

STATE OF WISCONSIN  
CLASSIFICATION SPECIFICATION

PUBLIC UTILITY AUDITOR  
CLASSIFICATION SERIES

I. INTRODUCTION

A. Purpose of This Classification Specification

This classification specification is the basic authority under ER 2.04, Wis. Adm. Code for making classification decisions relative to present and future professional positions located within the Public Service Commission which perform public utility auditing and regulation work. This classification specification will not specifically identify every eventuality or combination of duties and responsibilities that currently exist, or those that result from changing program emphasis in the future. Rather, it is designed to serve as a framework for classification decision-making in this occupational area.

Classification decisions must be based on the “best fit” of the duties within the existing classification structure. The “best fit” is determined by the majority (i.e., more than 50%) of the work assigned to and performed by the position when compared to the class concepts and definition of this specification or through other methods of position analysis. Position analysis defines the nature and character of the work through the use of any or all of the following: definition statements; listing of areas of specialization; representative examples of work performed; allocation patterns of representative positions; job evaluation guide charts, standards or factors; statements of inclusion and exclusion; licensure or certification requirements; and other such information necessary to facilitate the assignment of positions to the appropriate classification.

B. Inclusions

This series encompasses professional positions located within the Public Service Commission which perform public utility auditing and regulation work. Positions allocated to this series lead and/or conduct rate case and/or special purpose audits in the regulation of public utilities; develop audit programs; provide technical assistance in accounting and related areas to municipalities, utilities, consumer groups, and the Public Service Commission; advise the Commission with respect to the development of policies pertaining to utility accounting matters; review audit working papers; present audit results to local utility commissions or local governmental units; and provide expert testimony at public hearings and in formal proceedings before the Public Service Commission.

C. Exclusions

Excluded from this series are the following types of positions:

1. Positions which spend the majority of their time performing professional accounting or auditing work unrelated to public utility auditing or regulation and are more appropriately classified as Accountant or Auditor.
2. Positions which spend the majority of their time performing paraprofessional duties which are more appropriately classified as Financial Specialist.

3. Supervisory positions which spend the majority of their time performing duties which are more appropriately classified as Financial Specialist Supervisor or Financial Supervisor.
4. Positions which meet the statutory definitions of supervisor or management as defined in s.111.81(19) or (13), Wis. Stats., as administered and interpreted by the Wisconsin Employment Relations Commission.
5. Positions not located within the Public Service Commission.
6. All other positions which are more appropriately identified by other classification specifications.

D. Entrance Into and Progression through this Series

Employees enter positions within this classification series by competitive examination for Public Utility Auditor positions. Progression to the senior, advanced, and principal levels will occur through reclassification. Progression to the consultant level will occur through competition.

## II. DEFINITIONS

### **PUBLIC UTILITY AUDITOR**

This classification is used as an entry progressing to a developmental level for positions which perform Public Utility Auditor duties. Work is performed under close supervision progressing to limited supervision.

Entry level positions perform routine duties and assist higher level auditors with segments of audits or special projects to learn standard procedures and practices. Assignments are oriented towards developing a working knowledge of the prescribed system of accounts for the regulated utilities; proper auditing procedures and analytical methods; agency policies, related statutes and administrative codes; regulatory concepts and terminology; and utility operating characteristics and practices. Contacts are with staff at a variety of levels within the agency who are working toward mutual goals. Contacts with persons outside the agency occur less frequently and are limited to the factual exchange of information. Positions at this level exercise very limited discretion and function under close supervision. Positions receive specific guidelines and instructions on work assignments, and priorities and objectives are clearly defined. Work assignments are subject to review in process and upon completion. Assistance with problem areas is readily available from higher level auditors.

At the developmental level, positions are assigned audits of greater complexity based on the scope, impact and complexity of cases and duties assigned and the level of supervision received in relation to those assignments. Under limited supervision, positions at this level may conduct routine rate case and special purpose audits of limited scope and complexity or assist higher level auditors with segments of complex audits. Work is reviewed for general progress and upon completion for results, appropriateness of audit procedures and analytical techniques, timeliness and consistency with Commission policy and pertinent regulations.

