

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Proposed Rulemaking to Amend)
the Reporting Requirements for Electric Utilities) **File No. EX-2010-0122**
and Rural Electric Cooperatives)

STAFF FISCAL NOTE REVIEW MEMORANDUM

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through the undersigned counsel of the Staff Counsel Office, and states:

1. In the Memorandum attached as Appendix A, the Staff advises the Commission that the Staff conducted a review of the fiscal estimate due to the rule amended in this rulemaking case, and has determined that no fiscal estimate change need be filed with the Secretary of State.

2. The rule amended in this case prescribes requirements and procedures for the reporting by electric utilities to the Commission of certain operating information that may have an effect on future electric rate proceedings and accidents and events to inform the Commission of developments that may affect the rendering of safe and adequate service and to enable the Commission to investigate accidents and events. The rule also includes electrical facilities accident and event reporting requirements for rural electric cooperatives. The amendment was to allow the Commission to be better informed as to certain electrical accidents and events. The Commission’s Order of Rulemaking appeared in the July 1, 2010 *Missouri Register*, Volume 35, Number 13, pages 989-91, amends rule 4 CSR 240-3.190, effective on August 30, 2010.

3. Section 536.200.2 RSMo. 2000 requires agencies to make a filing with the Secretary of State if, after the first full year after implementation, the cost of the rule exceeds the agency estimate. The first full fiscal year after the rule became effective was the fiscal year

beginning July 1, 2011 and ending June 30, 2012. The fiscal note for the proposed amendment to 4 CSR 240-3.190 appeared in the February 1, 2010 *Missouri Register*, Volume 35, Number 3, pages 207-09.

WHEREFORE, the Staff files the attached Memorandum wherein the Staff states its conclusion that no fiscal estimate change needs to be filed with the Secretary of State for the amendment of Rule 4 CSR 240-3.190.

Respectfully submitted,

/s/ Steven Dottheim

Steven Dottheim
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CERTIFICATE OF SERVICE

I hereby certify that the foregoing filing of Staff Fiscal Note Review Memorandum was served via e-mail on this 30th day of July, 2012 on counsel for all entities that submitted comments in this docket.

/s/ Steven Dottheim

MEMORANDUM

TO: Case File for Case No. EX-2010-0122

FROM: Lena Mantle, on Behalf of the Commission Staff

SUBJECT: Rule 4 CSR 240-3.190, Accuracy of Cost Estimates for Rule Implementation – Compliance with the Requirements of GP-1 of the Commission's General Procedures

DATE: July 30, 2012

The Commission Staff has investigated the cost of implementing the rule adopted by the Commission through this case, and reports that it has not discovered any information that would show that the cost estimate published in the *Missouri Register* was inaccurate in connection with the implementation of the changes to the Reporting Requirements for Electric Utilities and Rural Electric Cooperatives Rule 4 CSR 240-3.190, in Case No. EX-2010-0122.

Additionally, the Staff reports that it has not received any information from any party potentially or actually affected by the implementation of the subject rule that would show that the cost estimate published in the *Missouri Register* was inaccurate.

The Commission's General Procedure GP-1 (GP-1) requires, among other things, that within 30 days before the end of the first full fiscal year after the implementation of a rule, amendment or rescission, that the Staff is to investigate whether the cost to all affected entities, including the Commission, has exceeded by ten percent or more the estimated cost in the fiscal note, or, where appropriate, has exceeded five hundred dollars.

GP-1 also requires the Staff to prepare a memorandum showing the results of its investigation within thirty (30) days after the end of the first full fiscal year of the implementation of the subject rule, amendment or rescission. If the Staff investigation shows that the costs have not exceeded ten percent for all entities or, where appropriate, the estimated five hundred dollars, Staff's Memorandum shall be entered into EFIS under the rulemaking's docket number.

The Staff's response regarding the accuracy of the published cost estimates is within the time frame specified by Section 536.200.2, RSMo 2000. This statute requires publication in the *Missouri Register* of a report of any excess cost over estimated cost, or cost over five hundred dollars, where appropriate, within 90 days after the close of the "first full fiscal year" after the implementation of the subject rule, amendment or rescission. The change in the rule that was the subject of this case was effective on August 30, 2010. The first full fiscal year after implementation of the rules thus ended on June 30, 2012. Accordingly, September 28, 2012 would represent the 90-day expiration period for the publication of a report regarding excess cost information in the *Missouri Register*. Since the Staff's investigation indicates that the published cost estimates related to the changes in the rule have not been exceeded, no *Missouri Register* publication is required under Section 536.200.2, RSMo 2000.

In the Matter of a Proposed Rulemaking to)
Amend the Reporting Requirements for) Case No. EX-2010-0122
Electric Utilities and Rural Electric Cooperatives)

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

Lena Mantle
LENA MANTLE

Subscribed and affirmed before me this 30th day of July, 2012

