



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB2507

Introduced 10/24/2011, by Sen. Susan Garrett

SYNOPSIS AS INTRODUCED:

220 ILCS 5/Art. XXIII heading new
220 ILCS 5/23-101 new
220 ILCS 5/23-105 new
220 ILCS 5/23-110 new
220 ILCS 5/23-115 new
220 ILCS 5/23-120 new
220 ILCS 5/23-125 new
220 ILCS 5/23-130 new

Amends the Public Utilities Act. Creates a new Article concerning electrical outages and emergency preparedness for electric utilities. Defines "area outage emergency". Provides that an electric utility must establish an Emergency Operations Center capable of receiving communications from municipalities and counties regarding down power lines or other damage during an area outage emergency. Provides that the failure of an electric utility to implement an emergency management plan or comply with plan provisions shall result in the denial of exemption from paying damages under the Act. Provides that an annual report shall be provided to a municipality or county that includes specified data sets. Provides that an electric utility is responsible for implementing the emergency management protocols and reporting requirements without diminishment of investment into the upgrade and maintenance of the existing system. Provides that the Illinois Commerce Commission shall take into account the performance of an electric utility in implementing emergency management protocols and reporting requirements in future rate increase cases. Provides that failure by the electric utility to implement emergency management protocols and reporting requirements, other specified criteria, or any diminishment of investment into the upgrade and maintenance of the existing system in order to meet the implementation of emergency management protocols and reporting requirements or critical public safety facilities restoration timeframes shall result in a decrease of 100 basis points in the return on equity sought within the future proposed rate increase case. Effective January 1, 2012.

LRB097 13715 CEL 58258 b

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 Article 23 as follows:

6 (220 ILCS 5/Art. XXIII heading new)

7 ARTICLE XXIII. ELECTRICAL OUTAGES AND EMERGENCY PREPAREDNESS

8 (220 ILCS 5/23-101 new)

9 Sec. 23-101. Legislative findings.

10 (a) Severe storms of 2011 exposed systemic weaknesses in
11 the performance of regulated electric utilities in terms of an
12 electric utility's ability to respond to major emergencies and
13 to coordinate with municipalities and counties who are charged
14 with disaster mitigation and protecting public health, safety,
15 and welfare. Shortcomings include:

16 (1) the inability to process, track, prioritize, and
17 watch over down wires that obstruct first responders'
18 access to streets and divert fire and police resources to
19 protect wires for unreasonably long times;

20 (2) the inability to provide municipal and county
21 leadership reliable and timely information regarding scope
22 of an outage, location of stricken areas, availability of

1 repair crews, and restoration data;

2 (3) being unprepared to identify and restore critical
3 public infrastructure and facilities as specified in
4 paragraph (3) of subsection (b) in Section 23-110 of this
5 Act within a timely manner;

6 (4) the failure of an electric utility's customer
7 service information systems, resulting in inundation of
8 municipalities and counties with diverted electric utility
9 customers and diversion of municipal and county resources
10 from other critical functions; and

11 (5) widespread outages in the summer of 2011 that also
12 identified shortcomings regarding infrastructure,
13 maintenance, and vegetation management and information
14 annually reported to municipalities; the impact of severe
15 weather may have been greatly mitigated if vegetation
16 management better protected lines, chronically troubled
17 circuits had been addressed, and additional switches to
18 permit re-routing of power had been installed; annual
19 reports provided by the utility to local authorities lack
20 adequate information on local system reliability, repeat
21 non-weather related outages, routine maintenance, system
22 monitoring, and planned infrastructure improvement to be
23 useful.

24 (b) Electric utilities shall be held accountable under this
25 Act for such substantial shortcomings and are required to take
26 meaningful corrective action.

1 (c) The Commission is the appropriate agency to prepare and
2 submit to the General Assembly information benchmarking
3 electric utilities performance and restoration resources
4 against those of comparable utilities. The Commission shall
5 identify best practices and submit such data to the General
6 Assembly for the development of additional future legislation.

7 (220 ILCS 5/23-105 new)

8 Sec. 23-105. Definitions. For the purposes of this Article,
9 "area outage emergency" or "AOE" means:

10 (1) an outage caused by severe weather, natural
11 disaster, disruption, damage or destruction of
12 transmission or distribution facilities, or other event or
13 related events in temporal proximity resulting in
14 widespread loss of power locally or regionally;

15 (2) a loss of power to 30,000 or more customers
16 system-wide; or

17 (3) a loss of power to 10% or more of customers in an
18 individual municipality or county.

