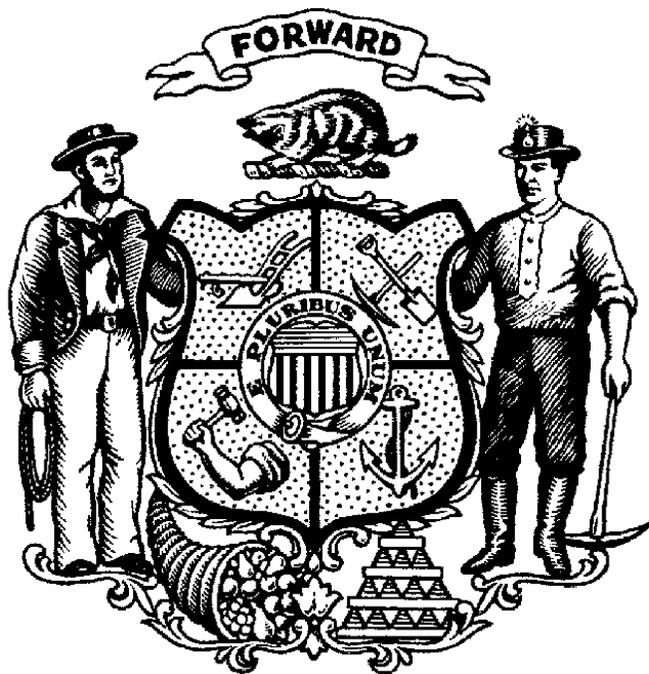


State of Wisconsin

Public Service Commission



Agency Budget Request
2017–2019 Biennium
September 15, 2016

Table of Contents

Cover Letters	3
Description	5
Mission	6
Goals	7
Performance Measures	9
Organization Charts.....	13
Agency Total by Fund Source.....	15
Agency Total by Program.....	16
Agency Total by Decision Item (DIN)	20
General Purpose Revenue (GPR) – Earned	21
Program Revenue and Balances Statement.....	24
Segregated Revenue and Balances Statement.....	28
Decision Items.....	31



Public Service Commission of Wisconsin

Ellen Nowak, Chairperson
Mike Huebsch, Commissioner
Phil Montgomery, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

September 14, 2016

The Honorable Scott Walker
Governor of Wisconsin
State Capitol, Room 115 East
Madison, WI 53702

Dear Governor Walker:

I am pleased to submit to you the 2017-19 Biennial Budget request of the Public Service Commission. This budget is a cost-to-continue budget, containing only requests for turnover reduction, full funding of continuing position salaries and fringe benefits, full funding of lease, and one-time expenses related to moving and building-finish costs for our required move to the new Hill Farms State Office Complex in 2018.

The Commission is ready to work with your administration on budget priorities and policy initiatives proposed in the areas of utility regulation, energy, communications services, consumer protection and, most importantly, ensuring each new policy promotes job creation.

Sincerely,

A handwritten signature in cursive script that reads "Ellen E. Nowak".

Ellen E. Nowak
Chairperson

cc: Michael Heifetz, State Budget Director
Monica Young, Policy Advisor
Robert Seitz, Executive Assistant



OFFICE OF THE
COMMISSIONER OF RAILROADS
STATE OF WISCONSIN

YASH P. WADHWA, COMMISSIONER

610 N. Whitney Way
P.O. Box 7854
Madison, WI 53707-7854
Tel: (608) 266-0276
Fax: (608) 261-8220
<http://ocr.wi.gov>

September 15, 2016

The Honorable Scott Walker
Governor of Wisconsin
State Capitol, Room 115 East
Madison, WI 53702

Dear Governor Walker:

I am pleased to submit to you the 2017-19 Biennial Budget request of the Office of the Commissioner of Railroads (OCR). This budget is a cost-to-continue budget, containing only requests for turnover reduction, full funding of continuing position salaries and fringe benefits, and full funding of lease.

The Commission stands ready to assist your administration on budget priorities and policy initiatives regarding railroad-related regulations.

Sincerely,

Yash P. Wadhwa, P.E.
Commissioner of Railroads

cc: Michael Heifetz, State Budget Director
Bob Seitz, PSC Executive Assistant
Monica Young, Policy Advisor

AGENCY DESCRIPTION

The **Public Service Commission (Commission)** is an independent regulatory agency dedicated to serving the public interest. Since 1907, the agency had been responsible for the regulation of Wisconsin public utilities, including those that are municipally owned.

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

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

In keeping with its commitment to quality management principles, the Commission is organized along regulatory and programmatic lines into four operating divisions: Division of Business and Program Management; Division of Water, Telecommunications and Consumer Affairs; Division of Regional Energy Markets; and Division of Energy Regulation. Commission staff consists of auditors, accountants, engineers, analysts, attorneys, economists, consumer specialists and administrative support personnel. These experts work in an advisory role to the Commissioners.

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The primary function of the **Office of the Commissioner of Railroads (OCR)** is to serve as the quasi-judicial agency, which determines the public safety and convenience at over 4,300 rail-highway crossings in Wisconsin. The OCR also retains authority over the rates and services of intrastate water carriers.

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

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

MISSION

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

The primary mission of the **Office of the Commissioner of Railroads** is to ensure public safety and convenience in matters involving railroads, especially at rail-highway crossings, through a judiciary process. To fulfill its mission, the office investigates the adequacy of warning devices and the safety of the crossing itself, conducts hearings and issues legally binding orders regarding some 4,300 rail-highway crossings located throughout the state.

PROGRAM GOALS, OBJECTIVES AND ACTIVITIES

Goals, Objectives and Activities for SFY 2017, 2018, and 2019

PROGRAM 1: REGULATION OF PUBLIC UTILITIES

Goal: Assure safe, reliable and reasonably priced energy, water and telecommunications service is provided to Wisconsin's citizens and businesses.

- **Objective/Activity:** Assure reasonably priced water service is provided to consumers by efficiently processing requests for water rate adjustments under Wis. Stats. § 196.20 and under the Simplified Rate Case process.
- **Objective/Activity:** Ensure the safety of natural gas pipelines in Wisconsin by monitoring compliance with state and federal regulations through inspection and investigation activities.
- **Objective/Activity:** Ensure that rate cases in Wisconsin are completed within eight months of filing.
- **Objective/Activity:** Complete an audit of every holding company every three years, two per year. Ensure that ratepayers are not paying costs unrelated to the provision of retail utility service.

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

- **Objective/Activity:** Increase consumers' access to alternate telecommunication providers by effectively and efficiently certifying new applicants to telecommunications markets.
- **Objective/Activity:** Facilitate consumers' access to competitive telecommunications providers by reviewing and approving Interconnection Agreements (ICAs) and arbitrating or mediating ICAs when providers cannot negotiate one.
- **Objective/Activity:** Thoroughly investigate, resolve, and respond to consumer complaints from utility customers.

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

- **Objective/Activity:** Active engagement and education of Municipal utilities for proper administration of utilities.

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

- **Objective/Activity:** Increase participation levels in the Lifeline program by effectively managing and promoting the program to low-income individuals.
- **Objective/Activity:** Increase purchases of special telecommunications equipment by effectively and efficiently providing vouchers to approved, eligible disabled persons.
- **Objective/Activity:** Work with social service agencies and organizations to improve their program knowledge of Telecommunications Equipment Purchase Program (TEPP) through regular outreach.
- **Objective/Activity:** Market the Medical Telecommunication Equipment Program (MTEP) and Access Programs by Nonprofit Groups (Nonprofit) grants to encourage participation and meet expenditure goals of \$500,000 each.

