

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 January 3, 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

ORDER INITIATING INVESTIGATION

In November 1999, the Commission Staff (Staff) filed a report (Staff Report) regarding its investigation into the reliability of the distribution system of The Detroit Edison Company (Detroit Edison) and the company's storm response capability. The Staff Report contained the following eight recommendations: (1) that Detroit Edison increase its tree trimming operations; (2) that Detroit Edison work with the Staff to develop reliability performance targets to be submitted to the Commission for approval; (3) that Detroit Edison expand its poor performing area program to include the impact of all storms, including severe storms; (4) that Detroit Edison review its programs for distribution system strengthening, pole top and line maintenance, downed wire reduction, and secondary rewiring; (5) that Detroit Edison strengthen its system with new substations; (6) that Detroit Edison expand its utilization of storm-resistant overhead wiring configurations; (7) that Detroit Edison work with the Staff to identify levels of distribution capital

and operations and maintenance spending which optimize system performance and reliability; and (8) that Detroit Edison improve the responsiveness of its toll-free number and complaint processes.

Although the recommendations in the Staff Report are specifically directed to Detroit Edison, it is clear that many of them may be applicable to other electric utilities operating in Michigan, particularly the recommendation regarding reliability performance targets. The Commission is required by statute to investigate the method employed by utilities to supply electricity and to order improvements that are necessary to secure good service and to ensure the safety of the public (MCL 460.555; MSA 22.155). In light of this statutory mandate, the Commission finds that a proceeding should be initiated to review methods designed to improve the reliability of service to all of Michigan's electric utility customers. Accordingly, the Commission directs the Staff to consult with electric utilities operating in Michigan, customer groups, and other relevant stakeholders, to develop recommendations regarding appropriate measures of service quality, current industry standards, and changes in existing methods that will improve service reliability. The Staff shall file a status report on the results of its consultations by March 15, 2000. The Staff shall file a final report by May 1, 2000. Thereafter, the Commission will schedule further proceedings as appropriate.

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. The Staff should consult with electric utilities operating in Michigan, customer groups, and other relevant stakeholders, regarding methods to improve service reliability, and should file a status report concerning the results of those consultations by March 31, 2000, and a final report by May 1, 2000.

THEREFORE, IT IS ORDERED that the Commission Staff shall consult with electric utilities operating in Michigan, customer groups, and other relevant stakeholders, regarding methods to improve service reliability, and shall file a status report concerning the results of those consultations by March 31, 2000, and a final report by May 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 January 3, 2000.

/s/ Dorothy Wideman

Its Executive Secretary

b. The Staff should consult with electric utilities operating in Michigan, customer groups, and other relevant stakeholders, regarding methods to improve service reliability, and should file a status report concerning the results of those consultations by March 31, 2000, and a final report by May 1, 2000.

THEREFORE, IT IS ORDERED that the Commission Staff shall consult with electric utilities operating in Michigan, customer groups, and other relevant stakeholders, regarding methods to improve service reliability, and shall file a status report concerning the results of those consultations by March 31, 2000, and a final report by May 1, 2000.

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

MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

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Suggested Minute:

“Adopt and issue order dated January 3, 2000 initiating an investigation into methods for improving the reliability of electric service in Michigan, as set forth in the order.”