

Economic Impact Statement

LSA Document #07-830

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses**(1) Estimate of Number of Small Businesses That Will Be Subject to this Rule**

This rule affects those small businesses that currently, or may at some time in the future, provide electric, gas, water, sewage disposal, or telecommunications services in Indiana under the jurisdiction of the Indiana Utility Regulatory Commission ("IURC" or "Commission"). There are currently 122 small businesses that are authorized to provide the above referenced types of services under the jurisdiction of the IURC: electric – 0; gas – 6; sewer – 50; telecommunications – 53; and water – 13. The number of small businesses that will be subject to this rule will probably increase gradually over time as property continues to be developed in Indiana and small businesses continue to apply for authorization to offer utility services. However, it is unknown (and there is no way to know) how many small businesses may in the future become subject to IURC jurisdiction. Therefore, the Commission cannot determine (or reasonably estimate) at this time the number of small businesses that will be subject to this rule.

(2) Estimate of Average Annual Reporting, Record Keeping, and Other Administrative Costs

This rule does not impose any annual reporting or record keeping requirements beyond those already required by statute. By providing updating the rule and clarifying specified timelines, this rule may reduce administrative costs of small utilities seeking to change their rates for service and thereby save the utilities valuable time and money.

(3) Estimate of the Total Economic Impact of this Rule on Small Businesses

Because there is no way at this time to determine the number of small businesses affected by this rule, it is impossible for the Commission to estimate the total economic impact of this rule. However, this rule does not impose any costs, but instead updates the rule and clarifies specified timelines, which could save the time and money of small utilities petitioning for changes in their rates for service. Therefore, the total economic impact of this rule should be positive. In addition, the statute authorizing the adoption of this rule, [IC 8-1-2-61.5](#), provides for a less expensive procedure, in which a public hearing is not required unless requested, thereby saving the small utility the time and expense of an evidentiary hearing.

(4) Statement Justifying Any Requirement or Cost Imposed

No requirement or cost is imposed on any small business under this rule that is not required by statute. Indiana statute, specifically, [IC 8-1-2-61.5](#), authorizes the IURC to adopt rules allowing small utilities to file for rate changes in proceedings in which a hearing is not required unless requested. The intent of both the authorizing statute and this rule is to save small utilities time and money and help to facilitate the necessary rate changes.

(5) Regulatory Flexibility Analysis

Considering this rule will assist small businesses (specifically, small utilities as defined under [IC 8-1-2-61.5](#)) in petitioning for rate changes and should save time and money, there is no less intrusive or less costly alternative to the purpose of this rule. The time deadlines and requirements imposed by this rule are less and less costly than those that would ordinarily be imposed upon a utility petitioning the IURC for a change in the utility's rates under the Commission's regular docketed proceedings. This rule imposes no reporting requirements. Considering this rule acts to update small utility filing procedures and clarify timelines, 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. As authorized by [IC 8-1-2-61.5](#), this rule operates to exempt small utility businesses from the more costly and extensive filing procedures that are ordinarily required of utilities. This rule will serve to assist small utility businesses in meeting the procedural requirements of [IC 8-1-2-61.5](#) in a more efficient manner.

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