



Oregon

Kate Brown, Governor

Public Utility Commission

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October 27, 2020

The Honorable Senator Peter Courtney, Co-Chair
The Honorable Representative Tina Kotek, Co-Chair
State Emergency Board
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

The Oregon Public Utility Commission (OPUC) respectfully requests an increase of \$584,981 in Other Funds Limitation/2019-2021 budget for a critical e-filing/e-discovery system modernization to perform our regulatory obligations. This effort was previously approved in Policy Option Package (POP) 102 of the 2017-2019 Legislatively Approved Budget. This request is for an increase in limitation only. The OPUC is an Other Funded Agency and has sufficient funds in reserve to allow this project to move forward.

The approved 2017-2019 (AY19) POP 102 amount was for \$400,000 to pursue this project in the 2017-2019 biennium. The initial estimate of \$400,000 was based on a one-time cost as ongoing support was not yet defined. However, unexpected delays in the Enterprise Information Systems' evaluation and approval process occurred. As a result, the procurement process could not be completed in AY19 and the \$400,000 budget for this project was phased out in the 2019-2021 (AY21) Legislatively Approved Budget.

OPUC is re-requesting increased limitation with a new estimated amount of \$584,981. The total five-year project cost (implementation and five years of ongoing support) is \$1,070,776. The \$584,981 request includes one-time implementation cost and the prorated first year ongoing cost that will incur in this current biennium 2019-2021 (AY21).

The OPUC and our stakeholders rely on a variety of applications to support business functions related to the conduct of agency proceedings. These include a custom-built 20-year-old legacy "BizApps" docketing system and Huddle, a third party service for eDiscovery. The current docketing system is no longer technically supported, does not accommodate secure electronic records management for protected information or voluminous documents, and has not been practical to use for electronic sharing. Additionally, our legacy systems require excessive staff time to accomplish tasks that can be automated through the replacement solution. The OPUC seeks to provide an integrated, cohesive, and efficient solution for its internal and external stakeholders to do business with the OPUC.

The proposed solution will provide a modern, friendly, consistent, and improved user interface allowing for ease of use, a means to electronically transfer large files and protected information, and allow case participants to more timely access information. The proposed solution further includes the purchase of the source code that allows the OPUC's developers to customize and integrate more of its systems in the future. By replacing the outdated and unsupported docketing system, OPUC will be better equipped to serve Oregon.

OPUC identified possible risks if we do not replace our current e-filing/e-discovery system. Failure to advance to a new system increases risks of docketing system failure, cyber security threats, improper records retention, and inadvertent allowance of utility actions without proper review. Relying on a system for case management when the system is based on source code that is no longer supported creates unmitigable risk of system failure that could impact Oregonians statewide in relation to utility rates and services provided by regulated utility companies.

OPUC's request for increase in Other Funds appropriation by \$584,981 is broken down as follows:

- 510,925 – one- time implementation cost that includes system configuration, building, migration, training, pilot phase, and go-live support.
- 74,056 – first year ongoing cost

\$584,981 - Total.

Thank you for your time and consideration.

Sincerely,



Megan Decker

Chair

Oregon Public Utility Commission

CC: Gregory Jolivet, Legislative Fiscal Officer
Alexander Perkins, DAS-CFO Analyst