

TITLE 170 INDIANA UTILITY REGULATORY COMMISSION

ECONOMIC IMPACT STATEMENT

LSA Document #24-382

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

I. Estimate of Number of Small Businesses That Will Be Subject to this Rule

The estimate of the number of small businesses that will be subject to the proposed rule is fifty-one (51) small businesses.

II. Justification Statement

As required by IC 4-22-2.1-5(4)(a), the following statement justifies any requirement or cost that is imposed on small businesses by the rule and not expressly required by the statute authorizing the agency to adopt the rule or any other state or federal law:

The proposed rule revisions update the current rule to incorporate federal minimum safety standards, as required by IC 8-1-22.5-4(2) and necessary to maintain federal funding. The Pipeline Safety Division (PSD) of the Indiana Utility Regulatory Commission (“Commission” or “IURC”) is funded through a federal grant, in accordance with 49 C.F.R. 198, *et seq.* To be eligible for the grant, the IURC must adopt federal regulations regarding pipeline safety at least every two years. The regulated entities would be bound by the federal standards if the Pipeline Safety Division lost its certification, and the federal government enforced the federal standards against Indiana regulated pipeline operators.

This rule also does not change any penalties that may be imposed on those regulated utilities; it merely embeds the factors for setting the penalty penalties into a rule to comply with IC 4-22-2-19.6.

III. Regulatory Flexibility Analysis

As required by IC 4-22-2.1-5 and IC 4-22-2-28, this regulatory flexibility analysis considers whether there are alternative methods of achieving the purpose of the rule that are less costly or intrusive or would otherwise minimize the economic impact of the rule on small businesses. The analysis under this subdivision considers the following methods of minimizing the economic impact of the proposed rule on small businesses.

(A) The establishment of less stringent compliance or reporting requirements for small businesses.

(B) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.

(C) The consolidation or simplification of compliance or reporting requirements for small businesses.

(D) The establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.

(E) The exemption of small businesses from part or all of the requirements or costs imposed by the rule.

There are no additional costs attributable to this rule as small businesses would already be subject to federal regulations if the Pipeline Safety Division was not able to continue its certification agreement and this rule does not change the penalties currently in place. It merely includes in a rulemaking the factors to be considered in assessing the already existing penalties to comply with IC § 4-22-2-19.6. Therefore, it is not feasible or advisable to modify the proposed regulations for small businesses or exempt them from the rule.