



Making the Most of Michigan's Energy Future

**Grid Security and Reliability
Standards Workgroup
Staff Initial Report: Service Quality
and Reliability for Electric Service
U-20629**

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MPSC

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Statewide Energy Assessment, MI Power Grid, and Workgroup Formation

Following a series of energy events that occurred on January 29 through February 1, 2019, Governor Gretchen Whitmer requested the Michigan Public Service Commission (MPSC or Commission) review the state's energy supply and preparedness for emergency situations.¹ The review was subsequently ordered by the Commission on February 7, 2019, in Docket U-20464,² which, after an initial draft and a public comment period, resulted in the final Statewide Energy Assessment (SEA) issued September 11, 2019.³ The final assessment provided 37 MPSC jurisdictional and 15 non-MPSC jurisdictional recommendations for improving the safety and reliability of Michigan's energy infrastructure. In recognition of some key recommendations with potential for the most immediate and impactful improvements, the Commission provided direction for additional work, including the opening of dockets to establish workgroups charged with reviewing two existing rulesets: Service Quality and Reliability Standards for Electric Distribution Systems⁴ ("Service Quality," Docket U-20629); and Technical Standards for Electric Service⁵ ("Technical Standards," Docket U-20630).

Specifically, the Commission provided the following charge:

These workgroups will look to other states for best practices and optimal standards regarding the rule sets. In particular, the workgroups will consider current and probable future technological advances in electric distribution systems and electric service, and will recommend changes to the standards in keeping with those advances. While the workgroups will not engage in official rule-making activities, the Commission's goal is that input from the workgroups will provide a foundation for potential future rule changes that are flexible and responsive to changing technology and that ensure safe, reliable electric service.⁶

On October 17, 2019, approximately one month after the Commission created the Service Quality and Technical Standards workgroups, the Commission launched MI Power Grid in collaboration with Governor Whitmer.⁷ MI Power Grid is a focused, multi-year stakeholder initiative intended to ensure safe, reliable, affordable, and accessible energy resources for the state's clean energy

¹https://www.michigan.gov/documents/whitmer/Letter_to_the_Michigan_Public_Service_Commission_645317_7.pdf

² <https://mi-psc.force.com/sfc/servlet.shepherd/version/download/068t0000003iBJFAA2>

³ <https://mi-psc.force.com/sfc/servlet.shepherd/version/download/068t0000005XrEbAAK>

⁴ https://www.michigan.gov/documents/mpsc/Service_Quality_Standards_672262_7.pdf

⁵ https://www.michigan.gov/documents/mpsc/Technical_Standards_672264_7.pdf

⁶ <https://mi-psc.force.com/sfc/servlet.shepherd/version/download/068t0000005XvTUA00>

⁷ <https://mi-psc.force.com/sfc/servlet.shepherd/version/download/068t00000077Gq4AAE>

future. The initiative is designed to maximize the benefits of the transition to clean, distributed energy resources for Michigan residents and businesses. MI Power Grid encompasses outreach, education, and changes to utility regulation by focusing on three core areas: customer engagement; integrating emerging technologies; and optimizing grid investments and performance.⁸

Upon the creation of MI Power Grid, the nascent Service Quality and Technical Standards workgroups were combined and rebranded as the Grid Security and Reliability Standards Workgroup (Workgroup)⁹ and incorporated into MI Power Grid under the initiative's Optimizing Grid Investments and Performance core area. MI Power Grid workgroups, such as the Grid Security and Reliability Standards Workgroup, are formed and led by MPSC Staff (Staff), and they seek to engage a variety of stakeholders, including utilities, energy technology companies, customers, consumer advocates, state agencies, and others, in discussions about how Michigan should best adapt to the changing energy industry. This report highlights the Grid Security and Reliability Standards Workgroup's activities and initial findings pertaining to the Technical Standards ruleset.¹⁰

Stakeholder Process

Staff launched a stakeholder process to leverage industry and other stakeholder expertise as the MPSC revises the Service Quality standards. Staff's initial focus was to encourage participation in the Grid Security and Reliability Standards Workgroup and encourage interested parties to sign up for the listserv. The listserv was used to keep interested parties informed of upcoming meetings, Workgroup-related decisions, and how to participate in future Workgroup activities. After a period of dedicated outreach to garner interest, stakeholder meetings were held each month from December 2019 to March 2020 to identify issues with the current rules and discuss proposals to resolve them in a transparent manner. Most Workgroup materials, including agendas, presentations, and recordings, are available on the Grid Security and Reliability Standards webpage.¹¹ After each of the meetings, stakeholders were asked to submit comments to the docket about any changes they would like to see made to the Service Quality standards or to respond to others' proposals, including those made by Staff. Stakeholders providing comments included DTE Electric (DTE); Consumers Energy (Consumers); Michigan Electric Cooperative Association (MECA); Michigan Electric and Gas Association (MEGA); State Representative Jeff

⁸ The MPSC maintains a dedicated website for the initiative at www.michigan.gov/mipowergrid

⁹ In this report, "Workgroup" refers specifically to the Grid Security and Reliability Standards Workgroup, while "workgroup" refers to any predecessor or affiliated workgroup.

¹⁰ A separate report detailing the Workgroup's efforts and findings pertaining to the Technical Standards ruleset is provided contemporaneously in Docket U-20630.

¹¹https://www.michigan.gov/mpsc/0,9535,7-395-93307_93312_93593_95590_95596_95597-508672--_00.html

Yaroch; New Energy Advisors; the Citizens Utility Board of Michigan (CUB); Fire Department representatives from Muskegon, Brandon, Tawas, Casnovia, White Lake, Orion, Texas (Kalamazoo), Franklin-Bingham, Hart, Iosco County, Saugatuck, Allegan, and Clyde. In addition, Staff was fortunate to receive assistance from technical experts at Lawrence Berkley National Labs (LBNL), which was funded by a state grant administered through U.S. Department of Energy (DOE).

Stakeholder Meeting #1 - December 3, 2019: At the first stakeholder meeting, Staff presented an overview of the orders presented in MPSC Docket Nos. U-20464 and U-20629, the Service Quality standards, the Workgroup webpage and listserv, and Staff's initial proposal for areas of concentration within the rules. The meeting concluded with Staff asking stakeholders to provide feedback on Staff's initial proposals.

Stakeholder Meeting #2 - January 8, 2020: At the second stakeholder meeting, Staff summarized feedback from the first meeting and the findings of Staff's multi-state review. The meeting also featured a presentation from Public Sector Consultants outlining the findings of their multi-state research. (Further discussion on Staff and Public Sector Consultants' multi-state reviews is included below.) Staff concluded the meeting with a summary of Workgroup focus areas to help guide the Workgroup moving forward. At the close of the meeting, Staff requested stakeholder feedback regarding the inclusion of momentary outage reporting, the implementation of customer portals, and the feasibility of issuing outage credits automatically. Feedback on current utility practices regarding wire down response, emergency response and call answer time reporting was also requested.

