



*The Public Service Commission
State of South Carolina*

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COMMISSIONERS
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September 29, 2011

Office of State Budget
1201 Main Street, Suite 870
Columbia, South Carolina 29201

Dear Sir/Madam:

This letter serves as notification that the Public Service Commission of South Carolina will have no change in its existing authorization of other funds or FTEs for FY 2012 – 2013. The FY 2012 – 2013 Executive Summary, Operating Budget Summary, Capital Budget/Non-Recurring Requests Summary, Budget Category Justification Sheet, Capital Budget/Non-Recurring Requests, Provisos, and Federal Grant Justifications are attached. Please note the agency receives no general funds, has only two activities that are unique and not performed by any other state agency.

Please let me know if you should need anything further in this regard.

With best wishes, I am,

Sincerely yours,

Handwritten signature of Jocelyn G. Boyd in cursive script.
Jocelyn G. Boyd

JGB/vbd

FISCAL YEAR 2012-13 BUDGET PLAN

I. EXECUTIVE SUMMARY

A. **Agency Section/Code/Name:** SECTION 56 – R04 – PUBLIC SERVICE COMMISSION

B. **Summary Description of Strategic or Long-Term Goals:**

To carry out its mission to serve the public by providing fair, open, and effective regulation and adjudication of the state's public utilities, through consistent administration of the law and implementation of the regulatory process, the Commission will be: (1) Effective by consistently providing fair, timely and effective regulation of investor-owned utilities; (2) Progressive in serving the public interest by analyzing the issues presented; (3) Pertinent and Engaged in activities that enhance its mission.

C. **2011-2012 Agency Recurring Base Appropriation:**

State	\$0
Federal	\$0
Other	4,229,308

D. **Number of Budget Categories:**

Two

E. **Agency-wide Vacant FTEs**

Vacant FTEs as of July 31, 2011: One
% Vacant 3%

F. **Efficiency Measures:**

Efficiency, effectiveness and customer service improvements are detailed on pages 21-31, Category 7 – Business Results of the PSC's Accountability Report. The Commission held 94 hearings and opened 454 new dockets. Hearing examiners and officers were appointed to dispose of procedural matters and report findings.

The Commission engaged in activities to increase customer awareness and education by conducting a series of public workshops to foster a better understanding of regulatory developments. These workshops allowed the Commission to provide a transparent regulatory process while maintaining effective communications with its customers and stakeholders.

The Commission developed an online form for use by the public to file a letter of protest against a utility. Enhancement to the agency's website allowed the public more access to its operation and to improve the display of information and functionality. The Commission's online tariff system allows users to view and search tariffs online and allows organizations to file promotions and revisions to tariffs.

When matters are posted to the Commission's DMS, the information (applications, testimony, exhibits, notices, correspondence, orders, etc) is available for public access. The DMS database was expanded to include orders dating back to 1952.

Electronic filing (E-filing) of documents increases the timeliness of the information and improves productivity for the users and the Commission Staff.

G. **Number of Provisos:**

NONE

IIA. OPERATING BUDGET PROGRAMS

Agency Section/Code/Name: SECTION 56/R04/PUBLIC SERVICE COMMISSION

SUMMARY OF OPERATING BUDGET PROGRAMS FOR FY 2012-13

OPERATING BUDGET PROGRAMS			FUNDING					FTEs			
Title	Activity Name	Activity No.	Non-Recurring State	Recurring State	Federal	Other	Total	State	Federal	Other	Total
	Utility Regulation	1319			237,000	3,367,911	3,604,911		1.00	28.00	29.00
	Administration	1321				1,031,397	1,031,397			10.00	10.00
							0				0.00
							0				0.00
							0				0.00
							0				0.00
For additional rows, place cursor in this gray box and press "Ctrl" + "b". (You need to start in this gray box for each row needed or the formulas will not copy properly.)											
TOTAL OF ALL OPERATING BUDGET PROGRAMS			0	0	237,000	4,399,308	4,636,308	0.00	1.00	38.00	39.00

IIB. CAPITAL BUDGET/NON-RECURRING REQUESTS FOR FY 2012-13
 Agency Section/Code/Name: SECTION 56/R04/PUBLIC SERVICE COMMISSION

