

610000 PUBLIC SERVICE COMMISSION
 50 2 573003 REGULATORY TRUST FUND PSC
 G-L G-L ACCOUNT NAME

| CAT | | BEGINNING BALANCE |
|--------|--|-------------------|
| 11100 | CASH ON HAND | |
| 000000 | BALANCE BROUGHT FORWARD | 200.00 |
| 12100 | UNRELEASED CASH IN STATE TREASURY | |
| 000000 | BALANCE BROUGHT FORWARD | 5,178,878.55 |
| 12400 | CASH IN STATE TREASURY UNVERIFIED | |
| 000100 | FEEs | 0.00 |
| 001800 | REFUNDS | 0.00 |
| | ** GL 12400 TOTAL | 0.00 |
| 14100 | POOLED INVESTMENTS WITH STATE TREASURY | |
| 000000 | BALANCE BROUGHT FORWARD | 0.00 |
| 15300 | INTEREST AND DIVIDENDS RECEIVABLE | |
| 000000 | BALANCE BROUGHT FORWARD | 0.00 |
| 000500 | INTEREST | 0.00 |
| | ** GL 15300 TOTAL | 0.00 |
| 15700 | FEEs RECEIVABLE | |
| 000100 | FEEs | 11,394.80 |
| 27600 | FURNITURE AND EQUIPMENT | |
| 000400 | MISCELLANEOUS RECEIPTS | 0.00 |
| 001800 | REFUNDS | 102,050.50- |
| 040000 | EXPENSES | 3,982.46 |
| 060000 | OPERATING CAPITAL OUTLAY | 2,401,730.31 |
| 060000 | CF OPERATING CAPITAL OUTLAY | 19,066.48 |
| 100021 | ACQUISITION/MOTOR VEHICLES | 451,124.00 |
| 103823 | CATEGORY NAME NOT ON TITLE FILE | 7,241.00 |
| 105890 | CATEGORY NAME NOT ON TITLE FILE | 0.00 |
| 109910 | STATE OPERATIONS-ARRA 2009 | 1,578.91 |
| | ** GL 27600 TOTAL | 2,782,672.66 |
| 27700 | ACC DEPR - FURNITURE & EQUIPMENT | |
| 000000 | BALANCE BROUGHT FORWARD | 360,477.08 |
| 000400 | MISCELLANEOUS RECEIPTS | 0.00 |
| 001800 | REFUNDS | 98,876.79 |
| 040000 | EXPENSES | 3,956.32- |
| 060000 | OPERATING CAPITAL OUTLAY | 2,022,145.92- |
| 100021 | ACQUISITION/MOTOR VEHICLES | 372,286.27- |
| 103823 | CATEGORY NAME NOT ON TITLE FILE | 7,241.00- |
| 105890 | CATEGORY NAME NOT ON TITLE FILE | 0.00 |
| 109910 | STATE OPERATIONS-ARRA 2009 | 1,578.91- |
| | ** GL 27700 TOTAL | 1,947,854.55- |

