



An **AEP** Company

BOUNDLESS ENERGY™

Indiana Michigan Power
P O Box 60
Fort Wayne, IN 46801
indianamichiganpower.com

August 28, 2020

To: Tayler Becker, Electric Operations Section, Michigan Public Service Commission
Brian Sheldon, Energy Security Section, Michigan Public Service Commission

Re: Comments on the Staff Initial Report: Technical Standards for Electric Service Rules

Indiana Michigan Power Company (I&M or Company) submits these comments on the Michigan Public Service Commission (MPSC) Staff's Initial Report: Technical Standards for Electric Service Rules U-20630 issued July 31, 2020. I&M appreciates this opportunity to comment on Staff's initial review, summary, and recommendations to update the Technical Standards for Electric Service Rules. I&M appreciates the time and effort by interested stakeholders to provide valuable input during this process and the Commission's efforts to facilitate discussion by hosting workshops and subgroup meetings to ensure collaborative input and participation. I&M has had many employees from various areas of the business engaged in the process along the way and has reviewed Staff's Initial Report, Appendix A and Appendix B. The Company offers the following comments on Staff's initial report draft language.

I&M Comments to Rule Changes & Staff Recommendations

Rule 102: Definitions

Regional Transmission Organization – I&M suggesting a revised definition

I&M is a member of the PJM regional transmission organization which engages in capacity market opportunities which could include facilitating or operating a day-ahead and/or day-of energy markets, monitoring markets (often completed by an Independent Market Monitor), transmission planning, managing a queue for generator interconnections and administering congestion pricing and ancillary services. The Company would support the inclusion of some of these other functions within the definition of an RTO.

BOUNDLESS ENERGY™



Rule 203: Documents and information; required submission.

The newly proposed annual reporting would not seem to meaningfully benefit customers, particularly when compared to the additional cost that would be required to report this information annually. Utilities, particularly smaller utilities have limited resources available to support reporting requirements. As reporting requirements increase it will cause an increase in the cost of resources needed to support those requirements. I&M recommends this reporting requirement be eliminated or not required for utilities with fewer than 200,000 customers in the State of Michigan. Alternatively, I&M and other utilities already provide the Commission with periodic Distribution Plans that provide extensive information on the distribution system and would allow for incorporation of information consistent with the objectives of the suggested reporting requirements.

Specific to the proposed reporting on vegetation management, the Commission approves a revenue requirement for a representative level of the costs of the service I&M provides its customers and not specific amounts for vegetation management. From there, I&M is responsible for managing its business with the funds produced by the approved rates and charges, including the proper maintenance of vegetation that could affect service to customers. Additionally, rates and charges can be established from an overall revenue level agreed to by settlement that does not state an “approved amount.” For these reasons, any reporting should not include an “approved amount” due to the misleading nature or lack of such a value. I&M, like other utilities, necessarily must have the flexibility to manage its business for the benefit of its customers. Periodic budgets and actuals can vary for numerous reasons, many of which are largely outside I&M’s control. For example, weather, customer load, competing business needs, and resource availability can all impact the amount of vegetation management planned for a given period and the actual vegetation management completed. In the event vegetation management reporting is required, it should be limited to information on periodic budgets and actuals and an explanation of the variance.

Rule 205 Security Reporting



I&M supports the addition of Rule 205 Security Reporting into the Technical Standards. A suggested change with comment for section (d) follows:

~~(d) An unauthorized person accessed or acquired data that compromises the security or confidentiality of personal information maintained by the electric provider, as defined by section 3(r) of the identity theft protection act, 2004 PA 452, MCL 445.63(r)~~ A security breach, as that term is defined in the Michigan Identity Theft Protection Act, 2004 PA 452, MCL 445.63(b) and 445.72(8), affecting over 1,000 Michigan residents., prior to public and customer notification.

The Michigan Identity Theft Protection Act at Section 445.72(8) creates a heightened threshold for notice to consumer reporting agencies, requiring a security breach impact over 1,000 Michigan residents before a business is required to notify consumer reporting agencies. Given the possibility of a number of very minor security events, AEP recommends utilizing the same 1,000 resident threshold as is utilized in Section 445.72(8) of the Michigan Identity Theft Protection Act. Similarly, the Michigan Identity Theft Protection Act contains a heightened threshold for a security breach, which is captured at 445.63(b) versus 445.63(r). Utilizing these references would be in keeping with the spirit of the remainder of the notifiable events described in this Appendix – unusual cyber events or significant events – and would avoid overwhelming the Agency with minor notices. It also streamlines the process for the impacted utility

Rule 411 Extension of Electric Service

I&M participated in several discussions regarding proposals that were presented to modify Rule 411. The Company does not see value to all customers in changing this existing rule set and supports Staff's recommendation to leave Rule 411 unchanged.

I&M respectfully requests that Staff consider the above positions and make appropriate modifications in its Final Report before filing it with the Commission. I&M appreciates the ability to provide comments to the Staff's Initial Report as well as throughout the duration of the Technical Standards workshop and subgroup meetings.