

# HB3121



## 97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3121

Introduced 2/23/2011, by Rep. Lou Lang

### SYNOPSIS AS INTRODUCED:

220 ILCS 5/16-125

Amends the Public Utilities Act. Makes a technical change in a Section concerning reliability of transmission and distribution systems.

LRB097 09199 ASK 49334 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 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 ~~the~~ reliable delivery of electricity to  
10 all customers in this State and the effective implementation of  
11 the provisions of this Article, the Commission shall, within  
12 180 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 either (i) 30,000 (or some  
22 other number, but only as provided by statute) of the total  
23 customers or (ii) 0.8% (or some other percentage, but only as  
24 provided by statute) of the total customers, whichever is less,  
25 of an electric utility are subjected to a continuous power  
26 interruption of 4 hours or more that results in the

1 transmission of power at less than 50% of the standard voltage,  
2 or that results in the total loss of power transmission, the  
3 utility shall be responsible for compensating customers  
4 affected by that interruption for 4 hours or more for all  
5 actual damages, which shall not include consequential damages,  
6 suffered as a result of the power interruption. The utility  
7 shall also reimburse the affected municipality, county, or  
8 other unit of local government in which the power interruption  
9 has taken place for all emergency and contingency expenses  
10 incurred by the unit of local government as a result of the  
11 interruption. A waiver of the requirements of this subsection  
12 may be granted by the Commission in instances in which the  
13 utility can show that the power interruption was a result of  
14 any one or more of the following causes:

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

17 (2) Customer tampering.

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

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

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

25 (f) In the event of a power surge or other fluctuation that  
26 causes damage and affects more than either (i) 30,000 (or some

1 other number, but only as provided by statute) of the total  
2 customers or (ii) 0.8% (or some other percentage, but only as  
3 provided by statute) of the total customers, whichever is less,  
4 the electric utility shall pay to affected customers the  
5 replacement value of all goods damaged as a result of the power  
6 surge or other fluctuation unless the utility can show that the  
7 power surge or other fluctuation was due to one or more of the  
8 following causes:

9 (1) Unpreventable damage due to weather events or  
10 conditions.

11 (2) Customer tampering.

12 (3) Unpreventable damage due to civil or international  
13 unrest or animals.

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

17 Loss of revenue and expenses incurred in complying with this  
18 subsection may not be recovered from ratepayers. Customers with  
19 respect to whom a waiver has been granted by the Commission  
20 pursuant to subparagraphs (1)-(4) of subsections (e) and (f)  
21 shall not count toward the either (i) 30,000 (or some other  
22 number, but only as provided by statute) of the total customers  
23 or (ii) 0.8% (or some other percentage, but only as provided by  
24 statute) of the total customers required therein.

25 (g) Whenever an electric utility must perform planned or  
26 routine maintenance or repairs on its equipment that will

1 result in transmission of power at less than 50% of the  
2 standard voltage, loss of power, or power fluctuation (as  
3 defined in subsection (f)), the utility shall make reasonable  
4 efforts to notify potentially affected customers no less than  
5 24 hours in advance of performance of the repairs or  
6 maintenance.

7 (h) Remedies provided for under this Section may be sought  
8 exclusively through the Illinois Commerce Commission as  
9 provided under Section 10-109 of this Act. Damages awarded  
10 under this Section for a power interruption shall be limited to  
11 actual damages, which shall not include consequential damages,  
12 and litigation costs. A utility's request for a waiver of this  
13 Section shall be timely if filed no later than 30 days after  
14 the date on which a claim is filed with the Commission seeking  
15 damages or expense reimbursement under this Section. No utility  
16 shall be liable under this Section while a request for waiver  
17 is pending. Damage awards may not be paid out of utility rate  
18 funds.

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

22 (j) The Commission shall by rule require an electric  
23 utility to maintain service records detailing information on  
24 each instance of transmission of power at less than 50% of the  
25 standard voltage, loss of power, or power fluctuation (as  
26 defined in subsection (f)), that affects 10 or more customers.



1 Occurrences that are momentary shall not be required to be  
2 recorded or reported. The service record shall include, for  
3 each occurrence, the following information:

4 (1) The date.

5 (2) The time of occurrence.

6 (3) The duration of the incident.

7 (4) The number of customers affected.

8 (5) A description of the cause.

9 (6) The geographic area affected.

10 (7) The specific equipment involved in the fluctuation  
11 or interruption.

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

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

15 (10) A description of measures taken to prevent future  
16 occurrence.

17 (11) The amount of remuneration, if any, paid to  
18 affected customers.

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

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

1 obtained upon payment of a fee not exceeding the reasonable  
2 cost of reproduction.

3 (k) The requirements of subsections (e) through (j) of this  
4 Section shall apply only to an electric public utility having  
5 100,000 or more customers.

6 (Source: P.A. 95-1027, eff. 6-1-09.)