

DEPARTMENT OF PUBLIC SERVICE

MISSION

The Department of Public Service is the staff arm of the Public Service Commission, which regulates the rates and services of the State's public utilities, including electric, gas, steam, telephone and water. The Commission also oversees the siting of major electric and gas transmission lines and facilities. In addition, it ensures the safety of natural gas and liquid petroleum pipelines and is responsible for oversight and regulation of the cable television industry in New York State.

ORGANIZATION AND STAFFING

The Public Service Commission consists of five members who are nominated by the Governor and confirmed by the Senate. The Chairman serves as the chief executive officer of the Department which operates offices in Albany, New York City, Buffalo and Syracuse.

The Department's budget has two programs: the Administration Program, which supports the Public Service Commission and Department activities; and the Regulation Program, which undertakes activities to ensure fair and reasonable rates, monitor service standards, address consumer complaints, promote efficient operation and ensure that industry construction programs meet safety and environmental requirements.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$83.0 million All Funds** (\$81.1 million Special Revenue Funds; \$1.8 million Federal funds) for the Department of Public Service. This is a decrease of **\$2.7 million** (\$2.7 million Special Revenue Funds) from the 2008-09 budget. This change primarily reflects the recurring impact of across the board reductions implemented in 2008-09, partially offset by the addition of new staffing. The Department will have an estimated **workforce of 560** for 2009-10, a recommended increase of 20 from the 2008-09 budget, to support high priority programs, including consumer protection, ensuring reasonable rates and reliable service, and enhancing the State's energy efficiency programs.

The Department's 2009-10 operating budget includes funding of \$80.6 million from utility and cable assessments. Public utility assessments are based on a utility's gross intrastate operating revenues above \$500,000. Cable television assessments are based on revenues from those companies with 1,000 or more subscribers.

In addition, the local assistance budget provides a total of \$550,000 from fees paid by entities proposing the siting of electric generation facilities. These funds can be accessed by local governments and community groups to fund intervention activities related to the siting review process.

The Department also receives Federal grants to perform pipeline safety activities.

PROGRAM HIGHLIGHTS

The Department's highest priorities for the coming year will be:

- Developing energy efficiency programs to ensure the goal of reducing electricity consumption by 15 percent below the forecasted level in 2015;
- Continuing to develop a long-range energy planning process;

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- Continuing implementation of the Renewable Portfolio Standard, designed to increase to at least 25 percent by 2013 the proportion of electricity sold to consumers in New York State that is generated from renewable resources; and
- Ensuring the reliability of the electric, gas, steam, and telecommunications networks.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	85,094,000	82,408,000	(2,686,000)	0
Aid To Localities	550,000	550,000	0	3,589,000
Capital Projects	0	0	0	0
Total	85,644,000	82,958,000	(2,686,000)	3,589,000

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	98	98	0
Regulation of Utilities			
Special Revenue Funds - Federal	12	12	0
Special Revenue Funds - Other	430	450	20
Total	540	560	20

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	1,814,000	1,847,000	33,000
Special Revenue Funds - Other	83,280,000	80,561,000	(2,719,000)
Total	85,094,000	82,408,000	(2,686,000)

Adjustments:

Transfer(s) From

Special Pay Bill

Special Revenue Funds - Federal	(123,000)
Special Revenue Funds - Other	(5,143,000)
Appropriated 2008-09	79,828,000

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	13,855,000	13,439,000	(416,000)
Regulation of Utilities			
Special Revenue Funds - Federal	1,814,000	1,847,000	33,000
Special Revenue Funds - Other	69,425,000	67,122,000	(2,303,000)
Total	85,094,000	82,408,000	(2,686,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total Amount	Change	Personal Service Amount	Change
Administration	13,439,000	(416,000)	7,496,000	196,000
Regulation of Utilities	68,969,000	(2,270,000)	38,253,000	(1,380,000)
Total	82,408,000	(2,686,000)	45,749,000	(1,184,000)

Program	Nonpersonal Service Amount	Change
Administration	5,943,000	(612,000)
Regulation of Utilities	30,716,000	(890,000)
Total	36,659,000	(1,502,000)

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	550,000	550,000	0
Total	550,000	550,000	0

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2008-09	Recommended 2009-10	Change
Regulation of Utilities			
Special Revenue Funds - Other	550,000	550,000	0
Total	550,000	550,000	0