
PROGRAM NARRATIVE

408 PUBLIC SERVICE COMMISSION

Date: 12/13/2006

Time: 12:01:03

Program: ADMINISTRATION	Reporting Level: 00-408-100-00-00-00-00000000
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PROGRAM PERFORMANCE MEASURES

Not Available.

PROGRAM STATISTICAL DATA

During the 2003-05 biennium, 1,470 cases were opened by the Commission. About 98% of the cases were processed without the need for a formal hearing. About 62% were processed and closed in less than thirty days; about 70% were closed within sixty days or less. Cases include such activities as permits for reclamation, rates and tariffs, public convenience and need certificates, licensing functions, fuel adjustment clauses for utilities companies, consumer complaints, annual reports, applications for approval and other miscellaneous filings.

EXPLANATION OF PROGRAM COSTS

The program employs 11.66 full-time employees including the three commissioners. The salary and wages line item includes the bulk of program expenditures. Of the remaining expenditures, more than half are technology related including such items as hardware, software, contractual services, ISD port charges, telephones, repairs and computer training. More details regarding the commission's computer system can be reviewed in its Information Technology Plan.

PROGRAM GOALS AND OBJECTIVES

The Commission's administrative functions are handled by its executive secretary and staff in its Legal and Accounting Divisions. These divisions provide legal, data processing, budgeting, accounting, administrative, and personnel-related services to the Commission and its various regulatory divisions. These support services are provided to help the Commission carry out its statutory mandates in a timely, responsive, effective, and efficient manner.

REQUEST DETAIL BY PROGRAM
408 PUBLIC SERVICE COMMISSION
Biennium: 2007-2009

Bill#: SB 2008

Date: 12/13/2006

Time: 12:01:03

Program: ADMINISTRATION		Reporting Level: 00-408-100-00-00-00-00000000			
Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Request 2007-2009
SALARIES AND WAGES					
SALARIES - PERMANENT	1,123,670	1,076,770	136,942	1,213,712	98,400
FRINGE BENEFITS	332,604	464,978	-102,712	362,266	30,340
SALARY INCREASE	0	0	0	0	0
BENEFIT INCREASE	0	0	0	0	0
TOTAL	1,456,274	1,541,748	34,230	1,575,978	128,740
SALARIES AND WAGES					
GENERAL FUND	1,004,685	1,117,793	29,571	1,147,364	128,740
FEDERAL FUNDS	451,589	423,955	4,659	428,614	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	1,456,274	1,541,748	34,230	1,575,978	128,740
OPERATING EXPENSES					
TRAVEL	49,354	60,000	3,000	63,000	0
SUPPLIES - IT SOFTWARE	70,681	30,000	-800	29,200	16,000
SUPPLY/MATERIAL-PROFESSIONAL	4,778	7,700	0	7,700	0
BLDG, GROUND, MAINTENANCE	0	14,100	-14,000	100	0
MISCELLANEOUS SUPPLIES	1,514	1,407	93	1,500	0
OFFICE SUPPLIES	21,253	16,850	5,000	21,850	0
POSTAGE	4,269	7,100	-600	6,500	0
PRINTING	9,381	12,500	-2,161	10,339	0
IT EQUIP UNDER \$5,000	32,443	37,109	14,019	51,128	11,000
OFFICE EQUIP & FURN SUPPLIES	5,881	6,000	600	6,600	0
INSURANCE	12,374	8,300	900	9,200	0
RENTALS/LEASES-EQUIP & OTHER	0	2,000	0	2,000	0
REPAIRS	9,243	14,000	1,000	15,000	0
IT - DATA PROCESSING	63,478	101,521	11,732	113,253	24,000
IT-COMMUNICATIONS	34,612	40,000	8,000	48,000	0
IT CONTRACTUAL SERVICES AND RE	26,548	25,000	3,500	28,500	10,500
PROFESSIONAL DEVELOPMENT	26,100	31,780	2,000	33,780	3,000
OPERATING FEES AND SERVICES	5,655	5,200	3,500	8,700	0
FEES - PROFESSIONAL SERVICES	2,900	2,520	0	2,520	2,000
TOTAL	380,464	423,087	35,783	458,870	66,500

