

**DEPARTMENT 408 - PUBLIC SERVICE COMMISSION
2027-29 BASE-LEVEL BUDGET**

Base Budget - Summary

| | <u>Base Level</u> |
|--|-------------------|
| Salaries and wages | \$12,174,387 |
| New and vacant FTE pool | 265,735 |
| Operating expenses | 2,502,654 |
| Capital assets | 75,000 |
| Grants | 20,000 |
| Abandoned mined lands contractual services | 6,000,000 |
| Rail rate complaint case | 900,000 |
| Railroad Safety Program | 713,230 |
| Specialized legal services | <u>400,166</u> |
| Total all funds | \$23,051,172 |
| Less other funds | <u>14,085,048</u> |
| Total General Fund | \$8,966,124 |
| FTE positions | 45.00 |

Selected Base Budget Information

| | General Fund | Other Funds | Total |
|--|-------------------------|------------------------|--------------|
| 1. Includes funding for state employee salary and benefits for 43 FTE positions including \$40,000 of equity funding | \$6,911,316 | \$5,263,071 | \$12,174,387 |
| 2. Includes funding for a new and vacant FTE pool for estimated costs associated with vacant position savings | \$158,383 | \$107,352 | \$265,735 |
| 3. Provides funding for operating expenses, including travel (\$612,256), building and land leases (\$331,487), and costs for contracting for legal services for federal interventions (\$225,000) | \$1,871,259 | \$631,395 | \$2,502,654 |
| 4. Includes funding for the administration of the Railroad Safety Program, of which \$589,472 is for salaries and wages for 2 FTE positions and \$123,758 is for operating expenses | \$0 | \$713,230 | \$713,230 |
| 5. Includes funding for a Bank of North Dakota loan to pay costs associated with a rail rate complaint case | \$0 | \$900,000 | \$900,000 |
| 6. Includes federal funding for contractors to remediate abandoned mined lands | \$0 | \$6,000,000 | \$6,000,000 |
| 7. Includes funding for specialized legal services to intervene in legal cases if approved by the federal Office of Surface Mining or Pipeline Hazardous Materials Safety Administration | \$166 | \$400,000 | \$400,166 |

Continuing Appropriations

Siting Process Expense Recovery Fund - North Dakota Century Code Section 49-22-22 - Siting process application fees received are deposited in the Siting Process Expense Recovery Fund to pay expenses incurred in the siting process. For the 2023-25 biennium, the fund had \$1,719,000 of revenues, \$886,550 of expenditures, and a fund balance of \$2,954,725 on June 30, 2025.

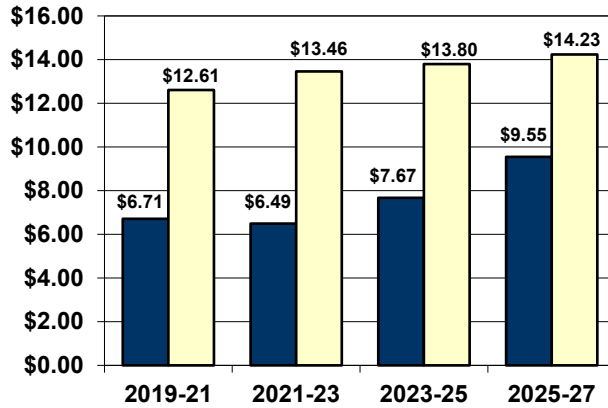
Performance Assurance Fund - Section 49-21-31 - Money received by the Public Service Commission under a performance assurance plan is to be deposited in the Performance Assurance Fund until the balance equals \$100,000. The money in the fund may be used by the Public Service Commission to monitor the operation and effect of the performance assurance plan. For the 2023-25 biennium, the fund had no revenues or expenditures and had a balance of \$100,000 on June 30, 2025.

Utility Valuation Expense Recovery Fund - Section 49-05-04 - Any public utility requesting an increase in its rates above the maximum approved or prescribed by the commission shall furnish the commission the required documents and an application fee in the amount of \$175,000. Upon request of the commission and with the approval of the Emergency Commission, the applicant shall pay additional fees as are reasonably necessary for completion of the application process by the commission. The commission shall pay the expenses of investigating a rate increase application under this section from the application fee paid by the public utility in accordance with Section 49-02-02. The commission may waive or reduce the fee. For the 2023-25 biennium, the fund had \$1,696,596 of revenues, \$1,883,608 of expenditures, and a fund balance of \$1,082,234 on June 30, 2025.

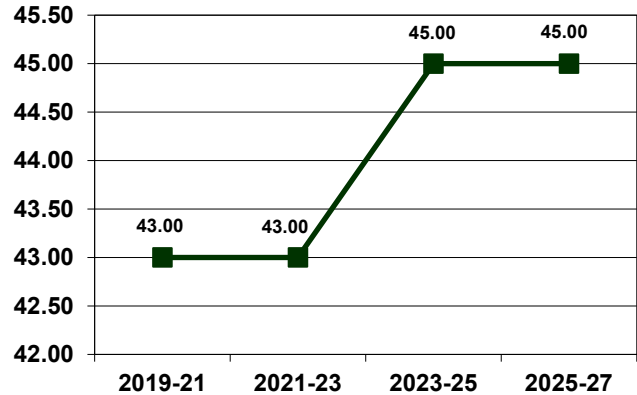
Historical Appropriations Information

Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



■ General Fund □ Other Funds

Ongoing General Fund Appropriations

| | 2017-19 | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|---|-------------|-------------|-------------|-------------|-------------|
| Ongoing General Fund appropriations | \$6,630,762 | \$6,714,928 | \$6,425,687 | \$7,489,352 | \$8,966,124 |
| Increase (decrease) from previous biennium | N/A | \$84,166 | (\$289,241) | \$1,063,665 | \$1,476,772 |
| Percentage increase (decrease) from previous biennium | N/A | 1.3% | (4.3%) | 16.6% | 19.7% |
| Cumulative percentage increase (decrease) from 2017-19 biennium | N/A | 1.3% | (3.1%) | 12.9% | 35.2% |