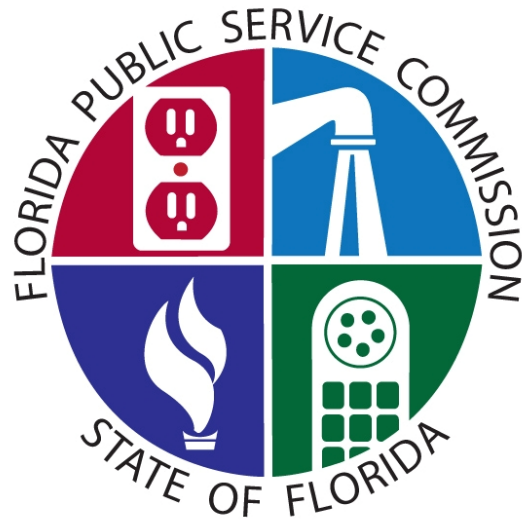
610000 PUBLIC SERVICE COMMISSION

50 2 573003 REGULATORY TRUST FUND PSC

| G-L | G-L ACCOUNT NAME | CAT | BEGINNING BALANCE |
|--------|--|-----|-------------------|
| 31100 | ACCOUNTS PAYABLE | | |
| 010000 | SALARIES AND BENEFITS | | 0.00 |
| 010000 | CF SALARIES AND BENEFITS | | 8,549.51- |
| 030000 | OTHER PERSONAL SERVICES | | 0.00 |
| 030000 | CF OTHER PERSONAL SERVICES | | 225.00- |
| 040000 | EXPENSES | | 8,713.40- |
| 040000 | CF EXPENSES | | 14,098.02- |
| 100777 | CONTRACTED SERVICES | | 0.00 |
| 100777 | CF CONTRACTED SERVICES | | 71,173.48- |
| 210001 | STATE DATA CENTER - AST | | 1,857.22- |
| 210014 | OTHER DATA PROCESSING SVCS | | 0.00 |
| 210014 | CF OTHER DATA PROCESSING SVCS | | 1,511.69- |
| 210021 | SOUTHWOOD SRC | | 0.00 |
| | ** GL 31100 TOTAL | | 106,128.32- |
| 31120 | ACCOUNTS PAYABLE OVERSTATED | | |
| 060000 | OPERATING CAPITAL OUTLAY | | 0.00 |
| 35300 | DUE TO OTHER DEPARTMENTS | | |
| 000000 | BALANCE BROUGHT FORWARD | | 0.00 |
| 010000 | SALARIES AND BENEFITS | | 0.00 |
| 030000 | OTHER PERSONAL SERVICES | | 0.00 |
| 030000 | CF OTHER PERSONAL SERVICES | | 66.95- |
| 040000 | EXPENSES | | 8,713.40 |
| 040000 | CF EXPENSES | | 19,629.81- |
| 100777 | CONTRACTED SERVICES | | 0.00 |
| 100777 | CF CONTRACTED SERVICES | | 1,494.98- |
| 210001 | STATE DATA CENTER - AST | | 1,857.22 |
| 210001 | CF STATE DATA CENTER - AST | | 2,151.32- |
| 210014 | OTHER DATA PROCESSING SVCS | | 0.00 |
| 210021 | SOUTHWOOD SRC | | 0.00 |
| | ** GL 35300 TOTAL | | 12,772.44- |
| 35600 | DUE TO GENERAL REVENUE | | |
| 000000 | BALANCE BROUGHT FORWARD | | 0.00 |
| 310322 | SERVICE CHARGE TO GEN REV | | 19,019.93- |
| | ** GL 35600 TOTAL | | 19,019.93- |
| 38500 | INSTALLMENT PURCHASE CONTRACTS | | |
| 000000 | BALANCE BROUGHT FORWARD | | 0.00 |
| 38600 | CURRENT COMPENSATED ABSENCES LIABILITY | | |
| 000000 | BALANCE BROUGHT FORWARD | | 762,189.33- |

| 610000 PUBLIC SERVICE COMMISSION | | BEGINNING BALANCE |
|---------------------------------------|--|-------------------|
| 50 2 573003 REGULATORY TRUST FUND PSC | | |
| G-L | G-L ACCOUNT NAME | |
| CAT | | BEGINNING BALANCE |
| 48500 | INSTALLMENT PURCHASE CONTRACTS | |
| 000000 | BALANCE BROUGHT FORWARD | 0.00 |
| 48600 | COMPENSATED ABSENCES LIABILITY | |
| 000000 | BALANCE BROUGHT FORWARD | 1,993,077.02- |
| 51100 | GENERAL LEDGER NAME NOT ON FILE | |
| 000000 | BALANCE BROUGHT FORWARD | 1,169,719.91 |
| 040000 | EXPENSES | 37.75- |
| 060000 | OPERATING CAPITAL OUTLAY | 928,111.86- |
| 100021 | ACQUISITION/MOTOR VEHICLES | 238,923.79- |
| 109910 | STATE OPERATIONS-ARRA 2009 | 2,646.51- |
| | ** GL 51100 TOTAL | 0.00 |
| 53600 | INVESTED IN CAPITAL ASSETS NET OF RELA | |
| 000000 | BALANCE BROUGHT FORWARD | 834,818.11- |
| 53900 | NET ASSETS UNRESTRICTED | |
| 000000 | BALANCE BROUGHT FORWARD | 2,297,286.31- |
| 94100 | ENCUMBRANCES | |
| 040000 | CF EXPENSES | 510.18 |
| 98100 | BUDGETARY FND BAL RESERVED/ENCUMBRANCE | |
| 040000 | CF EXPENSES | 510.18- |
| | *** FUND TOTAL | 0.00 |

