

Public Utility Commission of Texas

Workforce Plan

Agency Overview

The Public Utility Commission of Texas (PUCT) is the state agency responsible for economic regulation of Texas' electric, telecommunications, and water and wastewater utilities.

The PUCT oversees the state's competitive utility markets, implementing legislation and enforcing market rules that guarantee reliability and high-quality infrastructure, including oversight of the Electric Reliability Council of Texas, which runs the electric grid for 90% of Texas' power needs. Through rate regulation and consumer assistance, the PUCT ensures consumers across the state are treated fairly and receive the benefits of competitive markets.

Mission

The Commission's mission is to protect customers, foster competition, and promote high quality infrastructure.

Philosophy

The Commission's philosophy is to be accountable to the people of Texas as we provide equitable, efficient, and effective regulation in an increasingly competitive environment.

The agency conducts business in an open manner, observes the highest ethical standards, encourages public participation, and balances the views of customers, utilities, new market entrants, and other affected parties.

Values

The Commission values commitment, competence, innovation, teamwork, and respect for the individual.

Structure

The PUCT is led by five (5) full-time Commissioners who are appointed by the Governor and confirmed by the Texas Senate for six-year terms. The Governor designates one commissioner to serve as Chairman. The Commissioners select an executive director to manage the agency's staff and daily operations.

Staff include professionals with experience in engineering, economics, law, finance, security and risk management, and public and government affairs as well as administrative staff.

Agency Core Business Functions

Executive Administration

Executive Administration includes the offices of the Executive Director, Deputy Director, the Chief Program Officer, and the Chief Operating Officer.

The Executive Director's office oversees Communications, Critical Infrastructure Security and Risk Management (CISRM), Energy Efficiency, Governmental Relations, and the Office of Public Engagement.

Internal Audit (IA) and the Office of Policy and Docket Management (OPDM) report to the Commissioners and have a dotted line to the Executive Director's office.

Agency Programs

Core regulatory functions implement the agency's policy goals, Under the direction of the Deputy Executive Director and the Chief Program Officer, the following fall under agency programs.

- Division of Compliance and Enforcement
- Consumer Protection Division
- Infrastructure Division
- Legal Division
- Market Analysis Division
- Rate Regulation Division
- Rules and Projects Division
- Texas Energy Fund
- Utility Outreach Division

Agency Operations

Agency Operations is the administrative backbone to the PUCT and has several departments that play an integral role to the everyday operations of the agency. Under the director of the Chief Operating Officer, the following departments fall under Agency Operations.

- Agency Counsel
- Facilities and Asset Management
- Financial Resources
- Human Resources
- Information Technology
- Learning and Development

Current Workforce Profile

Full-time Equivalents

In FY 2022, the agency had 193.9 full-time equivalent employees (FTE). In FY 2023, the agency had 216.9 full-time equivalent employees (FTE).

Employee Demographics

Gender and Age

As of August 31, 2023, the PUCT had 216 full-time employees and 1 part-time employee. Of the total number of employees, there were 119 female (54.8%) employees and 98 male (45.2%) employees. The average age of the agency's employees is 44 years, and 129 (59.4%) of employees are over the age of 40.

Diversity

In determining statistically under-represented Equal Employment Opportunity (EEO) groups, the PUC uses the 80% benchmark from the Equal Employment Opportunity Commission's (EEOC) Uniform Guidelines to determine utilization in each occupational category.

PUCT Workforce Plan

The following three (3) tables profile the PUCT’s workforce of 217 employees for the third quarter of fiscal year 2023 (June 1, 2023 through August 31, 2023). The workforce comprises 54.8% female and 45.2% male, with an average age of 44 years. The tables compare the African American, Hispanic, and female employees in the Commission workforce to the State Civilian Workforce, as reported by the Civil Rights Division of the Texas Workforce Commission.

Highlighted sections indicate areas in which the percentage of Commission employees in those categories meets or exceeds the percentage in the State Civilian Workforce using the 80% benchmark. Shaded sections identify those areas where the percentage of Commission employees in those categories is below the percentage in the State Civilian Workforce using the 80% benchmark.

Gender – Racial – Ethnic Diversity								
Female	Male	Caucasian American	African American	Hispanic American	Asian American	Two or More	Other	Total
119	98	114	28	61	11	3	0	217
54.8%	45.2%	53%	13%	28%	5%	1%	0%	100%

All employees on payroll as of August 31, 2023.

