of employment benefits information to all agency staff; ensures agency compliance with state and federal laws affecting personnel and state procurement laws and regulations. It ensures prompt responses to Open Records requests pursuant to the TX Government Code, Ch. 552. Other strategy activities include centralized dissemination of public information regarding agency decisions, and responding to requests from other governmental offices.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The Executive Director coordinates the agency's business planning process to increase the effectiveness of the agency's strategic plan by strengthening operational performance and budgetary linkages. Lean administrative staff resources are a major challenge for effective centralized administration. High turnover among professional and technical staff increases the need for effective staff retention procedures, including effective performance reviews, and recognition of outstanding performance. Open records requests are the responsibility of the General Counsel whose other activities are also budgeted in this strategy. The budget for Open Records activities, however, is allocated to the direct strategies due to the relationship of most requests to the substance of those strategies. Also, the PUC's Central Records section activities, which are an important agency administrative function, are not budgeted in the Central Administration goal due to the direct relationship of those activities to the program goals.

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Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 5 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 2 Information Resources

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Objects of Expense:						
1001	SALARIES AND WAGES	\$481,867	\$391,670	\$483,045	\$397,376	\$397,376
1002	OTHER PERSONNEL COSTS	\$21,019	\$22,445	\$25,640	\$25,152	\$25,152
2001	PROFESSIONAL FEES AND SERVICES	\$3,525	\$3,176	\$1,494	\$1,465	\$1,465
2003	CONSUMABLE SUPPLIES	\$3,283	\$2,698	\$2,987	\$2,442	\$2,442
2004	UTILITIES	\$1,475	\$1,245	\$1,245	\$1,221	\$1,221
2005	TRAVEL	\$2,880	\$2,650	\$2,987	\$2,198	\$2,198
2006	RENT - BUILDING	\$902	\$772	\$747	\$488	\$488
2009	OTHER OPERATING EXPENSE	\$37,655	\$27,200	\$30,569	\$21,098	\$21,098
5000	CAPITAL EXPENDITURES	\$26,216	\$24,644	\$22,902	\$20,756	\$20,756
TOTAL, OBJECT OF EXPENSE		\$578,822	\$476,500	\$571,616	\$472,196	\$472,196
Method of Financing:						
1	GENERAL REVENUE FUND	\$557,449	\$452,851	\$547,967	\$448,998	\$448,998
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$557,449	\$452,851	\$547,967	\$448,998	\$448,998
Method of Financing:						
666	APPROPRIATED RECEIPTS	\$21,373	\$23,649	\$23,649	\$23,198	\$23,198
SUBTOTAL, MOF (OTHER FUNDS)		\$21,373	\$23,649	\$23,649	\$23,198	\$23,198
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$472,196	\$472,196
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$578,822	\$476,500	\$571,616	\$472,196	\$472,196
FULL TIME EQUIVALENT POSITIONS:		9.3	9.0	9.5	9.3	9.3

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:41:16PM

Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 5 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 2 Information Resources

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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STRATEGY DESCRIPTION AND JUSTIFICATION:

The Information Resources strategy provides resources for IT technology support for all areas of the Commission. In support of its goals and objectives the PUC Information Technology section will continue to maintain and enhance the PUC network and desktop operating environments providing internal and external users with a stable, scalable, and responsive computing environment. The strategy is responsible for Commission technology planning including but not limited to development of the Information Resource Strategic Plan and the Biennial Operating Plan.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The factors that impact the Information Resource strategy are primarily driven by the need to integrate new and rapidly changing technologies in order to provide a high level of service to the users. In attempting to accomplish this, we are faced with diverse and competing demands of budgets, personnel, the public, and the Legislature. The PUC has established a strategic direction and common standards to overcome these obstacles to managing information resources, which allows us to provide a dynamic computing environment to our stakeholders.

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:41:16PM

Agency code: 473 Agency name: Public Utility Commission of Texas

GOAL: 5 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 3 Other Support Services

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Objects of Expense:						
1001	SALARIES AND WAGES	\$339,303	\$186,509	\$230,021	\$212,191	\$212,191
1002	OTHER PERSONNEL COSTS	\$14,800	\$10,688	\$12,210	\$13,431	\$13,431
2001	PROFESSIONAL FEES AND SERVICES	\$2,155	\$1,513	\$711	\$782	\$782
2003	CONSUMABLE SUPPLIES	\$2,312	\$1,284	\$1,421	\$1,303	\$1,303
2004	UTILITIES	\$1,038	\$593	\$593	\$652	\$652
2005	TRAVEL	\$2,028	\$1,262	\$1,422	\$1,174	\$1,174
2006	RENT - BUILDING	\$635	\$367	\$356	\$261	\$261
2009	OTHER OPERATING EXPENSE	\$26,515	\$12,952	\$14,557	\$11,266	\$11,266
5000	CAPITAL EXPENDITURES	\$18,358	\$11,737	\$10,906	\$11,083	\$11,083
TOTAL, OBJECT OF EXPENSE		\$407,144	\$226,905	\$272,197	\$252,143	\$252,143
Method of Financing:						
1	GENERAL REVENUE FUND	\$392,098	\$215,644	\$260,936	\$239,756	\$239,756
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$392,098	\$215,644	\$260,936	\$239,756	\$239,756
Method of Financing:						
666	APPROPRIATED RECEIPTS	\$15,046	\$11,261	\$11,261	\$12,387	\$12,387
SUBTOTAL, MOF (OTHER FUNDS)		\$15,046	\$11,261	\$11,261	\$12,387	\$12,387
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$252,143	\$252,143
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$407,144	\$226,905	\$272,197	\$252,143	\$252,143
FULL TIME EQUIVALENT POSITIONS:		6.5	4.3	4.5	5.0	5.0

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
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Agency code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 5 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 3 Other Support Services

Statewide Goal/Benchmark: 7 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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STRATEGY DESCRIPTION AND JUSTIFICATION:

The Other Support Services strategy includes library, mail room, purchasing, and facilities management activities. The PUC maintains a specialized legal and reference library, providing expert reference information to agency staff as well as to the public. Library activities include circulation of library materials and centralized coordination of records retention responsibilities for the agency. The Mail Room provides reproduction and copying services, mail delivery and pick up, and receiving and distribution of items purchased. Staff responsible for agency purchasing and facilities management activities is also budgeted from this strategy.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The PUC Library shares space with the Railroad Commission on the twelfth floor of the Travis Building, which physically removes library staff from the main operations of the agency and day to day activities. The Library provides important reference assistance to agency staff as well as to external customers.

3.A. STRATEGY REQUEST
80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:41:16PM

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$74,500,351	\$12,302,685	\$16,105,392	\$12,494,406	\$12,494,406
METHODS OF FINANCE (INCLUDING RIDERS):				\$12,494,406	\$12,494,406
METHODS OF FINANCE (EXCLUDING RIDERS):	\$74,500,351	\$12,302,685	\$16,105,392	\$12,494,406	\$12,494,406
FULL TIME EQUIVALENT POSITIONS:	185.0	182.0	190.0	190.0	190.0

3. B. Rider Revisions and Additions Request

Agency Code: 473	Agency Name: Public Utility Commission	Prepared By: Robert Saathoff	Date: 8/1/2006	Request Level: Base																																																																																																				
Current Rider Number	Page Number in 2006-07 GAA	Proposed Rider Language																																																																																																						
1.	VIII-86	<p>Performance Measures. The following is a listing of the key performance target levels for the Public Utility Commission of Texas. It is the intend of the Legislature that appropriations made by this ACT be utilized in the most efficient and effective manner possible to achieve the intended mission of the Public Utility Commission of Texas. In order to achieve the objectives and service standards established by this Act, the Public Utility Commission of Texas shall make every effort to attain the following designated key performance target levels associated with each item of appropriations.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;"></th> <th style="width: 10%; text-align: center;">2008</th> <th style="width: 10%; text-align: center;">2006</th> <th style="width: 10%; text-align: center;">2009</th> <th style="width: 10%; text-align: center;">2007</th> </tr> </thead> <tbody> <tr> <td>A. Goal: COMPETITION/CHOICE/RATES/SERVICE</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Outcome (Results/Impact):</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Average Price of Electricity Per kWh in Texas for Residential Customers from Competitive Suppliers as a Percentage of the National Residential Average</td> <td style="text-align: center;">113.0%</td> <td style="text-align: center;">104.1%</td> <td style="text-align: center;">113.0%</td> <td style="text-align: center;">109.6%</td> </tr> <tr> <td>Average Annual Residential Electric Bill from Competitive Suppliers as a Percentage of the National Average</td> <td style="text-align: center;">150.0%</td> <td style="text-align: center;">140.7%</td> <td style="text-align: center;">149.0%</td> <td style="text-align: center;">148.9%</td> </tr> <tr> <td>Percent of Texas Cities Served by Three or More Certificated Telecommunication Providers</td> <td style="text-align: center;">85.2%</td> <td style="text-align: center;">86%</td> <td style="text-align: center;">85.7%</td> <td style="text-align: center;">86%</td> </tr> <tr> <td>Average Annual Residential Telephone Bill in Texas as a Percentage of the National Average</td> <td style="text-align: center;">72.2%</td> <td style="text-align: center;">65%</td> <td style="text-align: center;">72.4%</td> <td style="text-align: center;">65%</td> </tr> <tr> <td colspan="5">A.1 .1. Strategy: MARKET COMPETITION</td> </tr> <tr> <td colspan="5">Output (Volume):</td> </tr> <tr> <td>Number of Investigations Conducted for Market Power, Market Design, or Anti-competitive Conduct in the Electric Market</td> <td style="text-align: center;">10</td> <td style="text-align: center;">8</td> <td style="text-align: center;">10</td> <td style="text-align: center;">8</td> </tr> <tr> <td>Number of Investigations Conducted for Market Power, Market Design, or Anti-competitive Conduct in the Telephone Market</td> <td style="text-align: center;">3</td> <td style="text-align: center;">3</td> <td style="text-align: center;">3</td> <td style="text-align: center;">3</td> </tr> <tr> <td>Number of Cases Completed Related to Competition Among Providers</td> <td style="text-align: center;">600</td> <td style="text-align: center;">900</td> <td style="text-align: center;">600</td> <td style="text-align: center;">900</td> </tr> <tr> <td colspan="5">Efficiencies:</td> </tr> <tr> <td>Average Number of Days to Process an Application for a Certificate of Authority and Service Provider Certificate of Authority</td> <td style="text-align: center;">60</td> <td style="text-align: center;">60</td> <td style="text-align: center;">60</td> <td style="text-align: center;">60</td> </tr> <tr> <td colspan="5">A.2.1. Strategy: UTILITY REGULATION</td> </tr> <tr> <td colspan="5">Output (Volume):</td> </tr> <tr> <td>Number of Rate Cases Completed for Regulated Electric Utilities</td> <td style="text-align: center;">20</td> <td style="text-align: center;">35</td> <td style="text-align: center;">20</td> <td style="text-align: center;">35</td> </tr> <tr> <td>Number of Rate Cases Completed for Regulated Telecommunications Providers</td> <td style="text-align: center;">6</td> <td style="text-align: center;">6</td> <td style="text-align: center;">6</td> <td style="text-align: center;">6</td> </tr> <tr> <td colspan="5">Efficiencies:</td> </tr> <tr> <td>Average Number of Days to Process a Major Rate Case for a Transmission and Distribution Utility</td> <td style="text-align: center;">220</td> <td style="text-align: center;">220</td> <td style="text-align: center;">220</td> <td style="text-align: center;">220</td> </tr> </tbody> </table>				2008	2006	2009	2007	A. 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Strategy: MARKET COMPETITION					Output (Volume):					Number of Investigations Conducted for Market Power, Market Design, or Anti-competitive Conduct in the Electric Market	10	8	10	8	Number of Investigations Conducted for Market Power, Market Design, or Anti-competitive Conduct in the Telephone Market	3	3	3	3	Number of Cases Completed Related to Competition Among Providers	600	900	600	900	Efficiencies:					Average Number of Days to Process an Application for a Certificate of Authority and Service Provider Certificate of Authority	60	60	60	60	A.2.1. Strategy: UTILITY REGULATION					Output (Volume):					Number of Rate Cases Completed for Regulated Electric Utilities	20	35	20	35	Number of Rate Cases Completed for Regulated Telecommunications Providers	6	6	6	6	Efficiencies:					Average Number of Days to Process a Major Rate Case for a Transmission and Distribution Utility	220	220	220	220
	2008	2006	2009	2007																																																																																																				
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3. B. Rider Revisions and Additions Request

