

**DEPARTMENT OF LABOR AND ECONOMIC GROWTH**  
**PUBLIC SERVICE COMMISSION**  
**SERVICE QUALITY AND RELIABILITY STANDARDS**  
**FOR ELECTRIC DISTRIBUTION SYSTEMS**

(By authority conferred on the public service commission by section 10p of 2000 PA 141, section 7 of 1909 PA 106, section 5 of 1919 PA 419, sections 4 and 6 of 1939 PA 3, and sections 3, 9, and 231 of 1965 PA 380, MCL 460.10p, 460.557, 460.55, 460.4, 460.6, 16.103, 16.109, and 16.331)

**PART 1. GENERAL PROVISIONS**

**R 460.701 Application of rules.**

Rule 1. (1) These rules apply to electric utilities as defined by [MCL 460.562\(e\)](#).  
(2) These rules do not relieve an electric utility that is subject to the jurisdiction of the public service commission from any of its duties under the laws of this state, including all of the requirements of R 460.3101 to R 460.3908.

History: 2004 AAC.S.

**R 460.702 Definitions.**

Rule 2. As used in these rules:

(a) "All conditions" means conditions reflected by data derived through the amalgamation of data from normal conditions, [gray sky conditions](#) and catastrophic conditions. "All conditions" does not mean only normal conditions or [only gray sky conditions](#) or only catastrophic conditions.

(b) ~~"Answer" means that a utility representative, voice response unit, or automated operator system is ready to render assistance or ready to accept information necessary to process the call. An acknowledgment that the customer is waiting on the line does not constitute an answer.~~ "Approved by the commission" means that a favorable commission order has been obtained.

~~(c) "Call" means a measurable effort by a customer to obtain a telephone connection whether the connection is completed or not.~~

~~(d) "Call blockage factor" means the percentage of calls that do not get answered. The call blockage factor is calculated by multiplying the remainder obtained by subtracting the number of answers from the number of calls, multiplying by 100, and then dividing that value by the total number of calls.~~ "Catastrophic conditions" means either of the following:

(i) Severe weather conditions that result in service interruptions for [greater than 10%](#) of a utility's customers.

**Commented [A1]:** Proposed moving customer experience related definitions to Billing Rules

**Commented [A2]:** Transfer to billing rules.

**Commented [A3]:** Transfer to Billing Rules

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(ii) Events of sufficient magnitude that result in issuance of an official state of emergency declaration by the local, state, or federal government.

~~(d) "CEMIn: Customers Experiencing Multiple Interruptions" The Customers Experiencing Multiple Interruptions Index (CEMIn) indicates the ratio of individual customers experiencing n or more sustained interruptions to the total number of customers served. At its option, an electric utility may report on specific identifiable circuit segments rather than whole circuits as long as the criteria for identification of the specific circuit segments are fully explained in its report. If an electric utility lacks the capability of independently tracking momentary-interruption data, then the utility may rely solely upon notification provided by its customers to report the data to the commission.~~

Commented [A4]: New Definition

(e) "Commission" means the Michigan public service commission.

~~(f) "Complaint response" or "response" means a communication between the utility and the customer that identifies the problem and a solution to the complaint.~~

~~(g) "Complaint response factor" means the annual percentage of the complaints forwarded to a utility by the commission that are responded to within the time period prescribed by these rules.~~ "Completion date" means the day on which service at a new installation is permanently energized. The provision of construction power does not affect a determination of the completion date.

Commented [A5]: Move to Billing Rules

(g) "Electric utility" or "utility" means that term as defined in section 2(e) of 1995 PA 30, MCL 460.562(e).

