

**State of Alaska
FY2016 Governor Amended Operating
Budget**

**Department of Law
Regulatory Affairs Public Advocacy
Component Budget Summary**

Component: Regulatory Affairs Public Advocacy

Contribution to Department's Mission

The Regulatory Affairs and Public Advocacy (RAPA) section exercises the Attorney General's responsibility to represent the public interest in regulatory affairs by performing the public advocacy function in utility and pipeline carrier matters before the Regulatory Commission of Alaska (RCA) and providing policy analysis on related matters.

Core Services

- RAPA was established within the Department of Law to perform the Attorney General's public advocacy responsibility in utility and pipeline matters that come before the RCA. The Attorney General, as the Public Advocate, determines and advocates for the public interest with particular attention to the interests of consumers who would not otherwise have an effective voice regarding the rates and services of regulated utilities and pipelines operating in the state.
- RAPA represents the public interest in rate cases and other proceedings before the RCA, in court appeals, before the Legislature and other policymakers. The Attorney General utilizes the expert technical support of RAPA non-attorney professionals who provide accounting, engineering, economic and policy analysis for all types of regulated utilities and who prepare written testimony for hearing. Alaska's public advocate is a member of the National Association of State Utility Consumer Advocates.
- AS 42.05.254(e) and AS 42.06.286(a) provide RAPA a funding mechanism directly from a regulatory cost charge imposed on utilities and pipeline carriers that is administered by the RCA.

Major Component Accomplishments in 2014

RAPA benefits the state's citizens by helping to ensure that utility and pipeline carrier tariff rates and service practices are reasonable. Approximately \$4.43 million in quantifiable consumer benefits can be tracked to RAPA advocacy in FY2014. This quantification is based on the difference between the amounts requested by utilities in their respective revenue requirement proposals and the amounts ultimately awarded to them by RCA. To achieve these results in FY2014, the department spent about \$1.7 million.

During FY2014, RAPA filed eleven sets of comments or briefs in eight dockets and pre-filed thirteen sets of direct testimony in eight dockets. Final orders were issued in eleven adjudicatory dockets where RAPA was a participant. This includes five dockets resolved by stipulated agreement, one docket where RAPA's recommended disposition was unopposed, and four dockets that went to hearing or were decided on briefs. RAPA also participated in two mediations in adjudicatory dockets and actively participated in three RCA rulemaking proceedings, filing six sets of comments.

Highlights of selected FY2014 dockets including RAPA's participation are:

- A commission decision following trial in an Anchorage Municipal Light & Power rate case resulting in a \$2.3 million reduction in the utility's requested revenue requirement and approximately \$600,000 in refunds to consumers.
- Settlement of a Chugach Electric Association rate case resulting in a \$2.0 million reduction in the utility's requested revenue requirement and approximately \$160,000 in refunds to consumers.
- Settlement of an Anchorage water utility rate case resulting in a \$40,552 reduction in the utility's requested revenue requirement.
- Settlement of a McGrath electric utility rate case resulting in a \$76,423 reduction in the utility's requested revenue requirement.

Less readily quantifiable is the public benefit of RAPA investigation and participation in RCA dockets affecting utility and pipeline practices or services outside general rate cases. Examples of such dockets include:

- An investigation into whether four interconnected but independently operated Cook Inlet natural gas pipelines should be consolidated into a single pipeline in order to increase efficiency and reduce shipper costs.
- A rulemaking docket opened on RAPA's petition to determine the scope of interexchange telecommunication carrier of last resort obligations, and the conditions under which a carrier of last resort should be allowed to transfer or abandon this duty.
- An investigation into whether ENSTAR's tariff provisions create a barrier to entry for Cook Inlet gas producers who want to market natural gas directly to consumers.
- An investigation into whether Alaska Power and Telephone and AT&T Alaska should be allowed to abandon providing electric power and telephone utility services to Chisana and Healy Lake consumers. This investigation resulted in the RCA's adoption of RAPA's recommendation to bar these service abandonment requests.

Key Component Challenges

RAPA has entered its tenth year of operation as a section in the Department of Law. RAPA continues to develop section standards and uniform procedures to enhance its effectiveness as a public advocate. Continuing professional training for staff is an ongoing and a long term priority.