Stakeholder Meeting #3 - February 12, 2020: MPSC Staff at the February meeting summarized stakeholder feedback from the second meeting, provided a brief update on Staff's proposed focus areas and reviewed the topics of discussion from the February 5, 2020 meetings of the Definitions and Standards as well as the Wire Down subgroups. Eric Pardini of Public Sector Consultants presented the findings of their multi-state review in comparison to Staff's multi-state review. At Staff's request, Joseph Eto from Lawrence Berkeley National Laboratory¹² provided a technical presentation on momentary outages as well as Reliability Definitions and Metrics considerations for the Service Quality and Reliability rule set. The meeting concluded with Staff asking utility stakeholders to provide information on their outage restoration processes and asking all stakeholders to provide feedback on the Joseph Eto and Eric Pardini presentations.

Stakeholder Meeting #4 - March 12, 2020: Prior to the fourth stakeholder meeting, and based on Staff and stakeholder feedback, the list of focus areas was pared down to eight distinct issues the Workgroup sought to address in its recommended revisions to the Service Quality and Reliability Standards. Staff discussed proposals related to three of these issues – Definitions,

¹² Lawrence Berkeley National Laboratory is a multi-program science lab supported by the U.S. Department of Energy and managed by the University of California.

Outage Credits and Outage Reporting – at the March Stakeholder meeting. The meeting concluded with Staff asking for feedback on the identified issues and proposals to address them.

Multi-State Reviews

The Commission order in U-20629 directed the Service Quality workgroup “to look to other states for best practices and optimal standards” to improve the Service Quality rules. In response, two such reviews were conducted; one by Staff and another by Public Sector Consultants on behalf of a group of Michigan utilities. What follows is a synopsis of those two efforts.

Staff Review

Staff performed benchmarking research on the 10 states shown in Table 1 below, and provided observations to help guide the Workgroup efforts and provide benchmarking to show how Michigan requirements compare to other states. With an abundance of information available in each of the states, Staff decided to limit the information gathered to the Staff areas of interest at the time – which consisted of exploring the main elements of “Service Quality”, the existence of similar customer outage credits imposed for poor utility restoration performance, annual reporting requirements, how technological advancements are being incorporated into standards and recent changes to the reliability metrics reported.

Table 1: Staff Benchmarking States – Service Quality

California	New Jersey
Illinois	New York
Indiana	Ohio
Massachusetts	Washington
Minnesota	Wisconsin

The state selection methodology considered those states that are either precedent setting, located in the Midwest, or experience extreme weather events. States experiencing extreme weather events - although such events may not be similar to what Michigan experiences - serve to inform the Workgroup of how states implement reliability and resiliency requirements given extreme weather events. The findings were shared in Staff’s presentation to the Workgroup during the January 8, 2020 meeting and highlighted various conclusions, including:

- Overall, Michigan’s Service Quality and Reliability ruleset is more detailed than other states
- Michigan has specific metrics for what constitutes “normal” and “catastrophic” conditions whereas other states do not
- Michigan’s wire down response performance standard is unique to Michigan

- Other states use IEEE¹³ metrics for establishing reliability performance guidelines

Public Sector Consultants Review

Public Sector Consultants was hired by DTE Electric, Consumers Energy, and MEGA to perform an extensive benchmarking research project to review service quality, reliability, and Technical Standards for 25 states in the country, including each of the 10 states included in Staff's research. The study was performed to help guide the MPSC's efforts in updating the Service Quality Standards. The full report and its key findings can be found on the Grid Security and Reliability Standards webpage under "Related Topics". Some of the key findings of the report¹⁴ include, but are not limited to:

- Michigan's approach to performance standards is unique from other benchmarked states
- Michigan's standard sets a prescriptive approach to wire down response and maintains different response requirements depending on location.
- Michigan was one of only five states with a standard for average customer call answer time and one of three states with a call blockage standard
- Michigan's service quality and reliability standards do not prioritize emergency response planning and preparation to the extent found in most benchmarked states.

Identified Issues

Staff used the Workgroup meetings, its own benchmarking, and the Public Sector Consultants benchmarking efforts to identify issues that would help organize and guide the Workgroup and subgroup efforts in updating the Service Quality rules. Staff's Initial Recommendations as presented in the December 3, 2019 stakeholder meeting were to strengthen our Service Quality and Reliability rules by:

1. Expanding the annual reliability report to include all utilities, not just Consumers Energy and DTE Electric (currently, Docket Nos. U-16065 and U-16066, respectively).
2. Reduce the length of time for acceptable customer call answer time from 90 seconds to 45 or 30 seconds.
3. Require annual reporting of reliability metrics SAIFI, SAIDI, CAIDI and CEMI for all utilities.
4. Reduce annual same circuit repetitive interruption factor from 5 outages to 4 outages and require utilities to pay the service credit if a customer experiences more than 5 outages instead of 7 outages.

¹³ Institute of Electrical and Electronics Engineers

¹⁴https://www.michigan.gov/documents/mpsc/PSC_Standards_Benchmarking_Report_02142020_681539_7.pdf

5. Require customers to receive automatic service credits if they qualify and eliminating the requirement for customers to apply for the credit.
6. Increase service credits to \$50.00 from \$25.00.
7. Consider mandating that fines go directly to customers instead of to the State.
8. Consider mandating that utilities submit Annual Safety reports of OSHA incidents, and injuries requiring medical attention or involving property damage
9. Consider requiring the utilities to file their Emergency response plan every 5 years.
10. Consider requiring a report from each utility after each major service interruption.
11. Require that utilities send customer credit approval/denial to letters customers within 30 days of application.

In the Stakeholder process some of Staff's initial recommendations were identified as out of scope for the Service Quality ruleset (e.g. Recommendation 9 and 10 were moved to the Technical Standards domain since the actual reporting mandate for reporting major service interruptions originate there and utility emergency response plans were already under review; Recommendation #7 was eliminated for further consideration because it is a state mandate that fines go to the State, therefore it is not within in the legislative purview of the Commission's power to change). From this, the resulting preliminary list of eight issues were identified¹⁵ and presented in the March 12, 2020 Workgroup meeting. Below is an outline of each issue, an initial staff proposal and the issue's status. These can be reviewed on the Grid Security and Reliability Standards webpage under "Related Documents".

1. Wire Down Response

Wire down relief times for first responders are too long. This creates unnecessary risk to health and human safety and shifts staffing expense from utility to the local municipality.

Staff Proposal

Reduce acceptable response time to 2 hours in metropolitan areas and 3 hours in rural areas. In order to facilitate statewide uniform guidelines for first responders, Staff recommends that Michigan's utilities work with their local first responders to develop a similar "Train the Trainer" training module, which was demonstrated in the wire down subgroup, for their service territory. Incorporate due diligence language to ensure performance expectations are clarified.

Principal points of disagreement

None

Status

¹⁵ The preliminary list included expanding reporting, improving customer experience metrics, revise design of service credits, etc.

Included in redline version of rules in Appendix A

2. Definitions

Definitions are needed to provide consistency between all utilities to describe the new term “gray sky day” and “normal conditions”.