PROGRAM 2: RAILROAD REGULATION

Goal: Protect the public by assuring safe highway/railroad crossings are maintained in Wisconsin.

- **Objective/Activity:** Improve the safety of highway/rail crossings in Wisconsin by enforcing compliance with state and federal regulations through inspection and investigation activities
- **Objective/Activity:** Improve the safety of highway/rail crossings in Wisconsin by increasing rail safety promotion activities
- **Objective/Activity:** Improve public safety at rail-highway crossings by maintaining a signal installation program that schedules signal projects several years in advance.

PROGRAM 3: OTHER PROGRAMS

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

- **Objective/Activity:** Improve the likelihood of successful energy efficiency incentive programs by working with utilities to facilitate a broad distribution of RFPs for Business Program subcontractors.

PERFORMANCE MEASURES

Goals and Actuals for SFY 2015 and 2016

Prog. No.	Performance Measure	Goal 2015	Actual 2015	Goal 2016	Actual 2016
1.	Frequency of updates to Wisconsin's broadband map.	Every 6 months	Every 6 months	Every 6 months	Every 6 months
1.	Percent of non-contested water rate cases where a decision is issued in less than 180 days from filing date of application.	90%	58%	90%	49%
1.	Percent of simplified water rate cases (SRC) where a decision is issued in less than 45 days from filing date of application.	95%	94%	95%	91%
1.	Percent of water utility construction cases where a decision is issued in less than 90 days from the filing date of the application, for cases that do not require a hearing.	95%	96%	95%	97%
1.	Percent pipeline safety units in compliance within 45 days ¹ .	86%	86%	86%	86%
1.	Number of gas pipeline safety violations each year ¹ .	68	103	68	71
1.	Number of different organizations receiving Intervenor Compensation awards.	5	6	5	2
1.	Percent of alternate telecommunications provider applications reviewed and appropriate certifications issued within 60 days of receipt of completed applications.	95%	89%	95%	86%
1.	Percent of Interconnection Agreement reviews completed within 45 days.	85%	91%	85%	46%
1.	Percent of complaints with an informal determination provided within 30 days.	95%	72%	95%	75%
1.	Number of external training sessions given by PSC staff to water utilities, including speaking engagements at water industry association meetings.	10	12	10	14
1.	Maintain participation levels in TEPP	8,000	6,449	8,000	5,126
1.	Maintain TEPP expenditures between \$1.4 million and \$1.8 million.	\$1.6 million	\$1.45 million	\$1.6 million	\$1.33 million

Prog. No.	Performance Measure	Goal 2015	Actual 2015	Goal 2016	Actual 2016
1.	Work with social service agencies and organizations to improve their program knowledge of TEPP.	Meetings 2-3 times	3	Meetings 2-3 times	3
1.	Market the telemedicine program to encourage participation demonstrated through applications.	20	34	20	26
1.	Diverse locations and types of MTEP applications.	Statewide and 5 different types			
1.	Meet MTEP expenditure goals of \$500,000.	\$500,000	\$500,000	\$500,000	\$500,000
2.	Number of unique crossing investigations, inspections completed each year	750	137	750	287
2.	Percent of signal cases investigated within 90 days of notice issued	90%	67%	90%	91%
2.	Percent of follow-up investigations (i.e., rechecks) conducted within 180 days of completion date	90%	63%	90%	68%
2.	Percent of signal notices issued within 45 days	80%	84%	80%	73%
2.	Percent of complaints with an informal (general file and informal docket), non-docketed nature responded do within 30 days.	85%	98%	85%	91%
2.	Number of external rail safety promotion activities/events conducted by OCR staff, including speaking engagements at rail safety meetings/conferences.	8	13	8	8
2.	Allocate OCR signal project funding expenditure for fiscal year	2019	2017 Complete 2018 (Partial)	2020	2019 Complete 2020 (Partial)
2.	Number of highway/rail closure hearings and orders issued each year	2	3	2	2
2.	Number of orders written to eliminate obsolete signal equipment, specifically wigwags	2	1	2	1
3.	Number of websites on which Business Program RFPs are posted.	5	5	5	5