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Program: ADMINISTRATION		Reporting Level: 00-408-100-00-00-00-00000000			
Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Request 2007-2009
OPERATING EXPENSES					
GENERAL FUND	380,464	423,087	35,783	458,870	66,500
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	380,464	423,087	35,783	458,870	66,500
CAPITAL ASSETS					
EQUIPMENT OVER \$5000	16,611	0	0	0	20,000
IT EQUIPMENT OVER \$5000	16,487	43,011	-10,511	32,500	10,000
TOTAL	33,098	43,011	-10,511	32,500	30,000
CAPITAL ASSETS					
GENERAL FUND	33,098	43,011	-10,511	32,500	30,000
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	33,098	43,011	-10,511	32,500	30,000
PROGRAM FUNDING SOURCES					
FEDERAL FUNDS	451,589	423,955	4,659	428,614	0
SPECIAL FUNDS	0	0	0	0	0
GENERAL FUND	1,418,247	1,583,891	54,843	1,638,734	225,240
PROGRAM FUNDING TOTAL	1,869,836	2,007,846	59,502	2,067,348	225,240
FTE EMPLOYEES	11.65	11.65	.01	11.66	1.00
FUNDING DETAIL					
GENERAL FUND	1,418,247	1,583,891	54,843	1,638,734	225,240
FEDERAL FUNDS					
R999 INDIRECT COST RECOVERY	451,589	423,955	4,659	428,614	0
TOTAL	451,589	423,955	4,659	428,614	0

CHANGE PACKAGE DETAIL

Date: 12/13/2006

408 PUBLIC SERVICE COMMISSION

Bill#: SB 2008

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Biennium: 2007-2009

PROGRAM: ADMINISTRATION	REPORTING LEVEL: 00-408-100-00-00-00-00-00000000				
Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds

AGENCY BUDGET CHANGES

Cost To Continue	.01	-13,440	4,659	0	-8,781
1 IT Communications	.00	8,000	0	0	8,000
2 IT Software	.00	-800	0	0	-800
3 Miscellaneous adjustments	.00	8,932	0	0	8,932
4 Travel	.00	3,000	0	0	3,000
5 Postage	.00	-600	0	0	-600
7 IT Equipment under \$5,000	.00	14,019	0	0	14,019
9 Professional Development	.00	2,000	0	0	2,000
12 IT Equipment over \$5,000	.00	32,500	0	0	32,500
13 IT Contractual Service	.00	3,500	0	0	3,500
17 IT Data Processing	.00	11,732	0	0	11,732
30 Delete Hearing Room Renovations	.00	-14,000	0	0	-14,000
Agency Total	.01	54,843	4,659	0	59,502

OPTIONAL REQUEST

12 GIS Program	1.00	205,240	0	0	205,240
16 Video Conferencing	.00	20,000	0	0	20,000
Optional Total	1.00	225,240	0	0	225,240

PROGRAM NARRATIVE

408 PUBLIC SERVICE COMMISSION

Date: 12/13/2006

Time: 12:01:03

Program: TESTING, LICENSING AND CERTIFICATION

Reporting Level: 00-408-200-00-00-00-00-00000000
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PROGRAM PERFORMANCE MEASURES

Not Available.

PROGRAM STATISTICAL DATA

TESTING: During the 2003-2005 biennium, the Testing and Safety Division inspected and tested 28,549 weighing or measuring devices. In addition, the division monitored the documentation for 11,246 weighing or measuring devices installed or serviced by registered service persons. The devices tested and inspected included gas pumps, platform scales, delivery meters, truck scales, LPG meters, hopper scales, agriculture chemical meters, livestock scales, hanging scales and other miscellaneous devices.

During the 2003-2005 biennium, the Testing and Safety Division conducted 114 gas pipeline inspections, issued 67 violations, and collected \$600 in civil penalties.

LICENSING: During the 2003 – 2005 biennium, the Licensing Division issued 56 grain warehouse and grain buyer licenses, renewed 813 grain warehouse licenses and issued 86 roving grain buyer licenses. Revenues collected total \$368,838. These entities serve as the initial market for much of the grain produced by the state's farmers.

During the 2001 – 2003 biennium, the Licensing Division approved requests to discontinue operating 77 grain warehouses. Many of the 77 grain warehouses have been licensed by other entities, while some remain closed. The trend towards fewer and larger grain warehouses continued during the 2003 – 2005 biennium. During the biennium, the number of licensed warehouses declined from 418 to 415.

During the 2003 – 2005 biennium, the Licensing Division's two inspectors completed 275 grain elevator and grain buyer inspections. Three staff complaints were filed as a result of violations found during the inspections and resulted in the collection of \$3,100 in civil penalties.

During the 2003 – 2005 biennium, the Licensing Division processed 756 auctioneers and 466 auction and bank clerk licenses. Revenues collected total \$46,695.

