

# Office of Energy and Mineral Resources

Analyst: Smith

## Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
<b>BY FUND CATEGORY</b>					
Dedicated	888,000	481,500	893,100	907,100	920,800
Federal	412,700	328,300	415,600	418,600	421,000
<b>Total:</b>	<b>1,300,700</b>	<b>809,800</b>	<b>1,308,700</b>	<b>1,325,700</b>	<b>1,341,800</b>
Percent Change:		(37.7%)	61.6%	1.3%	2.5%
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	840,500	605,000	850,500	860,400	869,500
Operating Expenditures	398,700	189,600	393,800	402,900	409,900
Capital Outlay	3,500	1,500	6,400	4,400	4,400
Trustee/Benefit	58,000	13,700	58,000	58,000	58,000
<b>Total:</b>	<b>1,300,700</b>	<b>809,800</b>	<b>1,308,700</b>	<b>1,325,700</b>	<b>1,341,800</b>
Full-Time Positions (FTP)	8.00	8.00	8.00	8.00	8.00

## Division Description

The Office of Energy Resources was originally created by Governor Andrus through Executive Order (EO) in 1975. Those responsibilities were assigned to the Idaho Department of Water Resources in 1981. Program authority was modified by EO 2001-06 when energy standards for building codes were transferred to the Division of Building Safety. On October 19, 2007, Governor Otter issued EO 2007-15 reestablishing the Office of Energy Resources within the Office of the Governor. He replaced that with EO 2011-14 and again with EO 2012-08 on October 18, 2012. On October 11, 2016, Governor Otter changed the name to the Office of Energy and Mineral Resources effective for four more years.

The duties, powers, and authorities of the Office of Energy and Mineral Resources shall include:

1. Serving as Idaho's clearinghouse and first point of contact for energy and mineral information, including addressing policy inquiries, and providing information regarding issues;
2. Coordinating the state's energy and mineral planning development efforts;
3. Advising the Governor, the Legislature and other public officials of the state's energy requirements, supply, transmission, management, conservation and efficiency efforts;
4. Coordinating and cooperating with federal and state agencies, departments, and divisions and local governments on issues concerning the state's energy requirements, supply, transmission, management, conservation, and efficiency efforts;
5. Pursuing and accepting federal delegation of responsibility and authority for matters that affect the energy supply, transmission, management, consumption, and conservation by the citizens of Idaho other than energy codes and standards for buildings and those matters under the jurisdiction of the Idaho Public Utilities Commission;
6. Advising the Governor, the Legislature and other public officials of the state's mineral acquisition, exploration and production planning, and policy development efforts;
7. Coordinating and cooperating with federal and state agencies, departments and divisions, and local governments on issues concerning the state's mineral supply and management;
8. Pursuing and accepting federal delegation of responsibility and authority for matters that affect the mineral supply, management, acquisition, exploration, and development;
9. Coordinating, supporting, and overseeing the Idaho Strategic Energy Alliance;
10. Assisting state agencies, departments, divisions, and local governments to secure funding where available for energy conservation projects and renewable energy resource opportunities;
11. Administering energy loan programs and other forms of financial assistance for eligible projects;
12. Entering into other agreements or contracts and doing that which is necessary to carry out the provisions of the executive order, and in the performance of other duties as may be directed by the Governor.

The Office of Energy and Mineral Resources may accept private contributions, state or federal funds, funds from other public agencies, or any other source. These moneys shall be expended solely for the purposes provided in the executive order and accounted for as provided by law.

**Office of Energy and Mineral Resources**  
**FY 2020 Request**

	FTP	Gen	Ded	Fed	Total
FY 2019 Original Appropriation	8.00	0	893,100	415,600	1,308,700
FY 2019 Total Appropriation	8.00	0	893,100	415,600	1,308,700
FY 2019 Estimated Expenditures	8.00	0	893,100	415,600	1,308,700
Removal of Onetime Expenditures	0.00	0	(6,400)	0	(6,400)
Base Adjustments	0.00	0	0	0	0
<b>FY 2020 Base</b>	<b>8.00</b>	<b>0</b>	<b>886,700</b>	<b>415,600</b>	<b>1,302,300</b>
Benefit Costs	0.00	0	1,900	800	2,700
Replacement Items	0.00	0	4,400	0	4,400
Statewide Cost Allocation	0.00	0	9,100	0	9,100
Change in Employee Compensation	0.00	0	5,000	2,200	7,200
<b>FY 2020 Program Maintenance</b>	<b>8.00</b>	<b>0</b>	<b>907,100</b>	<b>418,600</b>	<b>1,325,700</b>
<b>FY 2020 Total</b>	<b>8.00</b>	<b>0</b>	<b>907,100</b>	<b>418,600</b>	<b>1,325,700</b>
Chg from FY 2019 Orig Approp.	0.00	0	14,000	3,000	17,000
% Chg from FY 2019 Orig Approp.	0.0%		1.6%	0.7%	1.3%