Florida Public Service Commission



Schedule I Series

SCHEDULE I – REQUIRED NARRATIVES

Budget Period: 2018-19

Agency: Florida Public Service Commission (PSC)
Trust Fund: Regulatory Trust Fund
Fund No.: 2573

5% Trust Fund Reserve:

The PSC’s Regulatory Trust Fund receives no revenues that are excluded in the General Policy Guidelines section of the Legislative Budget Instructions. There is no negative impact of establishing the reserve in this LBR. Revenues are collected primarily only twice per year, but the majority of expenditures are paid out monthly (salaries/benefits make up the largest single amount, plus other routine costs of doing business) or quarterly (rent to DMS). Therefore, the trust fund balance must be sufficient to allow for this uneven cash flow.

| | |
|---|---------------------|
| FY 17-18 total revenue | \$26,080,386 |
| Less Estimated Federal Grant | (947,348) |
| Less 8% Service Charge to GR | (2,010,643) |
| Less Risk Management Casualty Insurance | (105,705) |
| Less Operating Transfer to DMS STW Contract | <u>(88,290)</u> |
| Total Revenue Subject to 5% Reserve Calculation | <u>\$22,928,400</u> |
| Multiplied by 5% | <u>.05</u> |
| Total 5% Reserve for Regulatory Trust Fund | <u>\$ 1,146,420</u> |

Section III Adjustments:

Adjustments are included for FY 2016-17 as listed on the “Reconciliation of Schedule 1C to Agency Trial Balance” form.

Revenue Estimating Methodology:

The trust fund’s primary revenues are from the regulatory assessment fees (RAFs) charged to the utilities regulated by the PSC. Maximum allowable rates are established in Florida Statutes, and actual assessable rates, up to the statutory cap, are established by PSC rule in the Florida Administrative Code. RAFs are computed on the utility companies’ gross operating revenues derived from intrastate business, which must be estimated for the current year (Column A02) and the request year (Column A03). The PSC’s revenue forecast is based on near-term company

projections, when available, and past year growth rates when projections are not available. The projections also take into account relevant developments in the various industries that will affect the utilities' revenue.

The 2017 and 2018 investor-owned electric RAF revenues are based on actual revenues and projected revenue growth. The projected 2017 RAF revenue is a combination of the investor-owned electric utilities' actual RAF revenues for the first half of the year and company projections for the second half of the year. A significant revenue increase occurred during the first half of the year, relative to the revenue of the first half of 2016. Revenue in the second half of 2017 is projected to exceed actual revenue in the second half of 2016. For 2018, RAF revenues are based on company projections, and in the aggregate these revenues are expected to increase relative to 2017. This increase in investor-owned electric RAF revenue is projected consistent with an expected moderate increase in electric sales (0.95 percent).

For municipal and rural electrics, 2017 and 2018 RAF revenues are forecasted based on the projected gigawatt hours sales growth rate of the investor-owned utilities.

Except for two small gas utilities, the 2017 and 2018 RAF revenue estimates of the investor-owned gas utilities are based on actual revenues and projected revenue growth. The projected 2017 RAF revenues of six investor-owned gas utilities are based on the actual RAF revenues for the first half of the year and company projections for the second half of the year. The projected 2017 RAF revenues for the six larger investor-owned gas utilities are based on company projections. The PSC projects the RAF revenues for two of the smaller gas utilities based on the most recent five year average revenue amounts for these utilities.

With respect to the municipal gas and gas districts (gas safety entities), the growth rate in 2017 and 2018 RAF revenue are projected to be equal to the growth rate of the gas utilities during those years. The two revenue data series have a history of following a similar trend with a relatively high positive correlation in annual revenue between the gas utilities and municipal and gas districts. We anticipate that trend to continue.

The Commission has two gas pipelines under its jurisdiction. The projected 2017 RAF revenue of the gas pipelines is based on the actual RAF revenues for the first half of the year and company projections for the second half of the year. The projected RAF revenue for 2018 is based on company revenue projections for the two pipelines.

