

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Amended Reliability Benchmarks : Docket No. M-00991220  
And Standards For the Electric :  
Distribution Companies :  
Request for Comments :

**COMMENTS OF CITIZENS' ELECTRIC COMPANY ON THE  
COMMISSION'S PROPOSED GUIDELINES AND STANDARDS FOR  
PERFORMANCE RELIABILITY**

**I. INTRODUCTION**

Citizens' Electric Company files these comments in response to the Pennsylvania Public Utility Commission's (Commission) Tentative Order and Request For Comments on the proposed guidelines and standards for performance reliability enunciated by the Commission in its order entered on June 27, 2003.

**II. THE PERFORMANCE STANDARDS FOR SMALL EDCs SHOULD CONTINUE TO BE SET USING A STANDARD DEVIATION APPROACH**

Citizens' Electric Company acknowledges that, in establishing new performance standards, the Commission has taken into account the special circumstances of small EDCs. Specifically, a single event can have a significant impact on reliability indices. Because of the magnitude a single outage contributes, a greater percentage of outages are classified as "major events," affecting 10% of customers for five minutes or longer, and are thereby excluded from reliability calculations. Excluding these outages results in very low residual SAIDI and SAIFI calculations. As a result, even a benchmark of 135%

limits performance variations to an extremely small amount before the benchmark is exceeded.

Citizens' Electric Company respectfully suggests that for the 12-month rolling average, the Commission use 1.5 standard deviations as the standard and for the 36-month rolling average, it use 1.0 standard deviations for the standard. This provides for tightening of the standards from current levels and a prudent method to measure the reliability of smaller EDCs.

### **III. IMPLEMENTATION OF AN AUTOMATED OUTAGE REPORTING SYSTEM MAY IMPACT FUTURE RELIABILITY MEASUREMENTS**

While we believe we are capturing and recording outages accurately, future technology enhancements may prove to impact our indices. Specifically, while investigating the feasibility of automated meter reading technology, we have identified the potential ancillary benefit of automatic outage reporting. Should we proceed with the implementation of this system, it is possible that SAIDI and/or SAIFI could be impacted by the shift in data collection methodology. We respectfully suggest that any deviations arising out of technology deployment issues be addressed individually at the time of occurrence.

### **IV. QUARTERLY AND ANNUAL REPORTING REQUIREMENTS, AS ENUNCIATED IN DOCKET L-00030161, SHOULD BE LIMITED TO RELIABILITY INDICES**

The Commission has directed that comments regarding Docket L-00030161, *Proposed Rulemaking Re Amending Electric Service Reliability Regulations at 52 Pa.*

*Code Chapter 57*, should be considered in conjunction with Docket M-00991220. In accordance with that request, the following comments are offered.

We agree with the importance of reporting the items required from small EDCs in the quarterly reliability report. Specifically, these items include: a description of major events that occurred during the quarter, rolling 12-month SAIFI, SAIDI, and CAIDI values, and a breakdown of outage causes with proposed solutions.

We respectfully suggest that it would be appropriate to limit the information required in the annual report to the same items. It is our belief that the additional data requested in the annual report (progress toward meeting maintenance goals, budget vs. actual maintenance expenditures, staffing levels, contractor hours and dollars, and callout acceptance rate) presents an unduly burdensome (and relatively uninformative) reporting requirement. While we agree it is important to assign a cost to efforts aimed at improving reliability, it does not necessarily follow that increasing expenditures or manpower will have a direct correlation on reliability. Focusing directly on actual performance measures is the best way to ascertain current reliability, and to determine the effectiveness of our maintenance programs.

Further, in addition to callout acceptance rate, many other aspects contribute to overall restoration time. These include response time, travel time, weather conditions, etc. Again, the best assessment of restoration is the standard CAIDI measure.

Finally, we agree with the Commission's position that it is not necessary for small EDCs to report on the 5% worst performing circuits. The nature of our operation is such that we are inherently aware of the condition of all circuits, and can respond quickly to any problems.

## **CONCLUSION**

Reliability is an extremely important issue to us, and we are proud of the record of service we have established. We are pleased to work with the Commission to continue the history of low-cost, reliable electricity our customers have enjoyed for many years.

Respectfully submitted

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