

**Additional Information on Self-Funding**

The \$550,000 would partially self-funding our Weights and Measures and Public Utilities area.

Amount	\$175,000
Weights & Measures	\$225,000
Economic Regulation – Public Utilities	\$150,000
Siting – Public Utilities	\$550,000
<b>Total proposed partial self-funding</b>	

**Weights and Measures**

Of the \$550,000 total self-funding request, PSC estimates \$175,000 could be raised per biennium by increasing current W&M fees and adding the additional licensing and testing fees. This would self-fund approx. 20% of the current program costs.

Salaries (3 inspectors; 50% of 2 FTEs time (MGMT))	\$669,500
Operating	\$200,000
<b>TOTAL BUDGET THIS BIENNIUM</b>	<b>\$869,500</b>
Proposed partial self-funding amount	\$175,000
of current program costs would be self-funded	20%

Weights and Measures fees were last increased in 2003 when fees increased from \$10 to \$11 (a \$1 increase) and \$48 to \$53 (a \$5 increase).

As reported to Legislative Counsel: If W&M fees are not changed and self-funding proposal is not implemented, the PSC estimates to collect and deposit approximately \$90,000 into the general fund during the 2021-23 biennium.

If W&M fees are increased and the self-fund proposal is implemented, PSC estimates to collect and deposit approximately \$175,000 into the PSC Program fund during the 2021-2023 biennium. No dollars will be transferred to the general fund.

**Public Utilities**

Public Utilities includes three main functions:

1. **Economic Regulation** of 3 investor-owned electric utilities and 3 investor-owned gas utilities
2. **Siting**: processing permits for construction of new energy infrastructure
3. **Damage Prevention**

PSC estimates \$225,000 could be raised per biennium by new public utility assessment (assessment on gross operating revenues) to fund a portion economic regulation and \$150,000 could be raised per biennium by the new siting fee (\$100 per \$1M of investment, up to \$25,000) to cover a portion of staff time spend processing these cases. The \$375,000 from both revenue sources would self-fund approx. 27% of the current division costs.

Salaries (5 FTEs)	\$1,350,000
Operating	\$50,000
<b>TOTAL BUDGET THIS BIENNIUM</b>	<b>\$1,400,000</b>
Proposed Economic Regulation partial self-funding amount	\$225,000
Proposed Siting partial self-funding amount	\$150,000
of current program costs would be self-funded	27%

## Additional Information on Self-Funding

### Economic Regulation

We had a discussion with companies about self-funding for economic regulation. The Public Service Commission is one of few regulatory bodies in the region that does not have a self-funding mechanism and is funded exclusively by general fund. Other states use the following mechanisms to self-fund:

- MT: revenue tax
- WY: revenue tax plus \$5 fee for every filing
- MN: Per docket charge, record time and expenses and bill out
- WI: Direct billing plus assessment to cover all costs
- SD: Combination of revenue tax, filing fees and general funds (15%)

### Siting


#### NDCC 49-22-22 (3). Siting process expense recovery - Deposit in special fund - Continuing

#### appropriation.

3. A siting process expense recovery fund is established in the state treasury. The commission shall deposit payments received under subsections 1 and 2 in the siting process expense recovery fund. All moneys deposited in the fund are appropriated on a continuing basis to the commission to pay expenses incurred in the siting process. The commission shall specify the time and method of payment of any fees and shall refund the portion of fees collected under subsections 1 and 2 which exceeds the expenses incurred for the evaluation and designation process.

PSC pays for expenses incurred in the siting process and refunds any remaining amount (see attached refund). We currently do not charge for any staff time.

Additional Information on Self-Funding


  
 Be Legendary.<sup>™</sup>

Siting Application Fee Final Refund

September 23, 2020

Epping Transmission Company, LLC  
 12.75-inch Crude Oil Pipeline - Williams County  
 Siting Application  
 Case No. PU-16-614

Balance		\$35,000.00
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Expenses Incurred to Date:

In State - Air Transportation	\$2,743.33	\$32,256.67
In State - Other Comm. Transportation	\$160.00	\$32,096.67
Advertising Services	\$493.82	\$31,602.85
Legal	\$4,135.48	\$27,467.37
Legal - Administrative Hearing	\$2,953.50	\$24,513.87
Professionals Not Classified	\$2,590.00	\$21,923.87
Engineering Consultants	\$12,051.00	\$9,872.87
Siting Process Exp Refund	\$4,622.87	\$5,250.00
Siting Application Fee Final Refund		\$5,250.00