Agency Code:	Agency Name:	Prepared By:	Date:	Request Level:		
473	Public Utility Commission	Robert Saathoff	8/1/2006	Base		
Current Rider Number	Page Number in 2006-07 GAA	Proposed Rider Language				
			2008	2006	2009	2007
		B. Goal: EDUCATION AND COMPLIANCE Outcome (Results/Impact): Percentage of Customer Complaints Resolved through Informal Complaint Resolution Process				
			98.0%	99%	98.0%	99%
		B.1.1. Strategy: PROVIDE FACTS ABOUT CHANGES Output (Volume): Number of Information Requests to Which Responses Were Provided				
			130,000	130,000	130,000	130,000
		Efficiencies: Average Cost Per Customer Information Product Distributed				
			\$0.25	.9	\$0.25	.9
		Explanatory: Number of Calls Completed through Relay Texas				
			3,100,000	5,040,000	3,100,000	5,090,000
		B.2.1. Strategy: INVESTIGATIONS AND ENFORCEMENT Output (Volume): Number of Utilities for Which a Detailed Review of Earnings Is Conducted				
			5	5	5	5
		Number of Enforcement Investigations Conducted				
			150	140	150	140
		Number of Customer Complaints Concluded				
			22,000	20,700	22,000	20,700
		Efficiencies: Average Cost Per Enforcement Investigation Conducted				
			\$500	305	\$500	305
		Average Number of Days to Conclude Customer Complaints				
			30	30	30	30
		C. Goal: ELECTRIC UTILITY RESTRUCTURING C.1.1. Strategy: ENERGY ASSISTANCE Efficiencies: Average Number of Days for Retail Electric Provider Reimbursement				
			5		5	

3. B. Rider Revisions and Additions Request

Agency Code:	Agency Name:	Prepared By:	Date:	Request Level:
473	Public Utility Commission	Robert Saathoff	8/1/2006	Base

Current Rider Number	Page Number in 2006-07 GAA	Proposed Rider Language
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2. VIII-87 **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations for Lease payments. Upon approval from the Legislative Budget Board, capital budget funds listed below under. Acquisition of Information Resource Technologies may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas.

	<u>20068</u>		<u>20079</u>
Out of the General Revenue Fund:			
a. Acquisition <u>Leases</u> of Information Resource Technologies			
(1) Hardware Lease (Digital Copiers & Desktop Computer Leases)	\$ 380,000	<u>\$ 135,000</u>	\$ 380,000 <u>\$ 135,000</u>
(2) Software Lease (Microsoft Open License Software Lease) Digital Copiers Leases	\$ 70,000	<u>\$ 220,000</u>	\$ 70,000 <u>\$ 220,000</u>
(3) Network Infrastructure Upgrade	\$ 90,000		
Microsoft Open License Software Lease (MS Office, MS SQL MS Back Office, MS Exchange)		<u>\$ 70,000</u>	<u>\$ 70,000</u>
Total, Acquisition <u>Leases</u> of Information Resource Technologies	\$ 540,000	<u>\$ 425,000</u>	\$ 450,000 <u>\$ 425,000</u>
Total, Capital Budget	\$ 540,000	<u>\$ 425,000</u>	\$ 450,000 <u>\$ 425,000</u>

3. B. Rider Revisions and Additions Request

Agency Code: 473	Agency Name: Public Utility Commission	Prepared By: Robert Saathoff	Date: 8/1/2006	Request Level: Base
Current Rider Number	Page Number in 2006-07 GAA	Proposed Rider Language		

3.	VIII-75	<p>Appropriation of Receipts, Electronic Information System. Out of Appropriated Receipts appropriated above, \$30,000 each year from fee revenue derived from implementation of an electronic information system for public access to records on file with the agency may be used only for expenditures relating to the support of the PUC interchange.</p>
4.	VIII-7587	<p>Transfer Authority. The Public Utility Commission has no authority to transfer an appropriation to or from any item under Goal C: Electric Utility Restructuring, and may not expend amounts above those appropriated above in Strategy C.1.2, of Goal C: Electric Utility Restructuring.</p>
5.	VIII-7587	<p>System Benefit Fund Reporting. The Public Utility Commission shall submit a quarterly report to the Legislative Budget Board and the Governor on revenues and expenditures <u>disbursements</u> made from the System Benefit Fund. The report shall be submitted with documentation as specified by the Legislative Budget Board and the Governor.</p>
6.	VIII-7587	<p>Appropriation of Unexpended Balances: 20068 Appropriations. The unobligated and unexpended balances of appropriations to the Public Utility Commission for the fiscal year ending August 31, 20068, are hereby appropriated to the commission for the same purposes for the fiscal year ending August 31, 20079.</p>
7.	VIII-7587	<p>Contingent Revenue. Of the amounts appropriated to the Public Utility Commission from the GR Dedicated Account 5100, System Benefit Fund, the estimated amounts of \$3,334,258 \$ 82,825,843 in fiscal year 2008 and \$3,334,258 \$ 92,825,843 in fiscal year 2009 are contingent on the Public Utility Commission assessing a rate sufficient to generate the estimated needs of the GR Dedicated Account 5100-System Benefit Fund. The Public Utility Commission, upon completion of necessary actions for the assessment, shall furnish copies of the Public Utility Commission's order and other information supporting the estimated revenues to be generated for the 20068 20079 biennium to the Comptroller of Public Accounts. If the comptroller finds the information sufficient to support the projection of revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.</p>

3. B. Rider Revisions and Additions Request

Agency Code: 473	Agency Name: Public Utility Commission	Prepared By: Robert Saathoff	Date: 8/1/2006	Request Level: Base
Current Rider Number	Page Number in 2006-07 GAA	Proposed Rider Language		

8.	VIII-7688	<p>Allocation of System Benefit Fund. The System Benefit Fund revenue, calculated at the maximum statutory assessment rate, is estimated to be \$144,512,577 <u>\$152,450,032</u> in fiscal year 20068 and \$146,680,266 <u>\$157,057,834</u> in fiscal year 20079, has been allocated throughout this Act as follows: The estimated balance as of August 31, 2007 is \$ 425,047,333, interest income is estimated to be \$ 59,552,823 for the biennium. As a result of House Bill 10, 79th Regular Legislative session, \$57,200,000 was deemed not available for appropriation. The total biennial fund balance of \$794,108,022 less \$57,200,000 is available for appropriation.</p> <table style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 10%; text-align: right;">2006</th> <th style="width: 10%; text-align: right;"><u>2008</u></th> <th style="width: 10%; text-align: right;">2007</th> <th style="width: 10%; text-align: right;"><u>2009</u></th> </tr> </thead> <tbody> <tr> <td>Public Utility Commission:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Administration</td> <td style="text-align: right;">\$ 2,875,843</td> <td style="text-align: right;"><u>\$ 2,075,843</u></td> <td style="text-align: right;">\$ 2,875,843</td> <td style="text-align: right;"><u>\$ 2,075,843</u></td> </tr> <tr> <td>10% Low Income Discount</td> <td></td> <td style="text-align: right;"><u>\$-80,000,000</u></td> <td></td> <td style="text-align: right;"><u>\$ 90,000,000</u></td> </tr> <tr> <td>Customer Education</td> <td style="text-align: right;">\$ 750,000</td> <td style="text-align: right;"><u>\$ 750,000</u></td> <td style="text-align: right;">\$ 750,000</td> <td style="text-align: right;"><u>\$ 750,000</u></td> </tr> <tr> <td>Office of Public Utility Counsel:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Administration</td> <td style="text-align: right;">\$ 273,731</td> <td></td> <td style="text-align: right;">\$ 273,731</td> <td></td> </tr> <tr> <td> Total</td> <td></td> <td style="text-align: right;"> <u>\$71,507,289</u></td> <td style="text-align: right;"> <u>\$ 82,825,843</u></td> <td style="text-align: right;"> <u>\$ 81,164,784</u> <u>\$ 92,825,843</u></td> </tr> </tbody> </table>		2006	<u>2008</u>	2007	<u>2009</u>	Public Utility Commission:					Administration	\$ 2,875,843	<u>\$ 2,075,843</u>	\$ 2,875,843	<u>\$ 2,075,843</u>	10% Low Income Discount		<u>\$-80,000,000</u>		<u>\$ 90,000,000</u>	Customer Education	\$ 750,000	<u>\$ 750,000</u>	\$ 750,000	<u>\$ 750,000</u>	Office of Public Utility Counsel:					Administration	\$ 273,731		\$ 273,731		 Total		 <u>\$71,507,289</u>	 <u>\$ 82,825,843</u>	 <u>\$ 81,164,784</u> <u>\$ 92,825,843</u>
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3. B. Rider Revisions and Additions Request