Gender – Occupational Diversity					
Job Category	Female		Female Goal	Male	
Administrative	14	52%	38.8%	13	48%
Administrative Support	17	94%	71.6%	1	6%
Para-Professional*	22	81.5%	N/A	5	18.5%
Professional	64	47%	54.5%	71	53%
Protective Services*	0	0%	23.0%	0	0%
Service Maintenance*	0	0%	52.0%	0	0%
Skilled Craft	0	0%	12.0%	0	0%
Technical	2	20%	55.2%	8	80%
Total	119			98	

Racial – Ethnic – Occupational Diversity														
Job Category	Caucasian American		African American		Goal	Hispanic American		Goal	Asian American		Two or More		Other	
Administrative	22	81.5%	2	7.4%	8.1%	3	11.1%	22.4%	0	0.0%	0	0.0%	0	0.0%
Administrative Support	6	33%	2	11%	14.3%	10	56%	36.4%	0	0.0%	0	0.0%	0	0.0%
Para-Professional*	6	22%	3	11%	N/A	17	63%	N/A	1	4%	0	0.0%	0	0.0%
Professional	73	54%	20	15%	10.9%	30	22%	20.3%	9	7%	3	2%	0	0.0%
Protective Services*	0	0%	0	0.0%	20.8%	0	0.0%	30.9%	0	0.0%	0	0.0%	0	0.0%
Service/Maintenance*	0	0%	0	0.0%	13.2%	0	0.0%	52.4%	0	0.0%	0	0.0%	0	0.0%
Skilled Craft*	0	0%	0	0.0%	10.2%	0	0.0%	51.5%	0	0.0%	0	0.0%	0	0.0%
Technical	7	70%	1	10%	14.4%	1	10%	29.2%	1	10%	0	0.0%	0	0.0%

Turnover Rate

According to the State Auditor’s Office (SAO), the statewide turnover rate for full-time and part-time classified employees at state agencies in FY 2022 was 22.7 percent, based on a total of voluntary and involuntary separations. The 22.7 percent turnover rate is an increase from that of FY 2021 (21.5 percent) and is the highest it’s been in the past 10 years.

Employee turnover can have negative impacts such as decreased morale, loss of institutional knowledge, and increased costs associated with recruitment and training. However, it can also bring positive changes such as fresh perspectives, new skill sets, and opportunities for promotion within the agency. Additionally, turnover can signal a healthy job market and a dynamic workforce, leading to innovation and adaptability within the agency.

FY 2022 PUCT Employee Turnover Rate				
Average Headcount	Terminations Including Interagency Transfers	Turnover Rate Including Interagency Transfers	Terminations excluding Interagency Transfers	Turnover Rate Excluding Interagency Transfers
184	34	18.5%	22	11.9%
<i>Data compiled Includes all occupational categories. Includes classified regular full-time, classified regular part-time, exempt regular full-time, and exempt regular part-time employees.</i>				

Within the PUCT’s terminations, there were 33 voluntary resignations and 1 reduction in force (RIF). Out of the 33 voluntary resignations, there was 1 retirement, 11 interagency transfers, 13 left for a job in the private sector, 2 left to return to school, 3 left due to relocation to another state, and 3 left for personal reasons.

FY 2023 PUCT Employee Turnover Rate				
Average Headcount	Terminations Including Interagency Transfers	Turnover Rate Including Interagency Transfers	Terminations excluding Interagency Transfers	Turnover Rate Excluding Interagency Transfers
201	21	10.4%	17	8.4%
<i>Data compiled Includes all occupational categories. Includes classified regular full-time, classified regular part-time, exempt regular full-time, and exempt regular part-time employees.</i>				

Within the PUCT’s terminations, there were 21 voluntary resignations. Out of the 21 voluntary resignations, there were 7 retirements, 4 interagency transfers, 4 left for a job in the private sector, 2 left due to relocation to another state, and 4 left for personal reasons. During FY 2023, we had a significant decrease in employee turnover.

As market conditions continue to improve and the economy continues to strengthen in central Texas, the PUCT anticipates that retaining high quality staff will continue to be a challenge. Additionally, energy and communications industries are also experiencing a well-publicized aging of their workforces, potentially leading to an increased demand in the private sector for the unique knowledge and skills that PUC employees possess. The decrease in state benefits provided to state employees also impacts the ability of state agencies to attract and keep qualified employees.

In FY 2023, during the 88th Texas Legislature in 2023, the Texas State Legislature appropriated state funds mandating all state employees be granted a salary increase of 5% or \$3,000.00 (whichever was more) with an effective date of July 1, 2023, to help with rising cost of living and inflation measures. Additionally, during the Texas Legislative session, PUCT leadership requested, additional funding for salary increases to PUCT employees for FY 24 and FY25 to help

retain valued staff and reduce turnover. These salary increases have had a very positive effect on the PUCT's turnover rate.

Future Workforce Analysis

The PUCT will need to continue to retain staff having the same or similar skills that current staff have by continuing to provide training to set new employees up for success.