Staff Proposal

The Definitions subgroup explored the implementation of capturing information regarding “gray sky” outages that are not considered catastrophic, but are not considered normal operations either. The thresholds within each utility regarding when they consider themselves in “storm mode” or “restoration mode” varied, but ranged between when 1% and 3% of their customers were out of power. In light of this, Staff created a spreadsheet based off of the customer data information contained in the SEA Report. This information was compared to storm restoration notifications Staff had received from all Michigan utilities in the past two years.

Staff ultimately recommended to classify “gray sky” conditions as 2.5% to 10% of customers out of power and “normal” conditions as less than 2.5% of customers out of power. By requesting notification for greater than 2.5% of customers out, Staff is able to track trends and identify issues that may not be captured in annual reporting.

Staff recommends defining “normal conditions” as less than 2.5% customer outages, “gray sky day” as between 2.5% and 10% customer outages, and “catastrophic conditions” as 10% or more customer outages for all utilities.

There were additional definitions reviewed and revised which are discussed later in the report under “Definitions and Reporting Subgroup”

Principal points of disagreement

None

Status

Included in redline version of rules in Appendix A

3. Service Performance

Performance metrics related to call response times, call blockage factors, and complaint response factors should be moved to Consumer Billing Rules.

Staff Proposal

Lowering the acceptable call answer response time was explored due to technology advances that have improved the capacity and responsiveness of utility phone systems. It was discussed in conjunction with other communication options such as mobile apps and interactive webpages

that are available to customers to report outages, downed wires, or other customer concerns. Staff believed it was reasonable to lower the call answer time because other states had more stringent standards and this ruleset had not been modified in almost 20 years.

Call Answer reporting was reviewed since stakeholders reported discrepancies in how this metric is tracked and reported. Some utilities classified "answer" as when a customer is connected to the automated Interactive Voice Response system and some classified "answer" as when the customer is connected with a customer service agent. Staff wanted to review this discrepancy to ensure that the data received was accurate.

Within the subgroup it was shown that most utilities do not have an issue meeting this standard. The costs and benefits of lowering this standard were explored and it was decided that the customer benefits of lowering this standard would not improve the customer experience enough to offset the cost to implement. Stakeholders reported that many of their customers utilize alternative communication options prior to making an actual phone call so the net benefit was not there to recommend modifying this metric.

Staff recommends that this metric be moved to the Customer Standards and Billing Practices for Electric and Natural Gas Service ruleset (Billing Rules) as Customer Service Division Staff reviews this metric with Michigan's utilities on a quarterly basis. Any formal modifications to these metrics within the ruleset may be explored by the Customer Service Division.

Therefore, Staff recommends opening the Billing Rules and coordinating transfer of rules from Service Quality Standards to Billing Rules.

Principal points of disagreement

None

Status

Currently, reviewing internally about the possibility of opening the Billing Rules for the purpose of transferring rules.

4. Momentary Outages (new)

Momentary outages and power quality issues cause economic hardship to industrial customers. The MPSC does not have data on the breadth or depth of momentary outages.

Staff Proposal

Utilities should track momentary outages and report to MPSC quarterly utilizing the IEEE Standard 1366-2012.

Principal point of disagreement

DTE argues that the IEEE Standard 1366-2012 narrowly defines momentary interruption as brief loss of power delivery caused by the opening and closing operation of an interrupting device. However, from customer perspective, momentary interruptions have the same impacts regardless of the causes. Therefore, DTE recommends the removal of the cause description from the IEEE definition. Nevertheless, Staff opines that the IEEE Standard should not be modified at this time as Staff is interested in receiving information regarding momentary interruptions from interrupting devices as a measure of avoided sustained interruptions.

Status

Included in redline version of rules in Appendix A

5. Outage Credits

Outage credits/refunds are too difficult to obtain and too small. Rules surrounding credit eligibility are confusing and inconsistently applied, and credits are inconsistently delivered.

Staff Proposal

Utilities should implement a system to automatically track and refund outage credits when applicable. The outage credit should be increased from \$25 to \$35 to take into account inflation since the original rule was established.

Principal points of disagreement

Outage credit amount Currently, the outage credit is \$25.00 and Staff's initial recommendation was to raise this amount to \$50.00. Discussion regarding what is the correct amount was heavily debated with many stakeholders of the opinion that \$50.00 is too much and Citizens Utility Board (CUB) advocating for a revamp of the credit entirely.

The CUB submitted a unique calculation of the service quality credit in lieu of advocating for a certain credit amount. Essentially the CUB credit is calculated by taking the duration of the outage in hours and multiplying it by the national SAIDI. The first 8 hours of an outage would be calculated at \$2.00 per hour and outages extending beyond that would be calculated by multiplying \$2.00 by the National SAIDI metric. The idea is that the calculation would establish an hourly cost of an outage for customers and encourage the utility to avoid interruptions or avoid long term outages. Staff finds value in this idea; however, Staff believes that this calculation would be better explored in the Performance Based Ratemaking Workgroup in the MI Power Grid Initiative since it is designed to create an hourly incentive for the utility.

Staff ultimately recommends that the service credit be increased to \$35.00 and adjusted for inflation annually thereafter. This was calculated by simply adding inflation to the current outage credit amount. Staff believes that this is a fair amount as it includes the cost of inflation and it will work in conjunction with the outage credit automation that was agreed upon in the subgroup. Customers will no longer have to track their outages or apply and wait for the utility to inform

them if they qualify. In addition, Staff recommends that the outage credit amount should be adjusted annually for inflation.

Outage Credit Automation. Staff suggested automatic credits in order to remove the requirement for customers to track their outages and apply for the service credit. The creation of a customer portal was suggested as a means for customers to be able to track and see their outage history. The majority of stakeholders supported automation, but the group varied on how best implement it. Stakeholders were unable to give a precise estimate of the research, development and implementation costs within the time constraints of this initiative. However, stakeholders expressed the desire to “right fit” automation within their companies. There was concern about creating customer confusion by automation without customer education since many customers have no knowledge of the credit.

Staff recommends that utilities develop an implementation plan so that automation would be complete prior to the new ruleset being finalized. The rules would go into effect 30 days after being finalized and our expectation is that the utilities will use the lead time it takes to finalize the rules to get their billing systems in order to automate the bill credits. In the meantime, Staff recommends that utilities automatically give the credit to customers that qualify and, for those customers who inquire about their credit eligibility, provide notification within 45 days of their approval or denial of the credit.

Is it an Outage Credit or Outage Penalty? The legal classification of the service quality credit was discussed during the Workgroup process. Staff initially classified the outage credit as a penalty in order to better explain to stakeholders that the outage credit was never intended to act as a reimbursement mechanism or to make any one party financially whole due to an outage. It was intended to act as a small financial accommodation for customers experiencing extended outages.

In the Workgroup process, the outage credit was discussed in conjunction with assisting small businesses, commercial businesses, and industrial customers as a means of recouping financial losses from power interruptions. Staff asked the utilities in the Workgroup to provide the number of AMI meters that they currently had and the number they planned to install in the near future.