EXPLANATION OF PROGRAM COSTS

The program employs 10.71 full-time employees. However, to meet the governors "hold-even" budget guideline, the Commission has reduced this program by one full-time weights and measures inspector position. The reduction will reduce the services currently provided, increase the chance of unfair business practices, increase the cost of doing business in North Dakota, reduce General Fund revenues and ultimately increase the cost of service provided to consumers. The commission will seek restoration of this position as part of its supplemental budget request.

The costs are primarily comprised of wages and travel related costs for its inspectors.

PROGRAM GOALS AND OBJECTIVES

TESTING: 1) Inspect, test, and certify all commercial weighing and measuring devices used in North Dakota. 2) Test and license all registered service/self-certifying companies and administer their compliance with State law and Commission rules. 3) Operate the State Metrology Lab and maintain traceability of all weight/volume standards to the National Institute of Standards and Technology. 4) Inspect all gas intrastate transmission and distribution systems for compliance to State law and recommend actions for substandard conditions. 5) Develop and recommend rule changes and enforcement procedures to the Commission. 6) Provide timely and accurate information in response to inquiries/complaints regarding the Weights and Measures and Pipeline Safety Programs.

LICENSING: The Legislature, through the enactment of laws, has determined that it is in the public interest to regulate: 1) public grain warehouses and grain buyers in order to protect the interests of farmers who market their grain through these companies; 2) auctioneers and clerks in order to protect the interests of persons buying or selling property via auctions; and 3) railroad activities to promote a healthy industry and fair treatment for all shippers.

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408 PUBLIC SERVICE COMMISSION
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Program: TESTING, LICENSING AND CERTIFICATION		Reporting Level: 00-408-200-00-00-00-00-00000000			
Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Request 2007-2009
SALARIES AND WAGES					
SALARIES - PERMANENT	760,123	750,157	-5,288	744,869	54,456
TEMPORARY SALARIES	0	5,000	-5,000	0	0
FRINGE BENEFITS	264,032	269,828	-10,629	259,199	22,972
SALARY INCREASE	0	0	0	0	0
BENEFIT INCREASE	0	0	0	0	0
TOTAL	1,024,155	1,024,985	-20,917	1,004,068	77,428
SALARIES AND WAGES					
GENERAL FUND	985,934	975,376	-23,888	951,488	77,428
FEDERAL FUNDS	38,221	49,609	2,971	52,580	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	1,024,155	1,024,985	-20,917	1,004,068	77,428
OPERATING EXPENSES					
TRAVEL	303,761	336,541	-71,254	265,287	61,736
SUPPLIES - IT SOFTWARE	374	20,860	-13,381	7,479	0
SUPPLY/MATERIAL-PROFESSIONAL	449	700	0	700	0
FOOD AND CLOTHING	2,282	2,400	500	2,900	0
BLDG, GROUND, MAINTENANCE	438	1,500	0	1,500	0
MISCELLANEOUS SUPPLIES	8,655	5,300	-1,000	4,300	1,000
OFFICE SUPPLIES	280	1,000	0	1,000	0
POSTAGE	7,248	7,250	700	7,950	0
PRINTING	2,901	6,050	0	6,050	0
IT EQUIP UNDER \$5,000	2,096	0	0	0	0
OTHER EQUIP UNDER \$5,000	13,668	5,000	0	5,000	0
OFFICE EQUIP & FURN SUPPLIES	579	0	1,000	1,000	0
INSURANCE	3,009	1,300	-266	1,034	266
RENTALS/LEASES - BLDG/LAND	2,592	4,000	0	4,000	160,000
REPAIRS	4,381	3,300	-500	2,800	500
IT-COMMUNICATIONS	3,316	4,100	0	4,100	300
IT CONTRACTUAL SERVICES AND RE	1,200	600	1,800	2,400	0
PROFESSIONAL DEVELOPMENT	2,545	2,200	2,100	4,300	700
OPERATING FEES AND SERVICES	12,465	15,650	0	15,650	0
FEES - PROFESSIONAL SERVICES	11,113	61,700	39,000	100,700	-28,000
TOTAL	383,352	479,451	-41,301	438,150	196,502

