

2014-2015 Budget (Calendar Year 2013)



IntegrYS Business Support

General Assumptions Training

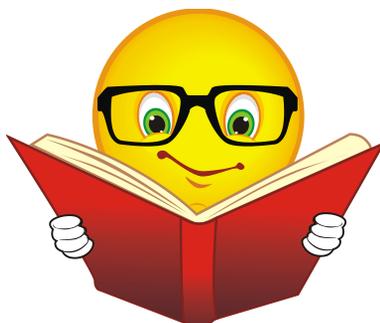
May 20, 2013
May 21, 2013

GB/CHI/Online Meeting
GB/CHI/Online Meeting

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Integrus Business Support

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Corporate Labor

Integrays Business Support



Today's
Training

Budget
Preparation

RC	Your own	Your own
Proc 1	Your own	Your own
Proc 2	5203	Optional
Product	Your own	Your own

In-Person Participants

Silence cell phones...

Live-Meeting Participants

*6 Mute phone to listen

*7 Unmute phone to talk



Calendar by Company

Integrus Business Support

Activity							Date	
Cognos open for inputs (all Cognos companies)							6/3	
Deadlines	IBS	PGL / NSG	UPPCO	MERC / MGU	WPS	WRPC	TEG	Small Subs
FTE's & Headcounts finalized * and Labor \$'s distributed	7/19	8/9	8/9	8/9	8/9	8/9	N/A	N/A
Capital Budget Input	7/19	8/12	8/14	8/20	8/6	8/30	8/6	8/6
BSIN Budget Input**	8/4	8/30	8/30	8/30	8/22	9/15	9/15	8/22
O&M Budget Input	7/31	8/20	8/22	8/20	8/22	8/30	8/22	8/22
Depreciation Complete	7/31	8/21	8/29	9/10	8/26	9/12	8/20	8/20
Budget Review Meetings with TEG Staff	8/2	8/26 9/27	8/29 9/30	8/26 9/27	8/29 9/30	N/A	October (TBD)	October (TBD)
Financial Statements	8/23	9/12	9/19	9/23	9/24	9/30	9/27	8/30
Deadline for organizational changes to be reflected in Budget							7/19	
TEG Staff review of consolidated budgets							Beginning of Oct	
Finalize Budget							Oct/Nov	
Budget package mailed to TEG Board							12/5	
TEG Board approves 2014 Budget							12/12	
<p>DA's, DF's, and leaders may have earlier deadlines in order to review budgets prior to their sign-off of financial statements. In addition to the WPS deadline listed below, deadlines may be communicated directly to budget preparers for their respective companies.</p> <p>July 12 WPS O&M / Capital due to Amy Jepson and Tricia Quandt</p> <p>* TEGE headcount also needs to be finalized and provided to the Budgets Group on 8/9</p> <p>** BSIN input deadline does not include the inputs for Taxes and Financing</p>								

