

**Public Service Commission
Budget 408
House Bill No. 1008**

	FTE Positions	General Fund	Other Funds	Total
2009-11 legislative appropriation	43.00	\$5,676,165	\$10,662,242	\$16,338,407
2007-09 legislative appropriation	<u>41.00</u>	<u>4,890,887</u>	<u>8,012,817</u>	<u>12,903,704</u>
2009-11 appropriation increase (decrease) to 2007-09 appropriation	2.00	\$785,278	\$2,649,425	\$3,434,703

NOTE: The 2009-11 legislative appropriation amounts include \$108,000, of which \$73,000 is from the general fund, for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees.

Item Description

FTE changes - The 2009-11 biennium appropriation includes funding for 43 FTE positions, 2 more than the 2007-09 biennium. The Legislative Assembly approved adding 1 FTE public utility analyst II position in the Public Utilities Division and 1 FTE environmental engineer III position in the Reclamation Division.

Metrology program - Section 3 of House Bill No. 1008 provided that the Public Service Commission discontinue metrology program services during the 2009-11 biennium and that the Public Service Commission and the Department of Commerce collaborate to assist with the transition of metrology services from a public to a private service by contracting with the private sector for services on a short-term basis, assisting with equipment acquisition, and providing referrals. The Public Service Commission is to report to the Budget Section during the 2009-10 interim on the status of the metrology program.

In addition, if the Public Service Commission transitions metrology services from a public to a private service, Section 4 of House Bill No. 1008 authorizes the Public Service Commission to sell or transfer property related to the metrology program in a manner that is determined by the commission to be of the greatest advantage to the state. The sale or transfer of the metrology equipment is not subject to surplus property provisions of North Dakota Century Code Section 54-44-04.6.

Status/Result

The Public Service Commission filled the public utility analyst II position in the Public Utilities Division in November 2009.

The Public Service Commission has not filled the environmental engineer III position in the Reclamation Division. The agency is concerned with future availability of federal funds to the Reclamation Division to provide the federal share of the program costs which would affect the agency's ability to pay for the environmental engineer III position. Also, the Facility Management Division has not allocated the Public Service Commission additional space to house the new position. These two factors have led the agency to reassess the need to fill the environmental engineer III position. Unless these factors change, the agency does not anticipate filling the position by the end of the 2009-11 biennium.

The Public Service Commission will close the metrology laboratory on June 30, 2010. Both state and private weights and measures working standards development and maintenance responsibilities are transitioning to the National Institute of Standards and Technology accredited metrology laboratory in St. Paul, Minnesota. Despite discontinuing services at the metrology laboratory, the Public Service Commission will continue to provide weights and measures inspection services for the state in metrology and pipeline safety. The Public Service Commission continues to explore opportunities for an alternative metrology provider in North Dakota, including possibilities of a private laboratory in the eastern part of the state or a regional laboratory in association with the state of South Dakota.

The Public Service Commission is not anticipating the sale of equipment used by the metrology program. Currently there is no known market for the equipment and the agency plans to store items in a storage facility until an interested party is found. The agency believes a transfer to an interested party will be more cost efficient. If the equipment is given away, the agency will not incur the cost of disposing of the equipment.

Rail rate complaint case - The 2009 Legislative Assembly provided a \$900,000 appropriation for a rail rate complaint case. This appropriation consists of \$800,000 from the beginning farmer revolving loan fund continued from the 2005-07 biennium and \$100,000 of other funds.

A rail rate complaint case has not been filed primarily because state activity associated with the rail rate case and readily accessible funds to pursue regulatory relief against the railroad industry has guarded against abusive rail industry practices.