



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF PERSONNEL MANAGEMENT
Administrator's Office
1509 West Seventh Street, Suite 201
Post Office Box 3278
Little Rock, Arkansas 72203-3278
Phone: (501) 682-1823
Fax: (501) 682-5104
<http://www.state.ar.us/dfa>

September 21, 2016

Senator Uvalde Lindsey, Co-Chairperson
Representative Lanny Fite, Co-Chairperson
Uniform Personnel Classification and
Compensation Plan Subcommittee
Arkansas Legislative Council
State Capitol Building, Room 315
Little Rock, Arkansas 72201

Dear Co-Chairs:

The Office of Personnel Management submits a request from the Arkansas Public Service Commission (PSC) for your review. The Public Service Commission has requested one position from the OPM Surrender Pool established by Ark. Code Ann. §21-5-225(a)(1). The position being surrendered along with the classification requested is listed below:

| <u>POSITION SURRENDERED</u> | <u>TITLE</u> | <u>CLASS CODE</u> | <u>GRADE</u> |
|---------------------------------|---------------------------------|-----------------------|--------------|
| 22087759 | PSC Utilities Specialist | X078C | C118 |
| <u>CLASSIFICATION REQUESTED</u> | | | |
| | Engineer, Professional Engineer | B023C | C124 |

JUSTIFICATION

The Public Service Commission is requesting to surrender a PSC Utilities Specialist for an Engineer, P.E. PSC requests the Engineer, P.E. position in order to address increasing engineering needs at the agency, particularly with reference to changing rate making mechanisms established by Act 725 of 2015. This position is critical as the agency is confronted with increasing numbers of requests for authority to construct electric distribution and transmission facilities and authority to build or acquire additional electric generating capacity. If approved, this would allow the agency to attract, hire and retain qualified employees with the required skill sets and properly utilize the position as intended.

Senator Uvalde Lindsey, Co-Chairperson
Representative Lanny Fite, Co-Chairperson
September 21, 2016
Page 2 of 2

RECOMMENDATION

The Office of Personnel Management has reviewed the agency's request and **recommends** approval of one (1) OPM Surrender Pool position classified as Engineer, Professional Engineer, B023C, grade C124. Your consideration of this request is appreciated.

Sincerely,



Kay Barnhill
State Personnel Administrator



SEP 09 2016

Chief Fiscal Officer of the State

Date

KB/as:1-2

Ted J. Thomas
Chairman
(501) 682-5806

Elana C. Wills
Commissioner
(501) 682-5809

Lamar B. Davis
Commissioner
(501) 682-5809

ARKANSAS
PUBLIC SERVICE COMMISSION
UTILITIES DIVISION
1000 Center
P.O. Box 400
Little Rock, Arkansas 72203-0400
<http://www.Arkansas.gov/psc>



John P. Bethel
Director
(501) 682-1794

September 8, 2016

Ms. Kay Barnhill
State Personnel Administrator
Arkansas Department of Finance and Administration
Office of Personnel Management, Administrator's Office
1509 West Seventh Street, Suite 201
Little Rock, AR 72203-3278



Re: Pool Position Requests

Dear Ms. Barnhill:

As we discussed in our telephone conversation today, I am revising my pool position request that I submitted on August 4, 2016 and limiting that request to a single position. On behalf of the Arkansas Public Service Commission, I am requesting two pool positions. First, I am requesting a Grade C124 Engineer, Professional Engineer position and am surrendering Position Number 22087759 which is a Grade C118 PSC Utilities Services Specialist in the Utilities Division. The justification for this request is set forth below.

Position number 22087759: This position is currently a Grade C118 PSC Utilities Services Specialist. I am requesting a Grade C124 Engineer, Professional Engineer position. The position is needed to enable the Agency to hire an additional Professional Engineer to assist in addressing the numerous issues confronting the utility industry. The additional Professional Engineer better meets the staffing needs of the Agency than does the PSC Utility Services Specialist position. Given the increasing number and complexity of issues, it is critical to upgrade the position to provide staffing with the education and work experience necessary to address those issues. The Professional Engineer position matches the needs for that position.

There are additional requirements and expectations for the Agency's professional staff that will add responsibilities and require the knowledge and skills of an additional Professional Engineer. Act 725 of 2015 established the opportunity