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Program: TESTING, LICENSING AND CERTIFICATION		Reporting Level: 00-408-200-00-00-00-00000000			
Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Request 2007-2009
OPERATING EXPENSES					
GENERAL FUND	368,405	412,811	-42,711	370,100	196,502
FEDERAL FUNDS	14,947	66,640	1,410	68,050	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	383,352	479,451	-41,301	438,150	196,502
CAPITAL ASSETS					
EQUIPMENT OVER \$5000	0	29,000	-29,000	0	87,000
TOTAL	0	29,000	-29,000	0	87,000
CAPITAL ASSETS					
GENERAL FUND	0	29,000	-29,000	0	87,000
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	0	29,000	-29,000	0	87,000
GRANTS					
GRANTS, BENEFITS & CLAIMS	41,406	0	0	0	0
TOTAL	41,406	0	0	0	0
GRANTS					
GENERAL FUND	0	0	0	0	0
FEDERAL FUNDS	41,406	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	41,406	0	0	0	0
SPECIAL LINES					
RAIL RATE AND SERVICE LEGAL FUND	230,442	945,000	-945,000	0	0
TOTAL	230,442	945,000	-945,000	0	0
SPECIAL LINES					
GENERAL FUND	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	230,442	945,000	-945,000	0	0
TOTAL	230,442	945,000	-945,000	0	0

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Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Request 2007-2009
PROGRAM FUNDING SOURCES					
SPECIAL FUNDS	230,442	945,000	-945,000	0	0
GENERAL FUND	1,354,339	1,417,187	-95,599	1,321,588	360,930
FEDERAL FUNDS	94,574	116,249	4,381	120,630	0
PROGRAM FUNDING TOTAL	1,679,355	2,478,436	-1,036,218	1,442,218	360,930
FTE EMPLOYEES	11.07	10.57	-0.86	9.71	1.00
FUNDING DETAIL					
GENERAL FUND	1,354,339	1,417,187	-95,599	1,321,588	360,930
FEDERAL FUNDS					
R030 GAS PIPELINE SAFETY PROGRAM	53,168	116,249	4,381	120,630	0
R079 ONE CALL GRANT	41,406	0	0	0	0
TOTAL	94,574	116,249	4,381	120,630	0
SPECIAL FUNDS					
277 STATE RAIL FUND 277	230,442	945,000	-945,000	0	0
TOTAL	230,442	945,000	-945,000	0	0

CHANGE PACKAGE DETAIL

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Biennium: 2007-2009

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PROGRAM: TESTING, LICENSING AND CERTIFICATION		REPORTING LEVEL: 00-408-200-00-00-00-00-00000000			
Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds

AGENCY BUDGET CHANGES

Cost To Continue	-0.86	-52,888	2,971	-3,191	-53,108
2 IT Software	.00	-13,381	0	0	-13,381
3 Miscellaneous adjustments	.00	-1,766	0	0	-1,766
4 Travel	.00	-16,928	1,410	0	-15,518
5 Postage	.00	700	0	0	700
9 Professional Development	.00	2,100	0	0	2,100
10 Repairs	.00	-500	0	0	-500
13 IT Contractual Service	.00	1,800	0	0	1,800
18 Rail Fund	.00	0	0	-941,809	-941,809
19 Ten Year Calibration	.00	11,000	0	0	11,000
22 Remove T&S Slide in units	.00	0	0	0	0
31 Reduce 1 W&M FTE and related travel.	.00	-55,736	0	0	-55,736
32 Minnesota Metrology Inspection	.00	30,000	0	0	30,000
Agency Total	-0.86	-95,599	4,381	-945,000	-1,036,218

OPTIONAL REQUEST

11 Metrology Program	.00	188,766	0	0	188,766
15 Restore W&M inspector, travel and equipment	1.00	172,164	0	0	172,164
Optional Total	1.00	360,930	0	0	360,930

PROGRAM NARRATIVE

408 PUBLIC SERVICE COMMISSION

Date: 12/13/2006

Time: 12:01:03

Program: PUBLIC UTILITIES	Reporting Level: 00-408-300-00-00-00-00000000
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PROGRAM PERFORMANCE MEASURES

Not Available.

PROGRAM STATISTICAL DATA

During the 2003-05 biennium, this program processed approximately 1,109 cases, including 29 annual reports, 173 interconnection agreements/amendments, 51 long distance reseller applications and local exchange reseller applications, 12 compliance filings, 72 fuel cost adjustment applications, 101 public convenience and necessity certificates, 95 purchased gas adjustments, 18 tariff filings, 220 price schedules and 40 ten year plans.

One electric rate increase application filed during the 2001-2003 biennium was decided during the 2003-2005 biennium. Case No. PU-399-03-296 was an application by MDU to increase rates for electric service in North Dakota by 9.1%, to generate additional annual revenue of approximately \$7.689 million. The Case was resolved in December 2003 when the Commission accepted a settlement agreement to raise rates by \$1.0 million and implement a margin sharing mechanism for off-system energy sales.

