



March 17, 2020

Senator David Wallace, Co-Chairperson
Representative Jim Wooten, 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 (OPM) submits a request from the Arkansas Public Service Commission for your review.

The Arkansas Public Service Commission is requesting the establishment of three (3) new titles; Director of Engineering, grade GS14, PSC Electric Cooperative Manager, grade GS12, and PSC Complaints Investigator Supervisor, grade GS07. The department will surrender three (3) positions; Telecom and Quality of Service Manager, grade GS11, PSC Senior Public Utility Auditor, grade GS11, and Complaints Investigator, grade GS04. Ark. Code Ann. §21-5-225(a)(1). The classifications requested along with the positions being surrendered are listed below:

<u>POSITIONS SURRENDERED</u>	<u>TITLE</u>	<u>CLASS CODE</u>	<u>GRADE</u>	<u>SALARY RANGE</u>
22087812	Telecom and Quality of Service Manager	G066C	GS11	\$62,531 - \$90,669
22087789	PSC Senior Public Utility Auditor	X033C	GS11	\$62,531 - \$90,669
22087746	Complaints Investigator	X167C	GS04	\$29,046 - \$42,116

CLASSIFICATIONS REQUESTED

Director of Engineering	GS14	\$86,887 - \$125,986
PSC Electric Cooperative Manager	GS12	\$69,776 - \$101,175
PSC Complaints Investigator Supervisor	GS07	\$40,340 - \$58,493

Duties of the PSC Director of Engineering

Identifies major policy implications and develops and coordinates electric engineering issues in the areas of net metering, electric utility resource planning, renewables project analysis, adequacy and quality of public utility electric service and operations, and telecommunications regulation. Keeps abreast of changes in the industries, technological advancements, engineering standards. Serves as project manager in docketed proceedings before the Commission. Leads the preparation and execution of the overall case development before the Commission. Serves as lead witness in these areas. Supervises engineers and other staff in fulfilling responsibilities. Leads cross-sectional, multi-disciplinary teams.

Duties of the PSC Electric Cooperatives Manager

Serve as project manager on all electric cooperative dockets and issues, which include general rate cases for the 17 electric distribution cooperatives and one generation cooperative, Act 821 rate change requests as requested by the eligible 17 electric distribution cooperatives, Act 676 rate cases for the generation cooperative, review of requested tariff changes, review of cost of debt and cost of energy adjustment clauses for distribution cooperatives, and other electric cooperative issues as they arise. Serves as a lead expert witness in these areas in hearings. Leads the preparation and execution of the overall case development before the Commission.

Duties of the PSC Complaints Investigator

Supervises Complaints Investigators in receiving, researching, investigating, resolving and responding to utility customer complaints. Maintains knowledge of the rules of the Commission under which utilities interact with customers, including applications for service, billing, and service. Trains investigators and ensures high quality customer service is provided.

JUSTIFICATION

The Arkansas Public Service Commission is requesting the above positions in order to streamline efficiencies and ensure continuity of Commission operations. Recent legislation regarding clean energy renewables has sparked additional interest and pursuit of renewables, both an increase in utility scale and other entity renewable projects including solar and wind. We anticipate in excess of ten new projects this year. The workload has grown at an unprecedented rate. There is clear need for additional leadership in these areas. The additional cost would be \$52,760.

Entry + Match	15% Above Entry + Match	30% Above Entry + Match
\$257,434	\$293,780	\$330,127

The Office of Personnel Management has reviewed this request and recommends the approval of the surrender of three (3) positions. Additionally, the Office of Personnel Management recommends establishment of the new classifications of Director of Engineering, grade GS14, PSC

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Electric Cooperative Manager, grade GS12, and PSC Complaints Investigator Supervisor, grade GS07.

Your approval of this request is greatly appreciated.

