



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB0719

Introduced 2/6/2007, by Rep. Michael K. Smith

SYNOPSIS AS INTRODUCED:

220 ILCS 5/8-505.2 new
220 ILCS 5/16-125

Amends the Public Utilities Act. Requires each electric utility to submit to the Illinois Commerce Commission a non-emergency vegetation management schedule for the utility's service areas that is no more than 4 years in duration and that ensures that trees in all parts of the utility's service areas are trimmed at least once every 4 years. Provides that the Commission shall promulgate rules that develop service quality measures that require the quality and reliability to be the same as or better than levels that existed on July 1, 1996. Requires compensation for affected customers if more than 0.8% of the electric utility's total customers (now, more than 30,000 of the electric utility's customers) are subject to (i) a continuous interruption of power lasting 4 hours or more that results in the transmission of power at less than 50% of the standard voltage or that results in the total loss of power transmission or (ii) a power surge or other fluctuation that causes damage. Provides that the Illinois Commerce Commission shall require certain electric utilities or alternative retail electric suppliers to submit certain data concerning non-supervisory employees. Requires Commission rules to set forth (i) standards for inspecting, maintaining, and repairing certain electric generation facilities and electric transmission or distribution facilities and (ii) safety and reliability standards for certain electric generation facilities and electric transmission and distribution facilities. Provides that the Commission shall be authorized to levy financial penalties upon any entity that fails to meet the service quality and reliability standards of certain provisions. Makes other changes. Effective immediately.

LRB095 08561 MJR 28744 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by adding
5 Section 8-505.2 and by changing Section 16-125 as follows:

6 (220 ILCS 5/8-505.2 new)

7 Sec. 8-505.2. Non-emergency vegetation management;
8 schedules; filings; annual reporting requirements.

9 (a) Each electric utility shall submit to the Commission a
10 vegetation management schedule for the utility's service
11 areas. The schedule shall include the utility's non-emergency
12 trimming schedule and shall be no more than 4 years in
13 duration. The schedule must ensure that trees in all parts of
14 the electric utility's service areas are trimmed at least once
15 every 4 years. Within 30 days after the utility submits the
16 schedule to the Commission, the Commission shall post the
17 schedule on the Commission's web site on a separate page
18 reserved exclusively for utility vegetation management
19 schedules.

20 (b) Each electric utility must submit an annual report to
21 the Commission indicating what percentage of the utility's
22 vegetation management schedule has been completed. Upon
23 submitting the annual report, a representative of the utility

1 shall sign and file with the Commission an affidavit that lists
2 the number and nature of all complaints for the previous
3 calendar year related to the ANSI A300 standards.

4 (220 ILCS 5/16-125)

5 Sec. 16-125. Transmission and distribution reliability
6 requirements.

7 (a) To assure the reliable delivery of electricity to all
8 customers in this State and the effective implementation of the
9 provisions of this Article, the Commission shall, ~~within 180~~
10 ~~days of the effective date of this Article,~~ adopt rules and
11 regulations that develop service quality measures for
12 assessing and assuring the reliability of the transmission and
13 distribution systems and facilities that are under the
14 Commission's jurisdiction. The rules and regulations shall
15 require the quality and reliability to be the same as or better
16 than levels that existed on July 1, 1996.

17 (b) These rules and regulations shall require each electric
18 utility or alternative retail electric supplier owning,
19 controlling, or operating transmission and distribution
20 facilities and equipment subject to the Commission's
21 jurisdiction, referred to in this Section as "jurisdictional
22 entities", to adopt and implement procedures for restoring
23 transmission and distribution services to customers after
24 transmission or distribution outages on a nondiscriminatory
25 basis without regard to whether a customer has chosen the

1 electric utility, an affiliate of the electric utility, or
2 another entity as its provider of electric power and energy.
3 These rules and regulations shall also, at a minimum,
4 specifically require each jurisdictional entity to submit
5 annually to the Commission.