~~(h) (d) "Gray Sky Day" means weather conditions that result in sustained service interruptions for greater than 2.5%, but less than 10% of a utility's customers.~~

Commented [A6]: Updated MCL reference

Commented [A7]: New Definition

~~(h) (i) "Meter reading factor" means the percentage of meters read within an approved billing period. An approved billing period is a "billing month" within the meaning of R 460.2102(b) of not less than 26 days, nor more than 35 days, or some other time period approved by the commission.~~

~~(h) (j) "Metropolitan statistical area" means an area within the state of Michigan identified by the federal office of management and budget on June 30, 1999. A map of the metropolitan statistical areas was attached to the July 11, 2001, order in Case No. U 12270 as exhibit C and appears on the website of the United States department of commerce, economics and statistics administration, bureau of the census.~~

~~(h) (k) "Minimum bill prorated on a daily basis" means the amount that results from dividing the customer's minimum bill amount by the number of days in the billing period and then by multiplying that quotient by the number of days during which the customer remained out of service.~~

~~(h) (l) "MISS DIG activities" means the requirements imposed pursuant to 2013 PA 174, MCL 460.721 et seq.~~

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Commented [A8]: Updated reference

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~~(h) (m) "New service installation factor" means the percent of new service hookups that are completed within the time period prescribed by these rules, from start date to completion date. New service hookups dependent on the construction of a line extension other than the service line shall be excluded from the calculation of this factor.~~

~~(n) "Momentary Interruption" means the full or partial loss of service to 1 or more customers for less than 5 minutes. Such switching operations must be completed within a specified time of five minutes or less. This definition includes all reclosing operations that occur within five minutes of the first interruption. If a recloser or circuit breaker operates two, three, or four times and then holds (within five minutes of the first operation), those momentary interruptions shall be considered one momentary interruption event.~~

Commented [A9]: IEEE Definition

~~(m) (o) "Normal conditions" means weather conditions that result in sustained service~~

interruptions for less than 2.5% of a utility's customers.

~~(p)~~ "Same-circuit repetitive interruption" means a grouping of more than 10 customers on a circuit who experience multiple interruptions under all conditions. At its option, an electric utility may report on specific identifiable circuit segments rather than whole circuits as long as the criteria for identification of the specific circuit segments are fully explained in its report. If an electric utility lacks the capability of independently tracking same-circuit repetitive interruption data, then the utility may rely solely upon notification provided by its customers to report the data to the commission.

~~(q)~~ "Service restoration" means that the interruption condition has been corrected and that the interrupted customer or customers have regained the full use of their electric service.

~~(r)~~ "Start date for new installations" means the first business day after all of the following events have occurred:

- (i) All rights of way, easements, licenses, and consents have been obtained and are and remain physically unencumbered.
- (ii) All permits have been received.
- (iii) All joint use requirements have been met.
- (iv) All required inspections have been completed.
- (v) All commission-approved tariff payments have been received.
- (vi) All MISS DIG activities have been completed.

~~(s)~~ "Wire-down relief factor" means the annual percentage of the non-utility employee guarded downed wires that are relieved by a utility representative within the time period specified in Rule 23.

~~(t)~~ "Sustained Interruption" means any interruption not classified as a part of a momentary event - that is, any interruption that lasts more than five minutes. The duration of a customer's interruption shall be measured from the time that the electric utility is notified or otherwise becomes aware of the full or partial loss of service to 1 or more customers for longer than 5 minutes.

**Commented [A10]:** Suggested replacement of "interruption" to match IEEE.

History: 2004 AACs.

#### **R 460.703 Revision of tariff provisions.**

Rule 3. Not more than 30 days after the effective date of these rules, an electric utility subject to the commission's jurisdiction shall file any revisions of its tariff provisions necessary to conform with these rules.

History: 2004 AACs.

### **PART 2. UNACCEPTABLE LEVELS OF PERFORMANCE**

#### **R 460.721 Duty to plan to avoid unacceptable levels of performance.**

Rule 21. An electric utility shall plan to operate and maintain its distribution system in a manner that will permit it to provide service to its customers without experiencing an unacceptable level of performance as defined by these rules.

History: 2004 AACCS.

**R 460.722 Unacceptable levels of performance during sustained service interruptions.**

Rule 22. It is an unacceptable level of performance for an electric utility to fail to meet any of the following sustained service interruption standards:

(a) Considering data derived through the amalgamation of data from ~~both~~ normal, gray sky and catastrophic conditions, an electric utility shall restore service within 36 hours to not less than 90% of its customers experiencing sustained service interruptions.