Calendar - IBS

Integrus Business Support

Date	IBS Activity	Process Owner		
		Budget Coordinators	IBS Leader/Manager	Budget Group
Jan - June	Business Partner planning	X	X	
May	Ensure appropriate chartfields are set up in Cognos	X		
May	Begin reviewing trends, headcount, assumptions, & updates with Leaders/Managers	X		
May	Capital Target will be the Long Term Financial Plan (LTFP)	X	X	
May 7	Cognos open for Allocations input (responsible BC's notified via e-mail)	X		
June 3	General IBS Budget Assumptions Letter available	X		X
June 3	Cognos system opens for IBS Budget input	X		X
June 3 - July 19	Review HC budget details with Leaders/Managers and input into Cognos; must be approved by Leaders/Managers prior to July 19	X	X	
June 10	Updated Allocations input complete in Cognos, with documentation placed on T:\Drive (see 5-3-13 communication from ICAC Allocations Team)	X		
June 10	IBS Budget Assumptions/Targets - IBS Board of Directors (from June 5th IBS BOD meeting)		X	
July 19 (Tentative)	6-30-13 Balance Sheet balances loader into Cognos			X
July 19	IBS Labor, Non-Labor, and Capital review and input complete	X		
July 19	Cognos locked for IBS Labor, Non-Labor, and Capital *	X		X
July 19, 22, & 23	IBS Sr. Leader budget review with Charlie Schrock (check with your Sr. Leader for exact time) *		X	
July 23	Complete IBS review template (due date subject to Sr. Leader requirements)	X	X	
July 23	Provide backup data for budgeted capital > \$250K T:\DEPT\SIFA_FinanceAcctng\Private\IBS BC\Budget\2014-2015 Budget\Capital Spend	X		
July 23	Calculate/input IBS payroll taxes, NPT, and benefits			X
July 26	Review functional area budget monthly spread and e-mail Brittany Lawrence when review is complete or if monthly split updates need to occur T:\DEPT\SIFA_FinancialSys\Private\RPT_REG_OPERATIONS\2000\A_IBS CONSOLIDATED\2014-2015 BUDGET\BDT3076G or BDT3085	X		
Aug 2	IBS BOD review of preliminary IBS Budget *		X	
Aug 2 - 9	Review 2014 Budget cross charges vs. 2014 Budget completed last year and explain variances \$100K by BU; by Functional Area (BDT3075P)	X	X	
Aug 2	Cognos open for Benefits, incentives, charges into IBS (A00), taxes, and interest (IBS Labor, Non-Labor, and Capital remain locked) *			X
Aug 7	Final non-IBS headcount (IBS due July 19), benefits, and payroll taxes input for all Business Units			X
Aug 9	Taxes calculated			X
Aug 16	IBS Depreciation & ROA calculated			X
Aug 19	First view of IBS cross charges to business partners available (Tracy to communicate to DA's)			X
Aug 20	Financing calculated			X
Sep	Complete IBS Budget analysis and answer BU inquiries	X		
Oct	Significant updates to IBS Budget	X	X	X
Nov	Provide analysis and supplemental schedules to Consolidations Group			X
Dec	TEG Board of Directors reviews budget		X	

* Cognos may be opened for individual home centers, if changes are required and approved by Sr. Leaders.



Roles & Responsibilities

Integrays Business Support

- Budget Group
 - Maintain budget processes and systems (Budget Administrators)
 - Distribute budget assumptions
 - Develop and communicate schedule
 - Provide reports
 - Train on Cognos tools
 - Review data for integrity and income statement/balance sheet relationship
 - Coordinate with Regulatory Affairs to ensure budgets comply with regulatory mandates
 - Ensure chartfield requests comply with PeopleSoft rules
 - Support Budget Coordinators, DA's, DF's, leaders etc. for budget questions and rate cases



Roles & Responsibilities

Integrays Business Support

- Budget Coordinators & Preparers
 - Analyze data
 - Facilitate the budget process within business unit/home center
 - Understand budget process, timelines and dependencies
 - Solicit information from stakeholders to create budgets
 - Create Home Center level budgets
 - Budget for capital projects
 - Obtain approved business plans from leaders
 - Understand Common Account
 - Know and use Cognos system
 - Review and receive approval from appropriate leader(s) for budget information
 - Ensure data entered into budget system is accurate



Roles & Responsibilities

Integrus Business Support

- **Budget Coordinators & Preparers**
 - Review individual company Assumptions Letters on the PowerNet
 - Determine if there are considerations to be made when preparing budgets
 - Consider whether a company will file a rate case
 - Create and retain proper documents and justification for audits
 - Review company income and capital targets with Directors of Accounting (DA's), Directors of Finance (DF's) and leaders
 - Provided to management at a company level
 - Consider possible organizational changes (i.e., employee or Home Center movement)
 - Start the budget process early
 - Review estimates with leaders
 - Adhere to early deadlines by DA's, DF's, and leaders within functional areas
 - Verify access to Cognos

Assumptions - General

Integrays Business Support



- **Cognos**
 - Opens **June 3** for input
 - Incorporates use of Common account and FERC account; limited non-labor RT's
 - Common accounts are mapped together at various levels for budgeting
 - All FERC accounts are available for budgeting
 - Incorporates PowerPlant funding projects (work orders)

- June 30th actual account balances will be loaded in Cognos in mid-July, after the books are closed
 - Used in BSIN and Capital applications

- The Cognos Budget version for 2014 and 2015 will be open at the same time as the June Reforecast
 - Budget and Reforecast are in separate applications
 - Budget application is preceded with BDGT
 - Reforecast application is preceded with FCST
 - Additional instructions are found in Navigation Training
 - Select the correct application/version/year during the Budget and Reforecast processes
 - Reforecast version will be locked once completed