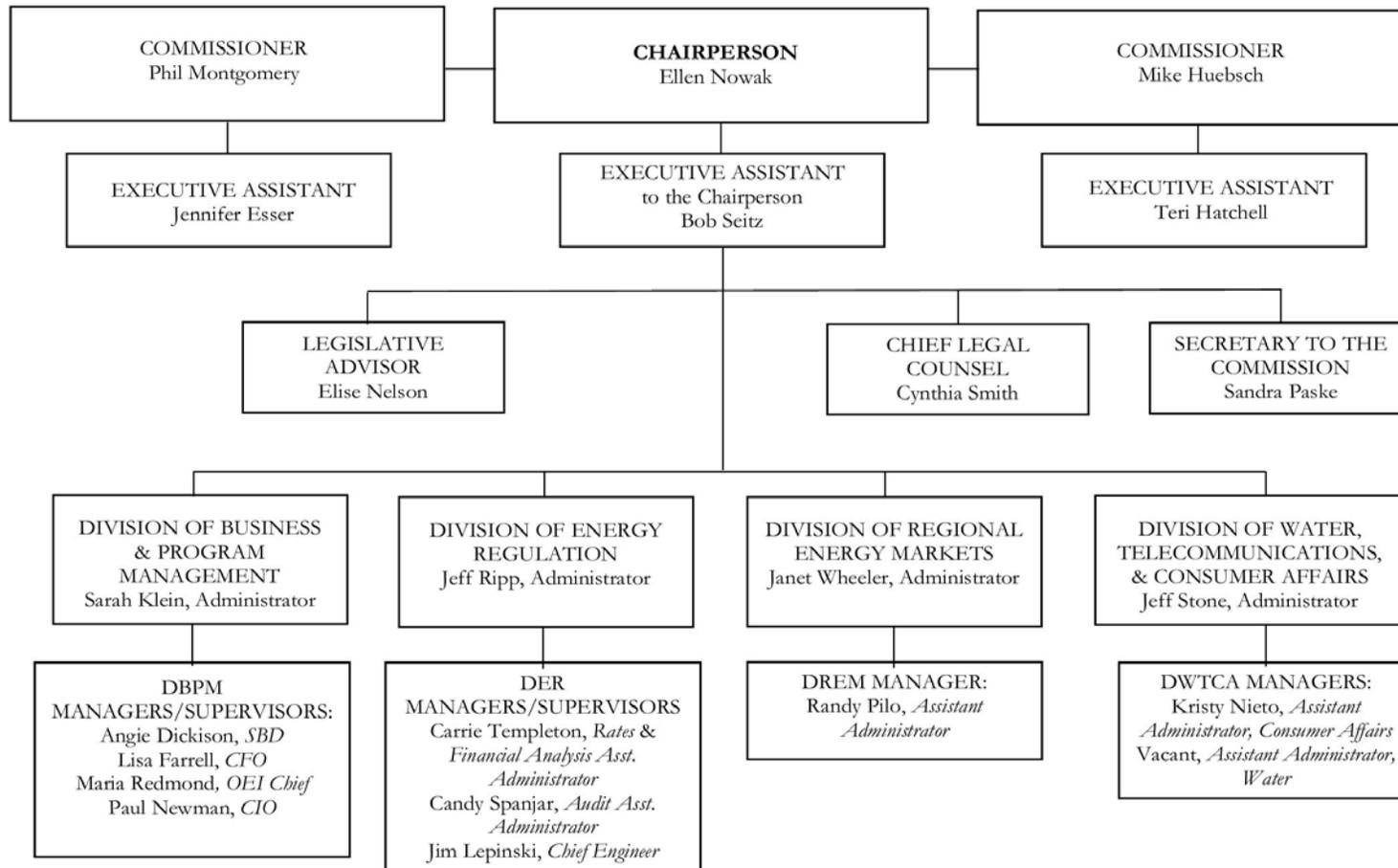
Goals for 2017, 2018 and 2019

Prog. No.	Performance Measure	Goal 2017	Goal 2018	Goal 2019
1.	Average time non-contested water rate cases were processed from filing date of application.	180 days	180 days	180 days
1.	Percent of simplified water rate cases (SRC) where a decision is issued in less than 45 days from filing date of application.	95%	95%	95%
1.	Percent of water utility construction cases where a decision is issued in less than 90 days from the filing date of the application, for cases that do not require a hearing.	95%	95%	95%
1.	Percentage of pipeline safety units that are in compliance within 45 days ¹ .	86%	86%	86%
1.	Complete work on rate cases within 8 months of filing.	90%	90%	90%
1.	Audit all holding companies at least once every 3 years	2	2	2
1.	Percent of alternate telecommunications provider applications reviewed and appropriate certifications issued within 60 days of receipt of completed applications.	95%	95%	95%
1.	Percent of Interconnection Agreement reviews completed within 45 days.	85%	85%	85%
1.	Percent of complaints with an informal determination provided within 30 days.	95%	95%	95%
1.	Number of external training sessions given by PSC staff to water utilities, including speaking engagements at water industry association meetings.	10	10	10
1.	Percent of increased Lifeline applications over prior fiscal year	3%	3%	3%
1.	Maintain number of telecommunications equipment vouchers provided to disabled persons.	+/- 3%	+/- 3%	+/- 3%
1.	Work with social service agencies and organizations to improve their program knowledge of TEPP.	TEPP Outreach Meetings, 2-3 annually	TEPP Outreach Meetings, 2-3 annually	TEPP Outreach Meetings, 2-3 annually
1.	Market the Nonprofit Access Program and Medical Telecommunications Equipment Program to encourage participation	40 Applications	40 Applications	40 Applications
1.	Meet USF MTEP and Non-Profit grant expenditure goals of \$500,000.	\$500,000	\$500,000	\$500,000
2.	Number of unique crossing investigations and inspections completed each year	750	750	750

Prog. No.	Performance Measure	Goal 2017	Goal 2018	Goal 2019
2.	Percent of signal cases investigated within 90 days of notice issued.	90%	90%	90%
2.	Percent of follow-up investigations (i.e., rechecks) conducted within 180 days of completion date.	90%	90%	90%
2.	Percent of signal notices issued within 45 days.	80%	80%	80%
2.	Percent of complaints with an informal (general file or informal dockets), non-docketed nature responded do within 30 days.	85%	85%	85%
2.	Number of external rail safety promotion activities/events conducted by OCR staff, including speaking engagements at rail safety meetings/conferences.	8	8	8
2.	Allocate OCR signal project funding expenditure for fiscal year.	2021	2022	2023
2.	Number of highway/rail closure hearings and orders issued each year.	2	2	2
2.	Number of orders written to eliminate obsolete signal equipment, specifically wigwags.	2	2	2
3.	Number of web sites on which Business Program RFPs are posted.	5	5	5

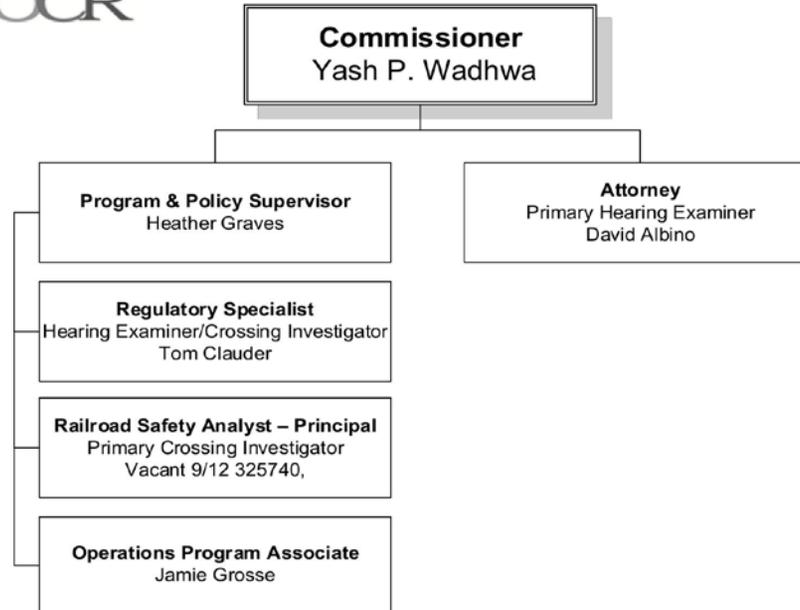
Based on the fiscal year, unless noted with ¹. Items noted ¹ are based on the calendar year.

PUBLIC SERVICE COMMISSION OF WISCONSIN





OFFICE OF THE COMMISSIONER OF RAILROADS



Last Updated: 8/22/2016

Agency Total by Fund Source

Public Service Commission

2017–2019 Biennial Budget

		ANNUAL SUMMARY						BIENNIAL SUMMARY			
Source of Funds		Prior Year Total	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
PR	A	\$259,801	\$371,200	\$371,200	\$371,200	0.00	0.00	\$742,400	\$742,400	\$0	0.0%
PR	S	\$14,219,452	\$16,743,400	\$15,913,500	\$15,944,300	138.00	138.00	\$33,486,800	\$31,857,800	(\$1,629,000)	-4.9%
Total		\$14,479,253	\$17,114,600	\$16,284,700	\$16,315,500	138.00	138.00	\$34,229,200	\$32,600,200	(\$1,629,000)	-4.8%
PR Federal	S	\$2,885,982	\$2,344,200	\$2,683,800	\$2,684,000	10.25	10.25	\$4,688,400	\$5,367,800	\$679,400	14.5%
Total		\$2,885,982	\$2,344,200	\$2,683,800	\$2,684,000	10.25	10.25	\$4,688,400	\$5,367,800	\$679,400	14.5%
SEG	A	\$3,911,812	\$7,440,000	\$7,440,000	\$7,440,000	0.00	0.00	\$14,880,000	\$14,880,000	\$0	0.0%
SEG	S	\$429,389	\$579,600	\$574,900	\$574,900	4.00	4.00	\$1,159,200	\$1,149,800	(\$9,400)	-0.8%
Total		\$4,341,201	\$8,019,600	\$8,014,900	\$8,014,900	4.00	4.00	\$16,039,200	\$16,029,800	(\$9,400)	-0.1%
Grand Total		\$21,706,436	\$27,478,400	\$26,983,400	\$27,014,400	152.25	152.25	\$54,956,800	\$53,997,800	(\$959,000)	-1.7%