### **PUBLIC UTILITY AUDITOR - SENIOR**

Positions allocated to the senior level independently perform routine municipal rate case audits as sole auditor or lead auditor, perform routine rate case audits of private utilities with limited complexity as sole auditor or lead auditor, assist with complex and highly complex audits, and perform routine or assist with special purpose audits in areas such as affiliated interests, compliance, holding companies, depreciation, finance, electric fuel, gas supply and cost, or telecommunications. In addition, positions allocated to this

level are responsible for assisting in studies of limited scope, representing their assigned units on work groups examining accounting and regulatory issues, providing technical assistance to utilities and Commission, and appearing as a witness before the Commission in formal proceedings. Contacts are regular and frequent with persons external to the agency who are working toward different goals and may have uncooperative or hostile attitudes. These contacts are to understand utility or third party positions, explain staff's audit findings or Commission policies, coordinate or advise on work efforts, or persuade outside parties to change operating procedures. Work is performed under limited to general supervision, depending on the assignment, and is reviewed to determine soundness and conformance with Commission policies and pertinent regulations.

Positions allocated to this classification level function as: (1) Senior Rate Case Auditor - Water; (2) Depreciation Specialist - Municipal; (3) Senior Auditor - Energy; or (4) Senior Auditor – Telecommunications.

**Representative Positions:**

Senior Rate Case Auditor – Water: Manage, plan and perform medium and large-sized utility rate application audits for water and/or sewer utilities.

Depreciation Specialist – Municipal: Function as a specialist in the area of depreciation for municipal public utilities; develop, conduct, plan, review and evaluate plant investment, retirements, and depreciation rates and reserves for municipal utilities; evaluate and assign depreciation rates for processing of rate cases; advise the Commission on municipal depreciation practices; testify and submit to cross-examination in the area of depreciation; perform depreciation studies and audits either independently, as lead auditor, or as assistant auditor, depending on the workload, timing or nature of the case.

Senior Auditor – Energy: Manage, plan and perform large municipal energy utility and smaller-sized private energy utility rate application audits and perform audit segments as a team member for large, complex and highly complex rate application, affiliated interest, holding company, electric fuel, or gas supply and cost audits.

Senior Auditor – Telecommunications: Manage, plan and perform routine audits of telecommunication providers; perform audit segments under the direction of higher level auditors for large, complex and highly complex rate case, special purpose audits, and other projects.

**PUBLIC UTILITY AUDITOR - ADVANCED**

Positions allocated to the advanced level independently perform complex assignments as sole auditors, lead auditors, or assistant auditors. Positions at this level either (1) conduct complex rate case audits of municipal or private utilities; (2) conduct complex special purpose audits in areas such as holding companies, affiliated interests, compliance, depreciation, finance, electric fuel, gas supply and cost, or telecommunications; (3) participate in highly complex audits with responsibility for major sections; or (4) direct ongoing complex auditing programs. In addition, positions allocated to this level are responsible for leading and participating in studies involving the development and implementation of program changes, policies and general operating procedures and representing their assigned units on work groups examining accounting and regulatory issues. Positions at this level are also responsible for testifying before the Commission at formal hearings on complex and controversial issues; providing technical assistance concerning advanced accounting and financial matters to utilities and the Commission; and reviewing working papers. Positions at this level assume a nearly independent role in working with Commissioners, administrators and agency staff. Contacts are regular and frequent with persons external to the agency who are working toward different goals and may have uncooperative or hostile attitudes. These contacts are to explain staff's audit findings or Commission policies; plan, coordinate or advise on work efforts; or

persuade outside parties to change operating procedures. Work is performed under general supervision and is reviewed to determine soundness and conformance with Commission policies and pertinent regulations.

Positions allocated to this classification level function as: (1) Advanced Rate Case Auditor; (2) Advanced Special Purpose Auditor including Holding Company and Affiliated Interest Auditor and Advanced Electric Fuel and Gas Cost Auditor; (3) Advanced Telecommunications Competitive Markets Auditor; or (4) Simplified Rate Case (SRC) Program Auditor.

### **Representative Positions:**

Advanced Rate Case Auditor: Manage, plan and perform complex rate case audits of medium to large sized utilities; prepare sections of audits for highly complex rate case audits of major utilities; and participate in sections of audits related to holding companies, affiliated interests, depreciation, electric fuel, and gas supply and cost.