(b) Considering data including only gray sky conditions, an electric utility shall restore service within 1660 hours to not less than 90% of its customers experiencing sustained service interruptions.

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(c) Considering data including only catastrophic conditions, an electric utility shall restore service within 3660 hours to not less than 90% of its customers experiencing sustained service interruptions.

(d) Considering data including only normal conditions, an electric utility shall restore service within 8 hours to not less than 90% of its customers experiencing sustained service interruptions.

(e) Considering data derived through the amalgamation of data from ~~both~~ normal, gray sky and catastrophic conditions, an electric utility shall not experience 4-4 or more same circuit repetitive interruptions in a 12-month period on more than 5% of its circuits.

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History: 2004 AACCS.

**R 460.723 Wire down relief requests.**

Rule 23. (1) It is an unacceptable level of performance for an electric utility to fail to respond to a request for relief of a non-utility employee guarded downed wire at a location in a metropolitan statistical area within 240 120 minutes after notification at least 90% of the time under all conditions.

(2) It is an unacceptable level of performance for an electric utility to fail to respond to a request for relief of a non-utility employee guarded downed wire at a location in a non-metropolitan statistical area within 360 180 minutes after notification at least 90% of the time under all conditions.

(3) It is an unacceptable level of performance for an electric utility to fail to exercise due diligence and care to ensure that non-utility employees are relieved from guarding downed wires in the quickest manner possible.

(4) It is an unacceptable level of performance for an electric utility to fail to exercise due diligence and care to ensure downed wires are repaired in the quickest manner possible.

Commented [A11]: New Language

History: 2004 AACCS.

**R 460.724 Unacceptable service quality levels of performance.**

Rule 24. It is an unacceptable level of performance for an electric utility to fail to meet any of the following service quality standards:

~~(a) An electric utility shall have an average customer call answer time of less than 90 seconds.~~

~~(b) An electric utility shall have a call blockage factor of 5% or less.~~

~~(e)a) An electric utility shall have a complaint response factor of 90% or more within 3 business days.~~ An electric utility shall have a meter reading factor of ~~98~~5% or more within the approved period, including customer reads.

~~(d)b)~~ An electric utility shall complete 90% or more of its new service installations within 15 business days.

History: 2004 AACCS.

**Commented [A12]:** Move to Billing Rules

**Commented [A13]:** Suggested increase meter read factor to reflect AMI meter read capabilities

### PART 3. RECORDS AND REPORTS

#### R 460.731 Deadline for filing annual reports.

Rule 31. Not more than 120 days after the end of the calendar year in which these rules became effective, an electric utility shall file an annual report with the commission regarding the previous calendar year. For subsequent calendar years, an electric utility shall file its annual report not more than 75 days after the end of the year. The annual report shall be filed on a form prescribed by the Commission.

History: 2004 AACCS.

**Commented [A14]:** Added for future flexibility in modifying annual reporting requirements.

#### R 460.732 Annual report contents.

Rule 32. The annual report of an electric utility made pursuant to these rules shall contain all of the following information:

~~(a) The call blockage factor. If the call blockage factor is more than 5%, then the annual report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.~~

~~(b) The complaint response factor. If the complaint response factor is less than 90% within 3 business days, then the annual report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.~~

~~(e)a) The average customer call answer time. If the average customer call answer time is 90 seconds or more, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.~~ The meter reading factor. If the meter reading factor is less than ~~95~~85%, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

~~(d)b) The new service installation factor. If the new service installation factor is less than 90% completed within 15 business days, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.~~

~~(e)c) The wire-down relief factor. If the wire-down relief factor is less than 90% within 240-120 minutes within metropolitan statistical areas or less than 90% within 360 180 minutes in non-metropolitan statistical areas, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.~~

**Commented [A15]:** Suggest moving Call Blockage, Complaint and Answer time to Billing Rules.

**Commented [A16]:** Move to Billing Rules

(d) The service restoration factor for all conditions. If the service restoration factor for all conditions is less than 90% of customers restored within 36 hours or less, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