6 (1) the number and duration of planned and unplanned
7 outages during the prior year and their impacts on
8 customers;

9 (2) outages that were controllable and outages that
10 were exacerbated in scope or duration by the condition of
11 facilities, equipment or premises or by the actions or
12 inactions of operating personnel or agents;

13 (3) customer service interruptions that were due
14 solely to the actions or inactions of an alternative retail
15 electric supplier or a public utility in supplying power or
16 energy;

17 (4) a detailed report of the age, current condition,
18 reliability and performance of the jurisdictional entity's
19 existing transmission and distribution facilities, which
20 shall include, without limitation, the following data:

21 (i) a summary of the jurisdictional entity's
22 outages and voltage variances reportable under the
23 Commission's rules;

24 (ii) the jurisdictional entity's expenditures for
25 transmission construction and maintenance, the ratio
26 of those expenditures to the jurisdictional entity's

1 transmission investment, and the average remaining
2 depreciation lives of the entity's transmission
3 facilities, expressed as a percentage of total
4 depreciation lives;

5 (iii) the jurisdictional entity's expenditures for
6 distribution construction and maintenance, the ratio
7 of those expenditures to the jurisdictional entity's
8 distribution investment, and the average remaining
9 depreciation lives of the entity's distribution
10 facilities, expressed as a percentage of total
11 depreciation lives;

12 (iv) a customer satisfaction survey covering,
13 among other areas identified in Commission rules,
14 reliability, customer service, and understandability
15 of the jurisdictional entity's services and prices;
16 and

17 (v) the corresponding information, in the same
18 format, for the previous 3 years, if available;

19 (5) a plan for future investment and reliability
20 improvements for the jurisdictional entity's transmission
21 and distribution facilities that will ensure continued
22 reliable delivery of energy to customers and provide the
23 delivery reliability needed for fair and open competition;
24 ~~and~~

25 (6) a report of the jurisdictional entity's
26 implementation of its plan filed pursuant to subparagraph

1 (5) for the previous reporting period; and-

2 (7) the number of non-supervisory employees by
3 classification or job title working at each calendar year's
4 end at each headquarter, service area, reporting point, or
5 plant and if the total number of non-supervisory employees
6 is 1% or greater less than the preceding year's report and
7 a detailed explanation showing reasons for the decrease in
8 employees and the effect on safety and reliability.

9 (c) The Commission rules shall set forth:

10 (1) The ~~the~~ criteria that will be used to assess each
11 jurisdictional entity's annual report and evaluate its
12 reliability performance. Such criteria must take into
13 account, at a minimum: the items required to be reported in
14 subsection (b); the relevant characteristics of the area
15 served; the age and condition of the system's equipment and
16 facilities; good engineering practices; the costs of
17 potential actions; and the benefits of avoiding the risks
18 of service disruption.

19 (2) Standards for inspecting, maintaining, and
20 repairing each of the following:

21 (i) Electric generation facilities in Illinois
22 that are owned by public utilities or provide service
23 to public utilities under contracts with terms of 2
24 years or more.

25 (ii) Electric transmission or distribution
26 facilities in this State that are owned by public

1 utilities.

2 The inspection standards shall set intervals for
3 inspection of key components of the above ground and
4 underground transmission and distribution systems. These
5 shall include, but are not limited to, annual visual
6 patrols of urban transformers, conductors, capacitors,
7 regulators, and protective devices. Visual patrols shall
8 be conducted every 2 years of the same equipment in rural
9 locations. Inspection patrols shall be conducted by a
10 person with the requisite knowledge, skills, training,
11 experience, and competence in maintaining and operating
12 electric transmission and distribution systems.

13 (3) Standards that the Commission determines are
14 necessary for the safe and reliable operation of each of
15 the following:

16 (i) Electric generation facilities in the State
17 that are owned by public utilities or provide service
18 to public utilities under contracts with terms of 2
19 years or more.

20 (ii) Electric transmission or distribution
21 facilities in this State that are owned by public
22 utilities.

23 (d) At least every 3 years, beginning in the year the
24 Commission issues the rules required by subsection (a) or the
25 following year if the rules are issued after June 1, the
26 Commission shall assess the annual report of each

1 jurisdictional entity and evaluate its reliability
2 performance. The Commission's evaluation shall include
3 specific identification of, and recommendations concerning,
4 any potential reliability problems that it has identified as a
5 result of its evaluation.

6 (e) In the event that more than 0.8% of the total ~~30,000~~
7 customers of an electric utility are subjected to a continuous
8 power interruption of 4 hours or more that results in the
9 transmission of power at less than 50% of the standard voltage,
10 or that results in the total loss of power transmission, the
11 utility shall be responsible for compensating customers
12 affected by that interruption for 4 hours or more for all
13 actual damages, which shall not include consequential damages,
14 suffered as a result of the power interruption. The utility
15 shall also reimburse the affected municipality, county, or
16 other unit of local government in which the power interruption
17 has taken place for all emergency and contingency expenses
18 incurred by the unit of local government as a result of the
19 interruption. A waiver of the requirements of this subsection
20 may be granted by the Commission in instances in which the
21 utility can show that the power interruption was a result of
22 any one or more of the following causes:

23 (1) Unpreventable damage due to weather events or
24 conditions.