Through out the 2003-05 biennium the Commission continued to participate as a member of the Organization of MISO States, Inc. (OMS). The OMS is a non-profit membership corporation consisting of one provincial and 14 state regulatory agencies having jurisdiction within the region served by the Midwest Independent Transmission System Operator, Inc. (MISO). The OMS provides a means for these regulatory agencies to share resources and to act in concert when deemed to be in their common interest.

In Case No. PU-399-03-296 the Commission accepted a settlement agreement resolving an electric rate increase application filed by Montana-Dakota Utilities Co. (MDU) during the previous 2001-03 biennium. The application requested a rate increase of 9.1% to generate additional annual revenue of approximately \$7.7 million. The settlement agreement provided an annual revenue increase of approximately \$1 million effective January 1, 2004 plus a margin sharing arrangement for wholesale electricity sales.

Separate but similar five-year Performance Based Regulation (PBR) plans were implemented beginning calendar year 2001 for Northern States Power Company d/b/a Xcel Energy (NSP) and Otter Tail Corporation d/b/a Otter Tail Power Company (Otter Tail). These PBR plans were in effect through the 2003-05 biennium. Both plans provide a range of authorized return on equity that vary according to company performance measured in four categories. The plans include rate adjustments along with a 50/50 customer sharing of under or over earnings outside of the authorized range.

Otter Tail's PBR plan did not result in any rate changes or revenue sharing during the 2003-05 biennium.

NSP's PBR plan resulted in two electric rate increases during the biennium. Based on operational performance and depressed earnings during calendar year 2003, NSP implemented a 1.4% rate increase totaling approximately \$1.6 million annually. The increase became effective August 1, 2004 in Case No. PU-04-216. Based on operational performance and continued depressed earnings during calendar year 2004, NSP filed a second rate increase of 1.6% totaling approximately \$1.8 million annually in Case No. PU-05-265.

NSP's earnings during 2004 continued below authorized levels and as a result NSP became eligible under the PBR plan's 50/50 sharing mechanism for a one-time recovery of an additional \$954,000 of 2003 revenue shortfalls deferred for recovery in late 2005.

Citing cases initiated during the 2003-2005 biennium:

PU-04-109 Basin Electric AVS Cooling Line Replacement filed 11/17/04 Permit 5/3/2005

PU-04-452 MDU 175 MW Coal Plant at Gascoyne Pending

PU-05-47 PPM Energy Inc Rugby 150 MW Wind Farm Filed 6/16/05 Pending

PU-05-184 Plains Pipeline LC Trenton Extension filed 6/20/05 Pending

PU-05-185 Plains Pipeline LC Buford Loop filed 6/20/05 Pending

PU-05-205 FPL Energy Burleigh Co Wind LLC 230 kV Line Burleigh/Oliver Cos. 4/21/05 Pending

PU-05-305 PPM Energy Inc. 230 kV Line Pierce County 6/16/05 Pending

The Public Utilities Division recorded 1463 complaints and inquiries during the 2003-05 biennium, 1,056 of which involved telecommunications. It is interesting to note that telecommunications is one area of jurisdiction where federal and state lawmakers have taken steps to deregulate portions of the industry. These steps have obviously left the consuming public with many questions, concerns, and problems; matters they look to the Commission for help resolving. This occurrence may be indicative of the role that regulatory agencies will be called to play as more industries move towards full or partial deregulation.

EXPLANATION OF PROGRAM COSTS

The program employs 5.59 full-time employees. The majority of the requested funds is related to salaries but also includes operating expenses necessary to monitor and enforce compliance with the statutory requirements of public utility companies.

PROGRAM GOALS AND OBJECTIVES

Investigate profits, standards and conditions of service, service area boundaries, long range plans and citing routes of electric and gas utilities with the intent of allowing enough profit to maintain minimum cost of service for a desirable level of quality. Investigate and recommend compliance status of electric, gas and telecommunication companies with state law, Commission rules and orders. Evaluate impact of ownership transfers. Implement Telecommunications Act of 1996. Exercise complaint authority over telecommunication prices and quality of service. Provide assistance to the public concerning complaints, inquiries and requests for information relating to rates, billing procedures, service deficiencies, safety, and customer relations.