Some stakeholders argued that Staff’s recommendation of \$35.00 is too small and fails to address the concerns raised by small business, commercial, and industrial customers. Within the stakeholder process, some utilities confirmed collecting AMI data and some utilities indicated that they did not have any immediate plans to install these meters to capture the momentary outages and power quality data. Moreover, some utilities indicated that they have dedicated customer service representatives for their small business and C&I customers to better assist them in troubleshooting power issues.

Staff understands and recognizes the concerns raised regarding the lack of communication between some utilities and their small business, commercial and industrial customers. Therefore,

Staff recommends that Michigan utilities provide their non-residential customers, at a minimum, with an outage cause analysis and power quality and AML data when requested by the customer.

Recovery of Outage Credits in Rates There was also discussion about the cost recovery of the customer outage credits as raised in DTE Electric's comments that were submitted after the final March 12, 2020 Workgroup meeting. Consideration regarding cost recovery was raised since outage credits are often paid as the result of catastrophic storms that are outside of the control of the utility.

Staff recognizes the argument that customer outage credits serve the purpose of improving the customer experience. However, Staff does not believe that customers should pay for the outage credits through their rates since they experienced the harm in the process. It was widely recognized among the participants that \$25 or \$35 is not going to compensate customers for spoiled food or overnight accommodations. But making customers pay themselves back for not having power in addition to paying for unexpected expenses caused by the outage is not supported by Staff.

Staff does not believe a change in the credit structure should be adopted beyond the inflation update.

Status

Included in redline version of rules in Appendix A. The penalty language was amended to "customer accommodation" to better reflect the intent of this rule.

6. Outage Credit Thresholds: Same Circuit Interruptions and Repetitive Interruptions

Outage credit thresholds should be lowered to reflect the significant capital investments approved for upgrading infrastructure.

Staff Proposal

Staff initial recommendation was to reduce the annual same circuit repetitive interruption factor from 5 outages to 4 outages and to require utilities to pay the service credit if a customer experiences more than 5 outages instead of 7 outages. By lowering this threshold, utilities are held accountable for ensuring that ratepayers see a return on the investments that they pay for in rates.

Principal points of disagreement

Stakeholders argued that the infrastructure investments that they have made are part of a multi-year initiative to improve their distribution systems. The workplans that were approved promised an improved customer experience after all system upgrades were completed, so lowering this threshold now would make it an impossible standard to achieve.

Staff understands the position of the utilities, however, Staff has a duty to ensure that the infrastructure improvements that were approved on behalf of ratepayers result in the promised benefits. Staff recommends that Michigan utilities reduce same circuit interruptions to 4 outages by 2022 and reduce repetitive interruptions to 5 outages by 2022.

Status

Included in redline version of rules in Appendix A

7. Outage Reporting Requirements

Staff does not receive the same outage information from each utility during storm/event restoration. Consistent information is necessary to relay to the State's emergency team.

Staff Proposal

To promote reporting consistency, utilities should report outage information using a MPSC generated report form to ensure consistent communication. In addition, a higher reporting threshold should be utilized for smaller utilities to ensure that significant outages with longer restoration times are reported. Staff recognizes the time and effort expended from utilities to notify the Commission of outages and wants to ensure that it is done to report substantial events.

Principal point of disagreement

Staff expressed concerns regarding the varied information that is received from utilities during an outage event. In light of this, Staff solicited stakeholders regarding the development of a standardized reporting form. This was discussed in conjunction with implementation of "gray sky" reporting that would capture events that are significant but not considered catastrophic under the current rules. Staff also expressed an interest in receiving post event reports that detail the learnings and improvements that utilities identified to improve restoration efforts. Staff proposes that Consumers Energy and DTE Electric continue to provide notification when 20,000 or more customers are without power. Similarly, for all other Investor Owned utilities and Cooperative Utilities and, Staff proposes to receive notification when 7.5% or more customers are without power.

Status

Staff is working internally to develop a template for utilities to use to report outages and anticipates completion prior to the final report submission.

8. Annual Reporting Requirements

Current annual reporting requirements for all utilities are housed in Docket U-12270. Consumers Energy and DTE Electric have additional reporting requirements housed in the power quality and

reliability Dockets U-16065 and U-16066. Staff would like to see this information streamlined in annual reporting.

Staff Proposal

Staff expressed an interest in streamlining the annual reporting process and requesting the same information for all utilities. However, cooperatives indicated that their systems do not have the capability to capture the same types of data since many have declined to incorporate AMI technology within their systems. Regardless of technology implementation, Staff finds it prudent to track the outage performance for all Michigan utilities to ensure they are aware of issues that may not be captured in their annual reliability reporting in Docket U-12270.

Staff proposes to incorporate the additional power quality and reliability reporting requirements from U-16065 and U-16066, as well as MAIFI where possible, in Docket U-12270 annual reporting requirements for all utilities.

Principal point of disagreement

None.

Status

Included in redline version of rules in Appendix A

Service Quality Subgroups

To facilitate focused discussions with subject matter experts (SMEs), Staff assembled topic-specific subgroups and conducted subgroup meetings in addition to the larger Workgroup meetings. Two Service Quality subgroups were established to update the Service Quality ruleset: Definitions and Reporting Standards Subgroup and Wire Down Subgroup.

Definitions and Reporting Standards Subgroup

The Definitions and Reporting Standards Subgroup met on February 5, 2020 and February 25, 2020 to discuss the definitions updates that Staff and stakeholders suggested for the ruleset. Specifically, the subgroup looked at updating the definitions of:

- “Electric Utility”, to include cooperatives
 - By modifying this definition, cooperatives are included in the annual reporting requirement that currently only applies to investor owned utilities.
- “Momentary Interruption” (Reporting Standards)
 - With the approval of funding for AMI installation, Staff is interested in collecting data on momentary outages that can be tracked by this technology.
- “Call Answer” (first contact with Interactive Voice Response vs. Live Agent)
 - This definition was reviewed in light of Staff’s initial recommendation from the SEA that the current standard be lowered to 45 seconds.
- “Sustained Interruption”

- With the addition of momentary interruption as a definition, delineation between “momentary” and “sustained” is necessary.
- “Normal Conditions”
 - This definition was reviewed in light of adding a third category, “gray sky day”, to capture events that are not severe enough to be considered catastrophic, but are not considered “normal” operations.
- “Interruption”
 - With the introduction of momentary outages within the definitions, a clearer definition of an interruption is necessary.
- “Unacceptable Performance”
 - This definition was reviewed in terms of annual reporting thresholds.
- “Major Outage”—Gray Sky Outages
 - This definition was reviewed in terms of major outage reporting.

The Workgroup proposed language to revise the definitions and they are included in the redline copy of the Service Quality rules in Appendix A.

Wire Down Relief Subgroup

As of December 4, 2019, the wire down workgroup that was initiated as a result of the Order issued in Docket No. U-20169¹⁶ was incorporated into the Service Quality Workgroup. Staff requested initial comments from stakeholders regarding the adequacy of the wire down standard.

The general consensus from the fire departments that responded was that the current standard was too long and it was not feasible to expect them to guard a wire for up to six hours. It was noted that the current gas standard required utilities to respond to a gas leak within one hour. Due to this difference in stringency, the first responders suggested that the standard be reduced to one hour in both metropolitan and rural areas. The Wire Down Subgroup explored the feasibility of this suggestion during meetings held on February 5, 2020, February 25, 2020 and June 3, 2020.