NONE

SUMMARY OF CAPITAL BUDGET/NON-RECURRING REQUESTS FOR FY 2012-13

CAPITAL BUDGET/NON-RECURRING REQUESTS				Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Project No.*	Project Name	Activity Name	Activity No.				
							0
							0
							0
							0
							0
For additional rows, place cursor in this gray box and press "Ctrl" + "c". (You need to start in this gray box for each row needed or the formulas will not copy properly.)							
TOTAL OF ALL CAPITAL BUDGET/NON-RECURRING REQUESTS				0	0	0	0

*if applicable

A. Summary description of programs and how they relate to the mission of the agency:

UTILITY REGULATION -The PSC regulates and monitors rates and charges, services, facilities, and practices of electric, gas, telecommunications, water and wastewater investor owned utilities, hazardous waste carriers, and certain transportation companies, through judicial proceedings before the Commission.

ADMINISTRATION – Directs the daily operation and administration of the agency, prepares and monitors the annual operating budget, oversees the agency fiscal matters, manages the local area network and website, provides desktop computer support, manages human resources and is responsible for the assessment of regulated utilities.

B. Budget Program Number and Name:

I. ADMINISTRATION

II. EMPLOYEE BENEFITS

C. Agency Activity Number and Name:

Note: If more than one activity maps to this program; provide all activity numbers, names, and approximate funding amounts.

Activity Number	Activity Name	State Non-Recurring	State Recurring	Federal	Other	Total
1319	Utility Regulation			237,000	3,367,911	3,604,911
1321	Administration				1,031,397	1,031,397

D. Performance Measures: Key performance measures are identified as those functions that are critical to the successful operation of the agency to achieve its goals. Those critical operations are functions performed in the filings of matters and service of orders, hearings conducted by the Commission, and preparation and issuance of orders. Weekly meetings with senior management are held to discuss upcoming filings, hearings, and issues and allocate resources to meet them. Monthly totals (new dockets, filings, hearings, directives, orders, etc.) are collected, analyzed and reported to senior management. Measures are compared to past trends to assist management in planning future workloads.

E. Program Interaction:

Workloads are organized and managed according to a function. A high level of cooperation exists between departments because of the interdependence in processing a docket. Because of this interdependence, senior management meets weekly to ensure that all departments are working on the same set of short term goals and sharing critical information.

The Commission fills agency vacancies utilizing existing personnel if possible. A member of senior management is involved in the hiring, orientation, and training of new hires.

In order to adapt to the changing regulatory market, the Commission requires a knowledgeable staff to assist the Commission in adjudicating cases. Developmental and agency training needs are identified by senior management. As deficiencies are identified, solutions are developed to provide the necessary instruction.

F. Change Management: The mission of the Commission is to provide fair, open, and effective regulation of the state’s public utilities and to be pertinent and progressive. Its mission and focus has not changed over the past 5 years.

III. Budget Category Justification Sheet

Agency Code
R040

Agency Name:
PUBLIC SERVICE COMMISSION

G. Detailed Funding Information:

FY 2012-13 Cost Estimates:	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs*		0.00	1.0	38.00	39.00
Personal Service	\$0	\$0	\$11,100	\$2,870,895	\$ 2,881,995
Employer Contributions	\$0	\$0	\$4,000	\$798,396	\$ 802,396
Program/Case Services	\$0	\$0	\$0	\$0	\$ 0
Pass-Through Funds	\$0	\$0	\$0	\$0	\$ 0
Other Operating Expenses	\$0	\$0	\$221,900	730,017	\$ 951,917
Total	\$ 0	\$ 0	\$ 237,00	\$ 4,399,308	\$ 4,636,308

* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.

Is this budget category or program associated with a Capital Budget Priority? NO

If yes, state Capital Budget Priority Number and Project Name:

Please List proviso numbers that relate to this budget category or programs funded by this category. NONE

H. Changes to the Appropriation:

Please explain any changes, to include re-alignments and funding or FTE increases requested in this year's appropriation, as detailed below:

Funding:

Year	State Non-Recurring	State Recurring	Federal	Other (Earmarked or Restricted)
2011-2012 Act			393,000	
2012-2013 Act			237,000	
Difference			(156,000)	
% Difference			(39.69%)	

Explanation of Changes: Amount needed to complete the ARRA program activities.

I. Revenue Estimates:

Please detail Sources of revenue for this program, identified by SAP fund number if a live SCEIS agency or the STARS number if a STARS agency. If several sources remit to a single subfund that cannot be split by source and appropriation or program, provide an estimate of the revenue dedicated to this program.