Assumptions - General

Integrus Business Support

- Monthly spreads should be accurate
 - Minimizes actual vs. budget variances caused by timing
 - Some costs may be limited to specific months
 - Explore using historical trends rather than straight-lining or dividing annual estimates by 12
 - New reporting in organization seeks to trend month-to-month variations to determine full-year forecasts
 - Analysis by Commission staff auditors of current year budget to actual variances can impact open rate cases

- IBS should ensure any changes that affect the Affiliated Interest Agreement (AIA) are captured in budgets
 - Commission needs a 60-day notice prior to moves if
 - New Product & Service is required
 - Allocation methodologies are impacted
 - Ex: Moving a group of employees to/from IBS

- IBS should not budget any direct charges for labor or non-labor to the following business units: 1710, 1711, 1720, 1721, 1730, 1731, 1800, 1885, 1900, 9920, 9930, 9940, 9996, 9997, 9998
 - 1001 (PE LLC) should only receive budgeted direct charges related to pensions

Assumptions - General

Integrus Business Support

LABOR

- Payroll data as of **May 28** will be loaded into Labor application

- **General Wage Increase (GWI)**
 - Includes merit, progressions, and promotions
 - **Administrative GWI effective March 1**
 - 2014 3.60% (3.05% plus 0.55%)
 - 2015 3.60% (3.05% plus 0.55%)
 - Union salary growth assumptions are per union contract plus 0.60% (Note: where contracts are up for negotiation, assume 3% GWI plus 0.60% for step adjustments and progressions)
 - Wage increases are system generated (applied to current salaries)

Assumptions - General

IntegrYS Business Support

LABOR

- **IBS – July 19** – total FTE's, headcounts, and labor dollars must be finalized
 - Dollars must be distributed to chartfields
- **Utilities – August 9** – total FTE's, headcounts, and labor dollars must be finalized
 - Dollars must be distributed to chartfields
- Complete the Labor application first (prior to Non-Labor and Capital)
- Labor is estimated by Home Center by employee
- Capital labor \$'s are budgeted within Home Centers in the Labor application
 - There is no direct tie between the Labor application and the Capital application; though it is assumed all capital project estimates include labor dollars, if applicable

Assumptions - General

Integrays Business Support

NON-LABOR

- Inflation Rates
 - General inflation rates for non-labor items
 - 2014 2.1%
 - 2015 2.4%
 - All companies are asked to keep costs down; remember to forecast cost reductions, process improvement savings, etc.
 - Real escalation estimates inferred by contractual agreements should be used where applicable
 - Nymex Price (per Henry Hub)
 - 2014-2015 (see business unit assumptions letters)
 - Contact the Budget Group for monthly estimates and future years, if needed
- Cell Phone Stipends
 - Budget in Common Account 645004
 - Use of RT 934 is optional
 - IBS report in T:\DEPTS\FA_FinancialSys\Private\RPT_REG_OPERATIONS\2000\Z-MISCELLANEOUS\yyyy\mmm\GLNW3093C
- Travel
 - Rates →
 - Corporate Plane
 - Central budget



Estimates include Tax	Mileage	Rate/Mile	One Way	Round Trip
Train:				
Chicago to Milwaukee			\$24	\$46
Parking at train station				\$6/day
Driving:				
Chicago to Green Bay	230	\$0.565	\$130	\$260
Chicago to Milwaukee	105	\$0.565	\$59	\$119
Green Bay to Chicago	230	\$0.565	\$130	\$260
Green Bay to Milwaukee	125	\$0.565	\$71	\$141
Hotel Accommodations:				
Green Bay-average rate				\$82
Chicago-average rate				\$154



Years and Versions

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Labor and Non-labor Applications (Cognos - Chartfield Split tabs)

BU/Year Preloaded \$'s based on:

IBS

2013	Last six months – 2013 March Reforecast remaining months
2014	2014 Filing Update
2015	2014 Filing Update

MERC, MGU

2013	Last six months – 2013 March Reforecast remaining months
2014	2014 Budget from 2013 Budget prepared in 2012
2015	2014 Budget from 2013 Budget prepared in 2012

NSG, PGL

2013	Last six months – 2013 March Reforecast remaining months
2014	2014 Filing Update
2015	2014 Filing Update

UPPCO, WRPC

2013	Last six months – 2013 March Reforecast remaining months
2014	2012 Actuals
2015	2012 Actuals

WPS Non-Labor (excluding Pulliam/Weston/Regional Generation/Fox)