Meeting #1 - February 5, 2020. Representatives from Brandon Fire, Iosco 911, Muskegon Fire, Consumers Energy, DTE Electric, Indiana Michigan Power Company, Homeworks Tri County, MECA, MEGA and UPPCO attended. Staff reviewed the current language in the ruleset and suggested modifying the standard to be more flexible in terms of the metropolitan and non-metropolitan areas identified on the map released by the Federal Census Bureau. Participants discussed the progress made since the last wire down workgroup meeting on December 2, 2019. Communication between utilities and the local first responders was established, but there was still

¹⁶ In this docket, DTE’s restoration and wire down performance was reviewed after a 2018 windstorm. The January 18, 2019 settlement [agreement](#) Ordered Staff to lead an initiative with Michigan’s utilities “to jointly improve the overall downed wire response process”

disagreement regarding how long and how often first responders guarded utility wires. It was determined that each utility would gather their wire down data from the previous five years so that the feasibility of a one hour standard could be discussed at the second meeting.

Meeting #2 - February 25, 2020. State Representative Jeff Yaroch, representatives from Brandon Fire, Iosco 911, Muskegon Fire, Consumers Energy, DTE Electric, Indiana Michigan Power Company, Homeworks Tri County, MECA, MEGA and UPPCO attended. In this meeting, utility wire down data was presented by the companies that submitted the information. Each utility presented how their company responds to wire down calls from receiving the notification to dispatching a relief worker. It was determined that first responders guarded roughly 10%-20% of a utility's total wire downs in an event. In addition, companies' wire down relief data had some inaccuracies due to when their contractors closed out tickets. For example, if a company had a subcontractor repair a downed wire, instead of closing out the ticket immediately after they relieved the first responder, the subcontractor would close the wire down work ticket after the wire was completely repaired, which skewed the response time data. Another problem that was raised was that some first responders were guarding non-utility wires or other low hazard wires that could be secured with caution tape instead of with a person. First responders stated that they had difficulty receiving an ETA from the company and they were frustrated with a perceived lack of urgency in relieving them. DTE responded that they had developed a training module that they have had great success with. It educated their local responders as to how DTE handled downed wire calls and how they trained wire guards (i.e., utility staff that are not linemen) to tape and secure a wire down. The group determined that this training module would be reviewed in the next subgroup meeting.

Meeting #3 - June 3, 2020. The third meeting of this wire down subgroup was rescheduled due to the onset of COVID-19 and a second time due to the Midland dam failing. On June 3, 2020, the subgroup met via teleconference where DTE and Michigan's State Fire Marshall Kevin Sehlmeier presented the "Train the Trainer" module to the group. Participants went through this training as if they were first responders learning about DTE's wire down process. The "Train the Trainer" module was determined to be a great resource for the participants since it closed the communication gap between first responders and the utility. First responders had a better idea of how DTE handled the incoming wire down calls, what wires can be secured and what wires are necessary to guard. Staff presented their original proposal to reduce the wire down relief standard from 4-6 hours to 2-3 hours and participants agreed that with more training like the "Train the Trainer" module, reducing the standard would not be a problem.

Staff recommends that Michigan's utilities work with their local first responders to develop a similar "Train the Trainer" training module for their territory. Stakeholders reported that the training firefighters receive in the academy does not adequately train firefighters on electrical hazard identification and mitigation that they are faced with when guarding utility wires. By undergoing this additional training, firefighters will be more adequately prepared to safely guard themselves and the general public from an energized downed wire. In addition, the training adds a level of transparency between the utility and the first responder so that both parties understand

how wire down relief is handled. Firefighters have a direct contact number with the utility to check on an ETA and are able to better report the downed wire location if there are details that are not contained in the utility's initial wire down report.

Staff is satisfied with the progress made on this initiative and does not foresee the need for additional meetings at this time. In the future, it may be beneficial to explore the suggestion raised in the subgroup to utilize the current 811/MISSDIG infrastructure to better assist utilities and first responders to promptly locate reported downed wires.

Staff Recommendations

For the reasons discussed in this Initial Report, Staff recommends:

1. The Commission consider the suitability of the proposed redlines in Appendix A, which reflect the Workgroup and subgroups' work to date, for future inclusion in the Service Quality rules.
2. The Commission encourage public feedback on the proposed revisions detailed in this report to help inform Staff's next steps and the Final Report, which is due to the Commission on December 15, 2020.

Conclusion and Next Steps

Staff appreciates the Workgroup members' efforts and contributions to the substance of this report. The Workgroup thus far has been responsive to the Commission's orders in dockets U-20464 and U-20629 and its efforts have resulted in many proposed changes to the Service Quality and Reliability Standards, most of which have a consensus. Staff will continue engaging with stakeholders and working to refine the proposed redline in preparation for its re-submittal as part of the Final Report.

Appendix A

DEPARTMENT OF LABOR AND ECONOMIC GROWTH
PUBLIC SERVICE COMMISSION
SERVICE QUALITY AND RELIABILITY STANDARDS
FOR ELECTRIC DISTRIBUTION SYSTEMS

(By authority conferred on the public service commission by section 10p of 2000 PA 141, section 7 of 1909 PA 106, section 5 of 1919 PA 419, sections 4 and 6 of 1939 PA 3, and sections 3, 9, and 231 of 1965 PA 380, MCL 460.10p, 460.557, 460.55, 460.4, 460.6, 16.103, 16.109, and 16.331)

PART 1. GENERAL PROVISIONS

R 460.701 Application of rules.

Rule 1. (1) These rules apply to electric utilities as defined by [MCL 460.562\(e\)](#).
(2) These rules do not relieve an electric utility that is subject to the jurisdiction of the public service commission from any of its duties under the laws of this state, including all of the requirements of R 460.3101 to R 460.3908.

History: 2004 AAC5.

R 460.702 Definitions.

Rule 2. As used in these rules:

(a) "All conditions" means conditions reflected by data derived through the amalgamation of data from normal conditions, [gray sky conditions](#) and catastrophic conditions. "All conditions" does not mean only normal conditions or [only gray sky conditions](#) or only catastrophic conditions.

(b) ~~"Answer" means that a utility representative, voice response unit, or automated operator system is ready to render assistance or ready to accept information necessary to process the call. An acknowledgment that the customer is waiting on the line does not constitute an answer.~~ "Approved by the commission" means that a favorable commission order has been obtained.

~~(c) "Call" means a measurable effort by a customer to obtain a telephone connection whether the connection is completed or not.~~

~~(d) "Call blockage factor" means the percentage of calls that do not get answered. The call blockage factor is calculated by multiplying the remainder obtained by subtracting the number of answers from the number of calls, multiplying by 100, and then dividing that value by the total number of calls.~~ "Catastrophic conditions" means either of the following:

(i) Severe weather conditions that result in service interruptions for [greater than 10%](#) of a utility's customers.

Commented [A1]: Proposed moving customer experience related definitions to Billing Rules

Commented [A2]: Transfer to billing rules.

