

**Public Service Commission  
Budget No. 408  
Senate Bill No. 2008**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
<b>2015-17 legislative appropriations</b>	<b>46.00</b>	<b>\$7,935,207</b>	<b>\$14,300,575</b>	<b>\$22,235,782</b>
2015-17 base budget	44.00	6,667,660	13,033,549	19,701,209
Legislative increase (decrease) to base budget	2.00	\$1,267,547	\$1,267,026	\$2,534,573

**ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS**

	<b>Ongoing General Fund Appropriation</b>	<b>One-Time General Fund Appropriation</b>	<b>Total General Fund Appropriation</b>
<b>2015-17 legislative appropriations</b>	<b>\$7,521,207</b>	<b>\$414,000</b>	<b>\$7,935,207</b>
2013-15 legislative appropriations	6,667,660	424,080	7,091,740
2015-17 legislative increase (decrease) to 2013-15 appropriations	\$853,547	(\$10,080)	\$843,467
Percentage increase (decrease) to 2013-15 appropriations	12.8%	(2.4%)	11.9%

**SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET AND MAJOR FUNDING ITEMS**

**Salaries and Wages**

The legislative action affecting the recommended appropriation for the Public Service Commission is in accordance with legislative salary and fringe benefits guidelines as contained in Senate Bill No. 2015.

	<b>Changes to Base Budget</b>			<b>Total</b>
	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	
The legislative action:				
Added funding for base payroll changes for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.		\$48,147	(\$55,650)	(\$7,503)
Added funding for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year.		218,499	147,228	365,727
Added funding for employee health insurance premiums to reflect a premium estimate of \$1,130.22 per month.		103,419	64,134	167,553
Added funding for 1 public utility analyst FTE position.	1.00	297,747		297,747
Added the following funding for a railroad safety pilot program:				

• 1 railroad safety inspector FTE position.	1.00		309,970	309,970
• 1 temporary employee.			200,000	200,000
Added funding for abandoned mine land program temporary positions.			245,344	245,344
Added funding for temporary weights and measures inspector.		200,000		200,000
Increased funding for travel.		20,000	20,000	40,000
Added funding for information technology equipment replacement and upgrades.		26,400		26,400
Adjusted funding for capital assets.		(60,665)		(60,665)
Added one-time funding for specialized legal services.		414,000	336,000	750,000
Total	<u>2.00</u>	<u>\$1,267,547</u>	<u>\$1,267,026</u>	<u>\$2,534,573</u>

#### FTE Changes

The 2015-17 biennium appropriation includes funding for 48 FTE positions, an increase of 2 FTE positions from the 2013-15 biennium authorized level of 44 FTE positions. The Legislative Assembly added 1 railroad safety inspector FTE position and 1 public utility analyst FTE position.

#### One-Time Funding

The Legislative Assembly identified one-time funding of \$750,000, including \$414,000 from the general fund, for specialized legal services for the 2015-17 biennium.

#### Railroad Safety Pilot Program

In Section 3 of Senate Bill No. 2008, the Legislative Assembly identified funding of \$523,345 from the rail safety fund for 1 railroad safety inspector FTE position to inspect railroad track and 1 temporary employee for a rail safety program for the 2015-17 biennium with the intent to continue the program into the 2017-19 biennium. The rail safety fund, created in Section 7 of Senate Bill No. 2008, will receive revenue from special fuels excise taxes collected on sales of diesel fuel to a railroad under North Dakota Century Code Section 57-43.2-03 of up to \$275,000 per year, through June 30, 2019.

#### Other Sections in Bill

**Railroad safety pilot program - Legislative intent - Rail safety fund** - Section 3 provides that \$523,345 from the rail safety fund in Section 1 of Senate Bill No. 2008, be used for a new railroad safety pilot program, which includes 1 railroad safety inspector FTE position (\$253,345), related operating expenses (\$70,000), and 1 temporary position (\$200,000), and provides legislative intent that the program continue through the 2017-19 biennium. Section 7 amends Section 57-43.2-19 to deposit special fuels excise taxes collected on sales of diesel fuel to a railroad under Section 57-43.2-03 of up to \$275,000 per year into the rail safety fund through June 30, 2019. Section 8 provides an effective date for Section 7 of Senate Bill No. 2008 for special fuels excise taxes collected after June 30, 2015.

**Railroad training program** - Section 4 requires railroads to make training available, with refreshment training at least every three years, to all fire departments having jurisdiction along routes traversed by unit oil trains.

**Salary of commissioners** - Section 5 provides statutory changes to Section 49-01-05 relating to the salaries of the Public Service Commissioners. The Legislative Assembly authorized 2015-17 biennium annual salary increases of 3 percent. The Public Service Commissioners salary is to be increased from the current level of \$102,418 to \$105,491 effective July 1, 2015, and to \$108,656 effective July 1, 2016.

**Rail rate complaint case funding** - Section 6 provides for a transfer of up to \$900,000 from the Bank of North Dakota beginning farmer revolving loan fund to the Public Service Commission to pay for costs associated with a rail rate complaint case. If any amount is spent, the Public Service Commission is to reimburse the beginning farmer revolving loan fund using amounts from damages or proceeds received, net of legal fees, from a successful outcome of a rail rate complaint case.

**Retroactive application** - Section 9 provides that the specialized legal services line item is retroactive in application.

**Emergency** - Section 10 provides that the specialized legal services line item is declared to be an emergency measure.

#### **Related Legislation**

**Senate Bill No. 2037** - Provides that a wind turbine electric generation unit with a capacity of 100 kilowatts or more on which construction is completed after December 31, 2014, or which is 20 years or more from the date of first assessment, is subject to taxes in lieu of property taxes. The bill also provides for a Legislative Management study on wind generation taxation and requires the Public Service Commission to report annually during the 2015-16 interim on the status of retail sales of electricity in comparison to the state renewable and recycled energy objective.

**Senate Bill No. 2120** - Changes the energy conversion and transmission facility siting minimum application fee from \$5,000 to \$10,000.

**Senate Bill No. 2123** - Provides authority to the Public Service Commission to impose an application fee of up to \$10,000, or a greater amount with Emergency Commission approval, for an application for a certificate of public convenience and necessity.

**Senate Bill No. 2356** - Provides for a Legislative Management study of reclamation standards and practices during the 2015-16 interim.