2013	Last six months – 2013 March Reforecast remaining months
2014	2012 Actuals
2015	2012 Actuals

WPS Non-Labor (Pulliam/Weston/Regional Generation/Fox)

2013	Last six months – 2013 March Reforecast remaining months
2014	2014 Filing Update
2015	2014 Filing Update

WPS Labor (excluding Weston)

2013	Last six months – 2013 March Reforecast remaining months
2014	2012 Actuals
2015	2012 Actuals

WPS Labor (Weston)

2013	Last six months – 2013 March Reforecast remaining months
2014	2014 Budget from 2013 Budget prepared in 2012
2015	2014 Budget from 2013 Budget prepared in 2012

Non-Regs

2013	Last six months – 2013 March Reforecast remaining months
2014	Blank for all periods
2015	Blank for all periods

Budget Years

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BU / Application Budget Years

- IBS, MERC, MGU, NSG, PGL, UPPCO, WPS, and WRPC
 - Labor/Non-Labor 2014-2015
 - BSIN 2013-2015
 - Capital 2013-2023

- Non-Regulated Companies
 - Non-Labor 2014-2015
 - BSIN 2013-2015
 - Capital 2013-2023

-
- Labor/Non-Labor – all companies
 - After the June Reforecast is complete, the stub period July-December 2013 will be writeable
 - The starting point will be March Reforecast data (normally this is the June Reforecast)

 - Capital – all companies
 - Monthly cash flows (capital expenditures) are needed for the remainder of 2013, 2014 and 2015
 - Annual cash flows (capital expenditures) are needed for 2016-2023

Business Units

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- Numeric - Business Units will be shown as numeric within the Cognos string of chartfields
- Initials - Business Units may be referenced elsewhere by initials

<u>BU Initials</u>	<u>Numeric</u>
PGL	1100
NSG	1200
ITF	1700
IBS	2000
WPS	3000
WRPC	3020
UPPCO	3500
MGU	4000
MERC	4500
TEGE	9000
TEG	9999

- A complete listing of Business Units can be found on the Accounting Information web site



Chartfield Additions

Integrays Business Support

- Budget Coordinators & Preparers
 - Identify the HC's and applications which need new chartfield strings
 - Send e-mail request to Kara Cummings, Josh Frank, Mario Luna, Starlet Sannito, and Monica Winnekens
 - Group chartfield strings into a single e-mail request using the following format based on the company and Cognos application
 - Place the chartfield strings in the order listed below with one space between each field

Application	Chartfield String Order						
IBS - BSIN	FERC	RC	PROD	RT	COMMON	HC	AFFILIATE
IBS - Labor	BU	RC	PROD	FERC	PROC 1		
IBS - Non-Labor	BU	RC	PROD	FERC	PROC 1		
Utilities - BSIN	FERC	RC	PROD	RT	COMMON	HC	AFFILIATE
Utilities - Labor	RC	PROD	FERC				
Utilities - Non-Labor	RC	PROD	FERC				
Non-Regs - BSIN	COMMON	RC	PROD	RT	HC	AFFILIATE	
Non-Regs - Non-Labor	RC	PROD	COMMON				

- Budget Group
 - Evaluate requested chartfields strings
 - Verify chartfield strings comply with PeopleSoft
 - Update approved chartfield strings in Cognos (not all chartfield strings will be approved)
 - Notify budget preparer when complete

- Cognos Users – with Experience
 - **Optional - Navigation Training May 22 & 23**
 - Updated on Cognos navigation
 - Q&A

- Cognos Users – New
 - Request Cognos Security
 - Contact Budget Group
 - May take up to 4 days for access
 - **Attend new budget preparer training May 29**
 - Detailed navigation demonstration on multiple applications
 - Q&A

- Windows 7 Conversion
 - Users who have been upgraded to Windows 7, have new PC's, or PC's reimaged, and have issues with the Cognos installation, should contact the IT Help Desk



Training Opportunities

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- **Cognos Navigation – Optional** (call-in # 4331483)
 - May 22 G3-1/19B-8/Online Mtg 9:00-10:00
 - May 23 G3-1/19B-8/Online Mtg 2:00-3:00

- **Cognos Navigation – New Budget Preparers**
 - May 29 A1-4/3D4 ITS Atlantis 8:30-12:00

- **Weekly Communications**
 - Reminders of upcoming deadlines
 - Updates on budget process
 - FAQ's