Commented [A3]: Transfer to Billing Rules

(ii) Events of sufficient magnitude that result in issuance of an official state of emergency declaration by the local, state, or federal government.

(d) ~~"CEMIn: Customers Experiencing Multiple Interruptions"~~ The Customers Experiencing Multiple Interruptions Index (CEMIn) indicates the ratio of individual customers experiencing n or more sustained interruptions to the total number of customers served. At its option, an electric utility may report on specific identifiable circuit segments rather than whole circuits as long as the criteria for identification of the specific circuit segments are fully explained in its report. If an electric utility lacks the capability of independently tracking momentary interruption data, then the utility may rely solely upon notification provided by its customers to report the data to the commission.

Commented [A4]: New Definition

(e) "Commission" means the Michigan public service commission.

~~(f) "Complaint response" or "response" means a communication between the utility and the customer that identifies the problem and a solution to the complaint.~~

~~(g) "Complaint response factor" means the annual percentage of the complaints forwarded to a utility by the commission that are responded to within the time period prescribed by these rules.~~ "Completion date" means the day on which service at a new installation is permanently energized. The provision of construction power does not affect a determination of the completion date.

Commented [A5]: Move to Billing Rules

(g) "Electric utility" or "utility" means that term as defined in section 2(e) of 1995 PA 30, MCL 460.562(e)

(h) ~~(d)~~ "Gray Sky Day" means weather conditions that result in sustained service interruptions for 2.5% to 10% of a utility's customers.

Commented [A6]: Updated MCL reference

Commented [A7]: New Definition

~~(h)~~ "Meter reading factor" means the percentage of meters read within an approved billing period. An approved billing period is a "billing month" within the meaning of R 460.2102(b) of not less than 26 days, nor more than 35 days, or some other time period approved by the commission.

~~(i)~~ "Metropolitan statistical area" means an area within the state of Michigan identified by the federal office of management and budget ~~on June 30, 1999. A map of the metropolitan statistical areas was attached to the July 11, 2001, order in Case No. U 12270 as exhibit C~~ and appears on the website of the United States department of commerce, economics and statistics administration, bureau of the census.

~~(j)~~ "Minimum bill prorated on a daily basis" means the amount that results from dividing the customer's minimum bill amount by the number of days in the billing period and then by multiplying that quotient by the number of days during which the customer remained out of service.

~~(k)~~ "MISS DIG activities" means the requirements imposed pursuant to ~~2013 PA 174, MCL 460.721 et seq.~~

Commented [A8]: Updated reference

~~(l)~~ "New service installation factor" means the percent of new service hookups that are completed within the time period prescribed by these rules, from start date to completion date. New service hookups dependent on the construction of a line extension other than the service line shall be excluded from the calculation of this factor.

(n) ~~"Momentary Interruption"~~ means the full or partial loss of service to 1 or more customers for less than 5 minutes. Such switching operations must be completed within a specified time of five minutes or less. This definition includes all reclosing operations that occur within five minutes of the first interruption. If a recloser or circuit breaker operates two, three, or four times and then holds (within five minutes of the first operation), those momentary interruptions shall be considered one momentary interruption event.

Commented [A9]: IEEE Definition

~~(m)~~(o) "Normal conditions" means weather conditions that result in sustained service

interruptions for less than 2.5% of a utility's customers.

(p) "Same-circuit repetitive interruption" means a grouping of more than 10 customers on a circuit who experience multiple interruptions under all conditions. At its option, an electric utility may report on specific identifiable circuit segments rather than whole circuits as long as the criteria for identification of the specific circuit segments are fully explained in its report. If an electric utility lacks the capability of independently tracking same-circuit repetitive interruption data, then the utility may rely solely upon notification provided by its customers to report the data to the commission.

(q) "Service restoration" means that the interruption condition has been corrected and that the interrupted customer or customers have regained the full use of their electric service.

(r) "Start date for new installations" means the first business day after all of the following events have occurred:

(i) All rights of way, easements, licenses, and consents have been obtained and are and remain physically unencumbered.

(ii) All permits have been received.

(iii) All joint use requirements have been met.

(iv) All required inspections have been completed.

(v) All commission-approved tariff payments have been received.

(vi) All MISS DIG activities have been completed.

(s) "Wire-down relief factor" means the annual percentage of the non-utility employee guarded downed wires that are relieved by a utility representative within the time period specified in Rule 23.

(t) "Sustained Interruption" means any interruption not classified as a part of a momentary event - that is, any interruption that lasts more than five minutes. The duration of a customer's interruption shall be measured from the time that the electric utility is notified or otherwise becomes aware of the full or partial loss of service to 1 or more customers for longer than 5 minutes.

Commented [A10]: Suggested replacement of "interruption" to match IEEE.

History: 2004 AACs.

R 460.703 Revision of tariff provisions.

Rule 3. Not more than 30 days after the effective date of these rules, an electric utility subject to the commission's jurisdiction shall file any revisions of its tariff provisions necessary to conform with these rules.

History: 2004 AACs.

PART 2. UNACCEPTABLE LEVELS OF PERFORMANCE

R 460.721 Duty to plan to avoid unacceptable levels of performance.

Rule 21. An electric utility shall plan to operate and maintain its distribution system in a manner that will permit it to provide service to its customers without experiencing an unacceptable level of performance as defined by these rules.

History: 2004 AACCS.

R 460.722 Unacceptable levels of performance during sustained service interruptions.

Rule 22. It is an unacceptable level of performance for an electric utility to fail to meet any of the following sustained service interruption standards:

(a) Considering data derived through the amalgamation of data from ~~both~~ normal, gray sky and catastrophic conditions, an electric utility shall restore service within 36 hours to not less than 90% of its customers experiencing sustained service interruptions.

(b) Considering data including only gray sky conditions, an electric utility shall restore service within 60 hours to not less than 90% of its customers experiencing sustained service interruptions.

(c) Considering data including only catastrophic conditions, an electric utility shall restore service within 60 hours to not less than 90% of its customers experiencing sustained service interruptions.

(d) Considering data including only normal conditions, an electric utility shall restore service within 8 hours to not less than 90% of its customers experiencing sustained service interruptions.

(e) Considering data derived through the amalgamation of data from ~~both~~ normal, gray sky and catastrophic conditions, an electric utility shall not experience 4 or more same circuit repetitive interruptions in a 12-month period on more than 5% of its circuits.

History: 2004 AACCS.

R 460.723 Wire down relief requests.

Rule 23. (1) It is an unacceptable level of performance for an electric utility to fail to respond to a request for relief of a non-utility employee guarded downed wire at a location in a metropolitan statistical area within ~~240~~ 120 minutes after notification at least 90% of the time under all conditions.

(2) It is an unacceptable level of performance for an electric utility to fail to respond to a request for relief of a non-utility employee guarded downed wire at a location in a non-metropolitan statistical area within ~~360~~ 180 minutes after notification at least 90% of the time under all conditions.

(3) It is an unacceptable level of performance for an electric utility to fail to exercise due diligence and care to ensure that non-utility employees are relieved from guarding downed wires in the quickest manner possible.

