

**Department 408 - Public Service Commission**  
**Senate Bill No. 2008**

**First Chamber Comparison to Base Level**

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2023-25 First Chamber Version	\$8,198,377	\$13,988,401	\$22,186,778
2023-25 Base Level	6,425,687	13,347,095	19,772,782
Increase (Decrease)	\$1,772,690	\$641,306	\$2,413,996

**First Chamber Changes**

A summary of the first chamber's changes to the agency's base level appropriations and the executive budget is attached as an appendix.

**Selected Bill Sections Included in the First Chamber Version**

**Bank of North Dakota - Line of credit** - Section 3 provides for a line of credit at the Bank of North Dakota of \$900,000 to pay costs associated with a rail rate complaint case. The section authorizing a \$900,000 transfer from the beginning farmer revolving loan fund is removed.

**Railroad safety program** - Section 4 amends North Dakota Century Code Section 57-43.2-19 to increase the deposit from special fuels taxes into the rail safety fund and to remove the sunset date.

**Salary of commissioners** - Section 5 provides the statutory changes increasing the Public Service Commissioners' salary. Each Public Service Commissioner's annual salary is increased from the current level of \$117,610 to \$124,800 (6 percent), effective July 1, 2023, and to \$129,792 (4 percent) effective July 1, 2024.

**Continuing Appropriations**

**Siting process expense recovery fund** - Section 49-22-22 - Siting process application fees received are deposited in the siting process expense recovery fund to pay expenses incurred in the siting process.

**Performance assurance fund** - Section 49-21-31 - Money received by the Public Service Commission under a performance assurance plan is to be deposited in the performance assurance fund until the balance equals \$100,000. The money in the fund may be used by the Public Service Commission to monitor the operation and effect of the performance assurance plan.

**Utility valuation expense recovery** - Section 49-05-04 - Any public utility requesting an increase in its rates above the maximum approved or prescribed by the commission shall furnish the commission the required documents and an application fee in the amount of \$175,000. Upon request of the commission and with the approval of the Emergency Commission, the applicant shall pay such additional fees as are reasonably necessary for completion of the application process by the commission. The commission shall pay the expenses of investigating a rate increase application under this section from the application fee paid by the public utility in accordance with Section 49-02-02. The commission may waive or reduce the fee.

**Deficiency Appropriations**

There are no deficiency appropriations for this agency.

**Significant Audit Findings**

There are no audit findings for this agency.

**Major Related Legislation**

**House Bill No. 1063** - Removes the \$50 tariff rate filing fee requirement.

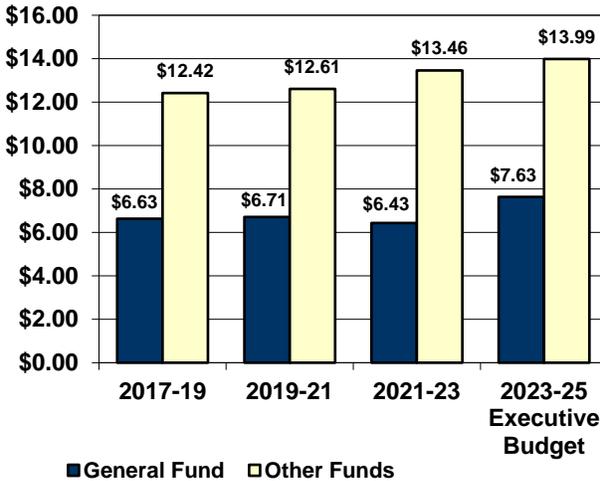
**House Bill No. 1096** - Relates to permit fees for registered service companies and registered service persons.

**House Bill No. 1191** - Changes the responsibility for licensing and registering auctioneers and clerks from the Public Service Commission to the Secretary of State.