## Office of Energy and Mineral Resources

### FY 2020 Govs Rec

	FTP	Gen	Ded	Fed	Total
<b>FY 2019 Original Appropriation</b>	8.00	0	893,100	415,600	1,308,700
<b>FY 2019 Total Appropriation</b>	8.00	0	893,100	415,600	1,308,700
<b>FY 2019 Estimated Expenditures</b>	8.00	0	893,100	415,600	1,308,700
Removal of Onetime Expenditures	0.00	0	(6,400)	0	(6,400)
Base Adjustments	0.00	0	0	0	0
<b>FY 2020 Base</b>	8.00	0	886,700	415,600	1,302,300
Benefit Costs	0.00	0	(1,600)	(1,200)	(2,800)
Replacement Items	0.00	0	4,400	0	4,400
Statewide Cost Allocation	0.00	0	9,100	0	9,100
Change in Employee Compensation	0.00	0	15,200	6,600	21,800
<b>FY 2020 Program Maintenance</b>	8.00	0	913,800	421,000	1,334,800
GOV TECH 1. Network Equip Replacement	0.00	0	600	0	600
GOV TECH 2. Mobile Device Security	0.00	0	2,700	0	2,700
GOV TECH 4. Modernization – Admin Billin	0.00	0	3,700	0	3,700
<b>FY 2020 Total</b>	8.00	0	920,800	421,000	1,341,800
Chg from FY 2019 Orig Approp.	0.00	0	27,700	5,400	33,100
% Chg from FY 2019 Orig Approp.	0.0%		3.1%	1.3%	2.5%

# Public Utilities Commission

Analyst: Smith

## Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
<b>BY FUND CATEGORY</b>					
Dedicated	6,248,800	6,079,000	6,356,700	6,412,100	6,271,000
Federal	324,000	180,100	325,900	328,700	331,500
<b>Total:</b>	<b>6,572,800</b>	<b>6,259,100</b>	<b>6,682,600</b>	<b>6,740,800</b>	<b>6,602,500</b>
Percent Change:		(4.8%)	6.8%	0.9%	(1.2%)
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	4,616,100	4,092,900	4,666,000	4,718,700	4,491,000
Operating Expenditures	1,880,600	2,105,700	1,942,800	1,951,700	2,041,100
Capital Outlay	76,100	60,500	73,800	70,400	70,400
<b>Total:</b>	<b>6,572,800</b>	<b>6,259,100</b>	<b>6,682,600</b>	<b>6,740,800</b>	<b>6,602,500</b>
Full-Time Positions (FTP)	52.00	52.00	52.00	52.00	49.00

## Department Description

The Idaho Public Utilities Commission (PUC) was established by the 12th Session of the Idaho Legislature and was organized on May 8, 1913. The commission oversees the intrastate operation of investor-owned electric, gas, water, telecommunications utilities, pipelines, and railroads. The commission does not regulate publicly owned municipal, or cooperative utilities. The commission serves the citizens and utilities of Idaho by determining fair, just, and reasonable rates for utility commodities and services to be delivered safely, reliably, and efficiently. After the Legislature removed the motor carrier function from the commission in 1999, the Administration, Utilities, and Regulated Carriers Programs were combined into one program for budgeting purposes. The PUC is divided internally into two divisions: Administration and Utilities.

The Administration Division has management, fiscal, personnel, public affairs, pipeline safety, and railroad safety responsibilities. It provides support services for the agency (Sections 61-301 through 337, Idaho Code). The pipeline safety section oversees the safe operation of interstate oil and natural gas pipelines in Idaho. The rail section oversees the safe operations of railroads that move freight through Idaho and enforces state and federal regulations safeguarding the transportation of hazardous materials by rail. The PUC is federally preempted from regulating railroad rates, charges, routes, and service; but it can still regulate non-economic railroad operations such as abandonment proceedings, enforcing safety regulations, establishing clearance safety rules, and deciding grade crossing disputes. The commission has also entered into a joint state-federal program with the Federal Railroad Administration to promote and enforce federal safety regulations relating to the transportation of hazardous materials by rail in Idaho.