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Program: PUBLIC UTILITIES		Reporting Level: 00-408-300-00-00-00-00000000			
Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Request 2007-2009
SALARIES AND WAGES					
SALARIES - PERMANENT	500,336	643,785	-23,835	619,950	0
FRINGE BENEFITS	140,198	181,809	-669	181,140	0
SALARY INCREASE	0	0	0	0	0
BENEFIT INCREASE	0	0	0	0	0
TOTAL	640,534	825,594	-24,504	801,090	0
SALARIES AND WAGES					
GENERAL FUND	640,534	825,594	-24,504	801,090	0
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	640,534	825,594	-24,504	801,090	0
OPERATING EXPENSES					
TRAVEL	20,013	18,000	0	18,000	0
SUPPLIES - IT SOFTWARE	0	100	0	100	0
SUPPLY/MATERIAL-PROFESSIONAL	4,241	3,000	0	3,000	0
FOOD AND CLOTHING	95	300	0	300	0
MISCELLANEOUS SUPPLIES	34	2,100	0	2,100	0
OFFICE SUPPLIES	65	0	0	0	0
POSTAGE	7,224	8,578	0	8,578	0
PRINTING	399	100	0	100	0
OFFICE EQUIP & FURN SUPPLIES	4,388	0	0	0	0
RENTALS/LEASES - BLDG/LAND	35	0	0	0	0
REPAIRS	0	200	0	200	0
IT-COMMUNICATIONS	19	0	0	0	0
PROFESSIONAL DEVELOPMENT	7,624	17,600	0	17,600	0
OPERATING FEES AND SERVICES	24,757	35,000	0	35,000	0
FEES - PROFESSIONAL SERVICES	81,155	95,800	0	95,800	0
TOTAL	150,049	180,778	0	180,778	0
OPERATING EXPENSES					
GENERAL FUND	49,715	55,778	0	55,778	0
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	100,334	125,000	0	125,000	0
TOTAL	150,049	180,778	0	180,778	0

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Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Request 2007-2009
GRANTS					
GRANTS, BENEFITS & CLAIMS	60,000	0	0	0	0
TOTAL	60,000	0	0	0	0
GRANTS					
GENERAL FUND	60,000	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	60,000	0	0	0	0
PROGRAM FUNDING SOURCES					
SPECIAL FUNDS	100,334	125,000	0	125,000	0
GENERAL FUND	750,249	881,372	-24,504	856,868	0
FEDERAL FUNDS	0	0	0	0	0
PROGRAM FUNDING TOTAL	850,583	1,006,372	-24,504	981,868	0
FTE EMPLOYEES	5.18	5.68	-.09	5.59	.00
FUNDING DETAIL					
GENERAL FUND	750,249	881,372	-24,504	856,868	0
SPECIAL FUNDS					
248 PSC VALUATION REVOLVING FUND 248	97,509	125,000	0	125,000	0
301 CONTINUING APPN. 301	2,825	0	0	0	0
TOTAL	100,334	125,000	0	125,000	0

CHANGE PACKAGE DETAIL

408 PUBLIC SERVICE COMMISSION

Biennium: 2007-2009

Bill#: SB 2008

Date: 12/13/2006

Time: 12:01:03

PROGRAM: PUBLIC UTILITIES	REPORTING LEVEL: 00-408-300-00-00-00-00-00000000				
Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds

AGENCY BUDGET CHANGES

Cost To Continue	-09	-24,504	0	0	-24,504
Agency Total	-09	-24,504	0	0	-24,504

PROGRAM NARRATIVE

408 PUBLIC SERVICE COMMISSION

Date: 12/13/2006

Time: 12:01:03

Program: RECLAMATION PROGRAMS	Reporting Level: 00-408-400-00-00-00-00000000
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PROGRAM PERFORMANCE MEASURES

Not Available.

PROGRAM STATISTICAL DATA

During the 2003-2005 biennium, the Commission permitted an additional 23,718 acres for surface coal mining and reclamation operations. Thirteen final bond release applications totaling 3,241 acres were also approved during the biennium. Many of these were for reclaimed agricultural lands that were mined under the current reclamation law and subject to the ten-year revegetation liability period.

The amount of coal and leonardite mined during the 2003-2005 biennium totaled 60,178,594 tons, a slight increase over the previous biennium.

A reclamation fee of ten cents per ton of lignite mined in North Dakota is collected by the federal government. Approximately five cents per ton is used to fund the Abandoned Mine Lands Division (AML). AML uses the funds to reclaim abandoned mine lands with dangerous high walls, to fill sink holes and stabilize collapsed underground mines.

Four projects that were started during the previous biennium (2001 – 2003) were completed after July 1, 2003. Eight AML projects were approved for reclamation by the Office of Surface Mining Reclamation and Enforcement (OSMRE). Five were completed, two were underway at the close of the biennium and one was slated to start in the next biennium.