During the upcoming fiscal year, RAPA will continue to represent the public interest on behalf of the Attorney General in proceedings before the RCA. RAPA will investigate public utility and pipeline carrier proposals that come before the RCA, file testimony, litigate cases, and defend RAPA positions before the RCA and on appeal as appropriate.

Significant Changes in Results to be Delivered in FY2016

No significant changes are anticipated in the next fiscal year.

Statutory and Regulatory Authority

AS 44.23.020(e)

Contact Information
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**Regulatory Affairs Public Advocacy
Component Financial Summary**

All dollars shown in thousands

	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,259.7	1,323.6	1,375.3
72000 Travel	10.7	5.6	5.6
73000 Services	310.5	498.4	476.5
74000 Commodities	25.9	14.3	14.3
75000 Capital Outlay	16.0	1.7	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,622.8	1,843.6	1,871.7
Funding Sources:			
1141 RCA Receipts	1,622.8	1,706.8	1,732.6
1232 In-state Pipeline Fund Interagency	0.0	136.8	139.1
Funding Totals	1,622.8	1,843.6	1,871.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Alaska Public Utilities Comm. Receipts	51066	1,622.8	1,706.8	1,732.6
In-State Natural Gas Pipeline Fund	51511	0.0	136.8	139.1
Restricted Total		1,622.8	1,843.6	1,871.7
Total Estimated Revenues		1,622.8	1,843.6	1,871.7

**Summary of Component Budget Changes
From FY2015 Management Plan to FY2016 Governor Amended**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2015 Management Plan	0.0	1,706.8	136.8	0.0	1,843.6
Adjustments which continue current level of service:					
-FY2016 Salary Increases	0.0	27.0	2.6	0.0	29.6
-FY2016 Health Insurance Rate Reduction	0.0	-1.2	-0.3	0.0	-1.5
FY2016 Governor Amended	0.0	1,732.6	139.1	0.0	1,871.7

Regulatory Affairs Public Advocacy Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2015 Management Plan	FY2016 Governor Amended		
Full-time	9	9	Annual Salaries	925,427
Part-time	0	0	COLA	30,596
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	461,761
			<i>Less 3.00% Vacancy Factor</i>	<i>(42,484)</i>
			Lump Sum Premium Pay	0
Totals	9	9	Total Personal Services	1,375,300

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Attorney IV	2	0	0	0	2
Attorney VI	1	0	0	0	1
Law Office Assistant I	1	0	0	0	1
Pub Advocate Util Analyst I	4	0	0	0	4
Pub Advocate Util Analyst II	1	0	0	0	1
Totals	9	0	0	0	9

Component Detail All Funds
Department of Law

Component: Regulatory Affairs Public Advocacy (AR13711) (2764)
RDU: Civil Division (35)

	FY2014 Actuals	FY2015 Conference Committee	FY2015 Authorized	FY2015 Management Plan	FY2016 Governor Amended	FY2015 Management Plan vs FY2016 Governor Amended	
71000 Personal Services	1,259.7	1,323.6	1,323.6	1,323.6	1,375.3	51.7	3.9%
72000 Travel	10.7	5.6	5.6	5.6	5.6	0.0	0.0%
73000 Services	310.5	498.4	498.4	498.4	476.5	-21.9	-4.4%
74000 Commodities	25.9	14.3	14.3	14.3	14.3	0.0	0.0%
75000 Capital Outlay	16.0	1.7	1.7	1.7	0.0	-1.7	-100.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,622.8	1,843.6	1,843.6	1,843.6	1,871.7	28.1	1.5%
Fund Sources:							
1141RCA Rcpts (DGF)	1,622.8	1,706.8	1,706.8	1,706.8	1,732.6	25.8	1.5%
1232ISPF-I/A (Other)	0.0	136.8	136.8	136.8	139.1	2.3	1.7%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	1,622.8	1,706.8	1,706.8	1,706.8	1,732.6	25.8	1.5%
Other Funds	0.0	136.8	136.8	136.8	139.1	2.3	1.7%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	9	9	9	9	9	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Law