Advanced Electric Fuel and Gas Cost Auditor: Perform electric fuel audits and/or gas cost audits for large energy utility rate case proceedings; plan and perform complex fuel audits for private electric utilities under Wis. Admin. Code Chapter PSC 116; monitor monthly electric fuel reports; play a lead role in reviewing gas supply plans, setting appropriate gas cost recovery mechanisms and auditing incentive gas cost recovery mechanism results; and overseeing the review and monitoring of monthly gas purchased cost adjustment filings.

Advanced Holding Company and Affiliated Interest Auditor: Manage, plan and conduct complex utility audits of holding company systems, as defined in s. 196.795, Wis. Stats.; review transactions between public utility affiliates and non-utility affiliates; ensure that the utility, rate payers, and competitors of the holding company system are not adversely affected by the existence of the holding company; investigate the complaints and concerns of small businesses; develop procedures and audit programs for the holding company audits; and plan and develop procedures to ensure the review and processing of all affiliated interest agreements are performed in a timely and orderly manner.

Advanced Telecommunications Competitive Markets Auditor: Perform any combination of the following responsibilities: manage, plan, and perform complex audits of major telecommunications utilities including affiliated interests, cross subsidy, unbundled network element pricing, operational support systems, performance measures, earnings investigations and rate adjustments; manage, investigate and process applications for certification as facilities-based competitive local exchange carriers; manage, investigate and process petitions for approval of voluntary interconnection agreements; serve on arbitration panels and decide disputed issues between carriers for new or successor interconnection agreements; investigate provider-to-provider complaints under existing interconnection agreement; investigate and process applications for alternative regulation from medium and small telecommunications utilities; monitor and evaluate capital structure and the need to restrict dividends of small telecommunications utilities; and advise the Commission and other staff on policy issues such as the impact of deregulation, utility performance incentives, wholesale performance measures, productivity measurement, TELRIC and TSLRIC cost studies, intercarrier compensation, unbundled network element requirements and pricing, discriminatory practices and anticompetitive activity. Additional responsibilities include developing new audit programs, processes, and analytical techniques.

Simplified Rate Case (SRC) Program Auditor: Oversee the administration of the SRC Program for the 594 water and combined water and sewer municipal utilities: conduct application reviews for SRC eligibility as defined in s. 196.193, Wis. Stats.; guide and direct support staff in processing SRC applications; perform the final review of qualifying SRC applications; issue the final order signed by the Division Administrator; address utility and customer inquiries and complaints; and, annually monitor, revise and communicate the

financial parameters per statutory requirements. Additional responsibilities include performing Advanced Rate Case Auditor functions.

### **PUBLIC UTILITY AUDITOR – PRINCIPAL**

Positions allocated to this classification level require a high degree of accounting and auditing expertise to perform highly advanced and complex audits and special projects. Positions allocated to the principal level independently perform highly complex, comprehensive rate case and/or special purpose audits as team leaders, sole auditors or auditors-in-charge. Positions at this level are differentiated from the preceding levels by the complexity of the audit, and the depth and breadth of policy implications in the assignments. Responsibilities include: (a) the planning, management, and conduct of large rate case audits, special purpose audits, or other formal actions involving highly complex accounting issues; (b) leading and performing special projects with significant policy implications, some of which may be cross-disciplinary, involving important regulatory issues, new operating procedures, policy formulation, precedent-setting decisions or legislative action; (c) development of new auditing programs and/or analytical techniques to address the issues associated with “b” above; (d) interaction and liaison with high level representatives such as from other state agencies, municipalities, utilities, consumer groups, the federal government and elected officials, often in an adversarial setting; and (e) significant assistance in the formulation, planning, and implementation of division objectives. The positions allocated to this classification include auditors with expertise in a number of specified areas that require addressing highly complex assignments. Other functions that positions may be responsible for performing include the provision of technical assistance concerning advanced accounting and financial matters to utilities and the Commission; review of the work of other auditors assigned to the audit engagement; and appearing before the Commission as a principal staff witness, testifying to the results of an entire audit. Broad discretion and significant independence is required to be exercised at this level. Work is performed under general supervision and employees are expected to exercise considerable professional judgment in carrying out the work assignments.