Agency Total by Program

155 Public Service Commission

2017–2019 Biennial Budget

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
PROGRAM 01: REGULATION OF PUBLIC UTILITIES										
Non Federal										
PR	\$13,998,867	\$16,522,600	\$15,726,000	\$15,756,500	132.00	132.00	\$33,045,200	\$31,482,500	(\$1,562,700)	-4.73%
A	\$259,801	\$371,200	\$371,200	\$371,200	0.00	0.00	\$742,400	\$742,400	\$0	0.00%
S	\$13,739,066	\$16,151,400	\$15,354,800	\$15,385,300	132.00	132.00	\$32,302,800	\$30,740,100	(\$1,562,700)	-4.84%
SEG	\$3,565,751	\$5,940,000	\$5,940,000	\$5,940,000	0.00	0.00	\$11,880,000	\$11,880,000	\$0	0.00%
A	\$3,565,751	\$5,940,000	\$5,940,000	\$5,940,000	0.00	0.00	\$11,880,000	\$11,880,000	\$0	0.00%
Total - Non Federal	\$17,564,618	\$22,462,600	\$21,666,000	\$21,696,500	132.00	132.00	\$44,925,200	\$43,362,500	(\$1,562,700)	-3.48%
A	\$3,825,552	\$6,311,200	\$6,311,200	\$6,311,200	0.00	0.00	\$12,622,400	\$12,622,400	\$0	0.00%
S	\$13,739,066	\$16,151,400	\$15,354,800	\$15,385,300	132.00	132.00	\$32,302,800	\$30,740,100	(\$1,562,700)	-4.84%
Federal										
PR	\$2,885,982	\$2,344,200	\$2,683,800	\$2,684,000	10.25	10.25	\$4,688,400	\$5,367,800	\$679,400	14.49%
S	\$2,885,982	\$2,344,200	\$2,683,800	\$2,684,000	10.25	10.25	\$4,688,400	\$5,367,800	\$679,400	14.49%
Total - Federal	\$2,885,982	\$2,344,200	\$2,683,800	\$2,684,000	10.25	10.25	\$4,688,400	\$5,367,800	\$679,400	14.49%
S	\$2,885,982	\$2,344,200	\$2,683,800	\$2,684,000	10.25	10.25	\$4,688,400	\$5,367,800	\$679,400	14.49%
PGM 01 Total	\$20,450,600	\$24,806,800	\$24,349,800	\$24,380,500	142.25	142.25	\$49,613,600	\$48,730,300	(\$883,300)	-1.78%
PR	\$16,884,849	\$18,866,800	\$18,409,800	\$18,440,500	142.25	142.25	\$37,733,600	\$36,850,300	(\$883,300)	-2.34%
A	\$259,801	\$371,200	\$371,200	\$371,200	0.00	0.00	\$742,400	\$742,400	\$0	0.00%
S	\$16,625,048	\$18,495,600	\$18,038,600	\$18,069,300	142.25	142.25	\$36,991,200	\$36,107,900	(\$883,300)	-2.39%
SEG	\$3,565,751	\$5,940,000	\$5,940,000	\$5,940,000	0.00	0.00	\$11,880,000	\$11,880,000	\$0	0.00%
A	\$3,565,751	\$5,940,000	\$5,940,000	\$5,940,000	0.00	0.00	\$11,880,000	\$11,880,000	\$0	0.00%

Agency Total by Program

155 Public Service Commission

2017–2019 Biennial Budget

Total 01	\$20,450,600	\$24,806,800	\$24,349,800	\$24,380,500	142.25	142.25	\$49,613,600	\$48,730,300	(\$883,300)	-1.78%
A	\$3,825,552	\$6,311,200	\$6,311,200	\$6,311,200	0.00	0.00	\$12,622,400	\$12,622,400	\$0	0.00%
S	\$16,625,048	\$18,495,600	\$18,038,600	\$18,069,300	142.25	142.25	\$36,991,200	\$36,107,900	(\$883,300)	-2.39%

Agency Total by Program

155 Public Service Commission

2017–2019 Biennial Budget

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
PROGRAM 02: OFFICE OF THE COMMISSIONER OF RAILROADS										
Non Federal										
PR	\$480,386	\$592,000	\$558,700	\$559,000	6.00	6.00	\$1,184,000	\$1,117,700	(\$66,300)	-5.60%
S	\$480,386	\$592,000	\$558,700	\$559,000	6.00	6.00	\$1,184,000	\$1,117,700	(\$66,300)	-5.60%
Total - Non Federal	\$480,386	\$592,000	\$558,700	\$559,000	6.00	6.00	\$1,184,000	\$1,117,700	(\$66,300)	-5.60%
S	\$480,386	\$592,000	\$558,700	\$559,000	6.00	6.00	\$1,184,000	\$1,117,700	(\$66,300)	-5.60%
PGM 02 Total	\$480,386	\$592,000	\$558,700	\$559,000	6.00	6.00	\$1,184,000	\$1,117,700	(\$66,300)	-5.60%
PR	\$480,386	\$592,000	\$558,700	\$559,000	6.00	6.00	\$1,184,000	\$1,117,700	(\$66,300)	-5.60%
S	\$480,386	\$592,000	\$558,700	\$559,000	6.00	6.00	\$1,184,000	\$1,117,700	(\$66,300)	-5.60%
Total 02	\$480,386	\$592,000	\$558,700	\$559,000	6.00	6.00	\$1,184,000	\$1,117,700	(\$66,300)	-5.60%
S	\$480,386	\$592,000	\$558,700	\$559,000	6.00	6.00	\$1,184,000	\$1,117,700	(\$66,300)	-5.60%
PROGRAM: 03 AFFILIATED GRANT PROGRAMS										
Non Federal										
SEG	\$775,450	\$2,079,600	\$2,074,900	\$2,074,900	4.00	4.00	\$4,159,200	\$4,149,800	(\$9,400)	-0.23%
A	\$346,061	\$1,500,000	\$1,500,000	\$1,500,000	0.00	0.00	\$3,000,000	\$3,000,000	\$0	0.00%
S	\$429,389	\$579,600	\$574,900	\$574,900	4.00	4.00	\$1,159,200	\$1,149,800	(\$9,400)	-0.81%
Total - Non Federal	\$775,450	\$2,079,600	\$2,074,900	\$2,074,900	4.00	4.00	\$4,159,200	\$4,149,800	(\$9,400)	-0.23%
A	\$346,061	\$1,500,000	\$1,500,000	\$1,500,000	0.00	0.00	\$3,000,000	\$3,000,000	\$0	0.00%
S	\$429,389	\$579,600	\$574,900	\$574,900	4.00	4.00	\$1,159,200	\$1,149,800	(\$9,400)	-0.81%
PGM 03 Total	\$775,450	\$2,079,600	\$2,074,900	\$2,074,900	4.00	4.00	\$4,159,200	\$4,149,800	(\$9,400)	-0.23%
A	\$346,061	\$1,500,000	\$1,500,000	\$1,500,000	0.00	0.00	\$3,000,000	\$3,000,000	\$0	0.00%

Agency Total by Program

155 Public Service Commission

2017–2019 Biennial Budget

S	\$429,389	\$579,600	\$574,900	\$574,900	4.00	4.00	\$1,159,200	\$1,149,800	(\$9,400)	-0.81%
Agency Total	\$21,706,436	\$27,478,400	\$26,983,400	\$27,014,400	152.25	152.25	\$54,956,800	\$53,997,800	(\$959,000)	-1.75%