(e) The service restoration factor for normal conditions. If the service restoration factor for normal conditions is less than 90% of customers restored within 8 hours or less, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

(f) The service restoration factor for gray sky conditions. If the service restoration factor for gray sky conditions is less than 90% of customers restored within 1660 hours or less, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

(g) The service restoration factor for catastrophic conditions. If the service restoration factor for catastrophic conditions is less than 90% of customers restored within 3660 hours or less, then the report shall contain a detailed explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

(h) The same-circuit repetitive interruption factor. If the same-circuit repetitive interruption factor is more than 5% of circuits experiencing 5-4 or more same-circuit repetitive interruptions within a 12 month period, then the report shall contain a detailed

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explanation of the steps that the electric utility is taking to bring its performance to an acceptable level.

~~(i)~~ A description of all catastrophic conditions experienced during the year.

~~(j)~~ The number and total dollar amount of all customer credits provided during the year, broken down by customer class, for its failure to restore service to customers within 20-72 hours of a sustained interruption that occurred during the course of catastrophic conditions.

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~~(k)~~ The number and total dollar amount of all customer credits provided during the year, broken down by customer class, for its failure to restore service to customers within 20-32 hours of a sustained interruption that occurred during the course of gray sky conditions.

~~(l)~~ The number and total dollar amount of all customer credits provided during the year, broken down by customer class, for its failure to restore service to customers within 16 hours of a sustained interruption that occurred during normal conditions.

~~(m)~~ The number and total dollar amount of all customer credits provided during the year, broken down by customer class, for same-circuit repetitive interruptions.

~~(n)~~ A summary table indicating whether the electric utility complied or failed to comply with each of the standards established by these rules.

~~(o)~~ A list of their ten worst performing circuits for the prior year in terms of both SAIDI and SAIFI;

~~(p)~~ For each of the ten worst performing circuits, the utility shall provide the following information: (i) SAIDI and SAIFI excluding major events for the year; (ii) circuit name, number, and location; (iii) length of circuit (miles); (iv) number of customers served; (v) substation name; (vi) last circuit trim; (vii) list of outages and causes; and (viii) corrective action plan to improve performance;

~~(q)~~ Number of Customers Experiencing Multiple Interruptions (“CEMI”) reporting for indices CEMI0 through CEMI10+

~~(r)~~ Number of Customers Experiencing Long Interruption Durations (“CELID”) reporting for indices CELID60hrs and CELID8hrs (excluding catastrophic events).

Commented [A17]: Added requirement language from current Orders in U-16065 and U-16066.

~~(s)~~ Number of customers experiencing Momentary Interruptions.

History: 2004 AACCS.

#### **R 460.733 Availability of records.**

Rule 33. (1) An electric utility shall make available to the commission or its staff, upon request, all records, reports, and other information required to determine compliance with these rules and to permit the commission and its staff to investigate and resolve service quality and reliability issues related to electric distribution service.

(2) An electric utility shall make records, reports, and other information available to the commission or its staff within 5 business days, preferably in an electronic format available through the internet, accessible with standard browser software, identification, and password or as soon thereafter as feasible.

History: 2004 AACCS.

#### **R 460.734 Retention of records.**

Rule 34. An electric utility shall preserve, in detail, all records required by these rules for the previous 24 months and shall preserve, in summary form, all records for not less than 4 years, unless otherwise ordered by the commission.

History: 2004 AACCS.

#### **PART 4. FINANCIAL INCENTIVES AND CUSTOMER ACCOMODATIONS**

##### **R 460.741 Approval of incentives by the commission.**

Rule 41. (1) The commission may authorize an electric utility to receive a financial incentive if it exceeds all of the service quality and reliability standards adopted by these rules.

(2) A request for approval of an incentive mechanism shall be made in either of the following proceedings and shall be conducted as a contested case under chapter 4 of 1969 PA 306, MCL 24.271 et seq.

(a) A rate case proceeding.

(b) A single-issue proceeding filed specifically to address adoption of an incentive program.

