



## Fiscal Estimate Narratives

PSC 3/2/2017

LRB Number	17-1934/2	Introduction Number	SB-048	Estimate Type	Original
<b>Description</b> lead service line replacements					

### Assumptions Used in Arriving at Fiscal Estimate

SB 48 provides that it is not unjust, unreasonable, insufficient, unfairly discriminatory, or preferential or otherwise unreasonable or unlawful for a water public utility to provide financial assistance to a customer for private infrastructure improvements with the purpose of replacing service lines containing lead. To do so, the city, town or village in which the water public utility operates would enact an ordinance allowing the financial assistance to be provided, and the Public Service Commission (Commission) would include in water rates the cost of providing the financial assistance.

SB 48 would likely result in an increase in the number and complexity of rate increase applications submitted to the Commission to recover costs associated with providing financial assistance. This bill would likely also result in additional Commission staff resources required to update utility tariffs to allow financial assistance to be provided for private infrastructure improvements, as well as increase the number of utility and customer inquiries and complaints submitted to the Commission about lead service line replacements and rate impacts. SB 48 may also increase construction applications to the Commission if the financial assistance consists of water public utilities directly constructing infrastructure.

This bill will increase costs to the Commission by an estimated \$88,500 of salary, fringe and supplies related to expenditures associated with 1 FTE.

The fiscal impact of SB 48 at the local level is indeterminate, as expenditures on lead service line replacement will be optional and determined at the local government level.

### Long-Range Fiscal Implications

indeterminate