TITLE 170 INDIANA UTILITY REGULATORY COMMISSION

Economic Impact Statement

LSA Document #08-60

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

Based on Indiana Utility Regulatory Commission ("IURC" or "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records, it is estimated that there are 62 small businesses in the telecommunications industry, nine of which have withdrawn from commission jurisdiction, resulting in not more than 53 small businesses in the telecommunications industry that would be affected by this rule. 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

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. Costs for administration and for required consumer education and outreach are reimbursable under this rule from the Indiana Lifeline Assistance Program (ILAP) fund.

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

Based on information from the telecommunications industry, it is estimated that the total economic impact on small businesses would be nominal. As mentioned above, reasonable costs for administration of ILAP and for the consumer education and outreach required by this rule are reimbursable from the ILAP fund. Industry has indicated that it is not aware of any remaining cost, but that any such cost would be nominal.

(4) Statement Justifying Any Requirement or Cost Imposed

The requirements and costs imposed on regulated entities under this rule are expressly required by the statute authorizing the IURC to adopt this rule. See <u>IC 8-1-36</u>. However, administrative costs and consumer education and outreach costs, which are reasonable, are reimbursable from the ILAP fund.

(5) Regulatory Flexibility Analysis

The purpose of this rule is establish the Indiana Lifeline Assistance Program, which will provide discounts on the basic portion of a customer's telecommunications service if the customer meets one or more eligibility requirements, allowing that customer to obtain and retain telecommunications service, and particularly access to 911 and other emergency and public health and safety services. 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, except upon the ILAP administrator, whose costs would be reimbursable. 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 under this rule.

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