(4) It is an unacceptable level of performance for an electric utility to fail to exercise due diligence and care to ensure downed wires are repaired in the quickest manner possible.

Commented [A11]: New Language

History: 2004 AACCS.

R 460.724 Unacceptable service quality levels of performance.

Rule 24. It is an unacceptable level of performance for an electric utility to fail to meet any of the following service quality standards:

~~(a) An electric utility shall have an average customer call answer time of less than 90 seconds.~~

~~(b) An electric utility shall have a call blockage factor of 5% or less.~~

~~(c)(a) An electric utility shall have a complaint response factor of 90% or more within 3 business days.~~ An electric utility shall have a meter reading factor of 98.5% or more within the approved period, including customer reads.

~~(c)(b)~~ An electric utility shall complete 90% or more of its new service installations within 15 business days.

History: 2004 AACCS.

Commented [A12]: Move to Billing Rules

Commented [A13]: Suggested increase meter read factor to reflect AMI meter read capabilities

PART 3. RECORDS AND REPORTS

R 460.731 Deadline for filing annual reports.

Rule 31. Not more than 120 days after the end of the calendar year in which these rules became effective, an electric utility shall file an annual report with the commission regarding the previous calendar year. For subsequent calendar years, an electric utility shall file its annual report not more than 75 days after the end of the year. **The annual report shall be filed on a form prescribed by the Commission.**

History: 2004 AACCS.

Commented [A14]: Added for future flexibility in modifying annual reporting requirements.

R 460.732 Annual report contents.

Rule 32. The annual report of an electric utility made pursuant to these rules shall contain all of the following information:

~~(a) The call blockage factor. If the call blockage factor is more than 5%, then the annual report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.~~

~~(b) The complaint response factor. If the complaint response factor is less than 90% within 3 business days, then the annual report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.~~

~~(c)(a) The average customer call answer time. If the average customer call answer time is 90 seconds or more, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.~~ The meter reading factor. If the meter reading factor is less than 85%, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

~~(c)(b)~~ The new service installation factor. If the new service installation factor is less than 90% completed within 15 business days, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

~~(c)(c)~~ The wire-down relief factor. If the wire-down relief factor is less than 90% within 240-120 minutes within metropolitan statistical areas or less than 90% within 360 180 minutes in non-metropolitan statistical areas, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

Commented [A15]: Suggest moving Call Blockage, Complaint and Answer time to Billing Rules.

Commented [A16]: Move to Billing Rules

(d) The service restoration factor for all conditions. If the service restoration factor for all conditions is less than 90% of customers restored within 36 hours or less, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

(e) The service restoration factor for normal conditions. If the service restoration factor for normal conditions is less than 90% of customers restored within 8 hours or less, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

(f) The service restoration factor for gray sky conditions. If the service restoration factor for catastrophic conditions is less than 90% of customers restored within 60 hours or less, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

(g) The service restoration factor for catastrophic conditions. If the service restoration factor for catastrophic conditions is less than 90% of customers restored within 60 hours or less, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

(h) The same-circuit repetitive interruption factor. If the same-circuit repetitive interruption factor is more than 5% of circuits experiencing 5-4 or more same-circuit repetitive interruptions within a 12 month period, then the report shall contain a detailed

explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

~~(i)~~ A description of all catastrophic conditions experienced during the year.

(j) The number and total dollar amount of all customer credits provided during the year, broken down by customer class, for its failure to restore service to customers within 120 hours of a **sustained** interruption that occurred during the course of catastrophic conditions.

(k) The number and total dollar amount of all customer credits provided during the year, broken down by customer class, for its failure to restore service to customers within 120 hours of a **sustained** interruption that occurred during the course of gray sky conditions.

~~(l)~~ The number and total dollar amount of all customer credits provided during the year, broken down by customer class, for its failure to restore service to customers within 16 hours of a **sustained** interruption that occurred during normal conditions.

~~(m)~~ The number and total dollar amount of all customer credits provided during the year, broken down by customer class, for same-circuit repetitive interruptions

(n) A summary table indicating whether the electric utility complied or failed to comply with each of the standards established by these rules.

(o) A list of their ten worst performing circuits for the prior year in terms of both SAIDI and SAIFI;

(p) For each of the ten worst performing circuits, the utility shall provide the following information: (i) SAIDI and SAIFI excluding major events for the year; (ii) circuit name, number, and location; (iii) length of circuit (miles); (iv) number of customers served; (v) substation name; (vi) last circuit trim; (vii) list of outages and causes; and (viii) corrective action plan to improve performance;

(q) Number of Customers Experiencing Multiple Interruptions (“CEMI”) reporting for indices CEMI0 through CEMI10+

(r) Number of Customers Experiencing Long Interruption Durations (“CELID”) reporting for indices CELID60hrs and CELID8hrs (excluding catastrophic events).

~~(s)~~ Number of customers experiencing Momentary Interruptions.

Commented [A17]: Added requirement language from current Orders in U-16065 and U-16066.

History: 2004 AACCS.

R 460.733 Availability of records.

Rule 33. (1) An electric utility shall make available to the commission or its staff, upon request, all records, reports, and other information required to determine compliance with these rules and to permit the commission and its staff to investigate and resolve service quality and reliability issues related to electric distribution service.

(2) An electric utility shall make records, reports, and other information available to the commission or its staff within 5 business days, preferably in an electronic format available through the internet, accessible with standard browser software, identification, and password or as soon thereafter as feasible.

History: 2004 AACCS.

R 460.734 Retention of records.

Rule 34. An electric utility shall preserve, in detail, all records required by these rules for the previous 24 months and shall preserve, in summary form, all records for not less than 4 years, unless otherwise ordered by the commission.

History: 2004 AACCS.

PART 4. FINANCIAL INCENTIVES AND CUSTOMER ACCOMODATIONS

R 460.741 Approval of incentives by the commission.

Rule 41. (1) The commission may authorize an electric utility to receive a financial incentive if it exceeds all of the service quality and reliability standards adopted by these rules.

(2) A request for approval of an incentive mechanism shall be made in either of the following proceedings and shall be conducted as a contested case under chapter 4 of 1969 PA 306, MCL 24.271 et seq.

(a) A rate case proceeding.

(b) A single-issue proceeding filed specifically to address adoption of an incentive program.

(3) An electric utility shall not file an application seeking approval of an incentive mechanism until it has exceeded all of the service quality and reliability standards adopted by these rules continuously for a period of not less than 12 months.

History: 2004 AACCS.

R 460.742 Criteria for receipt of an incentive.

Rule 42. (1) If an electric utility qualifies for implementation of a previously approved incentive mechanism, it shall file an application seeking authority to implement the incentive mechanism at the same time that it submits the annual report required by R 460.732.

(2) An electric utility shall not apply for a financial incentive approved by the commission unless all of the following criteria were met during the previous 12 months:

(a) All required reports have been filed in a timely manner.

(b) All required reports fully comply with the requirements as determined by the commission.

(c) The electric utility's performance shall have exceeded all of the individual service quality and reliability standards.