Positions allocated to this classification level function as: (1) Water Rate Case Team Leader; (2) Principal Energy Rate Case Auditor-in-Charge; (3) Principal Energy Special Purpose Auditor; and (4) Principal Telecommunications Price and Alternative Regulatory Auditor.

#### **Representative Positions:**

Water Rate Case Team Leader: This position functions as Team Leader of the multi-disciplinary Water Team and leadworker for assigned auditors. Primary duties include: managing the Water Team’s rate case process; facilitating the formulation of Commission and Division accounting policy through participation in special projects involving highly complex regulatory issues; overseeing the agency’s water depreciation function; managing the compliance audit function for water utilities; overseeing and managing the division’s annual reporting process and analytical review program; and guiding, training and reviewing work products of permanently assigned lower level auditors.

Principal Energy Rate Case Auditor-in-Charge: This position serves as the auditor-in-charge for major energy rate cases. The primary duties are planning, performing and managing the most advanced and highly complex rate case audits of energy utilities and affiliated interests under the general direction of the Core Management Team.

Principal Energy Special Purpose Auditor: This position serves as the sole auditor or auditor-in-charge for planning, performing and managing advanced, highly complex special purpose audits. The areas of expertise may include electric fuel, nuclear depreciation issues, independent system operator accounting, transmission access, complex affiliated interests, multi-jurisdictional issues, leased generation accounting, and other comparable areas that may emerge which require an in-depth understanding of the associated accounting/auditing impacts and implications.

Principal Telecommunications Price and Alternative Regulatory Auditor: This position serves as the sole auditor or auditor-in-charge for highly complex special purpose audits that have a significant regulatory impact. The primary duties include managing the telecommunications alternative regulation program area; managing the telecommunications price regulation program area; and providing guidance to telecommunications utilities regarding depreciation and affiliated interest matters.

### **PUBLIC UTILITY AUDITOR - CONSULTANT**

This one position classification functions as the Chief Policy Consultant Auditor for a multi-industry operating division with numerous audit functions and associated staffing levels. Work is performed under general policy direction.

#### **Representative Position:**

Chief Policy Consultant Auditor for the Energy Utility Industry: Perform highly advanced technical and administrative work which contributes to the proactive regulation of the energy utility industry; plan and develop policies, regulations and directions for the energy industry; serve as advisor to the division administrator and assistant administrators on a variety of highly complex regulatory issues that have a significant impact on utility customers and investors; serve as chief technical consultant for energy utility accounting principles and applications; review, develop, and apply accounting changes which result from complex issues arising from industry changes, Commission initiated changes, or from changes set forth by the Internal Revenue Service, Financial Accounting Standards Board, and other organizations; develop and coordinate accounting for transmission entity and independent system operator transactions to address accounting issues for multi-state energy market transactions; review the audit workpapers of division staff; respond to highly complex inquiries concerning utility accounting and auditing; train staff; coordinate activities with federal and state agencies, professional associations, and others concerning utility revenue requirements and rate making policy; manage, plan and lead the most complex audits of energy utilities and affiliated interests; appear before the Commission in formal proceedings regarding highly complex and controversial issues; direct the work of auditors or inter-disciplinary teams examining major regulatory issues; and participate in the development and implementation of management plans and policies for the division. Work is performed under general policy direction.

### **III. QUALIFICATIONS**

Professional training in accounting or auditing such as that which would be acquired by earning a Bachelor's Degree in accounting or auditing from an accredited post secondary college/university; or commensurate experience and training. The qualifications required for these positions will be determined at the time of recruitment. Such determinations will be made based on an analysis of the goals and worker activities performed, and by an identification of the education, training, work, or other life experience which would provide reasonable assurance that the knowledge and skills required upon appointment have been acquired.

### **IV ADMINISTRATIVE INFORMATION**

This classification series was created effective April 5, 1992, as a result of the Fiscal Survey. The Public Utility Auditor 1 and 2 classification levels were abolished and a one level Public Utility Auditor classification was created effective December 31, 2000 and announced in Bulletin CLR/SC-123 to implement a semi-automatic pay progression classification. This classification series was modified effective November 13, 2005 and announced in Bulletin OSER-0082-MRS/SC to better reflect the current organizational structure and responsibilities of the positions. The modification included the elimination of the Public Utility Auditor 3 allocation and retitling of the classifications.

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