



**MINNESOTA PUBLIC UTILITIES COMMISSION
BUDGET PRESENTATION**
**Presentation to the House Climate and Energy
Finance and Policy Committee**

March 16, 2021
Commissioner Joe Sullivan, Vice-Chair
Will Seuffert, Executive Secretary

PUC Mission

The Minnesota Public Utilities Commission's mission is to create and maintain a regulatory environment that ensures safe, reliable and efficient utility services at fair and reasonable rates.

COMMISSION'S OBLIGATION

Implement statutes as written and intended by legislature

- General directive - ensure just, reasonable, nondiscriminatory rates & service (216B.03)
- Numerous specific directives

GENERAL AGENCY DESCRIPTION

- Five Member quasi-judicial decision-making board:
 - Appointed by the Governor, confirmed by the Minnesota Senate
 - Staggered six-year terms
 - Full-time positions
 - Governor names Chair
 - Commission appoints Executive Secretary to oversee agency operations
- Commissioner Qualifications:
 - Can't have more than three from one political party
 - At least one from outside the Twin Cities metropolitan area
 - Consider those learned in law, engineering, finance, utility/property valuation and generally representative of public
- Not a Cabinet-level agency
 - Independent from Administration

Decision-Making Process, and Code of Conduct

- **Quasi-Judicial** – Case-by case; every decision based solely on the record developed in the case; no ex parte communications, i.e., commissioners can't have off-the-record discussions with parties about material issues in any pending disputed case
 - **Role of other agencies:** Commerce, OAG, OAH
 - **Role of parties:** Trade Associations, clean energy organizations, consumer groups, low-income advocates, etc.
- **Subject to Open Meeting Law** – All Commission meetings/decisions in publicly noticed open meetings
- **Decisions Communicated In Written Orders**



Who We Regulate

- Electricity (Investor-Owned Utilities)
 - Xcel, Minnesota Power, Otter Tail Power, Dakota Electric*
- Gas (Investor-Owned Utilities)
 - CenterPoint, Minnesota Energy Resources, Xcel, Greater Minnesota Gas, Great Plains
- Telecom
 - Regulation through alternative forms approved by legislature

What We Regulate

- Service quality for electric and natural gas service
- Rates for investor-owned utilities (and other utilities whose members choose it)
- Resource selection (what types of resources that are used to generate power)
- Large Energy Facilities (Certificate of Need, Route/Site Permit)
- Local Telephone Service
- (Non-regulatory) Regional Wholesale Energy Markets and Transmission Planning

PUC Staff

- 52 Staff, 5 Commissioners
 - Staff consists of regulatory analysts, economists, attorneys, consumer affairs mediators, public advisor, business services, and administrative support
- Regulatory Analysis Division
 - Financial Analysis Unit
 - Economic Analysis Unit
 - Energy Facilities Permitting Unit
- Legal Services
- Consumer Affairs
 - Mediation services and consumer support, responded to over 7,000 calls in 2020
- Business Office/Administrative Services
- PUC office (and public hearing rooms) located in Metro Square building, downtown St Paul

FY 20-21 PUC Operating Budget

- Budget (2020/2021)
 - \$7.772 Million per Year from the General Fund
 - 100% recovered and returned to General Fund through assessment process
 - Telephone Assistance Program (TAP) Fund administration from a special revenue fund

FY 22-23 Biennial Budget Change Item

- Governor recommends an increase of 130K in FY 22, and 259K in FY 23
- 2%/3% operating adjustment to maintain current level of service, including employer- paid health care contributions, salary and compensation costs, IT, etc.
- General Fund neutral

COVID-19

- Commission meetings held remotely since March, 2020
- Commission action/workload consistent with past years
- COVID-19 Dockets
 - Customer Protections (20-374 & 20-375)
 - Financial Effects on Utilities (20-425 & 20-427)
 - COVID-19 Economic Impacts (20-492)
- Current information about the primary COVID-19 dockets may be found on the PUC website:
<https://mn.gov/puc/newsroom/covid19/>



Thank You!

Commissioner Joe Sullivan

Executive Secretary Will Seuffert

Questions? Contact Will Seuffert
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