Agency Code: 473	Agency Name: Public Utility Commission	Prepared By: Robert Saathoff	Date: 8/1/2006	Request Level: Base
Current Rider Number	Page Number in 2006-07 GAA	Proposed Rider Language		

9	VIII-88	<p>Sunset Contingency. Funds appropriated above for fiscal year 2007 for the Public Utility Commission are made contingent on the continuation of the Public Utility Commission by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase-out of agency operations.</p>
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3. B. Rider Revisions and Additions Request

Agency Code: 473	Agency Name: Public Utility Commission	Prepared By: Robert Saathoff	Date: 8/1/2006	Request Level: Base
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Current Rider Number	Page Number in 2006-07 GAA	Proposed Rider Language
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701	Article VIII	<p>Contingent Revenue: Municipally Owned Utilities and Electric Cooperatives. Contingent upon the Public Utility Commission assessing a nonbypassable fee on a municipally owned utility or electric cooperative that exercise its right to offer customer choice by opting into the competitive market, the Public Utility Commission is hereby appropriated an amount sufficient to fund the low income discount program at 10 percent for the newly competitive market, from the System Benefit Fund, GR Dedicated Account 5100, for the biennium beginning September 1, 20058. In each fiscal year, in no event shall the total amount appropriated by this provision exceed either \$9.8 million or the amount of additional revenue collected from municipally owned utility or electric cooperatives opting into the competitive market.</p> <p>The Public Utility Commission upon completion of actions necessary to implement the assessment, shall furnish copies of the Public Utility Commission's order and other information supporting the estimated revenues to be generated for the 2008-2009 biennium to the Comptroller of Public Accounts. If the comptroller finds the information sufficient to support the projection of revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.</p>
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4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:46:25PM

Agency code: 473

Agency name:

Public Utility Commission of Texas

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: PURA Sec.39.903 Low Income assistance programs for electric customers providing for a Low Income Discount and One-Time Bill Payment.		

Item Priority: 1

Includes Funding for the Following Strategy or Strategies: 03-01-01 Energy Assistance. Nontransferable

OBJECTS OF EXPENSE:

3001 CLIENT SERVICES

80,000,000 90,000,000

TOTAL, OBJECT OF EXPENSE

\$80,000,000 \$90,000,000

METHOD OF FINANCING:

5100 System Benefit Account

80,000,000 90,000,000

TOTAL, METHOD OF FINANCING

\$80,000,000 \$90,000,000

DESCRIPTION / JUSTIFICATION:

Governor Rick Perry directed the PUC to include an exceptional item which requests funding for the low income discount program authorized by PURA §39.903 for fiscal years 2008 and 2009. The PUC's request for fiscal years 2008 and 2009 is based on providing a ten percent rate discount to eligible electric customers. If the Legislature wishes to provide for a greater discount level, or to provide the PUC with the flexibility to establish a rate discount greater than ten percent if funds are available, the appropriation to the agency would need to be increased to reflect that intent.

The Commission is also proposing a contingency rider in connection with the low income discount program. The purpose of the rider would be to provide additional funding for the program in the event electric cooperatives or municipally owned utilities opt into competition and participate in the program, and to provide funding that may be needed to provide the minimum ten percent rate discount if program enrollment exceeds projections.

This request includes funding for the bill payment assistance program created by PURA §39.903(j-1). This section, which was effective September 1, 2005, provides for bill payment assistance to prevent the disconnection of electric service for nonpayment of bills if there is one or more seriously ill or disabled low-income persons in the household whose health or safety may be injured by disconnection.

EXTERNAL/INTERNAL FACTORS:

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:46:36PM

Agency code: 473

Agency name:

Public Utility Commission of Texas

CODE DESCRIPTION

Excp 2008

Excp 2009

This is not a request for new funding so there are no External/Internal factors to report. This request is to fund the programs for FY 2008 and 2009. The legislature did not fund this program for FY 2006 and 2007

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:46:36PM

Agency code: 473

Agency name:

Public Utility Commission of Texas

CODE	DESCRIPTION	Excp 2008	Excp 2009
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Item Name: Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.

Item Priority: 3

- Includes Funding for the Following Strategy or Strategies:**
- 01-01-01 Foster and Monitor Market Competition
 - 01-02-01 Conduct Rate Cases for Regulated Telephone and Electric Utilities
 - 02-01-01 Provide Information about Changes in Electric and Telecom Industries
 - 02-02-01 Conduct Investigations and Initiate Enforcement Actions
 - 05-01-01 Central Administration
 - 05-01-02 Information Resources
 - 05-01-03 Other Support Services

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES

TOTAL, OBJECT OF EXPENSE

1,047,757 1,047,757

1,047,757 1,047,757

METHOD OF FINANCING:

1 GENERAL REVENUE FUND

TOTAL, METHOD OF FINANCING

1,047,757 1,047,757

1,047,757 1,047,757

FULL-TIME EQUIVALENT POSITIONS (FTE):

20.90 20.90

DESCRIPTION / JUSTIFICATION:

This exceptional item is to restore the mandated 10 percent reduction in General Revenue funding. The PUC's base request allocates the 10 percent reduction primarily over Strategies 1-1-1, 1-2-1, and 2-1-1. If this exceptional item is not funded, the Commission will decrease staffing ratably across the affected strategies. This will:

Limit the PUC's enforcement of PURA and the Commission's rules

Decrease PUC ability to adopt rules required by new legislation on a timely basis, and affect our ability to enact necessary rule amendments

Increase the amount of time to process informal consumer complaints

Increase wait times for persons who call the PUC's call center to answer questions and make complaints

Negatively affect the PUC's ability to achieve the increased level of oversight of the Electric Reliability Council of Texas, which is required by Senate Bill 408, the PUC's

Sunset legislation enacted in 2005.

EXTERNAL/INTERNAL FACTORS:

External and Internal factors do not affect this exceptional item as there are no new funds being requested.

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:46:56PM

Agency code: 473 Agency name: Public Utility Commission of Texas

Excp 2008

Excp 2009

Item Name: PURA Sec.39.903 Low Income assistance programs for electric customers providing for a Low Income Discount and One-Time Bill Payment.

Allocation to Strategy: 3-1-1 Energy Assistance. Nontransferable

EFFICIENCY MEASURES:

1 Average Number of Days for Retail Electric Provider Reimbursement	5.00	5.00
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OBJECTS OF EXPENSE:

3001 CLIENT SERVICES	80,000,000	90,000,000
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TOTAL, OBJECT OF EXPENSE

	\$80,000,000	\$90,000,000
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METHOD OF FINANCING:

5100 System Benefit Account	80,000,000	90,000,000
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TOTAL, METHOD OF FINANCING

	\$80,000,000	\$90,000,000
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4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:47:09PM

Agency code: 473 Agency name: Public Utility Commission of Texas

	Excp 2008	Excp 2009
Item Name:	Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.	
Allocation to Strategy:	1-1-1	Foster and Monitor Market Competition
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	359,189	359,189
TOTAL, OBJECT OF EXPENSE	\$359,189	\$359,189
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	359,189	359,189
TOTAL, METHOD OF FINANCING	\$359,189	\$359,189
FULL-TIME EQUIVALENT POSITIONS (FTE):	7.2	7.2

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:47:09PM

Agency code: 473 Agency name: Public Utility Commission of Texas

	Excp 2008	Excp 2009
Item Name:	Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.	
Allocation to Strategy:	1-2-1	Conduct Rate Cases for Regulated Telephone and Electric Utilities
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	228,529	228,529
TOTAL, OBJECT OF EXPENSE	\$228,529	\$228,529
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	228,529	228,529
TOTAL, METHOD OF FINANCING	\$228,529	\$228,529
FULL-TIME EQUIVALENT POSITIONS (FTE):	4.6	4.6

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:47:09PM

Agency code: 473 Agency name: Public Utility Commission of Texas

	Excp 2008	Excp 2009
Item Name:	Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.	
Allocation to Strategy:	2-1-1	Provide Information about Changes in Electric and Telecom Industries
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	147,550	147,550
TOTAL, OBJECT OF EXPENSE	\$147,550	\$147,550
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	147,550	147,550
TOTAL, METHOD OF FINANCING	\$147,550	\$147,550
FULL-TIME EQUIVALENT POSITIONS (FTE):	2.9	2.9

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:47:09PM

Agency code: 473 Agency name: Public Utility Commission of Texas

	Excp 2008	Excp 2009
Item Name:	Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.	
Allocation to Strategy:	2-2-1	Conduct Investigations and Initiate Enforcement Actions
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	158,480	158,480
TOTAL, OBJECT OF EXPENSE	\$158,480	\$158,480
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	158,480	158,480
TOTAL, METHOD OF FINANCING	\$158,480	\$158,480
FULL-TIME EQUIVALENT POSITIONS (FTE):	3.2	3.2

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:47:09PM

Agency code: 473 Agency name: Public Utility Commission of Texas

	Excp 2008	Excp 2009
Item Name:	Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.	
Allocation to Strategy:	5-1-1	Central Administration
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	75,514	75,514
TOTAL, OBJECT OF EXPENSE	\$75,514	\$75,514
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	75,514	75,514
TOTAL, METHOD OF FINANCING	\$75,514	\$75,514
FULL-TIME EQUIVALENT POSITIONS (FTE):	1.5	1.5

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:47:09PM

Agency code: 473 Agency name: Public Utility Commission of Texas

	Excp 2008	Excp 2009
Item Name:	Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.	
Allocation to Strategy:	5-1-2	Information Resources
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	51,171	51,171
TOTAL, OBJECT OF EXPENSE	\$51,171	\$51,171
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	51,171	51,171
TOTAL, METHOD OF FINANCING	\$51,171	\$51,171
FULL-TIME EQUIVALENT POSITIONS (FTE):	1.0	1.0