Agency Total by Decision Item

Public Service Commission

2017–2019 Biennial Budget

DIN No.	Decision Item	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
2000	Adjusted Base Funding Level	\$27,478,400	\$27,478,400	152.25	152.25
3001	Turnover Reduction	(\$261,000)	(\$261,000)	0.00	0.00
3003	Full Funding of Continuing Position Salaries and Fringe Benefits	(\$251,100)	(\$251,100)	0.00	0.00
3010	Full Funding of Lease and Directed Moves Costs	\$17,100	\$26,100	0.00	0.00
3011	Minor Transfers Within the Same Alpha Appropriation	\$0	\$0	0.00	0.00
4008	One-time expense to move PSC from 610 N. Whitney Way to the new Hill Farms complex	\$0	\$22,000	0.00	0.00
	TOTAL	\$26,983,400	\$27,014,400	152.25	152.25

GPR Earned

2017–2019 Biennial Budget
Public Service Commission

	CODES	TITLES
DEPARTMENT	155	Public Service Commission
PROGRAM	01	Regulation of public utilities
DATE	September 14, 2016	

Revenue	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$1,450,020	\$1,273,486	\$1,533,754	\$1,569,273
Lapse	\$98,700	\$98,700	\$0	\$0
Total	\$1,548,720	\$1,372,186	\$1,533,754	\$1,569,273

GPR Earned

2017–2019 Biennial Budget
Public Service Commission

CODES	TITLES
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DEPARTMENT	155	Public Service Commission
PROGRAM	02	Office of Commissioner of Railroads
DATE	September 14, 2016	

Revenue	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$49,590	\$100,440	\$56,760	\$57,700
Total	\$49,590	\$100,440	\$56,760	\$57,700

Program Revenue

2017–2019 Biennial Budget
Public Service Commission

	CODES	TITLES
DEPARTMENT	155	Public Service Commission
PROGRAM	01	Regulation of public utilities
NUMERIC APPROPRIATION	31	Utility regulation

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$2,086,622	\$3,243,280	\$0	\$0
Assessment Revenue	\$14,187,013	\$11,489,620	\$14,618,310	\$14,955,172
Total Revenue	\$16,273,635	\$14,732,900	\$14,618,310	\$14,955,172
Expenditures	\$13,030,355	\$14,732,900	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$15,112,800	\$15,112,800
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$0	\$0	\$(513,900)	\$(513,900)
3010 Full Funding of Lease and Directed Moves Costs	\$0	\$0	\$8,700	\$17,200
4008 One-time expenses related to moving/building furnishes from current leased location to the new Hill Farms State Office Complex	\$0	\$0	\$0	\$22,000
3001 Turnover Reduction	\$0	\$0	(\$261,000)	(\$261,000)
Compensation Reserve	\$0	\$0	\$195,500	\$394,900
Wisconsin Retirement System	\$0	\$0	\$0	\$588
Health Insurance Reserve	\$0	\$0	\$76,210	\$182,584
Total Expenditures	\$13,030,355	\$14,732,900	\$14,618,310	\$14,955,172
Closing Balance	\$3,243,280	\$0	\$0	\$0

Program Revenue

2017-2019 Biennial Budget
Public Service Commission

	CODES	TITLES
DEPARTMENT	155	Public Service Commission
PROGRAM	01	Regulation of public utilities
NUMERIC APPROPRIATION	32	Holding company and nonutility affiliate regulation

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$(333,595)	\$(632,822)	\$0	\$0
Assessment Revenue	\$313,190	\$1,245,242	\$719,234	\$737,555
Total Revenue	(\$20,405)	\$612,420	\$719,234	\$737,555
Expenditures	\$612,417	\$612,420	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$732,200	\$732,200
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$0	\$0	(\$29,100)	(\$29,100)
Compensation Review	\$0	\$0	\$11,200	\$22,600
Wisconsin Retirement System	\$0	\$0	\$0	\$34
Health Insurance Reserves	\$0	\$0	\$4,934	\$11,822
Total Expenditures	\$612,417	\$612,420	\$719,234	\$737,555
Closing Balance	(\$632,822)	\$0	\$0	\$0

Program Revenue

2017–2019 Biennial Budget
Public Service Commission

	CODES	TITLES
DEPARTMENT	155	Public Service Commission
PROGRAM	01	Regulation of public utilities
NUMERIC APPROPRIATION	34	Intervenor financing and grants

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$(783,620)	\$97,479	\$0	\$0
Utility Invoice	\$1,140,900	\$371,200	\$371,200	\$371,200
Total Revenue	\$357,280	\$468,679	\$371,200	\$371,200
Expenditures	\$259,801	\$468,679	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$371,200	\$371,200
Total Expenditures	\$259,801	\$468,679	\$371,200	\$371,200
Closing Balance	\$97,479	\$0	\$0	\$0

Program Revenue

2017–2019 Biennial Budget
Public Service Commission

	CODES	TITLES
DEPARTMENT	155	Public Service Commission
PROGRAM	01	Regulation of public utilities
NUMERIC APPROPRIATION	35	Stray voltage program

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$2,785	\$2,787	\$0	\$0
Assessment Revenue	\$187,360	\$189,013	\$306,900	\$308,706
Required Chapter 20 Lapse	(\$91,200)	(\$91,200)	\$0	\$0
Total Revenue	\$98,945	\$100,600	\$306,900	\$308,706
Expenditures	\$98,158	\$100,600	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$306,400	\$306,400
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$0	\$0	(\$1,300)	(\$1,300)
Compensation Reserve	\$0	\$0	\$1,800	\$3,600
Wisconsin Retirement System	\$0	\$0	\$0	\$6
Total Expenditures	\$96,158	\$100,600	\$306,900	\$308,706
Closing Balance	\$2,787	\$0	\$0	\$0

Program Revenue

2017–2019 Biennial Budget
Public Service Commission

	CODES	TITLES
DEPARTMENT	155	Public Service Commission
PROGRAM	02	Office of the Commissioner of Railroads
NUMERIC APPROPRIATION	31	Railroad and Water Carrier Regulation and General Program Operations

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$(428,130)	(412,659)	\$0	\$0
Assessment Revenue	\$495,857	\$1,004,359	\$567,596	\$577,064
Total Revenue	\$67,727	\$1,004,359	\$567,596	\$577,064
Expenditures	\$480,386	\$591,700	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$592,000	\$592,000
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$0	\$0	(\$33,500)	(\$33,500)
3010 Full Funding of Lease and Directed Moves Costs	\$0	\$0	\$200	\$500
Compensation Reserve	\$0	\$0	\$8,500	\$17,100
Wisconsin Retirement System	\$0	\$0	\$0	\$15
Health Insurance Reserve	\$0	\$0	\$396	\$949
Total Expenditures	\$480,386	\$591,700	\$567,596	\$577,064
Closing Balance	(\$412,659)	\$0	\$0	\$0

Segregated Funds Revenue and Balances Statement

2017–2019 Biennial Budget
Public Service Commission

	CODES	TITLES
DEPARTMENT	155	Public Service Commission
PROGRAM	03	Affiliated grant programs
NUMERIC APPROPRIATION	61	Energy efficiency and renewable resource programs

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$19,031	\$(5,338)	\$0	\$0
Assessment Revenue	\$399,969	\$429,738	\$418,746	\$430,914
Total Revenue	\$419,000	\$424,400	\$418,746	\$430,914
Expenditures	\$424,338	\$424,400	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$413,000	\$413,000
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$0	\$0	(\$4,700)	(\$4,700)
Compensation Reserve	\$0	\$0	\$6,400	\$12,900
Health Insurance Reserves	\$0	\$0	\$4,046	\$9,692
Wisconsin Retirement System	\$0	\$0	\$0	\$22
Total Expenditures	\$424,338	\$424,400	\$418,746	\$430,914
Closing Balance	\$(5,338)	\$0	\$0	\$0

