

## Additional Information on Self-Funding

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

Amount	Program
\$175,000	Weights & Measures
\$225,000	Economic Regulation – Public Utilities
\$150,000	Siting – Public Utilities
<b>\$550,000</b>	<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.

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

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.

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

## 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



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

	Fee Collected	Expenses	Balance
Statutory Fee Collected	\$35,000.00		\$35,000.00
Expenses Incurred to Date:			
In State - Air Transportation		\$2,743.33	\$32,256.67
In State - Other Comm. Transportation		\$160.00	\$32,096.67
Adverting 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
<b>Siting Application Fee Final Refund</b>			<b>\$5,250.00</b>

