

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis

Original Updated Corrected

2. Administrative Rule Chapter, Title and Number

Chapter SPS 316, Electrical

3. Subject

Electrical Construction

4. Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

5. Chapter 20, Stats. Appropriations Affected

20.165(2)(j)

6. Fiscal Effect of Implementing the Rule

No Fiscal Effect Increase Existing Revenues Increase Costs
 Indeterminate Decrease Existing Revenues Could Absorb Within Agency's Budget
 Decrease Cost

7. The Rule Will Impact the Following (Check All That Apply)

State's Economy Specific Businesses/Sectors
 Local Government Units Public Utility Rate Payers
 Small Businesses (if checked, complete Attachment A)

8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes No

9. Policy Problem Addressed by the Rule

The Department is responsible for establishing standards for electrical wiring. Under s. 101.82 (1), Stats., the rules are to reflect nationally recognized standards. The electrical wiring rules of chapter SPS 316 adopt and reference the 2008 edition of the *National Electrical Code*[®], (*NEC*[®]). The current edition of the *NEC*[®] is 2011. The rules propose to update and use the 2011 edition of the *NEC*[®] as the basic electrical wiring standards under chapter SPS 316.

10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

The rules will affect any building, structure or premises where the installation of electrical wiring will be undertaken, other than those buildings, structures or premises regulated by the Public Service Commission. The rules will also affect any designer, installer or inspector of electrical wiring along with owners and frequenters of buildings, structures or premises where electrical wiring is installed. Any entity involved with the electrical industry will be affected.

11. Identify the local governmental units that participated in the development of this EIA.

The Department did not receive any comments or information specifically from any local governmental units during the solicitation period. Two inspector associations, Southeastern Wisconsin and East Central Wisconsin, indicate that they believed that there was no significant negative impact.

12. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

The proposed rules referencing and adopting the 2011 edition of the *National Electrical Code*[®], (*NEC*[®]), do not impose any new or additional submission or reporting obligations.

The rules were developed with input from an advisory council that includes representatives of electricians, contractors, inspectors and state agencies. Drafts of the rules were also share with advisory councils for the commercial building code and the uniform dwelling code. A notice soliciting comments for the EIA was posted on the Department's web site and the Wisconsin Administrative Rule web site.

13. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The proposed rules referencing and adopting the 2011 edition of the *National Electrical Code*[®], (*NEC*[®]), would provide a degree of protection for the safety of the public equivalent to that established by a national consensus model (code).

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

The latest *NEC*[®] is also used by manufacturers to design and construct electrical components, devices and equipment. Leaving the code to reference an out-of-date edition would potentially increase the risk to public safety by setting lower design, operational and maintenance thresholds in comparison to published engineering practices.

14. Long Range Implications of Implementing the Rule

No long range implications of implementing the rule are anticipated.

15. Compare With Approaches Being Used by Federal Government

There are several existing federal regulations that relate to the installation of electrical wiring and equipment. Some of these regulations require compliance with various editions of the *NEC*[®]. An internet-based search of the *Code of Federal Regulations* (CFR) found the following existing federal regulations relating to the activities to be regulated by this rule:

- Title 29 CFR, Part 1910 – Occupational Safety and Health Standards. Subpart S of this regulation in the Department of Labor contains design safety standards for electrical systems, safety-related work practices and maintenance requirements and safety requirements for special electrical equipment to safeguard employees in their workplaces. Subpart R contains industrial lighting requirements and safe practices relating to lockouts and emergency lighting requirements for the safety of employees working in special industries.
- Title 29 CFR, Part 1926 – Safety and Health Regulations for Construction. Subpart K of this regulation in the Department of Labor contains installation safety requirements, safety-related practices, safety-related maintenance and environmental considerations and safety requirements for special equipment necessary to safeguard employees involved in construction work.
- Title 30 CFR, Part 75 – Mandatory Safety Standards–Underground Coal Mines. Subpart F of this regulation in the Department of Labor contains electrical safety requirements for the protection of employees working in underground coal mines.
- Title 30 CFR, Part 57 – Safety and Health Standards–Underground Metal and Nonmetal Mines. Subpart K of this regulation in the Department of Labor contains specific electrical safety requirements for the protection of employees working in underground metal and nonmetal mines.
- Title 24 CFR, Part 3280—Manufactured Home Construction and Safety Standards. Subpart I of this regulation in the Department of Housing and Urban Development covers electrical systems in manufactured homes, and requires compliance with the 2005 *NEC*[®].
- Title 7 CFR, Part 1755 – Telecommunications Standards and Specifications for Materials, Equipment and Construction. This regulation in the Department of Agriculture applies to telecommunications wiring and equipment, and requires compliance with the *NEC*[®].

The Occupational Safety and Health Administration (OSHA) revised the general industry electrical installation standard found in Subpart S of Title 29 CFR, Part 1910, effective on August 13, 2007. The Agency determined that electrical hazards in the workplace pose a significant risk of injury or death to employees, and that the requirements in the revised standard, which draw heavily from the National Fire Protection Association's (NFPA) Electrical Safety Requirements for Employee Workplaces (NFPA 70E), and the *NEC*[®], are reasonably necessary to provide protection from these hazards. This revised standard focuses on safety in the design and installation of electric equipment in the workplace. In the October 29, 2008, *Federal Register*, the Agency revised the regulatory text to clarify OSHA's scope and corrected some typographical errors.

ADMINISTRATIVE RULES

Fiscal Estimate & Economic Impact Analysis

16. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

An Internet-based search found that all adjacent states except Illinois adopt by reference various editions of the *NEC*[®].

- **Illinois** does not administer a state electrical code.
- The **Iowa** Department of Public Safety administers the Iowa Building Code that adopts the 2011 edition of the *NEC*[®] with modifications.
- The **Michigan** Department of Labor and Economic Growth administers the Michigan Construction Code that adopts by reference the 2008 edition of the *NEC*[®] with modifications.
- The **Minnesota** Department of Labor and Industry, Building Codes and Standards Division, administers the Minnesota State Building Code that incorporates by reference the 2011 edition of the *NEC*[®].

17. Contact Name

James Quast

18. Contact Phone Number

(608) 266-9292

This document can be made available in alternate formats to individuals with disabilities upon request.

ADMINISTRATIVE RULES
Fiscal Estimate & Economic Impact Analysis

ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

5. Describe the Rule's Enforcement Provisions

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes No
-