Telecommunications companies' revenues have been decreasing mainly due to a loss of access lines to wireless and other companies that do not pay RAFs. The 2017-2018 RAFs are expected to decline based on the actual historical decline in RAF revenues and a review of the actual revenues for the first half of 2017. This same negative growth is expected to continue in 2018.

The water and wastewater industry revenue forecast for 2017-2018 shows a slight increase. The companies are predicted to grow at the same rate for 2017 (1.5 percent) as in 2016, with

adjustments for 2016-2017 certificate cancellations. The 2018 revenue projection includes a slightly lower growth rate (1.0 percent) than for 2017 for existing companies.

The revenue estimates are the latest we have available, but we will be monitoring and looking at the revenues again after our January 2018 collections. We will notify OPB of any significant changes in revenue estimates that occur prior to the Governor's Budget Recommendations.

SCHEDULE 1A: DETAIL OF FEES AND RELATED PROGRAM COSTS

Department: 61 Public Service Commission **Budget Period: 2018-19**
Program: Commissioners/Admin. Services and Utility Regulation & Consumer Assistance
Fund: 2573 Regulatory Trust Fund
Specific Authority: Sections 350.113, 364.336, 366.14, 367.145, 368.109, 403 and 427 F.S.
Purpose of Fees Collected: To fund the cost of regulating Telecommunications Companies, Electric and Gas Utilities, and Water & Wastewater Companies as required by Chapters 350, 364, 366, 367, 368, 403, 427 Florida Statutes.

Type of Fee or Program: (Check **ONE** Box and answer questions as indicated.)

| | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | Regulatory services or oversight to businesses or professions (Complete Sections I, II, and III and attach Examination of Regulatory Fees Form - Part I and II.) |
| <input type="checkbox"/> | Non-regulatory fees authorized to cover full cost of conducting a specific program or service. (Complete Sections I, II, and III only.) |

| SECTION I - FEE COLLECTION | ACTUAL FY 2016 - 17 | ESTIMATED FY 2017 - 18 | REQUEST FY 2018 - 19 |
|---|--------------------------------|-----------------------------------|---------------------------------|
| Receipts: | | | |
| Regulatory Assessment Fees (RAF) | \$24,531,459 | \$25,038,038 | \$25,653,693 |
| Filing / Recording Fees | 42,806 | 75,000 | 75,000 |
| Total Fee Collection to Line (A) - Section III | \$24,574,265 | \$25,113,038 | \$25,728,693 |

| SECTION II - FULL COSTS | ACTUAL FY 2016 - 17 | ESTIMATED FY 2017 - 18 | REQUEST FY 2018 - 19 |
|---|--------------------------------|-----------------------------------|---------------------------------|
| Direct Costs: | | | |
| Salaries and Benefits | \$14,775,404 | \$15,674,828 | \$15,744,664 |
| Other Personal Services | 20,703 | 155,335 | 51,885 |
| Expenses | 2,255,397 | 2,665,101 | 2,665,101 |
| Operating Capital Outlay | 80,568 | 206,145 | 206,145 |
| Motor Vehicles | 41,754 | 77,440 | - |
| Contracted Services | 722,495 | 389,371 | 492,822 |
| Risk Management | 65,330 | 81,858 | 81,858 |
| Transfer to DMS for HR Outsourcing | 71,542 | 68,372 | 68,372 |
| Agency for State Technology | 14,632 | 7,485 | 7,492 |
| Data Processing Services | 33,996 | 35,389 | 35,389 |
| Refunds to utilities for overpayments | 2,520 | 20,000 | 20,000 |
| General Revenue Service Charge (8%) | 1,970,118 | 2,010,643 | 2,059,895 |
| Indirect Costs Charged to Trust Fund | 5,275,765 | 5,640,386 | 5,638,173 |
| Total Full Costs to Line (B) - Section III | 25,330,224 | 27,032,354 | 27,071,795 |

Basis Used: People First Time Accounting System

| SECTION III - SUMMARY | | | |
|--------------------------------|------------|--------------------|----------------------|
| TOTAL SECTION I | (A) | \$24,574,265 | \$25,113,038 |
| TOTAL SECTION II | (B) | \$25,330,224 | \$27,071,795 |
| TOTAL - Surplus/Deficit | (C) | (\$755,959) | (\$1,343,102) |

EXPLANATION of LINE C:

Over the past year, the PSC has been working to develop and create efficiencies. Through internal controls which include the management of vacancies, closely monitoring discretionary expenditures, federal reimbursement, and using a small amount of the cash balance, the PSC can manage the negative balances. Trust fund sweeps will jeopardize our continued ability to meet our fiscal obligations.