The four sites started before the beginning of the 2003-2005 biennium and finished in 2003 included pressure grouting jobs in Beulah, Dickinson, and Garrison/Sawyer, and a highwall reduction project near Columbus in Burke County.

An additional five projects were started and completed during the 2003-2005 biennium in 2004. These included highwall reductions near Columbus in Burke County and north of Belfield in Billings County, and another phase of pressurized grout injection beneath roads in Beulah and residential dwellings in Garrison as well as beneath Snake Road, which connects the towns of Burlington and Des Lacs in Ward County.

Two projects were started in 2005 but are slated for completion in the upcoming biennium. They include a highwall reduction project in Grant County near Leith and a continuing phase of pressurized grouting in the City of Garrison. All related construction work is done by private contractors.

EXPLANATION OF PROGRAM COSTS

The reclamation programs employs 13.04 full-time employees and one part-time seasonal employee.

Most of the program's costs are paid by the federal government on a cost reimbursable basis. Most of the funds are used to pay for wages and procure outside construction and professional services for abandoned mine lands reclamation.

PROGRAM GOALS AND OBJECTIVES

1. Reclaim all land currently surfaced-mined for lignite to standards required under State and Federal law. This is to ensure that environmental effects of surface mining are minimized and lands disturbed by mining will be returned to long-term beneficial use, with the productivity of agricultural lands restored to pre-mine levels.
2. Reclamation of coal mines that were abandoned prior to 1977 and for which there is no continuing federal or state liability. Coal mines to be reclaimed under the Abandoned Mine Lands (AML) program, which is 100% federally funded, include sites that are extremely hazardous or potentially hazardous to the public and sites environmentally degraded due to past mining.

REQUEST DETAIL BY PROGRAM
408 PUBLIC SERVICE COMMISSION
Biennium: 2007-2009

Bill#: SB 2008

Date: 12/13/2006

Time: 12:01:03

Program: RECLAMATION PROGRAMS		Reporting Level: 00-408-400-00-00-00-00000000			
Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Request 2007-2009
SALARIES AND WAGES					
SALARIES - PERMANENT	1,204,200	1,486,542	-173,330	1,313,212	0
SALARY BUDGET ADJUSTMENT	0	0	0	0	0
TEMPORARY SALARIES	19,550	48,000	0	48,000	0
OVERTIME	8,506	2,000	-2,000	0	0
FRINGE BENEFITS	355,311	193,962	198,028	391,990	0
SALARY INCREASE	0	0	0	0	0
BENEFIT INCREASE	0	0	0	0	0
TOTAL	1,587,567	1,730,504	22,698	1,753,202	0
SALARIES AND WAGES					
GENERAL FUND	352,113	389,068	4,378	393,446	0
FEDERAL FUNDS	1,235,454	1,341,436	18,320	1,359,756	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	1,587,567	1,730,504	22,698	1,753,202	0
OPERATING EXPENSES					
TRAVEL	117,513	117,451	22,550	140,001	0
SUPPLIES - IT SOFTWARE	1,532	3,500	7,500	11,000	0
SUPPLY/MATERIAL-PROFESSIONAL	2,688	3,500	3,500	7,000	0
FOOD AND CLOTHING	66	800	0	800	0
BLDG, GROUND, MAINTENANCE	27	21,500	-10,000	11,500	0
MISCELLANEOUS SUPPLIES	1,957	2,500	1,000	3,500	0
OFFICE SUPPLIES	1,326	1,755	0	1,755	0
POSTAGE	3,751	4,336	0	4,336	0
PRINTING	3,626	5,000	-1,000	4,000	0
IT EQUIP UNDER \$5,000	6,646	4,692	20,808	25,500	0
OTHER EQUIP UNDER \$5,000	109	0	0	0	0
OFFICE EQUIP & FURN SUPPLIES	539	600	1,500	2,100	0
INSURANCE	451	825	0	825	0
RENTALS/LEASES-EQUIP & OTHER	0	500	500	1,000	0
RENTALS/LEASES - BLDG/LAND	52,490	67,000	-4,000	63,000	0
REPAIRS	630	25,000	5,000	30,000	0
IT-COMMUNICATIONS	2,162	3,000	350	3,350	0
IT CONTRACTUAL SERVICES AND RE	708	3,000	2,000	5,000	0
PROFESSIONAL DEVELOPMENT	10,144	34,550	1,950	36,500	0
OPERATING FEES AND SERVICES	232,148	17,330	51,670	69,000	0