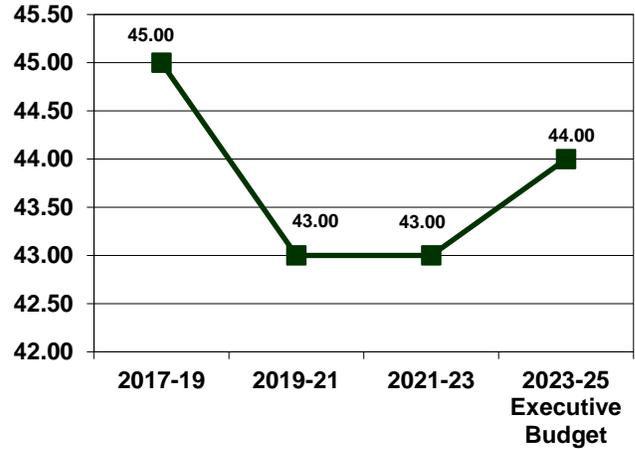
# Historical Appropriations Information

## Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



### Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	\$7,175,827	\$6,630,762	\$6,714,928	\$6,425,687	\$7,527,872
Increase (decrease) from previous biennium	N/A	(\$545,065)	\$84,166	(\$289,241)	\$1,102,185
Percentage increase (decrease) from previous biennium	N/A	(7.6%)	1.3%	(4.3%)	17.2%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	(7.6%)	(6.4%)	(10.5%)	4.9%

### Major Increases (Decreases) in Ongoing General Fund Appropriations

#### 2017-19 Biennium

1. Removed 2 FTE undesignated positions (\$286,240)
2. Reduced salaries and wages in anticipation of savings from vacant positions and employee turnover (\$250,000)
3. Reduced funding for operating expenses (\$47,736)
4. Reduced funding for capital assets to provide a total of \$10,000 (\$16,400)
5. Removed funding from the general fund for specialized legal services (\$56,000)

#### 2019-21 Biennium

1. Transferred 2 FTE grain warehouse inspectors (\$317,725) and related operating expenses (\$71,000) to the Department of Agriculture (\$388,725)
2. Added funding for the reclassification of an existing underfunded FTE position as an accounting budget specialist position (\$165,493) and related operating expenses (\$5,000) \$170,493

#### 2021-23 Biennium

1. Changed the funding source for a portion of salaries and wages from the general fund to the Public Service Commission program fund (\$625,000)
2. Added funding for the reclassification of an existing underfunded FTE position as a natural gas pipeline inspector position \$167,547

#### 2023-25 Biennium (Executive Budget Recommendation)

1. Adds funding for a new Capitol space rent model \$221,067
2. Adds funding for a Federal Energy Regulatory Commission (FERC) contractor \$120,000

- 3. Adds funding for ongoing operating expenses, of which \$52,000 is for supplies - IT software to provide a total of \$224,500, and \$31,600 is for professional development to provide a total of \$132,400 \$83,600
- 4. Adds 1 FTE for an environmental scientist position \$77,962

**One-Time General Fund Appropriations**

	<b>2015-17</b>	<b>2017-19</b>	<b>2019-21</b>	<b>2021-23</b>	<b>2023-25 Executive Budget</b>
One-time general fund appropriations	\$239,624	\$0	\$0	\$5,400	\$103,500