Schedule IA - Part I: Examination of Regulatory Fees

Department: Florida Public Service Commission (PSC)

Regulatory Service to or Oversight of Businesses or Professions Program: Utility Regulation and Consumer Assistance

- 1. What recent operational efficiencies have been achieved to either decrease costs or improve services? If costs have been reduced, how much money has been saved during the fiscal year?**

During FY 2016-2017, the PSC reduced a total of 10 full time equivalent (FTE) positions with an overall reduction to the operating budget of \$497,899.

- 2. What additional operational efficiencies are planned? What are the estimated savings associated with these efficiencies during the next fiscal year?**

The PSC continues to evaluate its operations to identify any additional possible innovations and improvements that can be made to achieve further efficiencies, and will take appropriate action to implement any identified measures.

- 3. Is the regulatory activity an appropriate function that the agency should continue at its current level?**

Yes.

- 4. Are the fees charged for the regulatory service or oversight to businesses or professions based on revenue projections that are prepared using generally accepted governmental accounting procedures or official estimates by the Revenue Estimating Conference, if applicable?**

Yes, the PSC's revenue projections are based on sound econometric forecasting techniques, using historical growth rates with adjustments for known developments in the utility industries. The PSC's revenues are from regulatory assessment fees (RAFs) charged to the utilities regulated by the PSC. Maximum allowable rates are established in Florida Statutes, and actual assessable rates, up to the statutory cap, are established by the PSC by rule. RAFs are based on the utility companies' gross operating revenues derived from intrastate business, which must be estimated for the current year and the budget request year. The Commission adjusts/updates the projections during the year as factors affecting utility revenues change.

- 5. Are the fees charged for the regulatory service or oversight to businesses or professions adequate to cover both direct and indirect costs of providing the regulatory service or oversight?**

Yes. The PSC continuously monitors revenues throughout the year. It is the PSC's practice to thoroughly review and evaluate RAF rates and revenues after the January collection.

- 6. Are the fees charged for the regulatory service or oversight to businesses or professions reasonable and do they take into account differences between the types of professions or businesses that are regulated? For example, do fees reflect the amount of time required to conduct inspections by using a sliding scale for annual fees based on the size of the regulated business; or do fees provide a financial incentive for regulated entities to maintain compliance with state standards by assessing a re-inspection fee if violations are found at initial inspection?**

Yes, the fees take into account the different utility industries that are regulated (see *Regulatory Fees Form – Part II* for details of the various regulated industries' statutory fee caps and current assessable fees). The PSC evaluates the reasonableness of RAF rates throughout the year, and re-evaluates the rates each year after the January collection.

- 7. If the fees charged for the regulatory services or oversight to businesses or professions are not adequate to cover direct and indirect program costs provide either:**

- a) information regarding alternatives for realigning revenues or costs to make the regulatory service or program totally self-sufficient, including any statutory changes that are necessary to implement the alternative; or
- b) demonstrate that the service or program provides substantial benefits to the public which justify a partial subsidy from other state funds, specifically describing the benefits to the general public (statements such as 'providing consumer benefits' or 'promoting health, safety and welfare' are not sufficient justification). For example, the program produces a range of benefits to the general public, including pollution reduction, wildlife preservation, and improved drinking water supply. Alternatively, the agency can demonstrate that requiring self-sufficiency would put the regulated entity at an unfair advantage. For example, raising fees sufficiently to cover program costs would require so high an assessment as to damage its competitive position with similar entities in other states.

N/A. The fees are adequate to cover both the direct and indirect costs of regulation and oversight by the PSC for the current fiscal year.

- 8. If the regulatory program is not self-sufficient and provides a public benefit using state subsidization, please provide a plan for reducing the state subsidy.**

N/A. The PSC's Utility Regulation/Consumer Assistance regulatory program is self-sufficient and receives no state subsidization.