Sincerely,



Kay Barnhill, Director
Office of Personnel Management



Secretary, Transformation & Shared Services

03/03/2020
Date

KB:cb:1-2

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Donna Gray
Executive Director
(501) 682-1794

March 3, 2020

Ms. Kay Barnhill
Office of Personnel Management
1509 W. 7th Street
Little Rock, AR 72201

Re: Proposed PSC General Staff Organizational Refinements/Pool Position Requests

Dear Ms. Barnhill:

I have been in my role as Executive Director of the Arkansas Public Service Commission General Staff since July 2018. Over the past nineteen months I have analyzed each staff resource, the workload and the workflow, and I have developed a more comprehensive understanding of the demands for 2020 and beyond. I have focused on process improvements and documentation to improve efficiencies and ensure continuity of operations.

At this juncture, I believe there are three actions toward organizational refinement that would better position us to handle the additional workload we are currently experiencing and the greater workload anticipated. A key objective is to more fully utilize and focus our available resources to significantly improve upon our ability to meet statutory and established deadlines and to reduce the ongoing requirements of hours in excess of 60 per week for several key resources. This recommendation is my best effort toward an alternative to hiring additional staff to meet the additional workload.

Key drivers of additional workload are due in significant part to recent legislative changes. The 2015 legislation allowing public utilities to elect a Formula Rate Review has required and continues to require significant resources, in particular in the electric area. Three Formula Rate Plans (FRP's) are currently operational, each with a procedural schedule spanning 180 days by statute. These file annually in April, July and October. A fourth was approved in December 2019 and will also have an April filing month. There is significant overlap of this workload. The result is Staff is analyzing and testifying in one or more FRP cases at any given time throughout the year. In that these all have a five-year term, this annual process will continue. Three of the four approved plans are for electric utilities, with the fourth a natural gas utility. Thus, our electric

resources are more heavily impacted. There are two natural gas utilities and one electric utility which still could elect an FRP under the new statutory provision, in conjunction with filing a general rate case. Under the statute, the decision to elect Formula Rate Review regulation is within the sole discretion of the utility, thus the Commission is not authorized to deny this option once elected. The General Staff has been working diligently with public utilities to develop parameters to minimize the significant increase in workload as a direct result of this legislation. Even with those efforts, refinements to the General Staff's organizational structure and assigned responsibility areas are much needed.

The 2019 legislation regarding clean energy renewables has sparked additional interest and pursuit of renewables, both an increase in utility scale and other entity renewable projects including solar and wind. We anticipate several new projects this year. Consistently more areas of PSC review require electric engineering expertise and this discipline should hold a key leadership position in our organization, which should better position our evaluation of these projects, the changing use of utility systems, and technological change in electric markets.

The workload in the electric area has grown at an unprecedented rate. There is a clear need for additional leadership in this industry section as well to handle the workload. I am requesting a discrete responsibility area be segregated and placed under a new responsibility area to address this overload.

The following requests for pool positions are being made at this time to provide much needed support for our efforts to meet the demands of the public utility industry while ensuring the public interest is served.

Requests for Pool Positions

- Exchange the GS11 Telecommunications and Quality of Service Manager position (22087812) for a dedicated GS14 Director of Engineering. This will establish engineering as a key leadership position within our agency and address the several concerns outlined above.
- Exchange a GS11 PSC Senior Public Utility Auditor position (22087789) for a GS12 PSC Electric Cooperatives Manager. This refinement is needed to better distribute the workload by segregating a distinct part of the electric section responsibilities into a dedicated area with focused leadership.
- Exchange a GSO4 Complaints Investigator position (22087746) for a GSO7 PSC Complaints Investigator Supervisor. Currently there are eight Complaints Investigator positions. This exchange would afford upward mobility within the section and free up the time of the current GS11 Customer Service Manager, with more than 30 years regulatory experience, to assist other managers to meet docket deadlines.

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Thank you for your considerable assistance and consideration of this request. Please contact me if you have any questions or require additional information.

Sincerely,

A handwritten signature in black ink that reads "Donna Gray". The signature is written in a cursive style with a large, prominent "D" and "G".

Donna Gray

cc: Ted Thomas
Vikki Moore-Hearn