The Utilities Division has audit, engineering, telecommunications, technical analysis, and consumer assistance responsibilities. The audit section advises the commission on auditing, accounting, financing, income tax, and security issues. It participates in all rate cases to determine proper income, expenses, rate bases, and revenue requirements. The engineering, telecommunications, and technical analysis sections are primarily responsible for economic and engineering analysis of rates, rate design, and cost-of-service and technical evaluations of company proposals. The consumer assistance section is responsible for handling customer complaints and specialized information requests.

Programs are funded by the Public Utilities Commission (PUC) Fund which consists of fees collected from the regulated utilities (telecommunications, power, natural gas, and water corporations) in an amount not more than 0.3% of their intrastate revenues (Section 61-1004, Idaho Code) and from railroad corporations, not more than 1% of the gross operating revenues derived from the intrastate business. The pipeline safety program is also partially funded with a federal grant from the US Department of Transportation. In prior years, General Fund expenditures for the salaries and benefits of the commissioners (Section 61-1009, Idaho Code) were reimbursed to the General Fund at year-end from the PUC Fund. However, beginning in FY 2001, the law was changed and commissioners' salaries are now paid from the PUC Fund.

**Public Utilities Commission**  
**FY 2020 Request**

	FTP	Gen	Ded	Fed	Total
FY 2019 Original Appropriation	52.00	0	6,356,700	325,900	6,682,600
<b>Supplementals</b>					
1. Chinden Campus Relocation	0.00	0	2,419,300	0	2,419,300
FY 2019 Total Appropriation	52.00	0	8,776,000	325,900	9,101,900
Noncognizable Funds and Transfers	0.00	0	0	0	0
FY 2019 Estimated Expenditures	52.00	0	8,776,000	325,900	9,101,900
Removal of Onetime Expenditures	0.00	0	(2,511,200)	0	(2,511,200)
FY 2020 Base	52.00	0	6,264,800	325,900	6,590,700
Benefit Costs	0.00	0	15,400	600	16,000
Replacement Items	0.00	0	82,700	0	82,700
Statewide Cost Allocation	0.00	0	14,700	0	14,700
Change in Employee Compensation	0.00	0	34,500	2,200	36,700
FY 2020 Program Maintenance	52.00	0	6,412,100	328,700	6,740,800
Budget Law Exemptions	0.00	0	0	0	0
FY 2020 Total	52.00	0	6,412,100	328,700	6,740,800
Chg from FY 2019 Orig Approp.	0.00	0	55,400	2,800	58,200
% Chg from FY 2019 Orig Approp.	0.0%		0.9%	0.9%	0.9%

## Public Utilities Commission

### FY 2020 Govs Rec

	FTP	Gen	Ded	Fed	Total
<b>FY 2019 Original Appropriation</b>	52.00	0	6,356,700	325,900	6,682,600
<b>Supplementals</b>					
1. Chinden Campus Relocation	0.00	0	2,419,300	0	2,419,300
<b>FY 2019 Total Appropriation</b>	52.00	0	8,776,000	325,900	9,101,900
Noncognizable Funds and Transfers	0.00	0	0	0	0
<b>FY 2019 Estimated Expenditures</b>	52.00	0	8,776,000	325,900	9,101,900
Removal of Onetime Expenditures	0.00	0	(2,511,200)	0	(2,511,200)
<b>FY 2020 Base</b>	52.00	0	6,264,800	325,900	6,590,700
Benefit Costs	0.00	0	(21,000)	(1,000)	(22,000)
Replacement Items	0.00	0	82,700	0	82,700
Statewide Cost Allocation	0.00	0	14,700	0	14,700
Change in Employee Compensation	0.00	0	102,300	6,600	108,900
<b>FY 2020 Program Maintenance</b>	52.00	0	6,443,500	331,500	6,775,000
<b>Line Items</b>					
1. CEC for Commissioners	0.00	0	11,700	0	11,700
GOV TECH 1. Network Equip Replacement	0.00	0	4,500	0	4,500
GOV TECH 3. Modernization – Consolidate	(3.00)	0	(273,600)	0	(273,600)
GOV TECH 4. Modernization – Admin Billin	0.00	0	84,900	0	84,900
Budget Law Exemptions	0.00	0	0	0	0
<b>FY 2020 Total</b>	49.00	0	6,271,000	331,500	6,602,500
Chg from FY 2019 Orig Approp.	(3.00)	0	(85,700)	5,600	(80,100)
% Chg from FY 2019 Orig Approp.	(5.8%)		(1.3%)	1.7%	(1.2%)