

PUBLIC SERVICE COMMISSION (0450)
FISCAL YEAR 2013

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The Public Service Commission (PSC), through its Utilities Division, has general regulatory authority over public utilities that provide electric, gas, telecommunications, water, and sewer services to State consumers (no authority over municipals), and also monitors and inspects pipeline transmissions. Through its Tax Division, the PSC annually assesses the property of public utilities and carriers operating in the State for property taxation purposes. The Public Service Commission (PSC) has 3 gubernatorially appointed Commissioners who serve six-year overlapping terms.

TOTAL APPROPRIATION

The total appropriation is \$14,560,253 for FY2012-13.

FUNDING SOURCES

The appropriations for the PSC are funded by fund balances (22%) special revenues (68%), federal funds (2% as cost reimbursement to the Pipeline Safety Program), Ad Valorem taxes (3%), federal ARRA funding (5%) and general revenues if needed (for the Tax Division). General revenues are not projected to be needed for FY2013.

II) SIGNIFICANT CHANGES

None.

III) ADDITIONAL POSITIONS

Total Positions for FY2013: 118
Total Positions for FY2012: 118
Increase/(Decrease): 0

IV) SPECIAL LANGUAGE

CONTINGENCY RESTRICTION - UTILITIES DIVISION: Authorizes the Director to request a transfer from the Department's Contingency appropriation to the Utilities Division Operations appropriation in the event of an unforeseen emergency and upon approval of the Governor, Chief Fiscal Officer of the State and prior review and approval of the Arkansas Legislative Council/Joint Budget Committee. Classifies the legislative prior review and approval language as non-severable language, and if the prior approval is ruled unconstitutional then the entire section is void.

CONTINGENCY RESTRICTION - TAX DIVISION: Authorizes the transfer of appropriation from the Contingency Line Item in the Tax Division Operations Appropriation to other line items in the same appropriation upon approval of the Governor, Chief Fiscal Officer of the State and prior review and approval of the Arkansas Legislative Council/Joint Budget Committee. Classifies the legislative prior review and approval language as non-severable language, and if the prior review and approval is ruled unconstitutional then the entire section is void.

ARKANSAS HIGH COST FUND (AHCF): Requires the Public Service Commission to insure that telecommunication rates are reasonable and affordable, by taking all steps necessary to reduce the Arkansas High Cost Fund (AHCF) and avoid mandating any additional charges or expenses for telecommunications services which can lead to increases in AHCF

assessments which result in higher AHCF surcharges being passed on to customers.

November 2011