- **Training Manuals**
 - General Assumptions
 - Cognos Navigation
 - Cognos Get Data-BSIN
 - Cognos Get Data-Capital
 - Cognos Get Data-Labor
 - Cognos Get Data-Non-Labor



Budgets Home Page

Integritys Business Support

- **2014-2015 Cycle**
 - Assumptions Letters
 - Budget Communications
- **Accepted Budget Reports**
 - Financial Reports by BU
 - Access to reports is limited
- **Allocations – IBS**
- **Budget Reference**
 - Common Account Mapping Files
 - Other
- **Budget Training Manuals**
- **Cognos Connection (one link to applications)**

Budgets

- [2014-2015 Cycle](#)
- [Accepted Budget Reports](#)
- [Allocations - IBS](#)
- [Budget Reference](#)
- [Budget Training Manuals](#)
- [Cognos Connection](#)

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- **Budgets**
 - Budget Support
 - Budget Preparers and Coordinators
 - Budget Schedule and Calendar
 - Filing Update/ Rate Case Schedule

PowerNet > [Finance & Accounting](#) >

Budgets

Budget Support	Budget Contacts
<hr/>	
Budget Preparers and Coordinators	Budget Coordinators, Preparers, DA's
<hr/>	
Budget Schedule and Calendar	Reforecast Schedule Master Budget Schedule Calendar by Company Calendar - IBS
<hr/>	
Filing Update/ Rate Case Schedule	MGU Filing Update Schedule - 2013 Test Year PGL & NSG Filing Update Schedule - 2013 Test Year WPS Filing Update Schedule - 2013 Test Year

Budget Support

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Questions regarding budget preparation and the Cognos system should be directed to the Budget Group

<u>Budget Group</u>	<u>Phone</u>	<u>Location</u>	<u>Other Information</u>
Steve Frank	433-4996	GB	Director-Budgets & Forecasts
Mike O'Neil	240-3868	CHI	Manager-Budgets
Kara Cummings	240-3693	CHI	Supports Non-Regs
Josh Frank	433-1760	GB	Supports WPS/UPPCO/WRPC
Mario Luna	240-7396	CHI	Supports PGL/NSG/MGU/MERC
Starlet Sannito	240-4372	CHI	Supports PGL/NSG/MGU/MERC
Monica Winnekens	433-1483	GB	Supports IBS

Directors of Accounting

Chris Gregor	240-4760	CHI	PGL/NSG
Tracy Kupsh	433-2656	GB	IBS
Scott Maas	433-1421	GB	ITF
Jim Massoglia	483-4527	MI	UPPCO
Rick Moras	433-1547	GB	WPS/WRPC
Gary Simons	322-8925	MN	MERC/MGU



Directors of Finance

Mike Gerth	240-3998	CHI	PGL/NSG/MGU/MERC
George Wiesner	433-2648	GB	WPS/UPPCO/WRPC

Property Accounting Support Group

Sue Kajmowicz	240-4223	CHI	Gas Mains, (Distribution & Transmission), Services, TRCs
Maria Torres	240-4271	CHI	Gas, Gate, and Regulator Stations (incl Transmission), Gas Prod
Eudith Vacio	240-4208	CHI	Meters, House Regulators, Large Meter Sets
Nancy Van Straten	433-1095	GB	Electric Distribution-Electric Poles, Conductors, Street Lighting

Rebecca Bauer	433-2550	GB	Substations, WPS ATC Projects, UPPCO ATC Projects
Jeff Baumgartner	240-4315	CHI	Gas Underground Storage Plant & Gas Other Storage Plant
Matt Hoffman	433-2996	GB	Hydos, UPPCO/WRPC CT's
Melissa Seidel	433-4993	GB	Columbia/Edgewater
Kim Seidl	433-2986	GB	WPS CT's & Diesel, Fox Energy Center
Perry Wanner	433-1145	GB	Steam

Sue Ascher	433-1709	GB	Fleet/Off Furn & Equip/Comp Hdwr PC's/Telecom Equip
Jean Dessart	433-2662	GB	Land
Frank Niemi	240-3935	CHI	Structures
Mary Wilde	433-1082	GB	Tools
Tina Wuyts	433-4951	GB	Capital Software

IBS Service Line 555-8888

ITS	Press 1
HR, PR, Corporate Labor	Press 2
A/P and Accounting Helpline	Press 3
Supply Chain & Fleet Services	Press 4
Printing	Press 5



PowerNet

Budgets Home Page
Accounting Information Page

Questions

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