**TITLE 170 INDIANA UTILITY REGULATORY COMMISSION**

**FISCAL IMPACT ANALYSIS**

**LSA Document #19-378**

## Estimated Fiscal Impact on State and Local Government.

The estimated fiscal impact is a cost savings of at least $107,068 annually.

## Anticipated Effective Date of the Rule.

* The Notice of Intent will be filed on the same date this Fiscal Impact Analysis is submitted to the Office of Management and Budget. The Indiana Utility Regulatory Commission (Commission) should receive the Office of Management and Budget’s fiscal impact statement *within* forty-five (45) days of submission. IC 4-22-2-28(d).
* The Proposed Rule will be filed at least twenty-eight (28) days after publication of the Notice of Intent. IC 4-22-2-23.
* The total cost of the rule is less than five hundred thousand dollars ($500,000). Therefore, the public hearing can take place twenty-one (21) days after the Proposed Rule is published. IC 4-22-2-28(c) and IC 4-22-2-24.
* Assume three (3) weeks for the public comment period, beginning at least one (1) week prior when the Notice of Public Hearing is published.
* Assume thirty (30) days for staff to review public comments and assemble the rule packet.
* Assume at least one (1) week to circulate the rule for the Commission’s weekly Conference to approve the Final Rule.
* The Attorney General has forty-five (45) days to review the packet. IC 4-22-2-32(g).
* The Governor’s office has up to thirty (30) days to review the packet. IC 4-22-2-34(b).
* The rule is effective thirty (30) days from the date the Legislative Services Agency accepts the rule for filing. IC 4-22-2-36.

Therefore, based on the facts and timeline above, the Commission anticipates the rule to be fully promulgated and effective on or around January 31, 2020, which is 205 days (6.7 months) from the publication of the Notice of Intent, estimated to occur on or around July 10, 2019.

## Revenue.

### Sources of revenue affected by the rule.

The following sources of revenue are potentially affected by this rule:

None.

### Estimated change in government revenues or expenditures.

1. The following state or local government revenues are estimated to increase or decrease as a result of implementation of this rule:

None.

1. The following state or local government expenditures are estimated to increase or decrease as a result of implementation of this rule:

The Commission’s expenditures are expected to decrease by at least **$107,068** annually as a result of implementation of this rule.

Previously, the Commission had (1) a document center administrator, (2) a system support specialist, and (3) an information technology director. The majority of the duties of the information technology director were to keep the electronic document system running, as it was old technology and the original vendor no longer offered software support. The two major duties of the document center administrator were to scan and upload hard copy filings to the system and organize hard copies according to the retention schedules set by the Indiana Archives and Records Administration (IARA). The Commission has since started using an electronic filing system (EFS).

Once the EFS was in place, the Commission restructured duties, and the information technology department director position was eliminated, as the majority of job duties were related to the eliminated electronic document system. Remaining duties were transitioned to system support staff. The Commission has maintenance support for the EFS through an ongoing vendor relationship, and the system support staff is trained in troubleshooting the system. Eliminating the director position saves the Commission $107.068 annually in salary plus benefits.

The document center administrator transitioned to a system support specialist because the previous job duties mostly consisted of scanning and uploading hard copies and of record retention processes. In the EFS, there is little need for scanning and uploading, and there is sufficient existing administrative support for this work.

The Commission follows the records retention process for formal cases by providing records to the IARA. The IARA returns the hard copies to the Commission along with a microfiche. Commission staff must compare the hard copies to the microfiche to ensure the records match before destroying the hard copy records. The review takes a long time and requires physical storage space, in addition to the lost time and mileage costs of delivering the hard copy records to IARA and the cost to return the documents to the Commission. Also, prior to sending the documents to the IARA, Commission staff removes all bindings (paperclips, staples, etc.) and removes all duplicates. Finally, there is the cost to the IARA staff of scanning the hard copies to microfiche. The current process is used because under the prior electronic document system, only PDF documents could be filed and exhibits were not filed. In the EFS, most types of documents can be filed and there is a process for filing exhibits. In addition, the rule will now require using the EFS; there was no requirement in the old rule. The entire formal case will be in the EFS, so Commission staff can send records to the IARA as PDFs rather than hard copies. This eliminates the personnel costs to prepare, scan, and review the documents, and eliminates the delivery and storage costs for the hard copies.

The costs above include the costs necessary to enforce the rule, specifically the following:

No cost to state or local government to enforce the rule. IURC staff already required parties to follow filing and procedure rules. While the content of some rules changed, enforcement duties are not anticipated to increase.

### Related citations.

The costs or revenues above are related to the following provisions of the rule:

170 IAC 1-1.1-3(a) that requires parties to file through the EFS.

## Appropriations, Distributions, or Other Expenditures of Revenue Affected by the Rule.

### Appropriations.

The following appropriations are potentially affected by this rule:

None.

### Distributions.

The following distributions are potentially affected by this rule:

None.

### Expenditures or revenue.

The following expenditures or revenue are potentially affected by this rule:

As discussed in detail in section III(A)(2), above, the State of Indiana will save at least $107,068 annually as a result of implementation of this rule.

### Related citations.

The costs or revenues above are related to the following provisions of the rule:

The saved revenues are mostly related to the implementation of 170 IAC 1-1.1-3, which requires electronic filing unless technical problems prevent it.

## Administrative Impact to State and Local Governments.

The administrative impact to the State of Indiana is explained in detail in section III(A)(2), above.

### Related citations.

The costs or revenues above are related to the following provisions of the rule:

The saved revenues are mostly related to the implementation of 170 IAC 1-1.1-3, which requires electronic filing unless technical problems prevent it.

## Unfunded Mandate.

The Commission determined that the proposed rule does not create an unfunded mandate on a state agency or political subdivision. Parties, including state agencies, are already voluntarily using the EFS rather than filing hard copies. The Office of Utility Consumer Counselor (OUCC) provided financial impact comments stating:

The OUCC has used electronic service of documents extensively for many years, so there weren’t significant new savings from reduced expenses for copying, mailing, or courier services. The OUCC is based in a different tower of the same office building in which the IURC is located, so it does not take significant personnel hours to hand-deliver documents for filing with the IURC. However, the OUCC administrative staff has certainly benefitted from added convenience, reduced stress, and some timing savings from the IURC’s launching of its electronic filing system.