

Economic Impact Statement

LSA Document #06-429

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

Based on Indiana Utility Regulatory Commission records, it is estimated that there are 62 small businesses in the telecommunications industry, nine of which have withdrawn from commission jurisdiction, resulting in not more than 53 small businesses in the telecommunications industry that would be affected by this rule. No requirement or cost is imposed on small businesses by this rule that is not expressly required by the statute authorizing the adoption of this rule. This rule does not impose any reporting costs on the affected small businesses.

Seventeen rural telecommunications providers have estimated that the aggregate annual cost of complying with the rule by providing the required customer notice for all 17 providers would be less than \$5,000. This means that the total cost for all 53 small telecommunications businesses would be approximately \$15,000 per year for the two years this rule will be in effect, assuming all 53 small telecommunications businesses affected by this rule would incur similar costs. The statute authorizing this rule is [IC 8-1-2.6-4.1](#)(b) and expressly requires the customer notification as stated in this rule.

The purpose of this rule is to provide a measure of consumer protection in a time of increasing deregulation in the telecommunications industry. No less intrusive or less costly alternative would achieve the purpose of this proposed rule. There are no less stringent compliance requirements and no less stringent schedules or deadlines that would achieve the purpose of these rules. This rule imposes no reporting requirements. While the large Indiana telecommunications service providers requested an alternative written notice to be given after the communication with the residential customer, the small telecommunications businesses indicated no difference in cost between the large providers' request and this rule, which requires the notice to be given at the same time and in the same manner as the communication with the residential customer. No further consolidation or simplification of the compliance requirements is possible that would achieve the purpose of this rule. No design, operational, or performance standards are imposed by this rule. Small telecommunications businesses that have partially withdrawn from commission jurisdiction under [IC 8-1-2-88.5](#) have been exempted from the requirements of this rule.

Posted: 11/22/2006 by Legislative Services Agency

An [html](#) version of this document.