Component: Regulatory Affairs Public Advocacy (2764)
RDU: Civil Division (35)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2015 Conference Committee To FY2015 Authorized *****												
FY2015 Conference Committee												
	ConfCom	1,843.6	1,323.6	5.6	498.4	14.3	1.7	0.0	0.0	9	0	0
1141 RCA Rcpts		1,706.8										
1232 ISPF-I/A		136.8										
Subtotal		1,843.6	1,323.6	5.6	498.4	14.3	1.7	0.0	0.0	9	0	0
***** Changes From FY2015 Authorized To FY2015 Management Plan *****												
Subtotal		1,843.6	1,323.6	5.6	498.4	14.3	1.7	0.0	0.0	9	0	0
***** Changes From FY2015 Management Plan To FY2016 Governor Amended *****												
FY2016 Salary Increases												
	SalAdj	29.6	29.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1141 RCA Rcpts		27.0										
1232 ISPF-I/A		2.6										
Cost of living adjustment for certain bargaining units: \$29.6												
Year three cost of living adjustment for non-covered employees - 2.5%: \$14.7												
Year three cost of living adjustment for Alaska State Employees Association/General Government Unit - 2.5%: \$10.9												
Year three cost of living adjustment for Alaska Public Employees Association/Supervisory Unit - 2.5%: \$4.0												
FY2016 Health Insurance Rate Reduction												
	SalAdj	-1.5	-1.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1141 RCA Rcpts		-1.2										
1232 ISPF-I/A		-0.3										
Select Benefits health insurance rate reduction from \$1,371 to \$1,346: \$-1.5												
Align Authority with Anticipated Fiscal Year Obligations												
	LIT	0.0	23.6	0.0	-21.9	0.0	-1.7	0.0	0.0	0	0	0
Transfer authority to personal services to comply with vacancy factor guidelines. Authority is available to transfer from services and equipment. There are no impacts on services associated with this transfer.												
Totals		1,871.7	1,375.3	5.6	476.5	14.3	0.0	0.0	0.0	9	0	0

Personal Services Expenditure Detail
Department of Law

Scenario: FY2016 Governor Amended (12201)
Component: Regulatory Affairs Public Advocacy (2764)
RDU: Civil Division (35)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
03-0108	Attorney VI	FT	A	XE	Anchorage	N00	26R / S	12.0		164,334	5,261	0	69,478	239,073	0
03-0300	Attorney IV	FT	A	XE	Anchorage	N00	24J / K	12.0		107,929	3,621	0	53,095	164,645	0
03-0377	Attorney IV	FT	A	XE	Anchorage	N00	24F / J	12.0		107,760	3,615	0	53,037	164,412	0
03-0424	Pub Advocate Util Analyst I	FT	A	GP	Anchorage	200	22D / E	12.0		83,076	2,787	0	45,217	131,080	0
08-6028	Pub Advocate Util Analyst I	FT	A	GP	Anchorage	200	22J / K	12.0		94,624	3,174	0	49,166	146,964	0
08-6045	Pub Advocate Util Analyst II	FT	A	SS	Anchorage	200	24N / O	12.0		128,892	4,126	0	59,677	192,695	0
08-6071	Pub Advocate Util Analyst I	FT	A	GP	Anchorage	200	22K / L	12.0		100,596	3,375	0	51,208	155,179	0
08-6073	Pub Advocate Util Analyst I	FT	A	GP	Anchorage	200	22J / K	12.0		96,960	3,253	0	49,964	150,177	0
08-6079	Law Office Assistant I	FT	A	GP	Anchorage	200	11F / G	12.0		41,256	1,384	0	30,919	73,559	0
Total													Total Salary Costs:	925,427	
Positions													Total COLA:	30,596	
Full Time Positions:													Total Premium Pay:	0	
Part Time Positions:													Total Benefits:	461,761	
Non Permanent Positions:															
Positions in Component:													Total Pre-Vacancy:	1,417,784	
													Minus Vacancy Adjustment of 3.00%:	(42,484)	
													Total Post-Vacancy:	1,375,300	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	1,375,300	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1141 RCA Receipts	1,286,704	1,248,148	90.75%
1232 In-state Pipeline Fund Interagency	131,080	127,152	9.25%
Total PCN Funding:	1,417,784	1,375,300	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail
Department of Law
Travel