19 (220 ILCS 5/23-110 new)

20 Sec. 23-110. Emergency preparedness and emergency
21 management.

22 (a) An electric utility must establish an Emergency
23 Operations Center (EOC), staffed 24 hours per day, 7 days per
24 week, capable of receiving communications from municipalities

1 and counties regarding down power lines or other damage during
2 an AOE.

3 The electric utility EOC must be able to receive messages
4 by fax, phone, text, e-mail, or other agreed upon
5 communications means.

6 The electric utility EOC must be able to transmit
7 confirmation of receipt and acknowledgement of information.

8 In the case of a report by a public agency of down lines or
9 equipment blocking streets, an electric utility EOC must be
10 capable of providing information to municipality or county
11 officials as to when utility crews and line watchers shall be
12 dispatched and the estimated time to reopen a street or streets
13 reported within 2 hours of receipt.

14 (b) The first 24 hours after onset of the AOE, an electric
15 utility:

16 (1) shall initialize operations of a communications
17 center to provide direct communication to municipal and
18 county officials affected by the AOE;

19 (2) shall ensure that an external affairs
20 representative is in direct contact with the municipality
21 or county; and

22 (3) must receive and provide confirmation of receipt to
23 municipality or county of priority of critical public
24 safety facilities for restoration, including, but not
25 limited to, the reopening:

26 (A) of streets to permit access for emergency

1 response and disaster remediation;

2 (B) of potable water facilities, sanitary sewer
3 and storm sewer facilities, treatment plants, pump
4 stations, and lift stations;

5 (C) of hospitals and nursing homes; and

6 (D) of municipal and county emergency operations
7 centers, relief shelters, police and fire facilities,
8 and government telecommunications facilities.

9 (c) Within 48 hours after the onset of the AOE, an electric
10 utility must provide:

11 (1) municipal or county officials with an on-site staff
12 member qualified, authorized, and equipped to facilitate
13 restoration efforts, assign crews, prioritize work to be
14 performed, status of restoration of identified critical
15 facilities, and capable of accessing utility information
16 systems to direct prioritization of restoration work; an
17 on-site utility staff member may be shared between multiple
18 municipalities at a single municipal site, but no such
19 shared site shall encompass more than 10 square miles; and

20 (2) the municipality or county, at least once every 4
21 hours, with a current summary of the number of customers
22 out, number of repair tickets out, number of customers by
23 repair tickets currently being worked, and the number of
24 crews operating in that municipality.

25 (d) After 48 hours, an electric utility must continue to
26 provide:

1 (1) a staff member and 4-hour updates until final 1% of
2 customer restoration; and

3 (2) 4-hour updates until full restoration.

4 (e) An electric utility shall provide:

5 (1) a municipality or county with a report within 5
6 business days after completion of initial restoration
7 detailing its plans for making full repairs and rebalancing
8 of distribution system; the report must include a checklist
9 of remaining repairs and a timetable for completion;

10 (2) an improve web-based electronic reporting system
11 to provide real-time updates showing outages by municipal
12 or county boundaries, more accurate information as to
13 location and existence of outages, and information on
14 repair crews dispatched; and

15 (3) a report, within 14 business days of completion of
16 initial restoration, verifying compliance with the
17 procedures required in this Section.

18 (f) An electric utility:

19 (1) shall utilize industry best practices to provide
20 sufficient customer communications capacity through
21 combination of telephone, internet, or other resources so
22 that customers may promptly report outages, access
23 information, and confirm restoration of service; and

24 (2) must identify performance measures on customer
25 service in AOE situations as part of the annual report.

26 (g) An emergency management plan must implement all of the

1 requirements of this Article. The emergency management plan
2 must be delivered to the Commission, municipality, and county
3 officials and be updated annually. The emergency management
4 plan must identify and map which municipalities and counties
5 may share an on-site utility staff member during an AOE and
6 identify a site where staff members may be located.
7

8 (220 ILCS 5/23-115 new)

9 Sec. 23-115. Accountability.

10 (a) The failure of an electric utility to implement an
11 emergency management plan or otherwise comply with this Act or
12 rules adopted under this Act shall result in denial of a waiver
13 from paying damages to customers under Section 16-125 of this
14 Act.