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:47:09PM

Agency code: 473 Agency name: Public Utility Commission of Texas

	Excp 2008	Excp 2009
Item Name:	Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.	
Allocation to Strategy:	5-1-3	Other Support Services
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	27,324	27,324
TOTAL, OBJECT OF EXPENSE	\$27,324	\$27,324
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	27,324	27,324
TOTAL, METHOD OF FINANCING	\$27,324	\$27,324
FULL-TIME EQUIVALENT POSITIONS (FTE):	0.5	0.5

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:47:25PM

Agency Code: **473** Agency name: **Public Utility Commission of Texas**

GOAL:	1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service	Statewide Goal/Benchmark:	7 - 9
OBJECTIVE:	1 Maintain Policies to Foster Competition in Telecom & Elec Mkts	Service Categories:	
STRATEGY:	1 Foster and Monitor Market Competition	Service: 17 Income: A.2 Age: B.3	

<u>CODE DESCRIPTION</u>	<u>Excp 2008</u>	<u>Excp 2009</u>
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	359,189	359,189
Total, Objects of Expense	\$359,189	\$359,189

METHOD OF FINANCING:

1 GENERAL REVENUE FUND	359,189	359,189
Total, Method of Finance	\$359,189	\$359,189

FULL-TIME EQUIVALENT POSITIONS (FTE):	7.2	7.2
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:47:47PM

Agency Code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 1 Ensure Competition, Choice, Just Rates, and Reliable Quality Service
 OBJECTIVE: 2 Regulate Providers Ensuring Rates do not Exceed National Average
 STRATEGY: 1 Conduct Rate Cases for Regulated Telephone and Electric Utilities

Statewide Goal/Benchmark: 7 - 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2008	Excp 2009
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES
 Total, Objects of Expense

228,529	228,529
\$228,529	\$228,529

METHOD OF FINANCING:

1 GENERAL REVENUE FUND
 Total, Method of Finance

228,529	228,529
\$228,529	\$228,529

FULL-TIME EQUIVALENT POSITIONS (FTE):

4.6	4.6
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:47:47PM

Agency Code: **473**

Agency name: **Public Utility Commission of Texas**

GOAL: 2 Educate Customers, Ensure Compliance with Laws, and Assist Customers
 OBJECTIVE: 1 Inform Customers of Choices & Rights & Facilitate Information Access
 STRATEGY: 1 Provide Information about Changes in Electric and Telecom Industries

Statewide Goal/Benchmark: 7 - 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2008	Excp 2009
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES
Total, Objects of Expense

147,550	147,550
\$147,550	\$147,550

METHOD OF FINANCING:

1 GENERAL REVENUE FUND
Total, Method of Finance

147,550	147,550
\$147,550	\$147,550

FULL-TIME EQUIVALENT POSITIONS (FTE):

2.9	2.9
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:47:47PM

Agency Code: **473**

Agency name: **Public Utility Commission of Texas**

GOAL: 2 Educate Customers, Ensure Compliance with Laws, and Assist Customers
 OBJECTIVE: 2 Resolve Complaints and Ensure Compliance w/Laws & PUC Rules & Orders
 STRATEGY: 1 Conduct Investigations and Initiate Enforcement Actions

Statewide Goal/Benchmark: 7 - 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2008	Excp 2009
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	158,480	158,480
Total, Objects of Expense	<u>\$158,480</u>	<u>\$158,480</u>

METHOD OF FINANCING:

1 GENERAL REVENUE FUND	158,480	158,480
Total, Method of Finance	<u>\$158,480</u>	<u>\$158,480</u>

FULL-TIME EQUIVALENT POSITIONS (FTE):	3.2	3.2
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:47:47PM

Agency Code: **473** Agency name: **Public Utility Commission of Texas**

GOAL: 3 Electric Utility Restructuring Statewide Goal/Benchmark: 7 - 9
 OBJECTIVE: 1 Provide Financial Assistance Service Categories:
 STRATEGY: 1 Energy Assistance. Nontransferable Service: 17 Income: A.1 Age: B.3

CODE DESCRIPTION	Excp 2008	Excp 2009
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EFFICIENCY MEASURES:

<u>1</u> Average Number of Days for Retail Electric Provider Reimbursement	5.00	5.00
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OBJECTS OF EXPENSE:

3001 CLIENT SERVICES	80,000,000	90,000,000
Total, Objects of Expense	\$80,000,000	\$90,000,000

METHOD OF FINANCING:

5100 System Benefit Account	80,000,000	90,000,000
Total, Method of Finance	\$80,000,000	\$90,000,000

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

PURA Sec.39.903 Low Income assistance programs for electric customers providing for a Low Income Discount and One-Time Bill Payment.

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version I
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:47:47PM

Agency Code: 473

Agency name: Public Utility Commission of Texas

GOAL: 5 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Central Administration

Statewide Goal/Benchmark: 7 - 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2008	Excp 2009
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES
 Total, Objects of Expense

75,514	75,514
\$75,514	\$75,514

METHOD OF FINANCING:

1 GENERAL REVENUE FUND
 Total, Method of Finance

75,514	75,514
\$75,514	\$75,514

FULL-TIME EQUIVALENT POSITIONS (FTE):

1.5	1.5
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:47:47PM

Agency Code: 473

Agency name: Public Utility Commission of Texas

GOAL: 5 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 2 Information Resources

Statewide Goal/Benchmark: 7 - 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2008	Excp 2009
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES

51,171

51,171

Total, Objects of Expense

\$51,171

\$51,171

METHOD OF FINANCING:

1 GENERAL REVENUE FUND

51,171

51,171

Total, Method of Finance

\$51,171

\$51,171

FULL-TIME EQUIVALENT POSITIONS (FTE):

1.0

1.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:47:47PM

Agency Code: 473

Agency name: Public Utility Commission of Texas

GOAL: 5 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 3 Other Support Services

Statewide Goal/Benchmark: 7 - 9
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2008	Excp 2009
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	27,324	27,324
Total, Objects of Expense	<u>\$27,324</u>	<u>\$27,324</u>

METHOD OF FINANCING:

1 GENERAL REVENUE FUND	27,324	27,324
Total, Method of Finance	<u>\$27,324</u>	<u>\$27,324</u>

FULL-TIME EQUIVALENT POSITIONS (FTE):	0.5	0.5
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Remove the 90% restriction on General Revenue and restore the agencies funding level base to 100%.

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:48:38PM

Agency code: 473

Agency name: Public Utility Commission of Texas

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2006

Bud 2007

BL 2008

BL 2009

5005 Acquisition of Information Resource Technologies

1/1 Desktop Computer Lease

OBJECTS OF EXPENSE

Capital

5000 CAPITAL EXPENDITURES		\$127,026	\$165,624	\$135,000	\$135,000
Capital Subtotal OOE, Project	1	\$127,026	\$165,624	\$135,000	\$135,000
Subtotal OOE, Project	1	\$127,026	\$165,624	\$135,000	\$135,000

TYPE OF FINANCING

Capital

CA 1 GENERAL REVENUE FUND		\$127,026	\$165,624	\$135,000	\$135,000
Capital Subtotal TOF, Project	1	\$127,026	\$165,624	\$135,000	\$135,000
Subtotal TOF, Project	1	\$127,026	\$165,624	\$135,000	\$135,000

2/2 Digital Copiers Lease

OBJECTS OF EXPENSE

Capital

5000 CAPITAL EXPENDITURES		\$215,625	\$224,375	\$220,000	\$220,000
Capital Subtotal OOE, Project	2	\$215,625	\$224,375	\$220,000	\$220,000
Subtotal OOE, Project	2	\$215,625	\$224,375	\$220,000	\$220,000

TYPE OF FINANCING

Capital

CA 1 GENERAL REVENUE FUND		\$215,625	\$224,375	\$220,000	\$220,000
Capital Subtotal TOF, Project	2	\$215,625	\$224,375	\$220,000	\$220,000
Subtotal TOF, Project	2	\$215,625	\$224,375	\$220,000	\$220,000

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:49:18PM

Agency code: 473

Agency name: Public Utility Commission of Texas

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2006

Bud 2007

BL 2008

BL 2009

*3/3 Microsoft Open License Software Lease (MS
 Office 2000, MS SQL, MS Back Office, MS
 Exchange)*

OBJECTS OF EXPENSE

Capital

5000 CAPITAL EXPENDITURES		\$62,356	\$70,000	\$70,000	\$70,000
Capital Subtotal OOE, Project	3	\$62,356	\$70,000	\$70,000	\$70,000
Subtotal OOE, Project	3	\$62,356	\$70,000	\$70,000	\$70,000

TYPE OF FINANCING

Capital

CA 1 GENERAL REVENUE FUND		\$62,356	\$70,000	\$70,000	\$70,000
Capital Subtotal TOF, Project	3	\$62,356	\$70,000	\$70,000	\$70,000
Subtotal TOF, Project	3	\$62,356	\$70,000	\$70,000	\$70,000

4/4 Network Infrastructure Upgrade

OBJECTS OF EXPENSE

Capital

5000 CAPITAL EXPENDITURES		\$89,993	\$0	\$0	\$0
Capital Subtotal OOE, Project	4	\$89,993	\$0	\$0	\$0
Subtotal OOE, Project	4	\$89,993	\$0	\$0	\$0

TYPE OF FINANCING

Capital

CA 1 GENERAL REVENUE FUND		\$89,993	\$0	\$0	\$0
Capital Subtotal TOF, Project	4	\$89,993	\$0	\$0	\$0
Subtotal TOF, Project	4	\$89,993	\$0	\$0	\$0

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:49:18PM

Agency code: 473

Agency name: Public Utility Commission of Texas

Category Code / Category Name

<i>Project Sequence/Project Id/ Name</i> OOE / TOF / MOF CODE	Est 2006	Bud 2007	BL 2008	BL 2009
Capital Subtotal, Category 5005	\$495,000	\$459,999	\$425,000	\$425,000
Informational Subtotal, Category 5005				
Total, Category 5005	\$495,000	\$459,999	\$425,000	\$425,000
AGENCY TOTAL -CAPITAL	\$495,000	\$459,999	\$425,000	\$425,000
AGENCY TOTAL -INFORMATIONAL				
AGENCY TOTAL	\$495,000	\$459,999	\$425,000	\$425,000
METHOD OF FINANCING:				
<u>Capital</u>				
1 GENERAL REVENUE FUND	\$495,000	\$459,999	\$425,000	\$425,000
Total, Method of Financing-Capital	\$495,000	\$459,999	\$425,000	\$425,000
Total, Method of Financing	\$495,000	\$459,999	\$425,000	\$425,000
TYPE OF FINANCING:				
<u>Capital</u>				
CA CURRENT APPROPRIATIONS	\$495,000	\$459,999	\$425,000	\$425,000
Total, Type of Financing-Capital	\$495,000	\$459,999	\$425,000	\$425,000
Total,Type of Financing	\$495,000	\$459,999	\$425,000	\$425,000

5.B. CAPITAL BUDGET PROJECT INFORMATION
 80th Regular Session, Agency Submission, Version I
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:49:39PM

Agency Code:	473	Agency name:	Public Utility Commission of Texas
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	1	Project Name:	Desktop Computer Lease

PROJECT DESCRIPTION

General Information

Computer Hardware Leases to support Agency.