REQUEST DETAIL BY PROGRAM
408 PUBLIC SERVICE COMMISSION
Biennium: 2007-2009

Bill#: SB 2008

Date: 12/13/2006

Time: 12:01:03

Program: RECLAMATION PROGRAMS		Reporting Level: 00-408-400-00-00-00-00000000			
Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Request 2007-2009
FEES - PROFESSIONAL SERVICES	3,246	8,000	0	8,000	0
TOTAL	441,759	324,839	103,328	428,167	0
OPERATING EXPENSES					
GENERAL FUND	71,156	28,170	19,466	47,636	0
FEDERAL FUNDS	370,603	296,669	83,862	380,531	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	441,759	324,839	103,328	428,167	0
CAPITAL ASSETS					
EQUIPMENT OVER \$5000	0	16,500	-500	16,000	0
TOTAL	0	16,500	-500	16,000	0
CAPITAL ASSETS					
GENERAL FUND	0	3,150	-1,050	2,100	0
FEDERAL FUNDS	0	13,350	550	13,900	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	0	16,500	-500	16,000	0
GRANTS					
TRANSFERS OUT	5,001	7,000	1,000	8,000	0
TOTAL	5,001	7,000	1,000	8,000	0
GRANTS					
GENERAL FUND	0	0	0	0	0
FEDERAL FUNDS	5,001	7,000	1,000	8,000	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	5,001	7,000	1,000	8,000	0
SPECIAL LINES					
AML CONTRACTUAL SERVICES	1,931,723	3,668,492	831,508	4,500,000	0
TOTAL	1,931,723	3,668,492	831,508	4,500,000	0

REQUEST DETAIL BY PROGRAM
408 PUBLIC SERVICE COMMISSION
Biennium: 2007-2009

Bill#: SB 2008

Date: 12/13/2006

Time: 12:01:03

Program: RECLAMATION PROGRAMS		Reporting Level: 00-408-400-00-00-00-00000000			
Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Request 2007-2009
SPECIAL LINES					
GENERAL FUND	0	0	0	0	0
FEDERAL FUNDS	1,931,723	3,668,492	831,508	4,500,000	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	1,931,723	3,668,492	831,508	4,500,000	0
PROGRAM FUNDING SOURCES					
SPECIAL FUNDS	0	0	0	0	0
GENERAL FUND	423,269	420,388	22,794	443,182	0
FEDERAL FUNDS	3,542,781	5,326,947	935,240	6,262,187	0
PROGRAM FUNDING TOTAL	3,966,050	5,747,335	958,034	6,705,369	0
FTE EMPLOYEES	13.10	13.10	-.06	13.04	.00
FUNDING DETAIL					
GENERAL FUND	423,269	420,388	22,794	443,182	0
FEDERAL FUNDS					
R034 ND PERMANENT PROGRAM	1,043,830	1,039,573	93,514	1,133,087	0
R040 AML ADMINISTRATIVE	180,000	180,000	10,558	190,558	0
R044 AML CONSTRUCTION	2,318,951	4,107,374	831,168	4,938,542	0
TOTAL	3,542,781	5,326,947	935,240	6,262,187	0

CHANGE PACKAGE DETAIL

Date: 12/13/2006

408 PUBLIC SERVICE COMMISSION

Bill#: SB 2008

Time: 12:01:03

Biennium: 2007-2009

PROGRAM: RECLAMATION PROGRAMS	REPORTING LEVEL: 00-408-400-00-00-00-00-00000000				
Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds

AGENCY BUDGET CHANGES

Cost To Continue	-06	1,228	4,970	0	6,198
1 IT Communications	.00	123	227	0	350
3 Miscellaneous adjustments	.00	4,235	7,265	0	11,500
4 Travel	.00	2,012	20,538	0	22,550
6 Reclamation Equipment over \$5,000	.00	2,100	13,900	0	16,000
7 IT Equipment under \$5,000	.00	6,125	14,683	0	20,808
9 Professional Development	.00	-2,520	4,470	0	1,950
10 Repairs	.00	0	5,000	0	5,000
13 IT Contractual Service	.00	0	2,000	0	2,000
14 Funding Source Change	.00	10,716	-10,716	0	0
20 ND Geological Survey Pass Through Funds	.00	0	1,000	0	1,000
33 Remove 13th Floor Remodel Costs	.00	-3,500	-6,500	0	-10,000
34 Increase AML Construction Funding	.00	0	831,508	0	831,508
36 Specialized Software	.00	2,275	5,225	0	7,500
37 Mine Mapping of Abandoned Mine Lands	.00	0	41,670	0	41,670
Agency Total	-06	22,794	935,240	0	958,034