

DEPARTMENT OF EXECUTIVE MANAGEMENT BUREAU OF FINANCE AND MANAGEMENT

500 East Capitol Avenue Suite 217 | Pierre, South Dakota 57501 | 605.773.3411

JUN 1 0 2025

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

T0: Public Utilities Commission

- FROM: Bureau of Finance and Management
- **RE:** Fiscal Note
- DATE: June 10, 2025

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.

MEMORANDUM

GJ:mn

Attachment: BFM Fiscal Note

cc: John McCullough, Director South Dakota Legislative Research Council

Associated School Boards of South Dakota (with Fiscal Note package)

South Dakota Association of County Commissioners (with Fiscal Note package)

South Dakota Municipal League (with Fiscal Note package)

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 | 20:10:01:02.01, 20:10:01:02.05, 20:10:01:32, | |
| DIVISION | 2610 | Public Utilities Commission | 20:10:22:05, 20:10:22:40, 20:10:22:41, | |
| PROGRAM | | | 20:10:32:03, 20:10:32:12, 20:10:32:21, 20:10:32:42, 20:10:32:43, 20:10:32:43.02, 20:10:32:43.05, 20:10:32:43.06, 20:10:32:43.07, 20:10:32:53, 20:10:32:54, 20:10:32:55, 20:10:33:21, 20:10:33:27, and 20:10:37:01 | |

Hearing Date: July 15th, 2025

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 amendments to 20:10:01:02.01 align with current practice regarding correspondence and have no fiscal impact.

The proposed amendments to 20:10:01:02.05 relate to the filing of documents and have no fiscal impact.

The proposed amendments to 20:10:01:32 clarifies the information that must be provided by the executive director upon request, aligning with current practice, and has no fiscal impact.

The proposed amendments to 20:10:22:05 update the rule to incorporate a new proposed rule, from which no fiscal impact is anticipated.

The proposed amendments to 20:10:22:40 update the language in the rule to align with statutory changes to SDCL Chapter 49-41B in 2019. Because these changes are consistent with existing law, there is no fiscal impact.

The proposed new rule, 20:10:22:41, requires an applicant for an energy transmission facility permit to provide shapefiles to the Commission upon the filing of siting permit application. This is information that is already traditionally provided to Commission Staff in discovery, therefore, this requirement should be no additional cost to the permit applicant or the Commission.

The proposed amendments to 20:10:32:03 remove the requirement that an applicant provide a facsimile number, which is information the Commission no longer finds necessary, as well as reorganize the application requirements to align numerically with their counterparts in another chapter. There is no fiscal impact from these revisions.

The proposed amendments to 20:10:32:12 remove certain annual reporting requirements for telecommunications companies, as that information is no longer necessary. The fiscal impact of this change is a savings of \$420.00 per year to the Commission. That amount accounts for what

the Commission is charged by BIT for development costs related to collection of the information received in the annual reports.

The proposed amendments to 20:10:32:21 are clerical and will have no fiscal impact.

The proposed amendments to 20:10:32:42 are clerical and will have no fiscal impact.

The proposed amendments to 20:10:32:43 would require eligible telecommunications carriers to remain current with contact and Lifeline plan information, which will have no fiscal impact.

The proposed amendment to 20:10:32:43.02 clarifies that it does not apply to certain telecommunications carriers which are currently exempt by federal law or regulation, therefore, there is no fiscal impact.

The proposed repeal of 20:10:32:43.05 will have no impact, as that rule is obsolete due to changes in federal regulations.

The proposed repeal of 20:10:32:43.06 will have no impact, as that rule is obsolete due to changes in federal regulations that occurred in 2012.

The proposed amendment to 20:10:32:43.07 clarifies that it does not apply to certain telecommunications carriers which are currently exempt by federal law or regulation, therefore, there is no fiscal impact.

The proposed amendment to 20:10:32:53 clarifies that it does not apply to certain telecommunications carriers which are currently exempt by federal law or regulation, therefore, there is no fiscal impact.

The proposed amendment to 20:10:32:54 clarifies that it does not apply to certain telecommunications carriers which are currently exempt by federal law or regulation, therefore, there is no fiscal impact.

The proposed amendments to 20:10:32:55 change a filing date for consistency with other filing deadlines, clarifies that certain notifications may be made electronically, and creates an exemption consistent with federal law. These changes are procedural or clerical and have no fiscal impact.

The proposed amendment to 20:10:33:21 adds to the rule a requirement that local exchange companies comply with the rules and regulations of the One-Call Notification System, which has no fiscal impact as it is already a requirement in law.

The proposed amendment to 20:10:33:27 adds language to clarify that 911 outages which a company must report are those which occur on that company's network. This change is made in order to reflect how the 911 system is set up with current technology.

The proposed amendment to 20:10:37:01 increases the monetary threshold for the definition of an "incident" for pipeline safety purposes. This change is made to align with federal regulations already in place and, therefore, has no fiscal impact.

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. The fiscal impact is minimal, as it is a savings to the PUC of \$420.00 per year.

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. The savings to the PUC of \$420.00 per year related to amendments to 20:10:32:12 was calculated based upon historic costs. Currently, BIT charges the PUC \$105.00 per hour for four hours of work per year attributable to the annual report data collection.

COST INCREASES (DECREASES)

| State Agencies: | First-Year Impact | Continuous-Yearly Impact |
|-----------------------|-------------------|--------------------------|
| | | |
| TOTAL | (\$420) | (\$420) |
| Local Gov't Agencies: | | |
| | | |
| TOTAL | \$0 | \$0 |

REVENUE INCREASES (DECREASES)

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

APPROVED

Signature of Constitutional Officer, Commissioner, Department Secretary, or Board or 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.