Schedule IA - Part II: Examination of Regulatory Fees

Department: **Florida Public Service Commission (PSC)**

Regulatory Service to or Oversight of Business or Profession Program: **Utility Regulation/Consumer Assistance**

Does Florida Statutes require the regulatory program to be financially self-sufficient? (Yes or No and F.S.): **Yes; s.350.113, F.S.**

What percent of the regulatory cost is currently subsidized? (0 to 100%) **0%**

If the program is subsidized from other state funds, what is the source(s)? **N/A**

What is the current annual amount of the subsidy? **\$0.00**

| Service / Product Regulated | Specific Fee Title | Statutory Authority for Fee | Maximum Fee Authorized (cap) | Year of Last Statutory Revision to Fee | Is Fee Set by Rule? (Yes or No) | Current Fee Assessed | Fund Fee Deposited in (indicate General Revenue or Specific Trust Fund) |
|--|---------------------------|-----------------------------|--|--|---------------------------------|---|---|
| Investor-owned Electric Utility Companies | Regulatory Assessment Fee | 366.14(1), F.S. | 0.125% of Gross Operating Revenues Derived from Intrastate Business | New 1989; No change | Yes | 0.072% of Gross Operating Revenue Derived from Intrastate Business | PSC Regulatory Trust Fund |
| Municipal Electric Utilities and Rural Electric Cooperatives | Regulatory Assessment Fee | 366.14(4), F.S. | 0.015625% of Gross Operating Revenues Derived from Intrastate Business | New 1989; No change | Yes | 0.015625% of Gross Operating Revenue Derived from Intrastate Business | PSC Regulatory Trust Fund |
| Investor-owned Gas Utility Companies | Regulatory Assessment Fee | 366.14(2), F.S. | 0.5% of Gross Operating Revenues Derived from Intrastate Business | New 1989; No change | Yes | 0.5% of Gross Operating Revenue Derived from Intrastate Business | PSC Regulatory Trust Fund |
| Municipal Gas Utilities and Gas Districts | Regulatory Assessment Fee | 366.14(3), F.S. | 0.25% of Gross Operating Revenues Derived from Intrastate Business | New 1989; No change | Yes | 0.1919% of Gross Operating Revenue Derived from Intrastate Business | PSC Regulatory Trust Fund |
| Telecommunications Companies | Regulatory Assessment Fee | 364.336, F.S. | 0.25% of Gross Operating Revenues Derived from Intrastate Business | New 1990; No change | Yes | 0.16% of Gross Operating Revenues Derived from Intrastate Business | PSC Regulatory Trust Fund |
| Water and Wastewater Systems | Regulatory Assessment Fee | 367.145(1), F.S. | 4.5% of Gross Operating Revenues Derived from Intrastate Business | New 1989; No change | Yes | 4.5% of Gross Operating Revenues Derived from Intrastate Business | PSC Regulatory Trust Fund |

SCHEDULE IC: RECONCILIATION OF UNRESERVED FUND BALANCE

| | |
|-----------------------------|---------------------------------------|
| Department Title: | Budget Period: 2018 - 2019 |
| Trust Fund Title: | Public Service Commission |
| Budget Entity: | Regulatory Trust Fund |
| LAS/PBS Fund Number: | 61 - Public Service Commission |
| | 2573 |

| | Balance as of 6/30/2017 | | SWFS* Adjustments | | Adjusted Balance |
|---|----------------------------|-----|----------------------|--|---------------------|
| Chief Financial Officer's (CFO) Cash Balance | \$5,178,879 | (A) | | | \$5,178,879 |
| ADD: Other Cash (See Instructions) | 200 | (B) | | | 200 |
| ADD: Investments | | (C) | | | |
| ADD: Outstanding Accounts Receivable | 11,395 | (D) | | | 11,395 |
| ADD: | | (E) | | | |
| Total Cash plus Accounts Receivable | \$5,190,473 | (F) | | | \$5,190,473 |
| LESS Allowances for Uncollectibles | | (G) | | | |
| LESS Approved "A" Carry Forwards | (118,888) | (H) | | | (118,888) |
| Approved "B" Carry Forwards | (510) | (H) | | | (510) |
| Approved "FCO" Carry Forwards | | (H) | | | |
| LESS: Other Accounts Payable (Nonoperating) | (19,020) | (I) | | | (19,020) |
| LESS: _____ | | (J) | | | |
| Unreserved Fund Balance, 07/01/17 | \$5,052,055 | (K) | | | \$5,052,055 ** |

Notes:

*SWFS = Statewide Financial Statement

** This amount should agree with Line I, Section IV of the Schedule I for the most recent completed fiscal year and Line A for the following year.

