

**Effective Date: April 5, 1992**

**Modified: March 11, 2001**

**Modified: May 18, 2003**

**STATE OF WISCONSIN  
CLASSIFICATION SPECIFICATION**

**PUBLIC UTILITY FINANCIAL ANALYST**

**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 financial analysis and regulation work of public utilities. Positions allocated to this series determine rates of return and utility capital structures; approve security issuances; develop and recommend Commission policies pertaining to utility financial matters; and perform related 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.

B. Inclusions

This series encompasses professional positions located within the Public Service Commission which perform financial analysis and regulation work of public utilities. Positions allocated to this series determine rates of return and utility capital structures; approve security issuances; develop and recommend Commission policies pertaining to utility financial matters; and perform related work.

C. Exclusions

Excluded from this series are the following types of positions:

1. Positions which spend the majority of their time on Public Utility Auditor or Public Utility Rate Analyst work.
2. Positions which spend the majority of their time performing professional accounting or auditing work unrelated to public utility auditing or regulation.
3. Positions which spend the majority of their time performing supervisory or management duties as defined in s. 111.81, Wis. Stats.
4. All other positions which are more appropriately identified by other classification specifications.

D. Entrance Into and Progression Through This Series

Employees enter allocation patterns within this classification series by competitive examination for entry-level positions. Progression to the developmental, objective, and advanced levels will typically occur through reclassification. The majority of a position's duties and responsibilities must be recognized in the classification definition in order for the position to be assigned to that level.

## II. DEFINITIONS

### **PUBLIC UTILITY FINANCIAL ANALYST**

This is the entry level for professional positions performing financial analysis and regulation work of public utilities. Positions allocated to this level perform routine duties and assist higher-level staff with segments of analytic projects to learn standard procedures and practices. Positions at this level exercise very limited discretion and function under close supervision. Positions receive specific guidelines and instructions on work assignments, and priorities are clearly defined. Assistance with problem areas is normally readily available.

### **PUBLIC UTILITY FINANCIAL ANALYST - JOURNEY**

This is the journey level for professional positions performing financial analysis and regulation work of public utilities. Positions allocated to this level are distinguished from those assigned to the preceding level primarily by the scope, impact and complexity of cases and duties assigned and the level of supervision received in relation to those assignments. For the assigned industry, positions are responsible for: (1) determination of rates of return and utility capital structures; (2) approval of security issuances; and (3) provision of assistance on special projects. Work is performed under limited supervision.

### **PUBLIC UTILITY FINANCIAL ANALYST - SENIOR**

This is the senior level for professional positions performing financial analysis and regulation work of public utilities. For the assigned industry, positions are responsible for: (1) determination of rates of return and utility capital structures; (2) approval of security issuances; and (3) leading special projects of limited scope or assisting with complex projects. Work is performed under general supervision for moderately complex assignments and under limited supervision for complex projects.

### **PUBLIC UTILITY FINANCIAL ANALYST - ADVANCED**

This is the advanced level for professional positions performing financial analysis and regulation work of public utilities. Work assignments may involve one or more of the four utility industries (electric, natural gas, water and sewer, and telecommunications) regulated by the Public Service Commission. For the assigned industry, positions are responsible for: (1) determination of rates of return and utility capital structures; (2) approval of security issuances; (3) conducting financial studies of utility, or utility holding company, mergers and acquisitions; and (4) leading studies involving the financial analysis of utility regulatory issues. Work is performed under general supervision.

### **Representative Position**

Advanced Financial Analyst for the Electric Industry - Analyze and determine appropriate rates of return and utility capital structures for electric utilities; conduct studies of the financial impact of utility affiliated interest agreements, mergers, acquisitions, and reorganizations; prepare and present expert testimony on the

analysis of advanced technical financial issues relative to the cost of capital, issuance of securities, rates of return, financing plans and appropriate utility capital structures, in Commission proceedings involving electric utilities; provide financial expertise and analysis on issues or cases addressed by multi-disciplinary teams; maintain on a timely basis financial market models which estimate investors' required rates of return for electric utilities, using statistical and analytical techniques such as the capital asset pricing model and the discounted cash flow model; and coordinate the examination of security issuance applications from investor-owned electric utilities. Work is performed under general supervision.

#### **PUBLIC UTILITY FINANCIAL ANALYST - PRINCIPAL**

This is the principal level for professional positions performing financial analysis and regulation work for public utilities. Positions at this level are responsible for: (1) coordinating and directing special projects involving important financial regulatory issues, new operating procedures, policy formulation, sensitive public issues, precedent-setting decisions or legislative action; (2) conducting financial studies of utility, or utility holding company, mergers and acquisitions; (3) determination of rates of return and utility capital structures; and (4) approval of security issuances. Work is performed under general supervision.

#### **Representative Position**

Principal Financial Analyst for the Electric Industry – Propose and analyze appropriate planning and policy alternatives available to the Commission to respond to changing financial and economic conditions facing electric utilities; address financial implications associated with industry restructuring and deregulation; conduct studies of the financial impact of utility affiliated interest agreements, mergers, acquisitions, and reorganizations; identify and analyze potential changes in the underlying financial condition of regulated utilities; improve and refine financial models to reflect current financial theory and to ensure statistical accuracy, reliability and validity; analyze and determine appropriate rates of return and utility capital structures for electric utilities; prepare and present expert testimony on the analysis of advanced technical financial issues relative to the cost of capital, issuance of securities, rates of return, financing plans and appropriate utility capital structures, in Commission proceedings involving electric utilities; maintain on a timely basis financial market models which estimate investors' required rates of return for electric utilities, using statistical and analytical techniques such as the capital asset pricing model and the discounted cash flow model; and coordinate the examination of security issuance applications from investor-owned electric utilities. Work is performed under general supervision.

### **III. QUALIFICATIONS**

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 and announced in Bulletin CC-321. It was then revised in January of 1993. This classification was modified effective March 11, 2001, and announced in Bulletin CLR/SC-127 to modify the level allocation language to reflect changes to the Public Service Commission's organizational structure, acknowledge current utility industry dynamics, and recognize the increasingly specialized nature of the Public Utility Financial Analyst positions. This classification series was modified to change the classification title of the first level to "Public Utility

Financial Analyst” effective May 18, 2003 and announced in Bulletin MRS-SC-158, as a result of the WPEC Broadbanding and Class Collapsing Study.

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