Segregated Funds Revenue and Balances Statement

2017–2019 Biennial Budget
Public Service Commission

	CODES	TITLES
DEPARTMENT	155	Public Service Commission
PROGRAM	03	Affiliated grant programs
NUMERIC APPROPRIATION	80	Police and fire protection fee administration

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$5,100	\$49	\$0	(\$160,000)
Revenue	\$0	\$6,551	\$6,600	\$6,600
Total Revenue	\$5,100	\$6,600	\$6,600	(\$153,400)
Expenditures	\$5,051	\$6,600	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$166,600	\$166,600
Total Expenditures	\$5,051	\$6,600	\$166,600	\$166,600
Closing Balance	\$49	\$0	(\$160,000)	(\$320,000)

Segregated Funds Revenue and Balances Statement

2017–2019 Biennial Budget
Public Service Commission

	CODES	TITLES
DEPARTMENT	155	Public Service Commission
PROGRAM	01	Regulation of public utilities
NUMERIC APPROPRIATION	89	Universal telecommunications service

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$2,009,851	\$1,973,113	\$1,973,113	\$1,973,113
Assessment Revenue	\$5,016,991	\$5,940,000	\$5,940,000	\$5,940,000
Total Revenue	\$7,026,842	\$7,913,113	\$7,913,113	\$7,913,113
Expenditures	\$5,053,729	\$5,940,000	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$5,940,000	\$5,940,000
Total Expenditures	\$5,053,729	\$5,940,000	\$5,940,000	\$5,940,000
Closing Balance	\$1,973,113	\$1,973,113	\$1,973,113	\$1,973,113

Priority Listing of Decision Item Numbers

The Public Service Commission's 2017-2019 Budget is a cost-to-continue budget. Besides Standard Budget Adjustments, this budget submission includes six, additional decision items: 2000 Adjusted Base Funding Level, 3001 Turnover Reduction, 3003 Full Funding of Continuing Position Salaries and Fringe Benefits, 3010 Full Funding of Lease and Directed Moves Costs, 3011 Minor Transfers within the Same Alpha Appropriation and 4008 Costs Associated with Relocation to Hill Farms State Office Complex.

Decision Item Numbers listed in priority order:

1. 2000 Adjusted Base Funding Level
2. 3003 Full Funding of Continuing Position Salaries and Fringe Benefits
3. 3010 Full Funding of Lease and Directed Moves Costs
4. 4008 Costs Associated with Relocation to Hill Farms State Office Complex
5. 3011 Minor Transfers Within the Same Alpha Appropriation
6. 3001 Turnover Reduction

Decision Item Number

2017–2019 Biennial Budget
Public Service Commission

	CODES	TITLES
DEPARTMENT	155	Public Service Commission
DECISION ITEM	2000	Adjusted Base Funding Level

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$10,353,900	\$10,353,900
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$138,100	\$138,100
05	Fringe Benefits	\$4,014,600	\$4,014,600
06	Supplies and Services	\$3,943,800	\$3,943,800
07	Permanent Property	\$17,000	\$17,000
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$7,811,200	\$7,811,200
10	Local Assistance	\$1,199,800	\$1,199,800
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Total Cost	\$27,478,400	\$27,478,400
14	Project Positions Authorized	0.00	0.00
15	Classified Positions Authorized	138.25	138.25
16	Unclassified Positions Authorized	14.00	14.00

Decision Item by Numeric

2017–2019 Biennial Budget
Public Service Commission

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	2000	Adjusted Base Funding Level			
01	Regulation of public utilities				
	31 Utility regulation	\$15,112,800	\$15,112,800	124.00	124.00
	32 Holding company and non-utility affiliate regulation	\$732,200	\$732,200	7.00	7.00
	34 Intervenor financing and grants	\$371,200	\$371,200	0.00	0.00
	35 Stray voltage program	\$306,400	\$306,400	1.00	1.00
	41 Federal funds	\$2,294,200	\$2,294,200	10.25	10.25
	43 Indirect costs reimbursement	\$50,000	\$50,000	0.00	0.00
	89 Universal telecommunications service	\$5,940,000	\$5,940,000	0.00	0.00
	Regulation of public utilities Subtotal	\$24,806,800	\$24,806,800	142.25	142.25
02	Office of the commissioner of railroads				
	31 Railroad and water carrier regulation and general program operations	\$592,000	\$592,000	6.00	6.00
	Office of the commissioner of railroads Subtotal	\$592,000	\$592,000	6.00	6.00
03	Affiliated grant programs				
	61 Energy efficiency and renewable resource programs	\$413,000	\$413,000	4.00	4.00
	62 Broadband grants; SEG	\$1,500,000	\$1,500,000	0.00	0.00
	80 Police and fire protection fee administration	\$166,600	\$166,600	0.00	0.00
	Affiliated grant programs Subtotal	\$2,079,600	\$2,079,600	4.00	4.00
	Adjusted Base Funding Level Subtotal	\$27,478,400	\$27,478,400	152.25	152.25
	Agency Total	\$27,478,400	\$27,478,400	152.25	152.25

Decision Item by Fund Source

2017–2019 Biennial Budget
Public Service Commission

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	2000		Adjusted Base Funding Level			
	PR	A	\$371,200	\$371,200	0.00	0.00
	PR	S	\$16,743,400	\$16,743,400	138.00	138.00
	PR Federal	S	\$2,344,200	\$2,344,200	10.25	10.25
	SEG	A	\$7,440,000	\$7,440,000	0.00	0.00
	SEG	S	\$579,600	\$579,600	4.00	4.00
	Total		\$27,478,400	\$27,478,400	152.25	152.25
Agency Total		\$27,478,400	\$27,478,400	152.25	152.25	

Decision Item Number 3001
Turnover Reduction

This decision item removes 3% of permanent position salary funding in appropriations with at least 50 FTE under the assumption that a 3% savings will result from position vacancies.

Fiscal Effect Summary:

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	(\$261,000)	(\$261,000)
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Total Cost	(\$261,000)	(\$261,000)
14	Project Positions Authorized	0.00	0.00
15	Classified Positions Authorized	0.00	0.00
16	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	3001	Turnover Reduction			
01	Regulation of public utilities				
	31 Utility regulation	(\$261,000)	(\$261,000)	0.00	0.00
	Regulation of public utilities Subtotal	(\$261,000)	(\$261,000)	0.00	0.00
	Turnover Reduction Subtotal	(\$261,000)	(\$261,000)	0.00	0.00
	Agency Total	(\$261,000)	(\$261,000)	0.00	0.00

Decision Item by Fund Source

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	3001	Turnover Reduction				
	PR	S	(\$261,000)	(\$261,000)	0.00	0.00
	Total		(\$261,000)	(\$261,000)	0.00	0.00
Agency Total			(\$261,000)	(\$261,000)	0.00	0.00

Decision Item Number 3003

Full Funding of Continuing Position Salaries and Fringe Benefits

This decision item increases or decreases adjusted base year salary and fringe benefit funding to reflect positions authorized through August 2016. The new agency fringe rate is applied to the adjusted salary levels.