RECONCILIATION: BEGINNING TRIAL BALANCE TO SCHEDULE I and IC

Budget Period: 2018 - 2019

Department Title: Public Service Commission
Trust Fund Title: Regulatory Trust Fund
LAS/PBS Fund Number: 2573

BEGINNING TRIAL BALANCE:

Total Fund Balance Per FLAIR Trial Balance, 07/01/17

Total all GLC's 5XXXX for governmental funds; \$2,297,286 (A)
 GLC 539XX for proprietary and fiduciary funds

Subtract Nonspendable Fund Balance (GLC 56XXX) (B)

Add/Subtract Statewide Financial Statement (SWFS) Adjustments :

See 1C reconciliation (C)

SWFS Adjustment #B6100001 decreasing accounts payable 13 (C)

Add/Subtract Other Adjustment(s):

Approved "B" Carry Forward (Encumbrances) per LAS/PBS (510) (D)

Approved "C" Carry Forward Total (FCO) per LAS/PBS (D)

A/P not C/F-Operating Categories (D)

Compensated Absences Liability 2,755,266 (D)

(D)

(D)

ADJUSTED BEGINNING TRIAL BALANCE: \$5,052,055 (E)

UNRESERVED FUND BALANCE, SCHEDULE IC (Line I) \$5,052,055 (F)

DIFFERENCE: 0 (G)*

***SHOULD EQUAL ZERO.**

**PSC Regulatory TF
Reconciliation of Sch I-C to Agency Trial Balance**

| Description | Amt per TB | Amt per I-C | Reconciling Amt |
|--|------------------|------------------|-------------------------|
| GL 11100 | 200 | 200 | 0 |
| GL 12100 | 5,178,879 | 5,178,879 | 0 |
| GL 15700 | 11,395 | 11,395 | 0 |
| GL 27600 | 2,782,673 | 0 | (2,782,673) |
| GL 27700 | (1,947,855) | 0 | 1,947,855 |
| GL 31100 | (106,128) | (106,116) | 13 |
| GL 35300 | (12,772) | (12,772) | 0 |
| GL 35600 | (19,020) | (19,020) | 0 |
| GL 38600 | (762,189) | 0 | 762,189 |
| GL 48600 | (1,993,077) | 0 | 1,993,077 |
| GL 53600 | (834,818) | 0 | 834,818 |
| GL 94100 | 0 | (510) | (510) |
| TOTAL | 2,297,286 | 5,052,055 | 2,754,769 |
| Unreserved Fund Balance per TB (GL 53900) | | | 2,297,286 |
| Reconciled Amount | | | <u>5,052,055</u> |

Schedule 1 Adjustment

| | |
|--------------------------------------|----------------|
| Current Compensated Absences Balance | 762,189 |
| September 2016 Operating Reversions | 27,739 |
| Financial Depreciation Adjustment | <u>8,553</u> |
| Schedule 1 Adjustment Total | <u>798,481</u> |

**SCHEDULE ID: REQUEST FOR CREATION, RE-CREATION, RETENTION, TERMINATION,
OR MODIFICATION OF A TRUST FUND**

| | |
|--|---|
| Department: | Florida Public Service Commission |
| Fiscal Year | 2018 - 2019 |
| Fund Name: | Public Service Regulatory Trust Fund |
| FLAIR #:* | 61-2-573 |
| Name | Peter Queirolo |
| Position | Budget Officer |
| Telephone No. of Person | (850) 413-6289 |
| Completing Form: | |
| Type of Action Requested : (Check one) | <input type="checkbox"/> Exempt From Termination <input type="checkbox"/> Re-create without modification (last action was initial create) <input checked="" type="checkbox"/> Retain without modification <input type="checkbox"/> Re-create/Retain with modification (last action was re-create) <input type="checkbox"/> Create New Fund <input type="checkbox"/> Terminate Existing Fund |

* Enter ONLY the six-digit code. Not applicable for requests to **Create** trust fund.