(3) An electric utility shall not file an application seeking approval of an incentive mechanism until it has exceeded all of the service quality and reliability standards adopted by these rules continuously for a period of not less than 12 months.

History: 2004 AACCS.

##### **R 460.742 Criteria for receipt of an incentive.**

Rule 42. (1) If an electric utility qualifies for implementation of a previously approved incentive mechanism, it shall file an application seeking authority to implement the incentive mechanism at the same time that it submits the annual report required by R 460.732.

(2) An electric utility shall not apply for a financial incentive approved by the commission unless all of the following criteria were met during the previous 12 months:

(a) All required reports have been filed in a timely manner.

(b) All required reports fully comply with the requirements as determined by the commission.

(c) The electric utility's performance shall have exceeded all of the individual service quality and reliability standards.

(d) The electric utility shall have fully responded to any inquiries about the content of the reports made by the commission or its staff in a timely manner.

History: 2004 AACCS.

##### **R 460.743 Disqualification.**

Rule 43. An electric utility shall be disqualified from receiving an incentive if the commission issues an order finding that the electric utility engaged in any type of anticompetitive behavior within the 12-month period preceding the filing of an application



pursuant to R 460.742(1).

History: 2004 AACCS.

**R 460.744 Customer accommodation for failure to restore service after a sustained interruption due to catastrophic or gray sky conditions.**

Rule 44. (1) Unless an electric utility requests a waiver pursuant to part 5 of these rules, an electric utility that fails to restore service to a customer within ~~420~~72 hours after a sustained interruption that occurred during the course of catastrophic conditions shall provide ~~to~~ any affected customer with a bill credit on the customer's bill within 90 days. The amount of the credit provided to a residential customer shall be the greater of \$35.00 or the customer's monthly customer charge. The amount of the credit provided to any other distribution customer shall be the customer's minimum bill prorated on a daily basis.

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~~\_\_\_\_\_~~(2) Unless an electric utility requests a waiver pursuant to part 5 of these rules, an electric utility that fails to restore service to a customer within ~~32~~60 hours after a sustained interruption that occurred during the course of gray sky conditions shall provide ~~to~~ any affected customer with a bill credit on the customer's bill within 90 days. The amount of the credit provided to a residential customer shall be the greater of \$35.00 or the customer's monthly customer charge. The amount of the credit provided to any other distribution customer shall be the customer's minimum bill prorated on a daily basis.

(3) No sooner than September 1, 2022, and by October 1 every year thereafter, the Commission shall issue an order adjusting the customer accommodations under subsection (1) and subsection (2) of these rules. The Commission shall adjust these customer accommodations by multiplying these accommodations by the difference between the Consumer Price Index for the month of October immediately preceding the commission's order implementing the inflation adjustment and the Consumer Price Index for the previous October. The commission shall round up each adjustment made under this subsection to the nearest multiple of \$1.00.

History: 2004 AACCS.

**R 460.745 ~~Penalty~~ Customer accommodation for failure to restore service during normal conditions.**

Rule 45. (1) Unless an electric utility requests a waiver pursuant to part 5 of these rules, an electric utility that fails to restore service to a customer within 16 hours after an interruption that occurred during normal conditions shall provide ~~to~~ any affected customer ~~that notifies the utility of the interruption~~ a bill credit on the customer's bill within 90 days. The amount of the credit provided to a residential customer shall be the greater of ~~\$25.00~~ \$35.00 or the customer's monthly customer charge. The amount of the credit provided to any other distribution customer shall be the customer's minimum bill prorated on a daily basis.

Commented [A18]: Is there a reason the customer needs to request these credits, as opposed to them being automatic?

(2) No sooner than September 1, 2022, and by October 1 every year thereafter, the Commission shall issue an order adjusting the customer accommodation under this rule. The Commission shall adjust these customer accommodations by multiplying these

accommodations by the difference between the Consumer Price Index for the month of October immediately preceding the commission's order implementing the inflation adjustment and the Consumer Price Index for the previous October. The commission shall round up each adjustment made under this subsection to the nearest multiple of \$1.00.