Number of Units / Average Unit Cost 0

Estimated Completion Date

Additional Capital Expenditure Amounts Required	2010	2011
	0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life

Estimated/Actual Project Cost \$ 0

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2008	2009	2010	2011	Total over project life
	135,000	135,000	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>
---------------------------------	------------------------	------------------------------

Explanation:

Project Location:

Beneficiaries:

Frequency of Use and External Factors Affecting Use:

5.B. CAPITAL BUDGET PROJECT INFORMATION
 80th Regular Session, Agency Submission, Version I
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:49:39PM

Agency Code:	473	Agency name:	Public Utility Commission of Texas
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	3	Project Name:	Microsoft Software Lease

PROJECT DESCRIPTION

General Information

Microsoft Open License Software Leases.

Number of Units / Average Unit Cost 0

Estimated Completion Date

Additional Capital Expenditure Amounts Required	2010	2011
	0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life One year

Estimated/Actual Project Cost \$ 0

Length of Financing/ Lease Period Annual Renewable Licensing Fee

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2008	2009	2010	2011	Total over project life
	70,000	70,000	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>
---------------------------------	------------------------	------------------------------

Explanation:

Project Location:

Beneficiaries:

Frequency of Use and External Factors Affecting Use:

5.C. CAPITAL BUDGET ALLOCATION TO STRATEGIES (BASELINE)
80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:56:57PM

Agency code: 473 Agency name: Public Utility Commission of Texas

Category Code/Name

Project Sequence/Project Id/Name

Goal/Obj/Str	Strategy Name	Est 2006	Bud 2007	BL 2008	BL 2009
5005 Acquisition of Information Resource Technologies					
1/1	Desktop Computer Lease				
Capital	1-1-1 MARKET COMPETITION	44,570	58,114	\$46,280	\$46,280
Capital	1-2-1 UTILITY REGULATION	29,194	38,064	29,445	29,445
Capital	2-2-1 INVESTIGATIONS AND ENFORCEMENT	18,069	23,560	20,420	20,420
Capital	2-1-1 PROVIDE FACTS ABOUT CHANGES	15,859	20,677	19,011	19,011
Capital	5-1-1 CENTRAL ADMINISTRATION	9,998	13,036	9,730	9,730
Capital	5-1-2 INFORMATION RESOURCES	6,324	8,246	6,593	6,593
Capital	5-1-3 OTHER SUPPORT SERVICES	3,012	3,927	3,521	3,521
TOTAL, PROJECT		\$127,026	\$165,624	\$135,000	\$135,000
2/2	Digital Copiers Lease				
Capital	1-1-1 MARKET COMPETITION	75,658	78,728	75,420	75,420
Capital	1-2-1 UTILITY REGULATION	49,556	51,567	47,985	47,985
Capital	2-2-1 INVESTIGATIONS AND ENFORCEMENT	30,672	31,917	33,276	33,276
Capital	2-1-1 PROVIDE FACTS ABOUT CHANGES	26,920	28,012	30,982	30,982
Capital	5-1-1 CENTRAL ADMINISTRATION	16,972	17,661	15,856	15,856
Capital	5-1-2 INFORMATION RESOURCES	10,735	11,171	10,744	10,744
Capital	5-1-3 OTHER SUPPORT SERVICES	5,112	5,319	5,737	5,737
TOTAL, PROJECT		\$215,625	\$224,375	\$220,000	\$220,000

5.C. CAPITAL BUDGET ALLOCATION TO STRATEGIES (BASELINE)
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:57:07PM

Agency code: 473 Agency name: Public Utility Commission of Texas

Category Code/Name

Project Sequence/Project Id/Name

	Goal/Obj/Str	Strategy Name	Est 2006	Bud 2007	BL 2008	BL 2009
3/3		<i>Microsoft Software Lease</i>				
Capital	1-1-1	MARKET COMPETITION	21,879	24,561	\$23,997	\$23,997
Capital	1-2-1	UTILITY REGULATION	14,331	16,088	15,268	15,268
Capital	2-2-1	INVESTIGATIONS AND ENFORCEMENT	8,870	9,957	10,588	10,588
Capital	2-1-1	PROVIDE FACTS ABOUT CHANGES	7,785	8,739	9,858	9,858
Capital	5-1-1	CENTRAL ADMINISTRATION	4,908	5,510	5,045	5,045
Capital	5-1-2	INFORMATION RESOURCES	3,104	3,485	3,419	3,419
Capital	5-1-3	OTHER SUPPORT SERVICES	1,479	1,660	1,825	1,825
		TOTAL, PROJECT	\$62,356	\$70,000	\$70,000	\$70,000
4/4		<i>Network Infrastructure Upgrade</i>				
Capital	1-1-1	MARKET COMPETITION	31,576	0	0	0
Capital	1-2-1	UTILITY REGULATION	20,683	0	0	0
Capital	2-2-1	INVESTIGATIONS AND ENFORCEMENT	12,801	0	0	0
Capital	2-1-1	PROVIDE FACTS ABOUT CHANGES	11,236	0	0	0
Capital	5-1-1	CENTRAL ADMINISTRATION	7,083	0	0	0
Capital	5-1-2	INFORMATION RESOURCES	4,480	0	0	0
Capital	5-1-3	OTHER SUPPORT SERVICES	2,134	0	0	0
		TOTAL, PROJECT	\$89,993	\$0	\$0	\$0

5.C. CAPITAL BUDGET ALLOCATION TO STRATEGIES (BASELINE)
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
 TIME: 2:57:07PM

Agency code: 473 Agency name: Public Utility Commission of Texas

Category Code/Name

Project Sequence/Project Id/Name

Goal/Obj/Str	Strategy Name	Est 2006	Bud 2007	BL 2008	BL 2009
	TOTAL CAPITAL, ALL PROJECTS	\$495,000	\$459,999	\$425,000	\$425,000
	TOTAL INFORMATIONAL, ALL PROJECTS				
	TOTAL, ALL PROJECTS	\$495,000	\$459,999	\$425,000	\$425,000

6.A. HISTORICALLY UNDERUTILIZED BUSINESS SUPPORTING SCHEDULE

80th Regular Session, Agency Submission, Version I
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/28/2006
Time: 2:54:43PM

Agency Code: 473 Agency: Public Utility Commission of Texas

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2004 - 2005 HUB Expenditure Information

Procurement Category	Statewide Adjusted HUB Goals	Adjusted HUB Expenditures FY 2004		Total Expenditures FY 2004	Adjusted HUB Expenditures FY 2005		Total Expenditures FY 2005
		HUB %	HUB \$		HUB %	HUB \$	
Professional Services	18.1%	0.0%	\$0	\$64,947	100.0%	\$6,500	\$6,500
Other Services	33.0%	6.9%	\$387,808	\$5,656,704	15.5%	\$646,525	\$4,171,813
Commodities	11.5%	37.9%	\$180,930	\$477,873	42.9%	\$250,110	\$582,435
Total Expenditures		9.2%	\$568,738	\$6,199,524	19.0%	\$903,135	\$4,760,748

B. Assessment of Fiscal Year 2004 - 2005 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained or exceeded one of three, or 33%, of the applicable statewide HUB procurement goals in FY 2004.
The agency attained or exceeded two of three, or 66%, of the applicable statewide HUB procurement goals in FY 2005.

Applicability:

The agency has no strategies, or programs, related to Heavy Construction, Building Construction, or Special trade Construction.

Factors Affecting Attainment:

The Public Utility Commission rarely enters into Professional Service contracts. Professional service contracts are highly specialized in nature and cannot be competitively bid, which reduces the opportunity to increase HUB usage in that area.

In both fiscal year 2004 and 2005, the goal of the "Other Services" category was not met. In FY 2004, the PUC's low percentage in this category was negatively affected by the total dollar amount spent on a very large project; the Customer Education Campaign contract related to Electric Choice. This also increased the overall expenditures in this category. Even though the PUC paid subcontractors as part of its contracts, it wasn't enough to bring the percentage up to the statewide goal.

"Good-Faith" Efforts:

The agency makes the following good faith efforts to comply with statewide HUB procurement goals per 1 TAC Section 111.13(c):

Participated with other local agencies in sponsoring HUB forums.

Conducted outreach to non-certified vendors that might become HUBS.

Obtains the required minimum two HUB bids (minority-owned business from the CMBL) for purchases of commodities or services over \$5,000- except when releasing from master contracts.

- For spot purchases below \$5,000 which do not require bids, the agency routinely attempts to obtain bids from HUB vendors whenever possible. When competitive bids on spot purchases are not available, the agency routinely purchase from HUB vendors. This is particularly evident in office supplies and computer supplies.
- The Commission also includes the HUB subcontracting plan in every request for proposal, not just those with an estimated value of \$100,000 or higher, unless exempted by the Texas Government Code.