SAP Fund Number	Source Name	General Fund	Other State	Earmarked	Restricted	Federal
406013000	Public Service Assessment			4,229,308		
428002000	Fed Operating Grant					237,000

If expenditures for this program are greater than known or estimated revenues and the intent is to bridge part of this shortfall by drawing down balances in agency accounts or reserves, indicate the accounts and amount of the current reserve or balance that will likely be used below.

Please detail the long-term sustainability of this program if cash reserves are needed to operate.

III. Budget Category Justification Sheet

Agency Code
R040

Agency Name:
PUBLIC SERVICE COMMISSION

If there is federal fund or other fund spending authority requested above the revenue streams detailed above, please indicate the amount and explanation for each.

J. FTE Positions:

Please detail the number of FTE's filled (F) by the program as of June 30 of each fiscal year, and the number authorized (A) by the Appropriations Act.

Fiscal Year	State	Other-Earmarked or Restricted	Federal	Total	Temporary, Temporary Grant, Time -limited
2012-2013 (A)		38.0		38.0	1.5
2011-2012 (A)		38.0		38.0	1.5
2010-2011 (F)		36.5		36.5	2.5
2010-2011 (A)		38.0		38.0	2.5
2009-2010 (F)		36.5		36.5	2.0
2009-2010 (A)		38.0		38.0	2.0
2008-2009 (F)		37.5		37.5	2.0
2008-2009 (A)		38.0		38.0	2.0
2007-2008 (F)		37.5		37.5	2.0
2007-2008 (A)		38.0		38.0	2.0

K. Detailed Justification for FTEs: No new FTEs requested

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) **Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

A. Proviso Number NONE

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

D. Action

(Indicate Keep, Amend, Delete, or Add):

E. Title

Descriptive Proviso Title:

F. Summary

Summary of Existing or New Proviso:

G. Explanation of Amendment to/or Deletion of Existing Proviso

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary**I. Justification**

Refer to the instructions for the correct question to answer in this space, based on the action you selected

J. Fiscal Impact (Include impact on each source of funds – state, federal, and other)**K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline**

(INSERT PROVISOR FROM FY 2012-13 RENUMBERED PROVISOR BASE HERE)

Federal Aid Justification

DE-OE0000143

Summary

Award Title	RECOVERY ACT - STATE ELECTRICITY REGULATORS ASSISTANCE - STATE OF SOUTH CAROLINA		
CFDA Number/Title	(81.122) Electricity Delivery and Energy Reliability, Research, Development and	→	If "Other", identify:
Award Number (Federal)	DE-OE0000143	Start Date	11/01/09
		Federal Agency	Department of Energy (89)
Award Number (State)	R04011300010	End Date	12/31/13
		Federal Subagency	
Award Period	One-Time	→	If "Other", explain:

Financial

Total Award Amount	\$ 864,183.00	Amount Available in FY 2012-13	\$ 237,000.00
State Match Required?	No	If "Yes", describe, and provide SAP Fund Number(s) of funding sources	
Local Match Required?	No	If "Yes", describe	
Assistance Type		If "Other", explain	ARRA
Is administrative and/or indirect cost recovery permitted? If so, explain:	Included cost associated with the assessment paid for the ARRA Central Oversight Administrative Cost		
Will funds be passed-through to other entities? If so, what types of entities, and how will funds be distributed?	NONE		

FY 2012-13 Agency Budget Request

Agency
Code R040

Agency Name PUBLIC SERVICE COMMISSION

Federal Aid Justification

DE-OE0000143

Questions

How is the use of these funds essential to your agency's mission?

The grant will allow an opportunity to enhance the PSC Commissioners and staff's technical expertise which will be helpful in processing regulatory activities pertaining to ARRA electricity related activities.

What budgetary, compliance, and programmatic obligations will the state incur (now or in the future) through the receipt of these funds?

NONE

What outcome and/or performance measures will you track and/or report on in association with this award?

Increase the capacity of PSC to manage a significant increase in dockets and other regulatory actions; facilitate timely consideration by PSC of ARRA electricity related investments as filed in PSC dockets; and create jobs.

What is the name and title of the individual in your agency who is responsible for the success of this program?

Jocelyn G. Boyd, Chief Clerk/Administrator