Fiscal Effect Summary:

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	(\$43,500)	(\$43,500)
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	(\$207,600)	(\$207,600)
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Total Cost	(\$251,100)	(\$251,100)
14	Project Positions Authorized	0.00	0.00
15	Classified Positions Authorized	0.00	0.00
16	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	3003	Full Funding of Continuing Position Salaries and Fringe Benefits			
01	Regulation of public utilities				
	31 Utility regulation	(\$513,900)	(\$513,900)	0.00	0.00
	32 Holding company and nonutility affiliate regulation	(\$29,100)	(\$29,100)	0.00	0.00
	35 Stray voltage program	(\$1,300)	(\$1,300)	0.00	0.00
	41 Federal funds	\$331,400	\$331,100	0.00	0.00
	42 Federal funds	\$0	\$0	0.00	0.00
	Regulation of public utilities Subtotal	\$212,900	\$212,900	0.00	0.00
02	Office of the commissioner of railroads				
	31 Railroad and water carrier regulation and general program operations	(\$33,500)	(\$33,500)	0.00	0.00
	Office of the commissioner of railroads Subtotal	(\$33,500)	(\$33,500)	0.00	0.00
03	Affiliated grant programs				
	61 Energy efficiency and renewable resource programs	(\$4,700)	(\$4,700)	0.00	0.00
	Affiliated grant programs Subtotal	(\$4,700)	(\$4,700)	0.00	0.00
	Full Funding of Continuing Position Salaries and Fringe Benefits Subtotal	(\$251,100)	(\$251,100)	0.00	0.00
	Agency Total	(\$251,100)	(\$251,100)	0.00	0.00

Decision Item by Fund Source

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	3003	Full Funding of Continuing Position Salaries and Fringe Benefits				
	PR	S	(\$577,800)	(\$577,800)	0.00	0.00
	PR Federal	S	\$331,400	\$331,400	0.00	0.00
	SEG	S	(\$4,700)	(\$4,700)	0.00	0.00
	Total		(\$251,100)	(\$251,100)	0.00	0.00
Agency Total			(\$251,100)	(\$251,100)	0.00	0.00

Decision Item Number 3010
Funding of Lease and Directed Moves Costs

This decision item increases adjusted base year building lease funding for building rent increases in the 2017-2019 biennium. Requested increases are as per the DOA schedule and are supported by actual contracted rates.

Fiscal Effect Summary:

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$17,100	\$26,100
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Total Cost	\$17,100	\$26,100
14	Project Positions Authorized	0.00	0.00
15	Classified Positions Authorized	0.00	0.00
16	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	3010	Full Funding of Lease and Directed Moves Costs			
01	Regulation of public utilities				
	31 Utility regulation	\$8,700	\$17,200	0.00	0.00
	41 Federal funds	\$4,100	\$4,200	0.00	0.00
	42 Federal funds	\$4,100	\$4,200	0.00	0.00
	Regulation of public utilities Subtotal	\$16,900	\$25,600	0.00	0.00
02	Office of the commissioner of railroads				
	31 Railroad and water carrier regulation and general program operations	\$200	\$500	0.00	0.00
	Office of the commissioner of railroads Subtotal	\$200	\$500	0.00	0.00
	Full Funding of Lease and Directed Moves Costs Subtotal	\$17,100	\$26,100	0.00	0.00
	Agency Total	\$17,100	\$26,100	0.00	0.00

Decision Item by Fund Source

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	3010		Full Funding of Lease and Directed Moves Costs			
	PR	S	\$8,900	\$17,700	0.00	0.00
	PR Federal	S	\$8,200	\$8,400	0.00	0.00
	Total		\$17,100	\$26,100	0.00	0.00
Agency Total			\$17,100	\$26,100	0.00	0.00

Decision Item Number 3011

Minor Transfers Within the Same Alpha Appropriation

This decision item realigns funding within the same alpha appropriations. Proposed realignments under this standard budget adjustment must net to zero.

Fiscal Effect Summary:

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Total Cost	\$0	\$0
14	Project Positions Authorized	0.00	0.00
15	Classified Positions Authorized	0.00	0.00
16	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	3011	Minor Transfers Within the Same Alpha Appropriation			
01	Regulation of public utilities				
	41 Federal funds	(\$2,044,300)	(\$2,044,300)	(5.00)	(5.00)
	42 Federal funds	\$2,044,300	\$2,044,300	5.00	5.00
	Regulation of public utilities Subtotal	\$0	\$0	0.00	0.00
	Minor Transfers Within the Same Alpha Appropriation Subtotal	\$0	\$0	0.00	0.00
	Agency Total	\$0	\$0	0.00	0.00

Decision Item by Fund Source

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	3011		Minor Transfers Within the Same Alpha Appropriation			
	PR Federal	S	\$0	\$0	0.00	0.00
	Total		\$0	\$0	0.00	0.00
Agency Total			\$0	\$0	0.00	0.00

Decision Item Number 4008

Costs Associated with Relocation to Hill Farms State Office Complex

This decision item is for one-time expenses related to moving the Commission and the administratively attached Office of the Commissioner of Railroads from its current leased location to the new Hill Farms State Office Complex. The following moving expense will not be included in the DOA Division of Facilities Management budget: moving PSC-owned copiers, fax machines, special IT equipment, detachment and re-installation of Smart Boards, task chairs, keyboard trays, monitor lifts, conference room accessories, miscellaneous supplies, VOIP phones and agency personal items. This request also includes costs associated with building finishes not covered in the standard building plans that address specific business and safety needs of the Commission in both its offices and main-floor Hearing Room.

Fiscal Effect Summary:

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$22,000
12	Debt Service	\$0	\$0
13	Total Cost	\$0	\$22,000
14	Project Positions Authorized	0.00	0.00
15	Classified Positions Authorized	0.00	0.00
16	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	4008	Costs Associated with Relocation to Hill Farms State Office Complex			
01	Regulation of public utilities				
	31 Utility regulation	\$0	\$22,000	0.00	0.00
	Regulation of public utilities Subtotal	\$0	\$22,000	0.00	0.00
	Costs Associated with Relocation to Hill Farms State Office Complex Subtotal	\$0	\$22,000	0.00	0.00
	Agency Total	\$0	\$22,000	0.00	0.00

Decision Item by Fund Source

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	4008	Costs Associated with Relocation to Hill Farms State Office Complex				
	PR	S	\$0	\$22,000	0.00	0.00
	Total		\$0	\$22,000	0.00	0.00
Agency Total			\$0	\$22,000	0.00	0.00

ACT 201

Proposal under s. 16.42(4)(b)2.: **0% change in each fiscal year**

FY: **FY18 & 19**

Agency: **PSC - 155**

Exclusions: Federal
Debt Service

Columns A-G were prepopulated for agencies to reflect state operations adjusted base and reductions agreed to by DOA and LFB. See Appendix H for instructions on how to complete these templates.

Proposed \$ and Proposed FTE columns reflect total agency proposed spending and positions for indicated fiscal year. These amounts should include standard budget adjustments (SBAs), any proposed reallocations or reductions to meet the target, and any other requests that the agency would want considered under this proposal.

Appropriations with zero dollars and zero FTEs are not loaded into the template. If you have any questions, contact your SBO analyst.

IF YOUR AGENCY PLANS TO TAKE THE SAME CUTS OVER BOTH YEARS, YOU SHOULD ONLY FILL OUT ONE GRID FOR 0% GROWTH AND ONE GRID FOR 5% REDUCTION, THEN CHANGE FY18 TO FY18 AND 19.

