



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

HB5576

by Rep. John E. Bradley

#### SYNOPSIS AS INTRODUCED:

220 ILCS 5/16-125

Amends the Public Utilities Act. Provides that in the event that more than 0.8% (rather than 30,000) of the total customers of an electric utility are subjected to a continuous power interruption of 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, the utility shall be responsible for compensating customers affected by that interruption for 4 hours or more for all actual damages, which shall not include consequential damages, suffered as a result of the power interruption. Provides that in the event of a power surge or other fluctuation that causes damage and affects more than 0.8% (rather than 30,000) of the customers, the electric utility shall pay to affected customers the replacement value of all goods damaged as a result of the power surge or other fluctuation unless the utility can show that the power surge or other fluctuation was due to one or more of specified causes. Provides that customers to whom a waiver has been granted by the Illinois Commerce Commission pursuant to specified provisions shall not count toward the 0.8% (rather than 30,000) of the customers specified in certain provisions. Provides that the requirements of specified provisions apply only to an electric public utility having 100,000 (rather than 1,000,000) or more customers. Effective immediately.

LRB095 17514 MJR 43588 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 changing  
5 Section 16-125 as follows:

6 (220 ILCS 5/16-125)

7 Sec. 16-125. Transmission and distribution reliability  
8 requirements.

9 (a) To assure the reliable delivery of electricity to all  
10 customers in this State and the effective implementation of the  
11 provisions of this Article, the Commission shall, within 180  
12 days of the effective date of this Article, adopt rules and  
13 regulations for assessing and assuring the reliability of the  
14 transmission and distribution systems and facilities that are  
15 under the Commission's jurisdiction.

16 (b) These rules and regulations shall require each electric  
17 utility or alternative retail electric supplier owning,  
18 controlling, or operating transmission and distribution  
19 facilities and equipment subject to the Commission's  
20 jurisdiction, referred to in this Section as "jurisdictional  
21 entities", to adopt and implement procedures for restoring  
22 transmission and distribution services to customers after  
23 transmission or distribution outages on a nondiscriminatory

1 basis without regard to whether a customer has chosen the  
2 electric utility, an affiliate of the electric utility, or  
3 another entity as its provider of electric power and energy.  
4 These rules and regulations shall also, at a minimum,  
5 specifically require each jurisdictional entity to submit  
6 annually to the Commission.

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

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

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

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

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

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

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

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

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

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

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

26 (6) a report of the jurisdictional entity's

1 implementation of its plan filed pursuant to subparagraph  
2 (5) for the previous reporting period.

3 (c) The Commission rules shall set forth the criteria that  
4 will be used to assess each jurisdictional entity's annual  
5 report and evaluate its reliability performance. Such criteria  
6 must take into account, at a minimum: the items required to be  
7 reported in subsection (b); the relevant characteristics of the  
8 area served; the age and condition of the system's equipment  
9 and facilities; good engineering practices; the costs of  
10 potential actions; and the benefits of avoiding the risks of  
11 service disruption.

12 (d) At least every 3 years, beginning in the year the  
13 Commission issues the rules required by subsection (a) or the  
14 following year if the rules are issued after June 1, the  
15 Commission shall assess the annual report of each  
16 jurisdictional entity and evaluate its reliability  
17 performance. The Commission's evaluation shall include  
18 specific identification of, and recommendations concerning,  
19 any potential reliability problems that it has identified as a  
20 result of its evaluation.

21 (e) In the event that more than 0.8% of the total ~~30,000~~  
22 customers of an electric utility are subjected to a continuous  
23 power interruption of 4 hours or more that results in the  
24 transmission of power at less than 50% of the standard voltage,  
25 or that results in the total loss of power transmission, the  
26 utility shall be responsible for compensating customers

1 affected by that interruption for 4 hours or more for all  
2 actual damages, which shall not include consequential damages,  
3 suffered as a result of the power interruption. The utility  
4 shall also reimburse the affected municipality, county, or  
5 other unit of local government in which the power interruption  
6 has taken place for all emergency and contingency expenses  
7 incurred by the unit of local government as a result of the  
8 interruption. A waiver of the requirements of this subsection  
9 may be granted by the Commission in instances in which the  
10 utility can show that the power interruption was a result of  
11 any one or more of the following causes:

12 (1) Unpreventable damage due to weather events or  
13 conditions.

14 (2) Customer tampering.

15 (3) Unpreventable damage due to civil or international  
16 unrest or animals.

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

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

22 (f) In the event of a power surge or other fluctuation that  
23 causes damage and affects more than 0.8% of the total ~~30,000~~  
24 customers, the electric utility shall pay to affected customers  
25 the replacement value of all goods damaged as a result of the  
26 power surge or other fluctuation unless the utility can show

1 that the power surge or other fluctuation was due to one or  
2 more of the following causes:

3 (1) Unpreventable damage due to weather events or  
4 conditions.

5 (2) Customer tampering.

6 (3) Unpreventable damage due to civil or international  
7 unrest or animals.

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

11 Loss of revenue and expenses incurred in complying with this  
12 subsection may not be recovered from ratepayers. Customers with  
13 respect to whom a waiver has been granted by the Commission  
14 pursuant to subparagraphs (1)-(4) of subsections (e) and (f)  
15 shall not count toward the 0.8% of the total ~~30,000~~ customers  
16 required therein.

17 (g) Whenever an electric utility must perform planned or  
18 routine maintenance or repairs on its equipment that will  
19 result in transmission of power at less than 50% of the  
20 standard voltage, loss of power, or power fluctuation (as  
21 defined in subsection (f)), the utility shall make reasonable  
22 efforts to notify potentially affected customers no less than  
23 24 hours in advance of performance of the repairs or  
24 maintenance.

25 (h) Remedies provided for under this Section may be sought  
26 exclusively through the Illinois Commerce Commission as

1 provided under Section 10-109 of this Act. Damages awarded  
2 under this Section for a power interruption shall be limited to  
3 actual damages, which shall not include consequential damages,  
4 and litigation costs. Damage awards may not be paid out of  
5 utility rate funds.

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

9 (j) The Commission shall by rule require an electric  
10 utility to maintain service records detailing information on  
11 each instance of transmission of power at less than 50% of the  
12 standard voltage, loss of power, or power fluctuation (as  
13 defined in subsection (f)), that affects 10 or more customers.  
14 Occurrences that are momentary shall not be required to be  
15 recorded or reported. The service record shall include, for  
16 each occurrence, the following information:

17 (1) The date.

18 (2) The time of occurrence.

19 (3) The duration of the incident.

20 (4) The number of customers affected.

21 (5) A description of the cause.

22 (6) The geographic area affected.

23 (7) The specific equipment involved in the fluctuation  
24 or interruption.

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

26 (9) A description of measures taken to remedy the cause



1 of the power interruption or fluctuation.

2 (10) A description of measures taken to prevent future  
3 occurrence.

4 (11) The amount of remuneration, if any, paid to  
5 affected customers.

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

8 Copies of the records containing this information shall be  
9 available for public inspection at the utility's offices, and  
10 copies thereof may be obtained upon payment of a fee not  
11 exceeding the reasonable cost of reproduction. A copy of each  
12 record shall be filed with the Commission and shall be  
13 available for public inspection. Copies of the records may be  
14 obtained upon payment of a fee not exceeding the reasonable  
15 cost of reproduction.

16 (k) The requirements of subsections (e) through (j) of this  
17 Section shall apply only to an electric public utility having  
18 100,000 ~~1,000,000~~ or more customers.

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

20 Section 99. Effective date. This Act takes effect upon  
21 becoming law.