History: 2004 AACCS.

**R 460.746 ~~Penalty~~ Customer accommodation for repetitive sustained interruptions of the same circuit.**

Rule 46. (1) Unless an electric utility requests a waiver pursuant to part 5 of these rules, a customer of an electric utility that experiences ~~and notifies the utility of~~ more than 7-5 interruptions in a 12-month period due to a same-circuit repetitive interruption shall be entitled to a billing credit on the customer's ~~next~~ bill within 90 days. The amount of the credit provided to a residential customer shall be the greater of ~~\$25.00~~ \$35.00 or the customer's monthly customer charge. The amount of the credit provided to any other distribution customer shall be the customer's minimum bill prorated on a daily basis.

**Commented [A19]:** Is there a reason the customer needs to request these credits, as opposed to them being automatic?

(2) Following provision of the billing credit to a customer experiencing more than 7-5 interruptions in a 12-month period due to a same-circuit repetitive interruption ~~or CEMI~~, the electric utility's interruption counter shall be reset to zero to ensure that another credit to the customer will be processed only after the occurrence of another ~~8-6~~ interruptions in a 12 month period.

(3) No sooner than September 1, 2022, and by October 1 every year thereafter, the Commission shall issue an order adjusting the customer accommodations under subsection (1) of these rules. The Commission shall adjust these customer accommodations by multiplying these accommodations by the difference between the Consumer Price Index for the month of October immediately preceding the commission's order implementing the inflation adjustment and the Consumer Price Index for the previous October. The commission shall round up each adjustment made under this subsection to the nearest multiple of \$1.00.

History: 2004 AACCS.

**R 460.747 Multiple billing credits allowed.**

Rule 47. An electric utility's obligation to provide a customer with a billing credit for one reason does not excuse the obligation to provide an additional billing credit in the same month for another reason.

History: 2004 AACCS.

**R 460.748 Effect in other proceedings.**

Rule 48. (1) The payment or nonpayment of a customer credit or an incentive award shall not affect the rights of a customer or an electric utility in any proceeding before the commission or in any action in a court of law.

(2) The finding of a violation of a service quality or reliability standard adopted in these rules shall not affect the rights of a customer or an electric utility in any proceeding before the commission or in any action in a court of law.

History: 2004 AACCS.

## **PART 5. WAIVERS AND EXCEPTIONS**

### **R 460.751 Waivers and exceptions by electric utilities.**

Rule 51. (1) An electric utility may petition the commission for a permanent or temporary waiver or exception from these rules when specific circumstances beyond the control of the utility render compliance impossible or when compliance would be unduly economically burdensome or technologically infeasible.

(2) An electric utility may request a temporary waiver in order to have sufficient time to implement procedures and systems to comply with these rules.

(3) An electric utility need not meet the standards or grant the credits required by parts 2 and 4 of these rules under any of the following circumstances:

(a) The problem was caused by the customer.

(b) There was a work stoppage or other work action by the electric utility's employees, beyond the control of the utility, that caused a significant reduction in employee hours worked.

(c) The problem was caused by an "act of God." The term "act of God" means an event due to extraordinary natural causes so exceptionally unanticipated and devoid of human agency that reasonable care would not avoid the consequences and includes any of the following:

(i) Flood.

(ii) Tornado.

(iii) Earthquake.

(iv) Fire.

(d) The problem was due to a major system failure attributable to any of the following:

(i) An accident.

(ii) A man-made disaster.

(iii) A terrorist attack.

(iv) An act of war.

History: 2004 AACCS.

### **R 460.752 Proceedings for waivers and exceptions.**

Rule 52. (1) A petition for a waiver of a customer credit provision filed by an electric utility shall be handled as a contested case proceeding. The burden of going forward with a request for a waiver shall be on the electric utility. To be timely, a

petition for a waiver of a customer credit provision of these rules shall be filed not more than 14 calendar days after conclusion of the outage giving rise to application of the customer credit provision.

(2) A petition for any other waiver or exception may be granted by the commission without notice or hearing.

History: 2004 AACs.