25 (2) Customer tampering.

26 (3) Unpreventable damage due to civil or international

1 unrest or animals.

2 (4) Damage to utility equipment or other actions by a
3 party other than the utility, its employees, agents, or
4 contractors.

5 Loss of revenue and expenses incurred in complying with this
6 subsection may not be recovered from ratepayers.

7 (f) In the event of a power surge or other fluctuation that
8 causes damage and affects more than 0.8% of the total ~~30,000~~
9 customers of an electric utility, the electric utility shall
10 pay to affected customers the replacement value of all goods
11 damaged as a result of the power surge or other fluctuation
12 unless the utility can show that the power surge or other
13 fluctuation was due to one or more of the following causes:

14 (1) Unpreventable damage due to weather events or
15 conditions.

16 (2) Customer tampering.

17 (3) Unpreventable damage due to civil or international
18 unrest or animals.

19 (4) Damage to utility equipment or other actions by a
20 party other than the utility, its employees, agents, or
21 contractors.

22 Loss of revenue and expenses incurred in complying with this
23 subsection may not be recovered from ratepayers. Customers with
24 respect to whom a waiver has been granted by the Commission
25 pursuant to subparagraphs (1)-(4) of subsections (e) and (f)
26 shall not count toward the 0.8% of the total ~~30,000~~ customers

1 required therein.

2 (g) Whenever an electric utility must perform planned or
3 routine maintenance or repairs on its equipment that will
4 result in transmission of power at less than 50% of the
5 standard voltage, loss of power, or power fluctuation (as
6 defined in subsection (f)), the utility shall make reasonable
7 efforts to notify potentially affected customers no less than
8 24 hours in advance of performance of the repairs or
9 maintenance.

10 (h) Remedies provided for under this Section may be sought
11 exclusively through the Illinois Commerce Commission as
12 provided under Section 10-109 of this Act. Damages awarded
13 under this Section for a power interruption shall be limited to
14 actual damages, which shall not include consequential damages,
15 and litigation costs. Damage awards may not be paid out of
16 utility rate funds.

17 (i) The provisions of this Section shall not in any way
18 diminish or replace other civil or administrative remedies
19 available to a customer or a class of customers.

20 (j) The Commission shall by rule require an electric
21 utility to maintain service records detailing information on
22 each instance of transmission of power at less than 50% of the
23 standard voltage, loss of power, or power fluctuation (as
24 defined in subsection (f)), that affects 10 or more customers.
25 Occurrences that are momentary shall not be required to be
26 recorded or reported. The service record shall include, for

1 each occurrence, the following information:

2 (1) The date.

3 (2) The time of occurrence.

4 (3) The duration of the incident.

5 (4) The number of customers affected.

6 (5) A description of the cause.

7 (6) The geographic area affected.

8 (7) The specific equipment involved in the fluctuation
9 or interruption.

10 (8) A description of measures taken to restore service.

11 (9) A description of measures taken to remedy the cause
12 of the power interruption or fluctuation.

13 (10) A description of measures taken to prevent future
14 occurrence.

15 (11) The amount of remuneration, if any, paid to
16 affected customers.

17 (12) A statement of whether the fixed charge was waived
18 for affected customers.

19 Copies of the records containing this information shall be
20 available for public inspection at the utility's offices, and
21 copies thereof may be obtained upon payment of a fee not
22 exceeding the reasonable cost of reproduction. A copy of each
23 record shall be filed with the Commission and shall be
24 available for public inspection. Copies of the records may be
25 obtained upon payment of a fee not exceeding the reasonable
26 cost of reproduction.

1 (k) (Blank). ~~The requirements of subsections (e) through~~
2 ~~(j) of this Section shall apply only to an electric public~~
3 ~~utility having 1,000,000 or more customers.~~

4 (l) The Commission shall be authorized to levy financial
5 penalties upon any entity that fails to meet the service
6 quality and reliability standards of Sections 8-505.2 and
7 16-125.

8 (Source: P.A. 90-561, eff. 12-16-97.)

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.