Component: Regulatory Affairs Public Advocacy (2764)
RDU: Civil Division (35)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
72000	Travel		10.7	5.6	5.6
Expenditure Account			FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
72000 Travel Detail Totals			10.7	5.6	5.6
72110	Employee Travel (Instate)	Attorney travel to provide counsel for departments and agencies of state government, including hearings, board meetings and legal counsel in court cases. Investigations and taking depositions for court actions.	3.7	5.6	5.6
72120	Nonemployee Travel (Instate Travel)	In-state travel for professional staff to attend conferences, meetings and training.	0.7	0.0	0.0
72410	Employee Travel (Out of state)	Out-of-State travel for professional staff to attend conferences, meetings and training.	6.3	0.0	0.0

Line Item Detail
Department of Law
Services

Component: Regulatory Affairs Public Advocacy (2764)
RDU: Civil Division (35)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000	Services		310.5	498.4	476.5
Expenditure Account			FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000 Services Detail Totals			310.5	498.4	476.5
73025	Education Services	Conferences, training, memberships	11.4	25.0	18.0
73050	Financial Services	Private consultant fees	0.0	5.0	5.0
73075	Legal & Judicial Svc	Legal counsel, expert witness, hearing officer, court report transcripts and other case costs.	100.0	238.4	215.5
73150	Information Technlgy	Training, consulting and software licensing/maintenance.	2.7	0.0	0.0
73156	Telecommunication	Local Service, long distance toll charges and cellular phones paid to third party telephone utilities.	0.7	15.0	15.0
73225	Delivery Services	Freight and messenger services. Movement of materials, exhibits, legal documents and courier services.	3.1	10.0	10.0
73525	Utilities	Waste Management disposal costs not included in rent.	0.1	0.0	0.0
73675	Equipment/Machinery	Rentals/Leases and Repairs/Maintenance of office equipment - copiers & postage meters.	3.5	5.0	5.0
73750	Other Services (Non IA Svcs)	Printing forms, briefs and legal notices.	33.0	40.0	40.0
73804	Economic/Development (IA Svcs)	Administrative Services RSA Community & Economic Development - contractual and administrative costs (parking, telephones, long distance, faxes, postage and machinery & equipment)	36.0	36.0	36.0
73805	IT-Non-Telecommunication	Administrative Services RSA Law, Administration - Information Services & Procurement support.	52.0	52.0	52.0
73806	IT-Telecommunication	Enterprise Technology Services RSA Administration, ETS -Telecommunication EPR.	33.3	25.0	33.0
73809	Mail	Central Mail RSA Administration, Central Mailroom	0.7	1.2	1.2
73810	Human Resources	Administrative Services RSA Law, Human Resource Position	2.4	2.2	2.2

Line Item Detail
Department of Law
Services

Component: Regulatory Affairs Public Advocacy (2764)

RDU: Civil Division (35)

Expenditure Account		Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000 Services Detail Totals				310.5	498.4	476.5
73811	Building Leases	Leases	RSA Administration, GS&S - Leased Office Space - Anchorage AG's Office.	30.0	30.0	30.0
73814	Insurance	Risk Management	RSA Administration, Risk Management	0.5	0.5	0.5
73815	Financial	Administrative Services	RSA Law, Timekeeping administration and litigation support.	0.0	12.1	12.1
73815	Financial	Finance	RSA Administration, Finance Chargeback (AKSAS / AKPAY)	0.8	0.8	0.8
73816	ADA Compliance	Personnel	RSA Administration, Personnel - Americans With Disabilities Act.	0.2	0.2	0.2
73819	Commission Sales (IA Svcs)	State Travel Office	Travel fees.	0.1	0.0	0.0

Line Item Detail
Department of Law
Commodities

Component: Regulatory Affairs Public Advocacy (2764)
RDU: Civil Division (35)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
74000	Commodities		25.9	14.3	14.3
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
74000 Commodities Detail Totals			25.9	14.3	14.3
74200	Business	Library materials including Alaska Statutes, Alaska Code, Advanced Legislative Service and Court Rules; subscriptions, office supplies; software applications, printer cartridges, paper and misc. data processing supplies; computer supplies - desktop refresh, non-capital.	25.9	14.3	14.3

