

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 4901:1-10-08

Rule Type: No Change

Rule Title/Tagline: Electric utility emergency plans and coordination for restoration of electric service.

Agency Name: Public Utilities Commission of Ohio

Division: Utilities

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I. Rule Summary

1. **Is this a five year rule review?** Yes
 - A. **What is the rule's five year review date?** 9/30/2021 and 09/30/2026
2. **Is this rule the result of recent legislation?** No
3. **What statute is this rule being promulgated under?** 111.15
4. **What statute(s) grant rule writing authority?** R.C. 4928.112, 4905.22, 4905.04, 4928.06, 4928.11
5. **What statute(s) does the rule implement or amplify?** R.C. 4905.06, 4905.22, 4905.28, 4928.11
6. **What are the reasons for proposing the rule?**

This rule is not a new proposal.
7. **Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

Ohio Adm.Code 4901:1-10-08 requires companies to provide and maintain emergency plans, to conduct comprehensive emergency exercise to test the plan, and to

coordinate implementation of the plan with specific authorities and entities. No changes were made to this rule.

- 8. Does the rule incorporate material by reference? Yes**
- 9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

A portion of the rule incorporates material from the Ohio Administrative Code, which is exempted pursuant to R.C. 121.75(A)(1)(d). It also references North American electrical reliability standard, which are exempted under R.C. 121.75(B)(6).

- 10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

Not Applicable

II. Fiscal Analysis

- 11. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will increase expenditures.

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This rule results in an increase in expenditures at the Commission. The regulated entities must provide to the Commission emergency plans. The Commission will allocate resources to review these plans as well and updates to the plan that are required as part of the rule. A dollar estimate is not applicable due to the difficulty in allocating a specific dollar amount to review of these plans.

- 12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

Costs of compliance include compiling emergency plans that comply with all of the requirements within the rule, providing such plans to the Commission and updating the plans when necessary, conducting a comprehensive emergency test every three years, developing procedures related to implementing portions of the emergency plans, and coordinating restoration efforts with local authorities and entities.

- 13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). Yes**

14. **Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**
15. **If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.**

Not applicable.

III. Common Sense Initiative (CSI) Questions

16. **Was this rule filed with the Common Sense Initiative Office? Yes**
17. **Does this rule have an adverse impact on business? Yes**
 - A. **Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? Yes**

This rule assumes that the entity qualifies as an investor-owned electric utility or transmission owner. To operate within this field, there are several regulatory hurdles to clear to do so.

- B. **Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? Yes**

Yes. This rule requires companies to provide and maintain emergency plans, to conduct comprehensive emergency exercise to test the plan, and to coordinate implementation of the plan with specific authorities and entities. Therefore, if an entity fails to follow these requirements then the entity would potentially be subject to a proceeding initiated by the Commission to address the issue.

- C. **Does this rule require specific expenditures or the report of information as a condition of compliance? Yes**

Yes. Specific expenditures include compiling emergency plans that comply with all of the requirements within the rule, providing such plans to the Commission and updating the plans when necessary, conducting a comprehensive emergency test every three years, developing procedures related to implementing portions of the emergency plans, and coordinating restoration efforts with local authorities and entities.

Yes, the regulated entities must provide emergency plans to the Commission, along with updates to that plan.

- D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? Yes**

Yes. See the above three answers, which outline what direct increase in expenses this rule will cause for regulated entities.

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Part B - Local Governments Questions

1. Does the rule increase costs for:

A. Public School Districts	No
B. County Government	Yes
C. Township Government	Yes
D. City and Village Governments	Yes

2. Please estimate the total cost, in dollars, of compliance with the rule for the affected local government(s). If you cannot give a dollar cost, explain how the local government is financially impacted.

It is difficult to provide a total cost in dollars due to the generalized nature of these emergency plan requirements. However, the rule requires regulated entities to coordinate implementation of its emergency plan with local emergency management organizations. Furthermore, mayors or other elected officials, county/regional emergency management directors, and fire and police departments, have the option to participate in the comprehensive emergency exercise test to evaluate the major components of the plan, if they so choose. To the extent local authorities and officials participate in the above exercise, this will involve allocation of local resources. Further, coordinating the emergency plan will also involve allocation of local resources.

3. Is this rule the result of a federal government requirement? No

A. If yes, does this rule do more than the federal government requires? *Not Applicable*

B. If yes, what are the costs, in dollars, to the local government for the regulation that exceeds the federal government requirement?

Not Applicable

4. Please provide an estimated cost of compliance for the proposed rule if it has an impact on the following:

A. Personnel Costs

No foreseen impact.

B. New Equipment or Other Capital Costs

No foreseen impact.

C. Operating Costs

The increase in cost will most likely affect operating costs in terms of allocating resources to ensure the emergency plan can be effective in the area.

D. Any Indirect Central Service Costs

No foreseen impact.

E. Other Costs

No foreseen impact.

5. Please explain how the local government(s) will be able to pay for the increased costs associated with the rule.

Possibly by using the local authority's general revenue fund; however, this rule has been existence for well over 20 years, so it most likely is already built into local budgets (to the extent it is needed).

6. What will be the impact on economic development, if any, as the result of this rule?

No foreseen impact.