

Residential Utility Consumer Office

JLBC: Chris Cranny

OSPB: Matt Gottheiner

DESCRIPTION	FY 2004 ACTUAL	FY 2005 ESTIMATE	FY 2006 JLBC	FY 2007 JLBC
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	12.0	12.0	12.0	12.0
Personal Services	664,500	673,700	673,700	673,700
Employee Related Expenditures	162,800	174,100	174,700	175,600
Travel - In State	8,600	8,600	8,600	8,600
Travel - Out of State	7,000	7,000	7,000	7,000
Other Operating Expenditures	157,800	159,800	162,800	165,200
OPERATING SUBTOTAL	1,000,700	1,023,200	1,026,800	1,030,100
SPECIAL LINE ITEMS				
Professional Witnesses	145,000	145,000	145,000	145,000
AGENCY TOTAL	1,145,700	1,168,200	1,171,800	1,175,100

FUND SOURCES

Other Appropriated Funds

Residential Utility Consumer Office Revolving Fund	1,145,700	1,168,200	1,171,800	1,175,100
SUBTOTAL - Other Appropriated Funds	1,145,700	1,168,200	1,171,800	1,175,100
SUBTOTAL - Appropriated Funds	1,145,700	1,168,200	1,171,800	1,175,100
TOTAL - ALL SOURCES	1,145,700	1,168,200	1,171,800	1,175,100

CHANGE IN FUNDING SUMMARY

	FY 2005 to FY 2006 JLBC		FY 2005 to FY 2007 JLBC	
	\$ Change	% Change	\$ Change	% Change
Other Appropriated Funds	3,600	0.3%	6,900	0.6%
Total Appropriated Funds	3,600	0.3%	6,900	0.6%
Total - All Sources	3,600	0.3%	6,900	0.6%

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 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Estimate	JLBC
• Number of cases analyzed	92	86	130	--
• Number of interventions in rate making	9	3	14	--
• Administration as a % of total cost	4.5	4.4	4.4	--
• Customer satisfaction rating for residential utility customers (Scale 1-8)	7.0	7.0	6.0	--
• % variance between utilities' requests for rate increases and the actual ACC authorized rates (NEW)	NA	NA	NA	(12.5)

Comments: The agency did not submit information for any measure labeled as "NA." The customer satisfaction rating estimate is not based on a formal customer survey or a strict formula. The rating is derived by comparing the Residential Utility Consumer Office's recommended rates against both the utilities' original requests and the rates ultimately adopted by the Arizona Corporation Commission. Implicit in this analysis is the assumption that the larger the ratio between the utilities' requests and the actual Arizona Corporation Commission authorized rates, the greater the customer satisfaction. A new performance measure, % variance between utilities' requests and the actual ACC authorized rates, has been added to more accurately reflect what the customer satisfaction rating performance measure actually is.

RECOMMENDED CHANGES FROM FY 2005

Operating Budget

The JLBC recommends \$1,026,800 from the Residential Utility Consumer Office Revolving Fund for the operating budget in FY 2006 and \$1,030,100 in FY 2007. These amounts would fund the following adjustments:

		<u>FY 2006</u>	<u>FY 2007</u>
Standard Changes	OF	\$3,600	\$6,900

The JLBC recommends an increase of \$3,600 from the Residential Utility Consumer Office Revolving Fund in FY 2006 and an increase of \$6,900 in FY 2007 for standard changes.

Special Line Items

Professional Witnesses

The JLBC recommends \$145,000 from the Residential Utility Consumer Office Revolving Fund for Professional Witnesses in FY 2006 and FY 2007. These amounts are unchanged from FY 2005. Monies in this line item are used to fund expert witness testimony at utility rate hearings.

* * *

JLBC RECOMMENDED FORMAT — Operating Lump Sum with Special Line Items by Agency

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes

This appropriation is a continuing appropriation and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations

Deletion of Prior Year Footnotes

The JLBC recommends deleting the footnote concerning the salary range for attorney positions in the Residential Utility Consumer Office. The attorneys' salaries have already been increased to a level equivalent with that of similar positions in the Arizona Corporation Commission.

SUMMARY OF FUNDS

FY 2004	FY 2005
Actual	Estimate

Residential Utility Consumer Office Revolving (UOA2175/A.R.S. § 40-409) **Appropriated**

Source of Revenue: An assessment against public service corporations, as defined by A.R.S. § 40-401.01.

Purpose of Fund: To operate the Residential Utility Consumer Office.

Funds Expended	1,145,700	1,168,200
Year-End Fund Balance	203,500	27,500

[Click here to return to the Table of Contents](#)