

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,	)	
of the investigation into methods to improve the	)	
reliability of electric service in Michigan.	)	Case No. U-12270
_____	)	

At the June 19, 2000 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. David A. Svanda, Commissioner
Hon. Robert B. Nelson, Commissioner

OPINION AND ORDER

The Commission issued an order on January 3, 2000 initiating this proceeding to consider methods to improve the reliability of service to all of Michigan's electric utility customers. The Commission directed the Commission Staff (Staff) to consult with electric utilities operating in Michigan, customer groups, and other relevant stakeholders to develop recommendations for appropriate measures of service quality, current industry standards, and changes in existing methods that would improve service reliability.

The Staff filed a status report on March 31, 2000. The Staff filed its final report on May 1, 2000 with proposed electric distribution system performance standards.

On June 5, 2000, Public Act 141 of 2000 took effect. Subsection 10p(5) provides:

The commission shall adopt generally applicable service quality and reliability standards for the transmission and distribution systems of electric utilities and other

entities subject to its jurisdiction, including, but not limited to, standards for service outages, distribution facility upgrades, repairs and maintenance, telephone service, billing service, operational reliability, and public and worker safety. In setting service quality and reliability standards, the commission shall consider safety, costs, local geography and weather, applicable codes, national electric industry practices, sound engineering judgment, and experience. The commission shall also include provisions to upgrade the service quality of distribution circuits that historically have experienced significantly below-average performance in relationship to similar distribution circuits.

MCL 460.10p(5); MSA 22.13(10p)(5).

To implement the requirements of subsection 10p(5) with respect to service quality and reliability standards for electric distribution systems, the Commission concludes that interested persons should have an opportunity to comment on the Staff's May 1, 2000 proposal. The Commission invites comments on whether and how those standards should be modified to comply with Public Act 141. With respect to standards for electric transmission systems, the Commission directs the Staff to commence a process similar to that which it used in developing the distribution standards, recognizing the new statutory requirements and the constraints of federal law.

The Commission has selected this case for participation in its Electronic Filings program. All documents filed in this case must be submitted in both paper and electronic versions. An original and four paper copies and an electronic copy in the portable document format (PDF) should be filed with the Commission. Specifications for filing electronic documents can be found in the Commission's Electronic Filings Users Manual at:

<http://ermisbbs.cis.state.mi.us/efile/usersmanual.pdf>. Contact the Commission Staff at 800.292.9555, 517.241.6170, or by E-mail at efile@ermisbbs.cis.state.mi.us prior to filing to obtain access privileges and with any questions.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; MSA 22.151 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACCS, R 460.17101 et seq.

b. Interested parties should have an opportunity to file comments on the Staff's May 1, 2000 electric distribution system performance standards.

c. The Staff should consult with electric utilities operating in Michigan, customer groups, and other relevant stakeholders about methods to improve the service reliability of transmission systems.

THEREFORE, IT IS ORDERED that:

A. Interested persons may file comments on the Commission Staff's May 1, 2000 proposed electric distribution system performance standards by July 21, 2000, reply comments by August 4, 2000, and response comments by August 18, 2000.

B. The Commission Staff shall consult with electric utilities operating in Michigan, customer groups, and other relevant stakeholders about methods to improve the service reliability of transmission systems, and shall file a status report concerning the results of those consultations by September 29, 2000 and a final report by November 1, 2000.

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ John G. Strand

Chairman

(S E A L)

/s/ David A. Svanda

Commissioner

/s/ Robert B. Nelson

Commissioner

By its action of June 19, 2000.

/s/ Dorothy Wideman

Its Executive Secretary

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MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

Commissioner

Commissioner

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Suggested Minute:

“Adopt and issue order dated June 19, 2000 setting a schedule for comments on the Commission Staff's proposed electric distribution system performance standards and initiating a process for improving the reliability of electric transmission service in Michigan, as set forth in the order.”