(d) The electric utility shall have fully responded to any inquiries about the content of the reports made by the commission or its staff in a timely manner.

History: 2004 AACCS.

R 460.743 Disqualification.

Rule 43. An electric utility shall be disqualified from receiving an incentive if the commission issues an order finding that the electric utility engaged in any type of anticompetitive behavior within the 12-month period preceding the filing of an application

pursuant to R 460.742(1).

History: 2004 AACCS.

R 460.744 Customer accommodation for failure to restore service after a sustained interruption due to catastrophic or gray sky conditions.

Rule 44. (1) Unless an electric utility requests a waiver pursuant to part 5 of these rules, an electric utility that fails to restore service to a customer within 120 hours after a sustained interruption that occurred during the course of catastrophic conditions shall provide ~~to~~ any affected customer with a bill credit on the customer's bill within 90 days. The amount of the credit provided to a residential customer shall be the greater of \$35.00 or the customer's monthly customer charge. The amount of the credit provided to any other distribution customer shall be the customer's minimum bill prorated on a daily basis.

————(2) Unless an electric utility requests a waiver pursuant to part 5 of these rules, an electric utility that fails to restore service to a customer within 60 hours after a sustained interruption that occurred during the course of gray sky conditions shall provide ~~to~~ any affected customer with a bill credit on the customer's bill within 90 days. The amount of the credit provided to a residential customer shall be the greater of \$35.00 or the customer's monthly customer charge. The amount of the credit provided to any other distribution customer shall be the customer's minimum bill prorated on a daily basis.

(3) No sooner than September 1, 2022, and by October 1 every year thereafter, the Commission shall issue an order adjusting the customer accommodations under subsection (1) and subsection (2) of these rules. The Commission shall adjust these customer accommodations by multiplying these accommodations by the difference between the Consumer Price Index for the month of October immediately preceding the commission's order implementing the inflation adjustment and the Consumer Price Index for the previous October. The commission shall round up each adjustment made under this subsection to the nearest multiple of \$1.00.

History: 2004 AACCS.

R 460.745 ~~Penalty~~ Customer accommodation for failure to restore service during normal conditions.

Rule 45. (1) Unless an electric utility requests a waiver pursuant to part 5 of these rules, an electric utility that fails to restore service to a customer within 16 hours after an interruption that occurred during normal conditions shall provide ~~to~~ any affected customer ~~that notifies the utility of the interruption~~ a bill credit on the customer's bill within 90 days. The amount of the credit provided to a residential customer shall be the greater of ~~\$25.00~~ \$35.00 or the customer's monthly customer charge. The amount of the credit provided to any other distribution customer shall be the customer's minimum bill prorated on a daily basis.

(2) No sooner than September 1, 2022, and by October 1 every year thereafter, the Commission shall issue an order adjusting the customer accommodation under this rule. The Commission shall adjust these customer accommodations by multiplying these

Commented [A18]: Is there a reason the customer needs to request these credits, as opposed to them being automatic?

accommodations by the difference between the Consumer Price Index for the month of October immediately preceding the commission's order implementing the inflation adjustment and the Consumer Price Index for the previous October. The commission shall round up each adjustment made under this subsection to the nearest multiple of \$1.00.

History: 2004 AACCS.

R 460.746 ~~Penalty~~ Customer accommodation for repetitive sustained interruptions of the same circuit.

Rule 46. (1) Unless an electric utility requests a waiver pursuant to part 5 of these rules, a customer of an electric utility that experiences ~~and notifies the utility of~~ more than ~~7-5~~ interruptions in a 12-month period due to a same-circuit repetitive interruption shall be entitled to a billing credit on the customer's ~~next~~ bill within 90 days. The amount of the credit provided to a residential customer shall be the greater of ~~\$25.00~~ \$35.00 or the customer's monthly customer charge. The amount of the credit provided to any other distribution customer shall be the customer's minimum bill prorated on a daily basis.

Commented [A19]: Is there a reason the customer needs to request these credits, as opposed to them being automatic?

(2) Following provision of the billing credit to a customer experiencing more than ~~7-5~~ interruptions in a 12-month period due to a same-circuit repetitive interruption ~~or CEMI~~, the electric utility's interruption counter shall be reset to zero to ensure that another credit to the customer will be processed only after the occurrence of another ~~8-6~~ interruptions in a 12 month period.

(3) No sooner than September 1, 2022, and by October 1 every year thereafter, the Commission shall issue an order adjusting the customer accommodations under subsection (1) of these rules. The Commission shall adjust these customer accommodations by multiplying these accommodations by the difference between the Consumer Price Index for the month of October immediately preceding the commission's order implementing the inflation adjustment and the Consumer Price Index for the previous October. The commission shall round up each adjustment made under this subsection to the nearest multiple of \$1.00.

History: 2004 AACCS.

R 460.747 Multiple billing credits allowed.

Rule 47. An electric utility's obligation to provide a customer with a billing credit for one reason does not excuse the obligation to provide an additional billing credit in the same month for another reason.

History: 2004 AACCS.

R 460.748 Effect in other proceedings.

Rule 48. (1) The payment or nonpayment of a customer credit or an incentive award shall not affect the rights of a customer or an electric utility in any proceeding before the commission or in any action in a court of law.

(2) The finding of a violation of a service quality or reliability standard adopted in these rules shall not affect the rights of a customer or an electric utility in any proceeding before the commission or in any action in a court of law.

History: 2004 AACCS.

PART 5. WAIVERS AND EXCEPTIONS

R 460.751 Waivers and exceptions by electric utilities.

Rule 51. (1) An electric utility may petition the commission for a permanent or temporary waiver or exception from these rules when specific circumstances beyond the control of the utility render compliance impossible or when compliance would be unduly economically burdensome or technologically infeasible.

(2) An electric utility may request a temporary waiver in order to have sufficient time to implement procedures and systems to comply with these rules.

(3) An electric utility need not meet the standards or grant the credits required by parts 2 and 4 of these rules under any of the following circumstances:

(a) The problem was caused by the customer.

(b) There was a work stoppage or other work action by the electric utility's employees, beyond the control of the utility, that caused a significant reduction in employee hours worked.

(c) The problem was caused by an "act of God." The term "act of God" means an event due to extraordinary natural causes so exceptionally unanticipated and devoid of human agency that reasonable care would not avoid the consequences and includes any of the following:

(i) Flood.

(ii) Tornado.

(iii) Earthquake.

(iv) Fire.

(d) The problem was due to a major system failure attributable to any of the following:

(i) An accident.

(ii) A man-made disaster.

(iii) A terrorist attack.

(iv) An act of war.

History: 2004 AACCS.

R 460.752 Proceedings for waivers and exceptions.

Rule 52. (1) A petition for a waiver of a customer credit provision filed by an electric utility shall be handled as a contested case proceeding. The burden of going forward with a request for a waiver shall be on the electric utility. To be timely, a

petition for a waiver of a customer credit provision of these rules shall be filed not more than 14 calendar days after conclusion of the outage giving rise to application of the customer credit provision.

(2) A petition for any other waiver or exception may be granted by the commission without notice or hearing.

History: 2004 AACs.