

Residential Utility Consumer Office

A.R.S. § 40-461

Director: Lindy Funkhouser

JLBC Analyst: Paul Shannon

	FY 2000 Actual	FY 2001 Estimate	FY 2002 Approved	FY 2003 Approved
PROGRAM BUDGET				
Residential Utility Consumer Office	715,000	872,000	939,800	973,100
Professional Witnesses SLI	298,700	145,000	145,000 ^{1/}	145,000 ^{1/}
TOTAL APPROPRIATIONS	1,013,700	1,017,000	1,084,800	1,118,100
OPERATING BUDGET				
Full Time Equivalent Positions	11.0	11.0	12.0	12.0
Personal Services	463,100	582,700	654,000	686,800
Employee Related Expenditures	80,500	106,300	127,300	127,900
Travel - In State	9,100	11,000	11,000	11,000
Travel - Out of State	7,900	4,600	4,600	4,600
Other Operating Expenditures	116,200	167,400	142,900	142,800
Equipment	38,200	0	0	0
<i>Operating Subtotal</i>	715,000	872,000	939,800	973,100
Special Line Items (SLI)	298,700	145,000	145,000	145,000
TOTAL APPROPRIATIONS	1,013,700	1,017,000	1,084,800^{2/3/}	1,118,100^{2/3/}
FUND SOURCES				
Residential Utility Consumer Office				
Revolving Fund	1,013,700	1,017,000	1,084,800	1,118,100
<i>Subtotal - Other Appropriated Funds</i>	1,013,700	1,017,000	1,084,800	1,118,100
TOTAL APPROPRIATIONS	1,013,700	1,017,000	1,084,800	1,118,100

AGENCY DESCRIPTION — *The Residential Utility Consumer Office (RUCO) serves as an advocate for residential customers of public utilities in rate hearings held before the Arizona Corporation Commission. Through its technical staff and expert consultants, RUCO analyzes utility company data to determine appropriate positions to take and present on behalf of residential ratepayers. The RUCO Director is appointed by the Governor.*

PERFORMANCE MEASURES	FY 1999	FY 2000	FY 2001	FY 2002-03
	Est./Actual	Est./Actual	Estimate	Estimate
• Number of cases analyzed	135/102	120/90	100	105/115
• Number of interventions in rate making	20/34	28/13	12	12/14
• Average rate increase requested by utilities (\$ in millions)	10/0.3	80/5.1	210	6
• Average rate increase recommended by RUCO (\$ in millions)	3/0.1	30/0.8	30	1.8
• Average rate increase approved by Corporation Commission (\$ in millions)	5/0.2	45/3.1	60	3.4/3.0
• Administration as a % of total cost	NA	NA/4.1	4.1	4.4
• Customer satisfaction rating for residential utility customers (Scale 1-8)	NA	NA	6.0	6.0

^{1/} This appropriation is a continuing appropriation and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations. (General Appropriation Act footnote)

^{2/} It is the intent of the Legislature that the salary range for attorney positions in the Residential Utility Consumer Office be increased to a level equivalent to other agencies with similar positions. The new salary range shall not be implemented without approval by the Arizona Department of Administration. (General Appropriation Act footnote)

^{3/} General Appropriation Act funds are appropriated as a Lump Sum by Agency with Special Line Items.

Salary Adjustments — The approved amount includes an increase of \$26,400 in both FY 2002 and FY 2003 above FY 2001 for salary adjustments resulting from the reclassification of Chief and Senior Rate Analyst positions and related positions. These increases are in addition to the 5% statewide salary adjustments scheduled for April 1, 2002 and 2003.

Constituent Liaison — The appropriation provides 1 new FTE Position with no additional funding to staff a constituent liaison position. Funding is provided by continuing \$50,000 that was originally appropriated in FY 2000 and FY 2001 for a public education campaign on retail electric competition. This position will coordinate a speaker's bureau, assist with constituent inquiries, and provide other educational functions.

Professional Witnesses Special Line Item — The approved amount includes monies used to hire court reporters and witnesses who study the utilities and provide expert testimony at rate hearings.

Additional Legislation: Residential Utility Consumer Board (Chapter 133) — Removes all statutory references to the Residential Utility Consumer Board. A sunset review was conducted of RUCO in 1999. Resulting legislation in the 2000 Legislative Session failed to authorize the continuation of the RUCO Board.

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