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/28/2006

80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

TIME: 2:53:27PM

Agency Code: 473

Agency name: Public Utility Commission of Texas

FUND/ACCOUNT	Act 2005	Exp 2006	Exp 2007	Bud 2008	Est 2009
1 GENERAL REVENUE FUND					
Beginning Balance (Unencumbered):	\$9,827,505	\$9,001,361	\$9,001,361	\$8,528,625	\$8,528,625
Estimated Revenue:					
3239 Telecommunication Util Fees	664,939	664,939	664,939	664,939	664,939
Subtotal: Actual/Estimated Revenue	664,939	664,939	664,939	664,939	664,939
Total Available	\$10,492,444	\$9,666,300	\$9,666,300	\$9,193,564	\$9,193,564
DEDUCTIONS:					
Art IX, Sec 12.03, Retirement Incentives (2004-05 GAA)	(110,985)	0	0	0	0
Art IX, Sec 12.01, Reduction of Management Costs (2004-05 GAA)	(252,050)	0	0	0	0
Expended Appropriations	(9,720,215)	(8,845,843)	(10,756,300)	(8,943,564)	(8,943,564)
Transfer to OPUC	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Transfer to Unemployment Costs	(39,241)	0	0	0	0
Transfer to SORM	(43,441)	0	0	0	0
Art. IX , Sec 5.09, Reductions for Commercial Air Travel	0	(7,457)	0	0	0
Art IX, Sec 13.17(a), Salary Increase (2006-07 GAA)	0	288,000	504,000	0	0
Art VIII. pg 82 RIDER 6 (2006-07 GAA)	0	(816,000)	816,000	0	0
Art IX, Sec 6.16(j), Capital Budget UB (2006-07 GAA)	0	(35,000)	35,000	0	0
Total, Deductions	\$(10,415,932)	\$(9,666,300)	\$(9,651,300)	\$(9,193,564)	\$(9,193,564)
Ending Fund/Account Balance	\$76,512	\$0	\$15,000	\$0	\$0

REVENUE ASSUMPTIONS:

Beginning Balance (Unencumbered): General revenue that supports the agency's operating budget is derived from 3230 Utility Gross Receipts Assessment. The Comptroller of Public Accounts collects and accounts for the entire amount of this assessment, the PUC receiving only a transfer of funds at the beginning of each fiscal year. The amounts collected by the Comptroller, from this statutory assessment, greatly exceeded the related appropriations for the PUC.

3239 Telecommunication Utility Fees: Funds from this source reimburse general revenue to recover costs to the Commission relation to local exchange carriers as authorized by the Utilities Code, Sections 52.060 and 53.308. Activities include producing Scope of Competition reports, determining level of competition, and reviewing tariffs for rate compliance as well as administrative changes that do not affect rates

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006

TIME: 2:53:37PM

Agency Code: **473**

Agency name: **Public Utility Commission of Texas**

FUND/ACCOUNT

Act 2005

Exp 2006

Exp 2007

Bud 2008

Est 2009

CONTACT PERSON:

ROBERT SAATHOFF

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/28/2006

80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

TIME: 2:53:37PM

Agency Code: 473

Agency name: Public Utility Commission of Texas

FUND/ACCOUNT	Act 2005	Exp 2006	Exp 2007	Bud 2008	Est 2009
666 APPROPRIATED RECEIPTS					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3603 Universal Srvc Fund Reimbursement	396,193	400,000	400,000	400,000	400,000
3719 Fees/Copies or Filing of Records	31,247	75,000	75,000	75,000	75,000
Subtotal: Actual/Estimated Revenue	427,440	475,000	475,000	475,000	475,000
Total Available	\$427,440	\$475,000	\$475,000	\$475,000	\$475,000
DEDUCTIONS:					
Texas Universal Service Fund PUC incurred costs	(396,193)	(400,000)	(400,000)	(400,000)	(400,000)
Art. IX Sale of Printed Materials	(23,624)	(45,000)	(45,000)	(45,000)	(45,000)
Rider 3, GAA 2006-2007 PUC Interchange	0	(30,000)	(30,000)	(30,000)	(30,000)
Rider 2, GAA 2004-2005 PUC Interchange	(7,623)	0	0	0	0
Total, Deductions	\$(427,440)	\$(475,000)	\$(475,000)	\$(475,000)	\$(475,000)
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

CONTACT PERSON:

ROBERT SAATHOFF

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/28/2006

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: 2:53:37PM

Agency Code: 473

Agency name: Public Utility Commission of Texas

FUND/ACCOUNT	Act 2005	Exp 2006	Exp 2007	Bud 2008	Est 2009
5100 System Benefit Account					
Beginning Balance (Unencumbered):	\$37,855,058	\$113,760,173	\$259,238,427	\$425,047,333	\$530,998,473
Estimated Revenue:					
3244 Non-Bypassable Utility Fee	136,084,144	139,201,336	150,197,076	152,450,032	157,057,834
3857 Int on State Deposits/Treasury Inv	1,899,984	9,357,554	19,237,672	33,326,950	26,225,873
Subtotal: Actual/Estimated Revenue	137,984,128	148,558,890	169,434,748	185,776,982	183,283,707
Total Available	\$175,839,186	\$262,319,063	\$428,673,175	\$610,824,315	\$714,282,180
DEDUCTIONS:					
PUC Administration	(875,842)	(875,842)	(875,842)	(875,842)	(875,842)
Electric Market Monitoring	(1,263,687)	(1,454,794)	(2,000,000)	(1,200,000)	(1,200,000)
Customer Education Campaign	(754,598)	(750,000)	(750,000)	(750,000)	(750,000)
Low Income Discount Program	(58,896,748)	0	0	(80,000,000)	(90,000,000)
Transfer to OPUC	(288,138)	0	0	0	0
Total, Deductions	\$(62,079,013)	\$(3,080,636)	\$(3,625,842)	\$(82,825,842)	\$(92,825,842)
Ending Fund/Account Balance	\$113,760,173	\$259,238,427	\$425,047,333	\$527,998,473	\$621,456,338

REVENUE ASSUMPTIONS:

REVENUE ASSUMPTIONS:

Revenue is derived from a non-bypassable fee of 65 cents per megawatt hour on customers electric bills living in those areas of the state that are in market competition. Assumptions are made as to the amount of electricity consumed, the number of customers, the temperatures in any given time period, the state of the economy and other information that may be derived from the companies.

CONTACT PERSON:

Robert Saathoff

6.G HOMELAND SECURITY FUNDING SCHEDULE - PART A TERRORISM

DATE: 8/28/2006
TIME: 2:54:21PM

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 473 Agency name: PUBLIC UTILITY COMM

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
OBJECTS OF EXPENSE						
1001	SALARIES AND WAGES	\$10,430	\$11,625	\$12,000	\$12,000	\$12,000
2005	TRAVEL	\$1,211	\$3,516	\$5,000	\$5,000	\$5,000
2009	OTHER OPERATING EXPENSE	\$1,720	\$2,315	\$2,000	\$2,000	\$2,000
TOTAL, OBJECTS OF EXPENSE		\$13,361	\$17,456	\$19,000	\$19,000	\$19,000
METHOD OF FINANCING						
1	GENERAL REVENUE FUND	\$13,361	\$17,456	\$19,000	\$19,000	\$19,000
	Subtotal, MOF (General Revenue Funds)	\$13,361	\$17,456	\$19,000	\$19,000	\$19,000
TOTAL, METHOD OF FINANCE		\$13,361	\$17,456	\$19,000	\$19,000	\$19,000
FULL-TIME-EQUIVALENT POSITIONS		0.3	0.3	0.3	0.3	0.3

USE OF HOMELAND SECURITY FUNDS

The Homeland Security Coordinator for the agency communicates with the divisions and the Commissioners and prepares a Homeland Security plan. The Homeland Security Coordinator works with the Texas Building and Procurement Commission to make sure that the state owned building that the Public Utility Commission (PUC) occupies is prepared for both terrorism and natural or man-made disasters. Since the PUC regulates the Telecommunications and Electric Utilities, The Homeland Security Coordinator travels/makes visits to the electric generating facilities working in coordination with that utility's Homeland Security Coordinator. The Homeland Security Coordinator makes various reports to the Executive Director and the Commissioners.

6.G HOMELAND SECURITY FUNDING SCHEDULE - PART A TERRORISM

Funds Passed through to Local Entities

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:54:37PM

Agency code: 473 Agency name: PUBLIC UTILITY COMM

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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6.G HOMELAND SECURITY FUNDING SCHEDULE - PART A TERRORISM

Funds Passed through to State Agencies
80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:54:37PM

Agency code: **473** Agency name: **PUBLIC UTILITY COMM**

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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6.G HOMELAND SECURITY FUNDING SCHEDULE - PART B NATURAL OR MAN-MADE DISASTERS

DATE: 8/28/2006
TIME: 2:54:37PM

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **473** Agency name: **PUBLIC UTILITY COMM**

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
OBJECTS OF EXPENSE						
1001	SALARIES AND WAGES	\$10,430	\$11,625	\$12,000	\$12,000	\$12,000
2005	TRAVEL	\$1,211	\$3,516	\$5,000	\$5,000	\$5,000
2009	OTHER OPERATING EXPENSE	\$1,720	\$2,315	\$2,000	\$2,000	\$2,000
TOTAL, OBJECTS OF EXPENSE		\$13,361	\$17,456	\$19,000	\$19,000	\$19,000
METHOD OF FINANCING						
1	GENERAL REVENUE FUND	\$13,361	\$17,456	\$19,000	\$19,000	\$19,000
	Subtotal, MOF (General Revenue Funds)	\$13,361	\$17,456	\$19,000	\$19,000	\$19,000
TOTAL, METHOD OF FINANCE		\$13,361	\$17,456	\$19,000	\$19,000	\$19,000
FULL-TIME-EQUIVALENT POSITIONS		0.3	0.3	0.3	0.3	0.3

USE OF HOMELAND SECURITY FUNDS

The Homeland Security Coordinator for the agency communicates with the divisions and the Commissioners and prepares a Homeland Security plan. The Homeland Security Coordinator works with the Texas Building and Procurement Commission to make sure that the state owned building that the Public Utility Commission (PUC) occupies is prepared for both terrorism and natural or man-made disasters. Since the PUC regulates the Telecommunications and Electric Utilities, The Homeland Security Coordinator travels/makes visits to the electric generating facilities working in coordination with that utility's Homeland Security Coordinator. The Homeland Security Coordinator makes various reports to the Executive Director and the Commissioners.