Major Increases (Decreases) in Ongoing General Fund Appropriations

2019-21 Biennium

1. Transferred 2 FTE grain warehouse inspectors (\$317,725) and related operating expenses (\$71,000) to the Department of Agriculture (\$388,725)
2. Added funding for the reclassification of an existing underfunded FTE position as an accounting budget specialist position (\$165,493) and related operating expenses \$170,493

2021-23 Biennium

1. Changed the funding source for a portion of salaries and wages from the General Fund to the Public Service Commission Program Fund (\$625,000)
2. Added funding for the reclassification of an existing underfunded FTE position as a natural gas pipeline inspector position \$167,547

2023-25 Biennium

1. Added funding for a new Capitol space rent model \$221,067
2. Added funding for 1 FTE environmental scientist position and 1 FTE engineering analyst position, of which \$365,030 is for salaries and wages and \$9,250 is for related operating expenses \$374,280
3. Added funding for ongoing operating expenses, of which \$52,000 is for supplies - information technology software to provide a total of \$224,500, and \$31,600 is for professional development to provide a total of \$132,400 \$83,600
4. Added funding for a Federal Energy Regulatory Commission contractor \$120,000

2025-27 Biennium

1. Increased funding for rent and other operating expenses \$185,823
2. Added funding for information technology rate increases \$64,692
3. Increased funding for federal intervention legal costs \$105,000

One-Time General Fund Appropriations

| | 2017-19 | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|--------------------------------------|---------|---------|---------|-----------|-----------|
| One-time General Fund appropriations | \$0 | \$0 | \$5,400 | \$183,500 | \$580,580 |

Major One-Time General Fund Appropriations

| | | |
|--|--|-----------|
| 2019-21 Biennium | | |
| None | | \$0 |
| 2021-23 Biennium | | |
| None | | \$0 |
| 2023-25 Biennium | | |
| 1. Shortfall of indirect cost recovery | | \$101,700 |
| 2. Weights and measures equipment | | \$70,000 |
| 3. Copier | | \$10,000 |
| 4. Drone | | \$1,800 |
| 2025-27 Biennium | | |
| Federal intervention funding | | \$575,000 |

Other Funds

Major sources of special funds include:

- Public Service Commission Program Fund - Receives fees from various programs administered by the commission including scale inspections, siting administration, and public utility assessments and is used to defray the expenses of the commission
- Rail Safety Fund - Receives an allocation of special fuels excise taxes collected on diesel fuel sales to railroads and is used to fund the costs of the Railroad Safety Program

Major sources of federal funds include:

- Regulation of surface coal mining - Funding to regulate coal surface mining and the surface effects of underground coal mining
- Abandoned mined land reclamation - Funding for states to reclaim abandoned coal mines
- Pipeline Safety Program - Funding to support state efforts related to pipeline safety and enforcement
- Railroad safety - Supports the certification of state inspectors to conduct investigative and surveillance activities related to railroads

Other Funds Appropriations

| | 2017-19 | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|---|--------------|--------------|--------------|--------------|--------------|
| Other funds appropriations | \$12,421,016 | \$12,608,476 | \$13,461,695 | \$13,797,845 | \$14,234,468 |
| Increase (decrease) from previous biennium | N/A | \$187,460 | \$853,219 | \$336,150 | \$436,623 |
| Percentage increase (decrease) from previous biennium | N/A | 1.5% | 6.8% | 2.5% | 3.2% |
| Cumulative percentage increase (decrease) from 2017-19 biennium | N/A | 1.5% | 8.4% | 11.1% | 14.6% |

Major Increases (Decreases) in Other Funds Appropriations

| | | |
|--|--|-----------|
| 2019-21 Biennium | | |
| Ongoing | | |
| None | | |
| One-time | | |
| 1. Added federal funding for specialized legal services | | \$336,000 |
| 2. Provided funding for grain licensing services | | \$100,000 |
| 2021-23 Biennium | | |
| Ongoing | | |
| 1. Added funding for specialized legal services | | \$336,000 |
| 2. Added funding for the reclassification of an existing underfunded FTE position as a natural gas pipeline inspector position | | \$167,548 |

| | |
|---|-----------|
| 3. Changed the funding source for a portion of salaries and wages from the General Fund to the Public Service Commission Program Fund | \$625,000 |
| One-time | |
| Provided funding for equipment purchases | \$114,600 |
| 2023-25 Biennium | |
| Ongoing | |
| Added funding for 1 FTE environmental scientist position and 1 FTE engineering analyst position | \$138,602 |
| One-time | |
| Provided funding for a drone purchase | \$18,200 |
| 2025-27 Biennium | |
| Ongoing | |
| Increased funding for capital assets purchases | \$50,000 |
| One-time | |
| Added funding for drone remote sensing technology | \$149,420 |