To develop a future workforce profile for the PUCT, it is essential to consider the evolving landscape in utilities, technological advancements, regulatory changes, and workforce trends. In order for the PUCT to adequately provide oversight and regulate the state's electric, telecommunication, and water and sewer utilities, the future workforce will need to adapt to new challenges and opportunities. Below is a detailed future workforce profile of the PUCT.

1. *Core Competencies and Skills*

Technical Expertise

- *Smart Grid Technology*: Proficiency in smart grid infrastructure, data analytics, and cybersecurity.
- *Energy Efficiency*: Skills in energy management systems, demand response, and efficiency programs.
- *Loan and Grant Administration*: Knowledge and experience in the administration of loans and grants.
- *Telecommunications*: Understanding and skill in telecommunications infrastructure.
- *Water and Sewer Systems*: Expertise in water management, wastewater treatment technologies, and regulatory compliance.

Regulatory and Compliance Knowledge

- *Policy and Regulatory Framework*: In-depth understanding of state regulations, market structure, and compliance requirements.
- *Consumer Protection*: Skills in managing consumer complaints, rate setting, and ensuring fair practices.

Technological Proficiency

- *Data Analytics*: Ability to analyze large amounts of data, use predictive modeling, and understand applications utilized by the PUCT.
- *Cybersecurity*: Expertise in protecting critical infrastructure from cyber threats and ensuring data privacy.
- *Digital Literacy*: Familiarity with digital tools, software platforms, and remote work technologies.

Project Management and Leadership

- *Strategic Planning*: Skills in long-term planning, risk management, and strategic decision-making.
- *Change Management*: Ability to manage organizational change, foster innovation, and lead diverse teams.
- *Stakeholder Engagement*: Strong communication skills for engaging with stakeholders, including the public, industry partners, and government entities.

- *Accessibility*: Ensuring the workplace and technologies are accessible to individuals with disabilities.

2. **Educational and Professional Backgrounds**

- *Engineering*: Electrical, civil, mechanical, environmental, and industrial engineering degrees.
- *IT*: Degrees in computer science and information technology as well as expertise in information technology and hardware/software platforms.
- *Law and Public Policy*: Juris Doctorate or LLB degrees and legal and policy expertise in utility regulation, energy law, and public administration.
- *Business and Economics*: Knowledge of economics, finance, and business administration, particularly in utility economics and market analysis.

3. **Future Workforce Development Initiatives**

Training and Professional Development

- *Continuous Learning*: Ongoing training programs in emerging technologies, regulatory changes, and leadership skills.
- *Tuition Reimbursement*: Continuing to promote the PUCT's tuition reimbursement program.
- *Certification Programs*: Continuing to support certifications in areas of project management, cybersecurity, paralegal, purchasing, contract management, and energy management.

Talent Acquisition and Retention

- *Internship and Fellowship Programs*: Continue partnerships with universities and colleges and other internship stipend programs to attract young talent through internships and fellowships.
- *Mentorship Programs*: Development of mentorship opportunities to support career growth and knowledge transfer.
- *Competitive Compensation*: Offering competitive salaries, retirement, and benefits to attract and retain top talent.

Work Environment

- *Flexible Work Arrangements*: Continue to embrace and offer remote work options and flexible schedules to enhance work-life balance.
- *Health and Well-Being*: Providing resources and programs that support the physical and mental well-being of employees.

GAP Analysis

An examination of the workforce data indicates the PUC may face the loss of its institutional knowledge and expertise through retirements and loss of employees to the private sector. The ability to offer a combination of salary, employee benefits, and supportive work environment that will attract and retain employees with the necessary education and experience will continue be a key factor in the success of the PUC's workforce.

Strategy Development

Strategic development for the PUCT involves a comprehensive approach to aligning the agency's resources, capabilities, and activities with its long-term goals in a rapidly evolving utility landscape. This begins with a clear understanding of the external environment, including technological advancements, regulatory changes, and market dynamics. By investing in staff training programs, recruiting talent with diverse and relevant skill sets, and fostering a culture of continuous learning and innovation, the PUCT can enhance its technical expertise and regulatory proficiency. Additionally, embracing strategic partnerships with educational institutions, industry leaders, and other regulatory bodies will facilitate knowledge exchange and drive innovation. A focus on developing leadership capabilities and improving stakeholder engagement will ensure that the PUCT remains adaptive and proactive in addressing emerging challenges. Overall, strategic development will enable the PUCT to effectively oversee and regulate Texas utilities, ensuring reliable, efficient, and sustainable services for all Texans.

Conclusion

The future workforce of the PUCT will be characterized by a blend of technical expertise, regulatory knowledge, and technological proficiency. Emphasizing diversity, continuous learning and innovative practices will be critical to adapting to the rapidly evolving utility landscape. By focusing on these areas, the PUCT can ensure it remains at the forefront of regulating and overseeing Texas utilities effectively.