**Major One-Time General Fund Appropriations**

**2017-19 Biennium**

None \$0

**2019-21 Biennium**

None \$0

**2021-23 Biennium**

Replace real time kinematic equipment \$5,400

**2023-25 Biennium (Executive Budget Recommendation)**

- 1. Shortfall of indirect cost recovery \$101,700
- 2. Drone \$1,800

**Public Service Commission - Budget No. 408**  
**Senate Bill No. 2008**  
**Base Level Funding Changes**

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2023-25 Biennium Base Level</b>	43.00	\$6,425,687	\$13,347,095	\$19,772,782	43.00	\$6,425,687	\$13,347,095	\$19,772,782
<b>2023-25 Ongoing Funding Changes</b>								
Cost to continue salaries		\$53,472	\$27,589	\$81,061		\$53,472	\$27,589	\$81,061
Salary increase		419,766	290,719	710,485		314,322	217,702	532,024
Health insurance increase		126,276	89,756	216,032		129,181	91,821	221,002
Adds funding for temporary salaries and the railroad safety program			106,706	106,706		38,000	106,706	144,706
Adds 1 FTE environmental scientist position	1.00	77,962	138,602	216,564	1.00	77,962	138,602	216,564
Adds salary equity funding for elected officials				0		18,318		18,318
Adds 1 FTE legal assistant position				0	1.00	96,754	70,728	167,482
Adds 2 FTE public utility positions				0	2.00	556,472		556,472
Adds funding for Information Technology Department rate increase		42		42		42		42
Adjusts funding for operating expenses		83,600	(30,042)	53,558		83,600	(30,042)	53,558
Adds funding for a new Capitol space rent model		221,067		221,067		221,067		221,067
Adds funding for a FERC contractor		120,000		120,000				0
Total ongoing funding changes	1.00	\$1,102,185	\$623,330	\$1,725,515	4.00	\$1,589,190	\$623,106	\$2,212,296
<b>One-Time Funding Items</b>								
Adds one-time funding for shortfall of indirect cost recovery		\$101,700		\$101,700		\$101,700		\$101,700
Adds one-time funding for a drone		1,800	\$18,200	20,000		1,800	\$18,200	20,000
Adds one-time funding for weights and measures equipment				0		70,000		70,000
Adds one-time funding for copier				0		10,000		10,000
Total one-time funding changes	0.00	\$103,500	\$18,200	\$121,700	0.00	\$183,500	\$18,200	\$201,700
<b>Total Changes to Base Level Funding</b>	1.00	\$1,205,685	\$641,530	\$1,847,215	4.00	\$1,772,690	\$641,306	\$2,413,996
<b>2023-25 Total Funding</b>	44.00	\$7,631,372	\$13,988,625	\$21,619,997	47.00	\$8,198,377	\$13,988,401	\$22,186,778
<i>Federal funds included in other funds</i>			\$11,673,971				\$11,682,403	
<i>Total ongoing changes as a percentage of base level</i>	2.3%	17.2%	4.7%	8.7%	9.3%	24.7%	4.7%	11.2%
<i>Total changes as a percentage of base level</i>	2.3%	18.8%	4.8%	9.3%	9.3%	27.6%	4.8%	12.2%

**Other Sections in Public Service Commission - Budget No. 408**

	Executive Budget Recommendation	Senate Version
Beginning farmer revolving loan fund	Section 3 would authorize a \$900,000 transfer from the beginning farmer revolving loan fund to the Public Service Commission to pay for costs associated with a rail rate complaint case. The Public Service Commission would reimburse the beginning farmer revolving loan fund using amounts available from damages or proceeds, net of legal fees.	Section 3 establishes a line of credit to the Public Service Commission to provide funding to pay costs associated with a rail rate complaint case. The line of credit may not exceed \$900,000, and the Public Service Commission shall repay the line of credit from amounts available from damages or proceeds received, net of legal fees, from a successful outcome of a rail complaint case.
Railroad safety program	Section 4 would amend Section 57-43.2-19 to increase the deposit from \$297,362 to \$332,327 per year from special fuels taxes into the rail safety fund through June 30, 2027.	Section 4 amends Section 57-43.2-19 to increase the deposit from \$297,362 to \$332,327 per year from special fuels taxes into the rail safety fund for the 2023-25 biennium.

**Other Sections in Public Service Commission - Budget No. 408**

Salary of commissioners

**Executive Budget Recommendation**

Section 5 would provide the statutory changes increasing the Public Service Commissioners' salaries. The Public Service Commissioners' annual salary would increase from the current level of \$117,610 to \$124,667, effective July 1, 2023, and to \$129,654 effective July 1, 2024, to reflect the 6 percent and 4 percent recommended salary increase.

**Senate Version**

Section 5 provides the statutory changes increasing the Public Service Commissioners' salaries. The Public Service Commissioners' annual salary would increase from the current level of \$117,610 to \$124,800, effective July 1, 2023, and to \$129,792 effective July 1, 2024, to reflect the equity and 4 percent recommended salary increase.