15 (b) The failure of an electric utility to comply with plan
16 provisions in a municipality or unincorporated area of a county
17 shall result in denial of a waiver from paying damages to
18 customers within municipality or unincorporated areas under
19 Section 16-125 of this Act.

20 (c) The electric utility must give notice of application
21 for a waiver from paying damages to customers under Section
22 16-125 of this Act to all covered municipalities and counties
23 to permit them to object to the waiver. The Illinois Attorney
24 General is authorized to appear for and represent all covered
25 municipalities and counties in any proceedings.

1 (d) The electric utility must give public notice of an
2 application for a waiver from paying damages to customers under
3 Section 16-125 of this Act to permit members of the public to
4 object to the petition. The Illinois Attorney General is
5 authorized to appear for and represent all covered customers in
6 any proceedings.

7 (220 ILCS 5/23-120 new)

8 Sec. 23-120. Annual reporting to municipalities.

9 (a) An annual report provided to a municipality or county
10 shall be additionally provided in an electronic format and data
11 sets in the report shall be sortable and searchable.

12 (b) The annual report must include the following:

13 (1) tree trimming by circuit for the report year,
14 current year, and next year's schedule;

15 (2) capital investment by circuit, including, but not
16 limited to lines, infrastructure, and transformers;

17 (3) outage analysis by circuit, including, but not
18 limited to, wildlife, trees, storm, equipment failures,
19 overhead versus underground lines, and comparable System
20 Average Interruption Frequency Index and Customer Average
21 Interruption Duration Index data;

22 (4) resident complaints, including, but not limited
23 to, the number of complaints, type of complaint, work order
24 responses, and restoration time;

25 (5) comparison of current year statistics versus the

- 1 reporting year;
2 (6) a hazardous tree list;
3 (7) annual inspection report by circuit including, but
4 not limited to the summary of what infrastructure issues
5 are discovered, results of thermographic or other
6 systematic evaluation of line conditions, inspection
7 cycle, which circuits done, action plan, and corrective
8 analysis;
9 (8) identification of problem areas based upon
10 national standards;
11 (9) repeat and pocket outage analysis with action plan;
12 (10) smart grid implementation plan for municipalities
13 and counties; and
14 (11) tracking customer waiting times and abandoned
15 calls.

16 (220 ILCS 5/23-125 new)

17 Sec. 23-125. Reliability and system maintenance.

18 (a) The electric utility is responsible for implementing
19 the emergency management protocols and reporting requirements
20 described in this Article without diminishment of investment
21 into the upgrade and maintenance of the existing system.

22 (b) The Commission shall take into account performance of
23 an electric utility in implementing emergency management
24 protocols and reporting requirements in future rate increase
25 cases.

1 (c) The failure by the electric utility to implement
2 emergency management protocols and reporting requirements,
3 failure to restore 75% of critical public safety facilities as
4 specified in paragraph (3) of subsection (b) in Section 23-110
5 of this Act within a 24-hour period upon declaration of an AOE
6 or 90% of critical public safety facilities within a 36-hour
7 period upon declaration of an AOE, or any diminishment of
8 investment into the upgrade and maintenance of the existing
9 system in order to meet the implementation of emergency
10 management protocols and reporting requirements or critical
11 public safety facilities restoration timeframes shall result
12 in a decrease of 100 basis points in the return on equity
13 sought within the future proposed rate increase case.

14 (220 ILCS 5/23-130 new)

15 Sec. 23-130. Direction to Commission; report to State
16 leadership.

17 (a) The Commission shall adopt rules within one year after
18 the effective date of this amendatory Act of the 97th General
19 Assembly implementing the provisions of this Article.

20 (b) The Commission shall deliver to the Governor, Speaker
21 of the House, Senate President, House and Senate Minority
22 Leaders, and Attorney General within 18 months after the
23 effective date of this amendatory Act of the 97th General
24 Assembly a report providing data on industry best practices
25 among regulated electricity-delivering utilities in the United

1 States relating to major weather related outages, coordination
2 with local authorities, public information, customer
3 communication, restoration resources, including crews
4 available per capita, per customer, and per square mile of
5 service territory, and comparing Illinois regulated electric
6 utilities to said benchmarks, and making recommendations based
7 on such data.

8 Section 99. Effective date. This Act takes effect January
9 1, 2012.