Ms. Kay Barnhill
September 8, 2016
Page 2

for utilities to request a formula rate plan mechanism. This rate making mechanism will require Staff to review annual rate adjustment filings for the

participating utilities. Currently, one utility has an approved mechanism in place, and another utility has a pending request to establish a mechanism. I anticipate that all seven of the investor owned electric and natural gas utilities will establish a formula rate plan which will require the annual review of seven filings annually which will require the Agency to maintain a professional staff with a thorough knowledge of rate making and utility operational issues. Additionally, Act 827 established additional requirements for net metering customers, and that development, coupled with the continuing development of renewable generating technologies, will require the Agency to maintain a professional staff with knowledge of those fields and the rate making and operational implications of distributed generation facilities. Pursuant to Act 740 of 2007, the Commission has jurisdiction over pole attachments, and the Commission is currently engaged in modifying its Pole Attachment Rules. As a result, it is likely that the Commission will be engaged in resolving issues between the pole owners and attaching entities. This will require Agency staff with knowledge and expertise in the field. The Environmental Protection Agency has issued a number of regulations that affect electric generating facilities. It is critical that the Agency maintain professional Staff members with familiarity with the effects of those environmental regulations on the operation and assessment of the continued cost effectiveness of those facilities. Further, as additional opportunities to obtain electric capacity and energy to serve electric utility customers grows, it will be critical to maintain experienced professional staff members to examine and assess resource planning options in the future. This is not an exhaustive list of the increasing issues and responsibilities confronting the Agency. The requested Professional Engineer position is necessary to attract an individual with the knowledge, skills, and abilities to meet these growing regulatory responsibilities that require the knowledge, skills, and abilities of a Professional Engineer.

Additionally, the Agency is confronted with increasing numbers of requests for authority to construct electric distribution and transmission facilities and authority to build or acquire additional electric generating capacity. The analysis and consideration of these requests requires the knowledge and skills of a Professional Engineer. Utilities are also required to submit resource plans describing the identified needs for additional resources and the plans to meet those needs. Evaluation of those plans also requires the knowledge and skills of a Professional Engineer. The current and expected work load in subjects requiring the expertise of a Professional Engineer is growing. There is a need for an

Ms. Kay Barnhill
September 8, 2016
Page 3

additional Professional Engineer to address these and other issues. This change will not impact current employees.

Based upon the foregoing, I respectfully request that you approve the Agency's requests for this pool position. I have enclosed the requisite Office of Personnel Management form. I appreciate your consideration of this request. If you need any additional information, please contact Vikki Hearn or me.

Sincerely,



John P. Bethel

Enclosures

RECEIVED

SEP 08 2016

OFFICE OF PERSONNEL MGT.
DEPT. OF FIN. & ADMIN



DEPARTMENT OF FINANCE & ADMINISTRATION
Office of Personnel Management
Request for Pool Position

| | | |
|---------------|---------------------------|----------|
| Business Area | Agency/Institution | Date |
| 0450 | Public Service Commission | 09/08/16 |

Position(s) to be Surrendered

| Position/Item Number | Classification Title | Pay Grade | Class Code |
|----------------------|-----------------------------------|-----------|------------|
| 22087759 | PSC Utilities Services Specialist | C118 | XZ078C |
| | | | |
| | | | |
| | | | |


Classification(s) Requested

| N/A | Classification Title | Pay Grade | Class Code |
|-----|---------------------------------|-----------|------------|
| | Engineer, Professional Engineer | C124 | B023C |
| | | | |
| | | | |
| | | | |

I Hereby Certify / Understand That:

- A. The position requested is critical to the operation of this Agency/Institution and a detailed justification for this request is attached. (Justification should be detailed and not less than one typed page in length.)
- B. Sufficient funds are available to fund this position at the requested grade.
- C. This is a full time position that will not be used for any other purpose than that which is outlined in the attached narrative.
- D. The position to be surrendered is the highest grade position available and the loss of this position will not adversely affect the operation of this Agency/Institution.
- E. No current employee will be displaced by this action.

| | |
|----------------------|----------|
| Agency Personnel Rep | Date |
| Vikki Hearn | 09/08/16 |

| | |
|---|----------|
| Agency Director | Date |
| John Bethel  | 09/08/16 |



DEPARTMENT OF FINANCE & ADMINISTRATION
Office of Personnel Management
Request for Pool Position

| | | |
|---------------|---------------------------|----------|
| Business Area | Agency/Institution | Date |
| 0450 | Public Service Commission | 09/08/16 |

Position(s) to be Surrendered

| Position/Item Number | Classification Title | Pay Grade | Class Code |
|----------------------|-----------------------------------|-----------|------------|
| 22087759 | PSC Utilities Services Specialist | C118 | XZ078C |
| | | | |
| | | | |
| | | | |

Classification(s) Requested

| N/A | Classification Title | Pay Grade | Class Code |
|-----|---------------------------------|-----------|------------|
| | Engineer, Professional Engineer | C124 | B023C |
| | | | |
| | | | |
| | | | |

I Hereby Certify / Understand That:

- A. The position requested is critical to the operation of this Agency/Institution and a detailed justification for this request is attached. (Justification should be detailed and not less than one typed page in length.)
- B. Sufficient funds are available to fund this position at the requested grade.
- C. This is a full time position that will not be used for any other purpose than that which is outlined in the attached narrative.
- D. The position to be surrendered is the highest grade position available and the loss of this position will not adversely affect the operation of this Agency/Institution.
- E. No current employee will be displaced by this action.

| | |
|----------------------|----------|
| Agency Personnel Rep | Date |
| Vikki Hearn | 09/08/16 |

| | |
|---|----------|
| Agency Director | Date |
| John Bethel  | 09/08/16 |