For **All Trust Funds** scheduled for review this year, answer questions 1-6.

| | | |
|---|--|---|
| 1 | Cite the statutory authority for the trust fund (Florida Statutes or, if none, Laws of Florida). Give the statutory purpose, if stated, for the trust fund. | S. 350.113, Florida Statutes, states that this trust fund "shall be used in the operation of the Commission in the performance of the various functions and duties required of it by law." |
| 2 | List the specific sources of receipts to the trust fund and the statutory references for those receipts. | The primary source of receipts is the assessment fees collected to fund the costs of regulating Public Electric and Gas Utilities and Water and Wastewater Companies, and of providing regulatory oversight of Telecommunications Companies, as required by Chapters 350, 364, 366, 367, 368, 403, and 427, Florida Statutes. Other receipts include filing/recording fees and refunds. |
| 3 | If state or federal law requires or prohibits specific expenditures from the trust fund, list the requirements or prohibitions and the statutory citations for them. | Sections 350.031, 350.06, and 350.113, Florida Statutes, require that this trust fund be used for operations of the Commission, including court reporting services and PSC Nominating Council costs. |
| 4 | If any source of receipts is federal, describe any restrictions on those receipts that are inconsistent with how the state does business. | The Public Service Commission (PSC) receives federal funds from the Pipeline and Hazardous Waste Safety Administration (PHMSA). These funds are partial reimbursement for regulatory trust funds expended by the PSC Division of Engineering - Bureau of Safety. |
| 5 | If this trust fund could be combined with other agency trust funds that accomplish a similar purpose, list those trust funds. | N/A |
| 6 | If General Revenue funding supports the same programs or activities that the trust fund supports, provide a justification. | N/A |

For Trust Funds that the agency believes are **Exempt from Termination** answer question 7.

| | | |
|---|--|-----|
| 7 | If this trust fund is exempt from termination according to Article III, section 19(f)(3) of the <i>Florida Constitution</i> , list the specific exemptions that apply. | N/A |
|---|--|-----|

For Trust Funds that the agency recommends should be **Re-created/Retained with or without modification** answer questions 8 and 9 and attach draft legislation as requested.

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| 8 | Give the specific reasons that continuation (re-creation after initial creation or retention after subsequent re-creation) of this trust fund is necessary. List agency activities (based on the activity detail report) supported by the trust fund. | The continuation of the regulatory trust fund is vital because it provides the PSC with necessary resources to work towards ensuring that Consumers receive essential services (electric, gas, water, and waste water and telephone) in a safe, affordable, and reliable manner. Funding of this regulatory function through regulatory assessment fees and maintaining accountability for these revenues through the Regulatory Trust Fund is the most expedient and effective way to ensure that the collections are properly assessed, controlled, and expended for the intended purposes. The activities supported by this trust fund are as follows: Certificates and Territorial Disputes, Competitive Market Oversight, Conservation, Consumer Protection and Assistance, Electric Reliability, Ratemaking, Safety Oversight, Service Quality Evaluation, and Executive Direction and Administrative Support. |
| 9 | Describe any modifications the agency is requesting when this fund is re-created/retained. Attach draft legislation to accomplish the requested change. | N/A |

For Trust Funds that the agency recommends should be **Terminated** answer question 10 and attach draft legislation as requested.

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| 10 | Explain how the current cash balance and all current receipts of the trust fund will be distributed. Attach draft legislation that removes reference to the trust fund from the statutes. | N/A |
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For **New** Trust Funds that the agency recommends should be **Created** answer questions 11-13 and attach draft legislation as requested.

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| 11 | Describe the purpose of the trust fund and identify its revenue sources. Attach draft legislation that meets the requirements of section 215.3207, <i>Florida Statutes</i> . | N/A |
| 12 | Describe the specific impact on any other trust fund or the General Revenue Fund from the creation of this new trust fund. | N/A |
| 13 | Describe the period of time for which this new trust fund will be needed, or the circumstances under which it will no longer be needed. | N/A |