Agency	Appropriation		Fund Source	Adjusted Base		(See Note 1) 0% Change Target	Proposed Budget 2017-18		Item Ref.	Change from Adj Base		(See Note 2) Remove SBAs		Change from Adjusted Base after Removal of SBAs	
	Alpha	Numeric		\$	FTE		Proposed \$	Proposed FTE		\$	FTE	\$	FTE		
155	1g	131	PR	15,112,800	124.00	0	14,368,600	124.00		(744,200)	0.00	744,200	0.00	0	0.00
155	1h	132	PR	732,200	7.00	0	703,100	7.00		(29,100)	0.00	29,100	0.00	0	0.00
155	1L	135	PR	306,400	1.00	0	305,100	1.00		(1,300)	0.00	1,300	0.00	0	0.00
155	2g	231	PR	592,000	6.00	0	558,700	6.00		(33,300)	0.00	33,300	0.00	0	0.00
155	3s	361	SEG	413,000	4.00	0	408,300	4.00		(4,700)	0.00	4,700	0.00	0	0.00
155	3t	380	SEG	166,600	0.00	0	166,600	0.00		0	0.00	0	0.00	0	0.00
Totals				17,323,000	142.00	0	16,510,400	142.00		(812,600)	0.00	812,600	0.00	0	0.00

Note 1: Reduction target must be met within state operations appropriations, but may be allocated across those appropriations and fund sources.

Note 2: Amounts should be SBAs (DINs 3001 - 3011) from agency request multiplied by -1.

Target Reduction = 0

Difference = 0

Should equal \$0

Items - Describe proposed changes (excl. SBAs) to reach target or other priorities of agency

- 1
- 2
- 3

ACT 201

Proposal under s. 16.42(4)(b)1.: 5% change in each fiscal year

FY: **FY18 & 19**

Agency: **PSC - 155**

Exclusions: Federal
Debt Service

Columns A-G were prepopulated for agencies to reflect state operations adjusted base and reductions agreed to by DOA and LFB. See Appendix H for instructions on how to complete these templates.

Proposed \$ and Proposed FTE columns reflect total agency proposed spending and positions for indicated fiscal year. These amounts should include standard budget adjustments (SBAs), any proposed reallocations or reductions to meet the target, and any other requests that the agency would want considered under this proposal.

Appropriations with zero dollars and zero FTEs are not loaded into the template. If you have any questions, contact your SBO analyst.

IF YOUR AGENCY PLANS TO TAKE THE SAME CUTS OVER BOTH YEARS, YOU SHOULD ONLY FILL OUT ONE GRID FOR 0% GROWTH AND ONE GRID FOR 5% REDUCTION, THEN CHANGE FY18 TO FY18 AND 19.

Agency	Appropriation		Fund Source	Adjusted Base		(See Note 1)	Proposed Budget 2017-18		Item Ref.	Change from Adj Base		(See Note 2)	Change from Adjusted Base after Removal of SBAs		
	Alpha	Numeric		\$	FTE	5% Reduction Target	Proposed \$	Proposed FTE		\$	FTE	Remove SBAs	\$	FTE	
155	1g	131	PR	15,112,800	124.00	(755,600)	14,289,090	124.00		(823,710)	0.00	744,200	0.00	(79,510)	0.00
155	1h	132	PR	732,200	7.00	(36,600)	703,100	7.00		(29,100)	0.00	29,100	0.00	0	0.00
155	1L	135	PR	306,400	1.00	(15,300)	305,100	1.00		(196,300)	0.00	1,300	0.00	(195,000)	0.00
155	2g	231	PR	592,000	6.00	(29,600)	558,700	1.00		(463,890)	(5.00)	33,300	0.00	(430,590)	(5.00)
155	3s	361	SEG	413,000	4.00	(20,700)	408,300	4.00		(4,700)	0.00	4,700	0.00	0	0.00
155	3t	380	SEG	166,600	0.00	(8,300)	166,600	0.00		(161,000)	0.00	0	0.00	(161,000)	0.00
Totals				17,323,000	142.00	(866,100)	16,430,890	137.00		(1,678,700)	(5.00)	812,600	0.00	(866,100.00)	(5.00)

Note 1: Reduction target must be met within state operations appropriations, but may be allocated across those appropriations and fund sources.

Target Reduction = (866,100)

Note 2: Amounts should be SBAs (DINs 3001 - 3011) from agency request multiplied by -1.

Difference = **0**
Should equal \$0

Items - Describe proposed changes (excl. SBAs) to reach target or other priorities of agency

Because these cuts clearly impair the ability PSC and OCR to carry out our statutory responsibilities to ratepayers and the general public, as well as reducing our ability to promote broadband expansion across the state, these cuts will not be part of our budget submittal.

- The Commission's budget structure provides appropriation authority – a threshold or cap that provides no real dollars, but only the ability to assess the utilities for the costs associated with regulation within each appropriation amount. The Commission only charges for costs incurred. Because the Commission has no tax revenue, a 5% cut will yield no GPR benefits. Additionally, because the Commission collects no program revenue (PR) beyond actual expenses, a cut would only be to reduce appropriation levels rather than spending. Reducing allowable appropriations would only have an impact if the cut was severe enough to prevent funding regulatory functions like auditing public utilities to keep them accountable for their use of ratepayer dollars. The Commission's regulatory activities ebb and flow within a given year due to the reactionary nature of our work: we cannot anticipate when a merger occurs, when a construction application is submitted or whether a utility needs a full vs. partial rate case. Our appropriation levels are set to provide us with the ability to adapt to these ups and downs in casework and associated costs. The 5% cut eliminates a lot of that flexibility for several reasons: From 2011 to 2015, the Commission lost 20 full-time regulatory positions – 12% of our workforce; The Commission has seen substantial turnover over the last three biennia due to its aging workforce:
 - With the associated costs of hiring and training replacements, further budget cuts could prevent the Commission from meeting its regulatory responsibilities.
 - Most Commission employees are highly trained auditors, accountants, engineers and attorneys who must be able to go toe to toe with highly experienced and skilled utility employees and consultants. Turnover makes training of these highly technical positions a significant and necessary cost.
 With the inability to reduce the skilled regulatory positions, the Commission needs to look elsewhere: Supplies & Services; A 5% reduction to Supplies & Services cuts too deep as well, leaving the Commission with only \$111,868 in surplus to cover any unplanned expenses. Since 2015, the Commission has essentially "floated" the Wisconsin Broadband Office (WBO) in terms of both staffing and operational costs. To carry out the legislative direction and intent in broadband, the Commission has used its Supplies & Services budget, as well as vacancies to support the ongoing efforts of this Office. Increased responsibilities assigned to the WBO (Broadband Forward! Certification; Broadband Expansion Grant and grant increase) without administrative support has left the Commission funding the broadband outreach and grant writer training that makes the programs successful. Cuts to PR expenditure authority would force cuts to these functions, which are not statutory requirements, in order to carry out the regulatory functions required by law.
- Proposal: One-time cuts to the Office of the Commissioner of Railroad, including elimination of 5 staff positions and associated fringe benefits. The Commissioner of Railroad position (Fixed Term-20.923(4) ESG 5), would be moved to DOT to meet the Office's statutory responsibilities.**
- The PSC would reduce Supplies & Services in the following appropriations: 131 (utility regulation), 132 (holding co.), 135 (stray voltage), 361 (Focus on Energy), 380 (Police and Fire Protection Fee).**