6.G HOMELAND SECURITY FUNDING SCHEDULE - PART B NATURAL OR MAN-MADE DISASTERS

Funds Passed through to Local Entities

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/28/2006
TIME: 2:54:37PM

Agency code: **473** Agency name: **PUBLIC UTILITY COMM**

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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6.G HOMELAND SECURITY FUNDING SCHEDULE - PART B NATURAL OR MAN-MADE DISASTERS

DATE: 8/28/2006
TIME: 2:54:37PM

Funds Passed through to State Agencies

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 473 Agency name: PUBLIC UTILITY COMM

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
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**6.H. Estimated Total of All Agency Funds Outside the GAA Bill Pattern
Public Utility Commission of Texas #473**

ESTIMATED GRAND TOTAL OF AGENCY FUNDS OUTSIDE THE 2008-09 GAA BILL PATTERN	\$	1,206,811,345
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Fund Name TEXAS UNIVERSAL SERVICE FUND

Estimated Beginning Balance in FY 2006	\$	63,655,782
Estimated Revenues FY 2006	\$	604,254,396
Estimated Revenues FY 2007		529,264,985
FY 2006-07 Total	\$	731,565,960
Estimated Beginning Balance in FY 2008	\$	132,762,889
Estimated Revenues FY 2008	\$	541,082,346
Estimated Revenues FY 2009		532,966,111
FY 2008-09 Total	\$	1,206,811,345

Constitutional or Statutory Creation and Use of Funds:

The Public Utility Regulatory Act (PURA) Chapter 56 (Telecommunications Assistance and Universal Service Fund), Subchapter B. (Universal Service Fund) Sec. 56.021 (Universal Service Fund Established) requiring the Commission to adopt and enforce rules requiring Local Exchange Telephone companies to establish a universal service fund. The use of those funds are to (1) assist telecommunications provider in providing basic local telecommunications service at reasonable rates in high cost rural areas; (2) reimburse the telecommunications carrier that provides the statewide telecommunications relay access service, Relay Texas under Subchapter D; (3) finance the specialized telecommunications assistance program under Subchapter E; (4) reimburse the department of Health and Human Services, Texas Commission for the Deaf and Hard of Hearing, and the Public Utility Commission for costs incurred in implementing Chapter 56 and Chapter 57 of PURA; (5) reimburse telecommunication carriers that provide Lifeline telephone discount to low income customers as provided by 47 C.F.R. Part 54, Subpart E, as amended; (6) finance the implementation and administration of an integrated eligibility process, the automatic matching of the Texas Department of Health and Human Services benefits database with customer database of every authorized telecommunications carrier, created under Section 17.007 for customer service discounts relating to telecommunications services, including outreach expenses the commission determines are reasonable and necessary; (7) reimburse a designated provider under Subchapter F; (8) reimburse a successor utility under Subchapter G; and (9) finance the program established under Subchapter H.

Method of Calculation and Revenue Assumptions:

Sec. 56.022 (PURA) requires that the Universal Service Fund be funded by a statewide uniform charge (rate), and be set by the Public Utility Commission Commissioners. The fee is computed on telecommunications receipts, as defined in Sec. 151 of the Tax Code, and is charged to and paid by each qualified telecommunications carrier. The carriers are authorized to pass the charge on to the customer and is reflected as a line item on the telephone bill. The rate that is set by the PUC should be sufficient to cover all of the program costs and to maintain a fund balance reserve and is determined by projecting anticipated costs of the programs, anticipated revenues of the companies, and a reserve level all of which are affected by external factors.

This revenue assumption must take into consideration the disbursements that were made out of this fund in that the entire \$1,206,811,345 was not funds available during the entire period. Disbursements were; FY 2006 estimated \$ 573,493,346, projected disbursements FY 2007 \$600,304,500 FY 2008 \$602,497,028 and FY 2009 \$603,812,411. The Fund Balance after taking into consideration a Reserve amount of approximately \$40,000,000 is estimated in FY 2006 \$84,677,524, projected in FY 2007 \$92,762,889, FY 2008 \$35,795,320, and in FY 2009 \$-33,230,905 indicating an increase in the TUSF rate would be required.

6.I. Allocation of the Biennial Ten Percent Reduction to Strategies Schedule

Agency Code: 473		Agency Name: PUBLIC UTILITY COMMISSION									
Strategies		Biennial Application of 10 Percent Reduction					FTE Reductions (FY 2008-09 Base Request Compared to Budgeted 2007)		Revenue Impact? Y/N	Requesting Restoration? Y/N	Exceptional Item(s)
Code	Name	GR	GR-Dedicated	Federal	Other	All Funds	FY 08	FY 09			
1-1-1	MARKET COMPETITION	\$ 587,936	\$ 365,983			\$ 953,919	7.2	7.2	N	Y	1
1-2-1	UTILITY REGULATION	\$ 374,067	\$ 137,417			\$ 511,484	4.6	4.6	N	Y	1
2-1-1	PROVIDE INFORMATION	\$ 241,517	\$ 88,723			\$ 330,240	2.9	2.9	N	Y	1
2-2-1	INVESTIGATIONS AND ENFORCEMENT	\$ 259,407	\$ 95,295			\$ 354,702	3.2	3.2	N	Y	1
5-1-1	CENTRAL ADMINISTRATION	\$ 123,604				\$ 123,604	1.5	1.5	N	Y	1
5-1-2	INFORMATION RESOURCES	\$ 83,758				\$ 83,758	1.0	1.0	N	Y	1
5-1-3	OTHER SUPPORT SERVICES	\$ 44,725				\$ 44,725	0.5	0.5	N	Y	1
						\$ -					
						\$ -					
						\$ -					
Agency Biennial Total		\$ 1,715,014	\$ 687,418	\$ -	\$ -	\$ 2,402,432	20.9	20.9			
Agency Biennial Total (GR + GR-D)			\$ 2,402,432								

Strategy Code / Name

Explanation of Impact to Programs and Revenue Collections

1-1-1 MARKET COMPETITION

Reduction in the PUC's GR appropriation would negatively affect the agency's ability to oversee competitive wholesale and retail telecommunications and electric markets. The PUC oversees competitive markets to ensure that customer protections are observed by service providers and that service providers do not benefit from market power abuse. The PUC is also required to oversee the Electric Reliability Council of Texas (ERCOT), which manages the electric grid for most of Texas. Decreased GR funding would impact timely implementation of required rulemakings. Decreased Dedicated GR would decrease the amount of independent consulting services that could be obtained to assist the Commission with complex competitive market issues.

1-2-1 UTILITY REGULATION

The PUC continues to regulate utilities in parts of the State that are not yet open to competition. Reduction in GR funding would negatively affect the PUC's ability to ensure that rates are just and reasonable and that customers receive required levels of service quality. Decreased GR funding would impact timely implementation of required rulemakings.

2-2-1 INVESTIGATIONS AND ENFORCEMENT

This strategy includes the PUC's informal complaint investigation program as well as the formal investigation and enforcement program. Decreased GR funding would result in an increase in the amount of time it takes to process informal complaints and would increase wait times for the call center. Decreased GR and Dedicated GR funding would limit the PUC's enforcement of PURA and PUC rules for both competitive and regulated service providers.

5-1-1 CENTRAL ADMINISTRATION

5-1-2 INFORMATION RESOURCES

5-1-3 OTHER SUPPORT SERVICES

A well-administered agency with adequate IT resources is essential for program-area staff to do its work. Decreased GR funding of these strategies will further impact the work performed under other strategies

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency code: 473

Agency name: Public Utility Commission of Texas

Strategy	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
5-1-1 Central Administration					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 643,701	\$ 619,211	\$ 763,671	\$ 586,419	\$ 586,419
1002 OTHER PERSONNEL COSTS	28,078	35,484	40,536	37,117	37,117
2001 PROFESSIONAL FEES AND SERVICES	4,709	5,022	2,361	2,162	2,162
2003 CONSUMABLE SUPPLIES	4,388	4,265	4,722	3,603	3,603
2004 UTILITIES	1,970	1,968	1,968	1,802	1,802
2005 TRAVEL	3,847	4,190	4,722	3,243	3,243
2006 RENT - BUILDING	1,204	1,220	1,181	721	721
2009 OTHER OPERATING EXPENSE	50,301	43,001	48,328	31,135	31,135
5000 CAPITAL EXPENDITURES	34,957	38,962	36,207	30,631	30,631
Total, Objects of Expense	\$ 773,155	\$ 753,323	\$ 903,696	\$ 696,833	\$ 696,833
METHOD OF FINANCING:					
1 GENERAL REVENUE FUND	744,606	715,936	866,309	662,599	662,599
666 APPROPRIATED RECEIPTS	28,549	37,387	37,387	34,234	34,234
Total, Method of Financing	\$ 773,155	\$ 753,323	\$ 903,696	\$ 696,833	\$ 696,833
FULL TIME EQUIVALENT POSITIONS	12.5	16.6	16.6	15.2	15.2

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency code: 473

Agency name: Public Utility Commission of Texas

Strategy	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
5-1-2 Information Resources					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 481,867	\$ 391,670	\$ 483,045	\$ 397,376	\$ 397,376
1002 OTHER PERSONNEL COSTS	21,019	22,445	25,640	25,152	25,152
2001 PROFESSIONAL FEES AND SERVICES	3,525	3,176	1,494	1,465	1,465
2003 CONSUMABLE SUPPLIES	3,283	2,698	2,987	2,442	2,442
2004 UTILITIES	1,475	1,245	1,245	1,221	1,221
2005 TRAVEL	2,880	2,650	2,987	2,198	2,198
2006 RENT - BUILDING	902	772	747	488	488
2009 OTHER OPERATING EXPENSE	37,655	27,200	30,569	21,098	21,098
5000 CAPITAL EXPENDITURES	26,216	24,644	22,902	20,756	20,756
Total, Objects of Expense	\$ 578,822	\$ 476,500	\$ 571,616	\$ 472,196	\$ 472,196
METHOD OF FINANCING:					
1 GENERAL REVENUE FUND	557,449	452,851	547,967	448,998	448,998
666 APPROPRIATED RECEIPTS	21,373	23,649	23,649	23,198	23,198
Total, Method of Financing	\$ 578,822	\$ 476,500	\$ 571,616	\$ 472,196	\$ 472,196
FULL TIME EQUIVALENT POSITIONS	9.3	10.5	10.5	10.3	10.3

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency name: Public Utility Commission of Texas