Line Item Detail
Department of Law
Capital Outlay

Component: Regulatory Affairs Public Advocacy (2764)
RDU: Civil Division (35)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
75000	Capital Outlay		16.0	1.7	0.0
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
		75000 Capital Outlay Detail Totals	16.0	1.7	0.0
75830	Info Technology	Computer equipment, printers and modems.	16.0	1.7	0.0

Restricted Revenue Detail
Department of Law

Component: Regulatory Affairs Public Advocacy (2764)
RDU: Civil Division (35)

Master Account	Revenue Description	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51066	Alaska Public Utilities Comm. Receipts	1,622.8	1,706.8	1,732.6

Detail Information					FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund			
51066	APUC Rec AS 42.05&06	Reg Comm of AK	03211400	11100	1,622.8	1,706.8	1,732.6
	Expert technical support of Regulatory Affairs Public Advocacy non-attorney professionals who provide accounting, engineering, economic and policy analysis for all types of regulated utilities and preparation of written testimony for hearings.						

Restricted Revenue Detail
Department of Law

Component: Regulatory Affairs Public Advocacy (2764)
RDU: Civil Division (35)

Master Account	Revenue Description				FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51511	In-State Natural Gas Pipeline Fund				0.0	136.8	139.1
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51511	In-State Natural Gas Pipeline Fund	AK Gasline Development Corp	032111450	11100	0.0	136.8	0.0
51511	In-State Natural Gas Pipeline Fund	AK Gasline Development Corp	03211450	11100	0.0	0.0	139.1

Interagency Services
Department of Law

Component: Regulatory Affairs Public Advocacy (2764)
RDU: Civil Division (35)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended	
73804	Economic/Development (IA Svcs)	RSA Community & Economic Development - contractual and administrative costs (parking, telephones, long distance, faxes, postage and machinery & equipment)	Inter-dept	Administrative Services	36.0	36.0	36.0
73804 Economic/Development (IA Svcs) subtotal:				36.0	36.0	36.0	
73805	IT-Non-Telecommunication	RSA Law, Administration - Information Services & Procurement support.	Intra-dept	Administrative Services	52.0	52.0	52.0
73805 IT-Non-Telecommunication subtotal:				52.0	52.0	52.0	
73806	IT-Telecommunication	RSA Administration, ETS -Telecommunication EPR.	Inter-dept	Enterprise Technology Services	33.3	25.0	33.0
73806 IT-Telecommunication subtotal:				33.3	25.0	33.0	
73809	Mail	RSA Administration, Central Mailroom	Inter-dept	Central Mail	0.7	1.2	1.2
73809 Mail subtotal:				0.7	1.2	1.2	
73810	Human Resources	RSA Law, Human Resource Position	Intra-dept	Administrative Services	2.4	2.2	2.2
73810 Human Resources subtotal:				2.4	2.2	2.2	
73814	Insurance	RSA Administration, Risk Management	Inter-dept	Risk Management	0.5	0.5	0.5
73814 Insurance subtotal:				0.5	0.5	0.5	
73815	Financial	RSA Law, Timekeeping administration and litigation support.	Intra-dept	Administrative Services	0.0	12.1	12.1
73815	Financial	RSA Administration, Finance Chargeback (AKSAS / AKPAY)	Inter-dept	Finance	0.8	0.8	0.8
73815 Financial subtotal:				0.8	12.9	12.9	
73816	ADA Compliance	RSA Administration, Personnel - Americans With Disabilities Act.	Inter-dept	Personnel	0.2	0.2	0.2
73816 ADA Compliance subtotal:				0.2	0.2	0.2	
73819	Commission Sales (IA Svcs)	Travel fees.	Inter-dept	State Travel Office	0.1	0.0	0.0
73819 Commission Sales (IA Svcs) subtotal:				0.1	0.0	0.0	
Regulatory Affairs Public Advocacy total:				126.0	130.0	138.0	
Grand Total:				126.0	130.0	138.0	