FORM 14

REGULATORY IMPACT ANALYSIS

1. Specify the content revised in this rulemaking by ARSD article, chapter, and section following the examples provided below; if essentially revising an entire article or chapter, just specify the article or chapter:

NEW	AMENDING	REPEALING
20:10:37:18.01	20:10:01:08.01	20:10:01:10
	20:10:01:22.07	20:10:01:22.04
	20:10:01:41.01	20:10:01:23
	20:10:06:02	20:10:01:24.02
	20:10:06:03	20:10:01:25
	20:10:12:05.02	20:10:24:04
	20:10:12:13	Chapter 20:10:30
	20:10:13:40	20:10:31:06
	20:10:16:01	20:10:32:12
	20:10:16:03	20:10:33:28
	20:10:17:13	
	20:10:19:09	
	20:10:20:08	
	20:10:20:11	
	20:10:24:04.05	
	20:10:32:03	
	20:10:33:27	
	20:10:37:18	

2. Does this rulemaking constitute a "major rule" pursuant to SDCL 1-26-1 (please check one below):

☒ No - please summarily explain:

None of the proposed changes will result in more than $3,000,000 in implementation and compliance costs incurred by or passed along to businesses, individuals, other nongovernmental entities, and units of local government as a result of the rule, over the two-year period following adoption of the rule.

☐ Yes - please summarily explain:

3. Does the rulemaking agency assert that the Legislature provided sufficient authority and intention for this proposed rulemaking to occur despite it being a major rule* (please check one below):

☒ No or Not Applicable.

☐ Yes - please provide a narrative explanation in support:

* The Legislature provides sufficient authority and intention for the proposed rulemaking to occur despite it being a major rule when the Legislature either (1) directs in statute the propounding of particular rule language; or (2) authorizes or requires that rule be propounded and that rule could not be reasonably executed in a manner that would place the rule below the major rule cost threshold.

4. Provide a narrative explanation for the need for these proposed rules to be promulgated at this time; if the need is substantively different depending on the rule section(s) contained in this rulemaking, please give a more specific explanation of each need and specify the rule sections to which the explanation applies:

   This rulemaking is largely a clean-up as result of a thorough review of ARSD 20:10. The repeal of the rules in chapter 20:10:01 is sought because those rules are redundant to the Rules of Evidence and Rules of Civil Procedure, found in SDCL chapters 19-19 and 15-6, respectively. The repeal of the telecommunications rules found in 20:10:32:12 and 20:10:24:04 will remove the requirement for unnecessary annual filings. The repeal of chapter 20:10:30 is a result of federal preemption. Repeal of 20:10:33:28 is sought because the rule applied only to the year it was effective.

   The only new rule proposed, 20:10:37:18.01, is necessary to provide notice to the Commission of construction of facilities over which the Commission has regulatory authority pursuant to SDCL 49-34B. This new rule would not create additional regulation, as the regulation has already been established in statute. It would merely require an additional contact so that we are aware of the facilities.

   The various amendments to existing rule account for requests from stakeholders, as well as changes made following an in-depth review of ARSD 20:10. The amendments are intended to modernize, simplify, and clarify existing processes.

5. Has the rulemaking agency verified that the rule sections to be amended, created, or repealed in this rulemaking have sufficient General Authority (i.e., express statutory authority to promulgate rule in the given subject area) and the rule sections to be amended or created have sufficient Law Implemented (i.e., intelligible standards to guide the rulemaking):

   ☒ Yes - and we have no concerns.

   ☐ Yes - and there may be concerns with the following sections (list each section by section number and denote page number in packet, explaining the concern for each):

6. Provide a narrative explanation of any alternative options and why they were not pursued in this rulemaking; please provide a bulleted list of each alternative (if there were no other alternatives, please explain why):

   No reasonable alternatives existed. The issues addressed in these amendments could only reasonably be addressed through the rule changes proposed.

7. Estimate the primary or direct benefits of these proposed rules and provide the basis of the estimate, including any key assumptions and sources of uncertainty:

   The primary benefits are clearer requirements that account for modern regulations, such as allowing use of websites for publication of phone numbers and other information made available to customers, as well as removing preempted, outdated, and unused rules and regulations.

8. Estimate the cost savings or financial benefits to businesses, individuals, other nongovernmental entities, or units of local government, as a result of these proposed rules and provide the basis of the estimate, including any key assumptions and sources of uncertainty:

    The amendment to 20:10:16:03 will allow gas and electric utilities to publish contact information on their website, rather than in an area telephone directory. While the primary purpose of the amendment is to provide the contact information in a more accessible format, it will also save the company the cost of publication.

    The amendment to 20:10:17:13 removes the requirement that each gas and electric utility file a monthly summary of written customer complaints and, instead, would require the utility to annually file a report summarizing the complaints. This amendment should save the company the cost of staff time in creating monthly summaries.

    The repeal of 20:10:24:04 and 20:10:32:12 remove the requirement that certain telecommunications companies file an annual report with the PUC. This repeal will save affected companies the cost of staff time related to creating the annual report.

9. Explain in detail the estimated costs of implementation or compliance incurred by or passed along to businesses, individuals, other nongovernmental entities, or units of local government, as a result of these proposed rules and provide the basis of the explanation, including any key assumptions and sources of uncertainty:

    No significant cost of implementation or compliance is likely to occur as a result of these amendments.

10. Estimate the secondary or indirect costs for businesses, individuals, other nongovernmental entities, and units of local government, as a result of these proposed rules and provide the basis of the estimate, including any key assumptions and sources of uncertainty:

    No significant secondary or indirect costs are expected.

11. Estimate the opportunity cost of compliance as a result of the removal of private capital from the market brought on by these proposed rules and provide the basis of the estimate, including any key assumptions and sources of uncertainty:

    No identifiable opportunity costs are expected.

12. List the sources consulted in preparing this regulatory impact analysis:

    This regulatory impact analysis was prepared internally by staff with experience and expertise related to the rules. Because no costs are anticipated to be associated with these amendments, no further financial consultation or expertise was necessary.

13. Describe the proposed rules' impact on small businesses (i.e., 25 or fewer FTEs) by:

a. Specifying what type of small businesses are likely to be impacted:

These amendments will not have a general impact on small businesses.

b. Estimating the number of small businesses that would be impacted (check one):

☐ 1-99 ☐ 100-499 ☐ 500-999 ☐ 1,000-4,999 ☐ More than 5,000
☒ None ☐ Unknown - please briefly explain:

c. Providing a description of any of the impacts of the proposed rules that uniquely impact small businesses:

None of the proposed amendments uniquely impacted small businesses.

d. Projecting whether there are any recordkeeping or reporting requirements as a result of these proposed rules:

☒ Yes ☐ No

i. If "yes," how many annual reports must a small business submit to the state:

None.

ii. If "yes," how much ongoing recordkeeping within the business is necessary:

The only reporting requirement created is the notification of construction requirement created by 20:10:37:18.01. Any addition or ongoing reporting requirements are already existing in statute or other rule and not impacted by the construction notification requirement.

iii. If "yes," what type of professional skills would be necessary to prepare the reports or records (check one):

☒ The average owner of a small business should be able to complete the reports or records with no assistance.
☐ It is likely that a bookkeeper for a small business should be able to complete the reports or records.
☐ It is likely that a small business person would need the assistance of a CPA to complete the reports or records.
☐ It is likely that a small business person would need the assistance of an attorney to complete the reports or records.
☐ Unknown or other - please explain:

7-13-26
[Date]

Chris Nelson
Chris Nelson, Chairman

Public Utilities Commission