Strategy	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
5-1-3 Other Support Services					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 339,303	\$ 186,509	\$ 230,021	\$ 212,191	\$ 212,191
1002 OTHER PERSONNEL COSTS	14,800	10,688	12,210	13,431	13,431
2001 PROFESSIONAL FEES AND SERVICES	2,155	1,513	711	782	782
2003 CONSUMABLE SUPPLIES	2,312	1,286	1,421	1,303	1,303
2004 UTILITIES	1,038	593	593	652	652
2005 TRAVEL	2,028	1,262	1,422	1,174	1,174
2006 RENT - BUILDING	635	367	356	261	261
2009 OTHER OPERATING EXPENSE	26,515	12,952	14,557	11,266	11,266
5000 CAPITAL EXPENDITURES	18,358	11,735	10,906	11,083	11,083
Total, Objects of Expense	\$ 407,144	\$ 226,905	\$ 272,197	\$ 252,143	\$ 252,143
METHOD OF FINANCING:					
1 GENERAL REVENUE FUND	392,098	215,644	260,936	239,756	239,756
666 APPROPRIATED RECEIPTS	15,046	11,261	11,261	12,387	12,387
Total, Method of Financing	\$ 407,144	\$ 226,905	\$ 272,197	\$ 252,143	\$ 252,143
FULL TIME EQUIVALENT POSITIONS	6.5	5.0	5.0	5.5	5.5

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
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	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$1,464,871	\$1,197,390	\$1,476,737	\$1,195,986	\$1,195,986
1002 OTHER PERSONNEL COSTS	\$63,897	\$68,617	\$78,386	\$75,700	\$75,700
2001 PROFESSIONAL FEES AND SERVICES	\$10,389	\$9,711	\$4,566	\$4,409	\$4,409
2003 CONSUMABLE SUPPLIES	\$9,983	\$8,249	\$9,130	\$7,348	\$7,348
2004 UTILITIES	\$4,483	\$3,806	\$3,806	\$3,675	\$3,675
2005 TRAVEL	\$8,755	\$8,102	\$9,131	\$6,615	\$6,615
2006 RENT - BUILDING	\$2,741	\$2,359	\$2,284	\$1,470	\$1,470
2009 OTHER OPERATING EXPENSE	\$114,471	\$83,153	\$93,454	\$63,499	\$63,499
5000 CAPITAL EXPENDITURES	\$79,531	\$75,341	\$70,015	\$62,470	\$62,470
Total, Objects of Expense	\$1,759,121	\$1,456,728	\$1,747,509	\$1,421,172	\$1,421,172
Method of Financing					
1 GENERAL REVENUE FUND	\$1,694,153	\$1,384,431	\$1,675,212	\$1,351,353	\$1,351,353
666 APPROPRIATED RECEIPTS	\$64,968	\$72,297	\$72,297	\$69,819	\$69,819
Total, Method of Financing	\$1,759,121	\$1,456,728	\$1,747,509	\$1,421,172	\$1,421,172
Full-Time-Equivalent Positions (FTE)	28.3	32.1	32.1	31.0	31.0

7.B. DIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency name: Public Utility Commission of Texas

Strategy	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
1-1-1 Foster and Monitor Market Competition					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 493,807	\$ 442,165	\$ 545,320	\$ 446,812	\$ 446,812
1002 OTHER PERSONNEL COSTS	19,443	25,338	28,946	28,281	28,281
2001 PROFESSIONAL FEES AND SERVICES	1,730	3,586	1,686	1,647	1,647
2003 CONSUMABLE SUPPLIES	3,040	3,047	3,374	2,746	2,746
2004 UTILITIES	1,364	1,405	1,405	1,373	1,373
2005 TRAVEL	2,664	2,992	3,372	2,471	2,471
2006 RENT - BUILDING	834	871	843	549	549
2009 OTHER OPERATING EXPENSE	36,470	30,912	34,510	23,723	23,723
5000 CAPITAL EXPENDITURES	22,953	27,822	25,854	23,338	23,338
Total, Objects of Expense	\$ 582,305	\$ 538,138	\$ 645,310	\$ 530,940	\$ 530,940
METHOD OF FINANCING:					
1 GENERAL REVENUE FUND	557,994	511,430	618,612	504,856	504,856
666 APPROPRIATED RECEIPTS	24,311	26,708	26,698	26,084	26,084
Total, Method of Financing	\$ 582,305	\$ 538,138	\$ 645,310	\$ 530,940	\$ 530,940
FULL-TIME-EQUIVALENT POSITIONS (FTE):	8.4	8.4	8.4	8.4	8.4

7.B. DIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency code: 473

Agency name: Public Utility Commission of Texas

Strategy	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
1-2-1	Conduct Rate Cases for Regulated Telephone and Electric Utilities				
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 297,102	\$ 289,617	\$ 357,183	\$ 284,277	\$ 284,277
1002 OTHER PERSONNEL COSTS	13,802	16,597	18,959	17,993	17,993
2001 PROFESSIONAL FEES AND SERVICES	2,797	2,349	1,104	1,050	1,050
2003 CONSUMABLE SUPPLIES	2,276	1,995	2,210	1,747	1,747
2004 UTILITIES	1,014	920	920	873	873
2005 TRAVEL	1,891	1,960	2,209	1,572	1,572
2006 RENT - BUILDING	548	571	552	349	349
2009 OTHER OPERATING EXPENSE	21,623	20,112	22,604	15,093	15,093
5000 CAPITAL EXPENDITURES	19,597	18,223	16,935	14,849	14,849
Total, Objects of Expense	\$ 360,650	\$ 352,344	\$ 422,676	\$ 337,803	\$ 337,803
METHOD OF FINANCING:					
1 GENERAL REVENUE FUND	345,593	334,857	405,189	321,207	321,207
666 APPROPRIATED RECEIPTS	15,057	17,487	17,487	16,596	16,596
Total, Method of Financing	\$ 360,650	\$ 352,344	\$ 422,676	\$ 337,803	\$ 337,803
FULL-TIME-EQUIVALENT POSITIONS (FTE):	12.7	12.7	12.7	12.7	12.7

7.B. DIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency name: Public Utility Commission of Texas

Strategy	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
2-1-1	Provide Information about Changes in Electric and Telecom Industries				
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 188,616	\$ 157,327	\$ 194,030	\$ 183,545	\$ 183,545
1002 OTHER PERSONNEL COSTS	8,341	9,016	10,299	11,617	11,617
2001 PROFESSIONAL FEES AND SERVICES	1,399	1,276	600	677	677
2003 CONSUMABLE SUPPLIES	1,299	1,083	1,200	1,127	1,127
2004 UTILITIES	585	500	500	564	564
2005 TRAVEL	1,143	1,064	1,200	1,015	1,015
2006 RENT - BUILDING	358	310	300	226	226
2009 OTHER OPERATING EXPENSE	14,942	10,926	12,279	9,745	9,745
5000 CAPITAL EXPENDITURES	4,700	9,899	9,199	9,587	9,587
Total, Objects of Expense	\$ 221,383	\$ 191,401	\$ 229,607	\$ 218,103	\$ 218,103
METHOD OF FINANCING:					
1 GENERAL REVENUE FUND	212,140	181,902	220,108	207,388	207,388
666 APPROPRIATED RECEIPTS	9,243	9,499	9,499	10,715	10,715
Total, Method of Financing	\$ 221,383	\$ 191,401	\$ 229,607	\$ 218,103	\$ 218,103
FULL-TIME-EQUIVALENT POSITIONS (FTE):	4.7	4.7	4.7	4.7	4.7

7.B. DIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency name: **Public Utility Commission of Texas**

Strategy	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
2-2-1	Conduct Investigations and Initiate Enforcement Actions				
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 160,392	\$ 179,258	\$ 221,078	\$ 197,143	\$ 197,143
1002 OTHER PERSONNEL COSTS	7,292	10,272	11,735	12,478	12,478
2001 PROFESSIONAL FEES AND SERVICES	1,223	1,454	684	727	727
2003 CONSUMABLE SUPPLIES	1,139	1,234	1,365	1,212	1,212
2004 UTILITIES	512	570	570	606	606
2005 TRAVEL	999	1,213	1,367	1,090	1,090
2006 RENT - BUILDING	313	353	342	242	242
2009 OTHER OPERATING EXPENSE	13,064	12,449	13,991	10,467	10,467
5000 CAPITAL EXPENDITURES	9,121	11,279	10,482	10,297	10,297
Total, Objects of Expense	\$ 194,055	\$ 218,082	\$ 261,614	\$ 234,262	\$ 234,262
METHOD OF FINANCING:					
1 GENERAL REVENUE FUND	185,953	207,259	250,791	222,753	222,753
666 APPROPRIATED RECEIPTS	8,102	10,823	10,823	11,509	11,509
Total, Method of Financing	\$ 194,055	\$ 218,082	\$ 261,614	\$ 234,262	\$ 234,262
FULL-TIME-EQUIVALENT POSITIONS (FTE):	4.0	4.0	4.0	4.0	4.0

7.B. DIRECT ADMINISTRATIVE AND SUPPORT COSTS

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Agency name: Public Utility Commission of Texas

	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$1,139,917	\$1,068,367	\$1,317,611	\$1,111,777	\$1,111,777
1002 OTHER PERSONNEL COSTS	\$48,878	\$61,223	\$69,939	\$70,369	\$70,369
2001 PROFESSIONAL FEES AND SERVICES	\$7,149	\$8,665	\$4,074	\$4,101	\$4,101
2003 CONSUMABLE SUPPLIES	\$7,754	\$7,359	\$8,149	\$6,832	\$6,832
2004 UTILITIES	\$3,475	\$3,395	\$3,395	\$3,416	\$3,416
2005 TRAVEL	\$6,697	\$7,229	\$8,148	\$6,148	\$6,148
2006 RENT - BUILDING	\$2,053	\$2,105	\$2,037	\$1,366	\$1,366
2009 OTHER OPERATING EXPENSE	\$86,099	\$74,399	\$83,384	\$59,028	\$59,028
5000 CAPITAL EXPENDITURES	\$56,371	\$67,223	\$62,470	\$58,071	\$58,071
Total, Objects of Expense	\$1,358,393	\$1,299,965	\$1,559,207	\$1,321,108	\$1,321,108
Method of Financing					
1 GENERAL REVENUE FUND	\$1,301,680	\$1,235,448	\$1,494,700	\$1,256,204	\$1,256,204
666 APPROPRIATED RECEIPTS	\$56,713	\$64,517	\$64,507	\$64,904	\$64,904
Total, Method of Financing	\$1,358,393	\$1,299,965	\$1,559,207	\$1,321,108	\$1,321,108
Full-Time-Equivalent Positions (FTE)	29.8	29.8	29.8	29.8	29.8