



**DEPARTMENT OF EXECUTIVE MANAGEMENT
BUREAU OF FINANCE AND MANAGEMENT**

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JAN 23 2024

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

MEMORANDUM

TO: Public Utilities Commission
FROM: Bureau of Finance and Management
RE: Fiscal Note
DATE: January 22, 2024

The Bureau of Finance and Management has reviewed the proposed rules from the Public Utilities Commission and concurs with the department's assumptions and fiscal impact calculations.

BT:mn

Attachment: BFM Fiscal Note

cc: John McCullough, Interim Director
South Dakota Legislative Research Council

FORM 5, BFM 50.10

**ADMINISTRATIVE PROCEDURES ACT
FISCAL NOTE
Prepared by Submitting Agency**

	CODE	NAME	PROPOSED RULES (by §, unless entire ch., art.)
DEPT.	26	Public Utilities Commission	20:10:01:12, 20:10:01:17.02, 20:10:12:15, 20:10:26:04, 20:10:26:06, 20:10:32:52, 20:10:37:10, 20:10:37:17, 20:10:37:18, and 20:10:37:19
DIVISION	2610	Public Utilities Commission	
PROGRAM			

IMPACT ON GOVERNMENT SUMMARY: (Changes to any existing process, schedule, or activity of any state or local gov't entity resulting from the proposed rule change.)

The proposed repeal 20:10:01:12 will have no effect, as the statute implementing the Rule has been repeal, therefore, the Rule is not currently valid.

The change to 20:10:01:17.02 removes a citation to a statute that has been repeal, however, there are no changes to the substance of the Rule itself, therefore, there will be no effect.

Changes 20:10:12:15 would increase the financial minimums an applicant must meet in order to obtain a grain buyer license but would not add to the workload or review conducted by the staff of the Public Utilities Commission (PUC) upon receiving an application for a grain buyer license. Therefore, there will be no fiscal impact.

The proposed change to 20:10:26:0 would eliminate the requirement for the PUC to review the building plans for a building owner desiring to utilize master metering in order to determine whether the building qualifies for a master metering variance. Removing the requirement found in 20:10:26:06 to publish notice in a local newspaper when a master metering exception is requested will allow the PUC to process a request more efficiently. While the newspaper notice is published at the PUC's expense, because the PUC averages less than one such request per year, the amount of money saved is expected to be de minimis.

The change to 20:10:32:52 does not include any substantive changes, rather it delays an annual filing deadline by one month. Therefore, there will be no fiscal impact.

Changes to 20:10:37:10, 20:10:37:17, 20:10:37:18, and 20:10:37:19 update citations to the federal code, as well as add a requirement for pipeline operators subject to the Rules to maintain an Integrity Management Plan. The citations to the federal code will not change the process, resources, or activity of any state or local entity. The requirement to maintain an Integrity Management Plan is already a requirement under federal law and will have no effect.

FISCAL IMPACT STATEMENT: (Estimate the overall fiscal impact--in terms of increases or decreases--because of, or to carry out, the proposed changes. Take into consideration staffing and resource changes (i.e. dollars, employees, equipment, supplies). Include a brief explanation if there is a minimal, incalculable, or no fiscal impact.)

These rules are expected to have minimal or no fiscal impact on any state or local government entity. No additional staffing or resources are needed.

FISCAL IMPACT BASIS: (Provide the assumptions, any computations, and any statistics that went into this Fiscal Note; and describe the accuracy of the estimated impacts on this form.)

The majority of the proposed rules changes are not substantive. While the removal of the requirement to publish newspaper notice of master metering requests would decrease costs for the Public Utilities Commission, however, the savings would be de minimis, as it is typical for such a notice to be necessitated less than once a year. In the last five years, the PUC has drafted one such newspaper notice, but ultimately incurred no expense, as that notice was not published.

COST INCREASES (DECREASES)

State Agencies:	First-Year Impact	Continuous-Yearly Impact
TOTAL	\$0	\$0
Local Gov't Agencies:		
TOTAL	\$0	\$0

REVENUE INCREASES (DECREASES)

Revenue Increases (Decreases) State & Local Gov't Agencies:		
TOTAL	\$0	\$0

APPROVED *Chris Tomillo* DATE 1-22-2024
 Signature of Constitutional Officer, Commissioner, Department Secretary,
 or Board of Commission Chairman of Agency Administering the Rules

ADD ADDITIONAL PAGES IF NEEDED. A copy of this form may be obtained from the Bureau of Finance and Management. If proposed rules have a negative fiscal impact on a local government, the Bureau of Finance and Management must send a copy of its fiscal note to the organizations listed in SDCL 1-26-4.2.