



Making the Most of Michigan's Energy Future

Summer Storm and Service Quality Ruleset Update

August 25, 2020 Status Update



MPSC

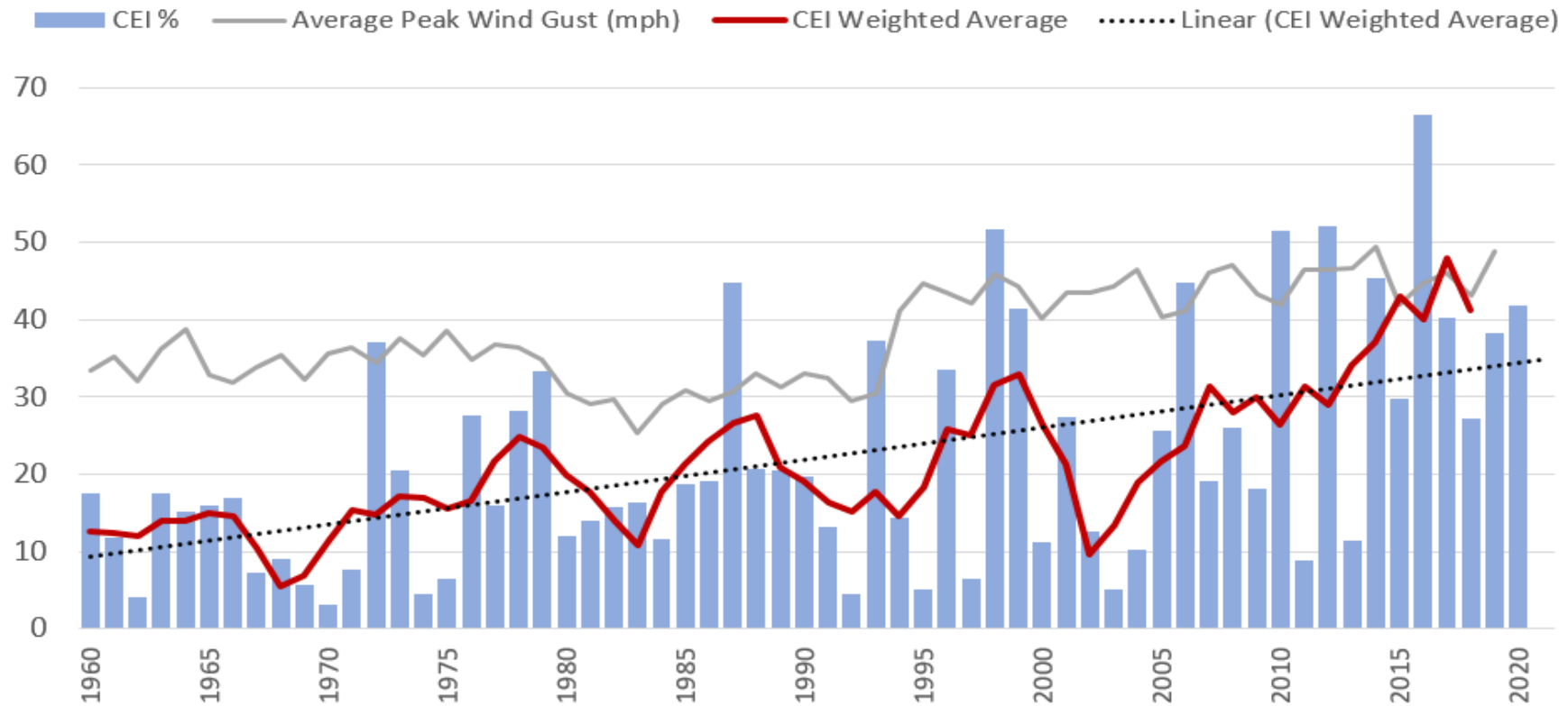
Michigan Public Service Commission

2021 Storms

- It has been a very stormy season with some areas hit multiple times.
- High winds exceeding 50 mph, flash floods and reported tornadoes caused tremendous damage to trees, poles and other equipment on many utility systems.
- The frequency of these storms caused wet conditions that allowed trees and poles to uproot in high winds.

Wind Data

Upper Midwest Climate Extremes Index and Wind 1960-2020



Source: National Oceanic and Atmospheric Administration reports

Note: Wind data gathered from several locations near Detroit (Detroit Metro and Willow Run airports) at various methods of measurement since 1960 including fastest 1 minute, peak wind, maximum 5 second and maximum 3 second

Outage Preventative Maintenance

- Trees are reported as the top cause of customer outages.
- The Commission has approved increased spending for utilities to manage overgrown trees in their territories.
 - **Consumers Energy:** Accelerated Tree Trim Program
 - **DTE Energy:** Enhanced Tree Trimming Program (ETTP)
 - **I&M:** Proactive Tree Trim Program
- These programs are closely monitored through annual reports and meetings with the utility.

Summer 2021 Storm Series

- The August 10th-12th storm event may be one of the largest outages in recent years with nearly 1 million customer outages reported statewide.
- The last storm of this magnitude was reported in 2017.

<u>August 10-12, 2021 Storm Series</u>	
<u>Utility</u>	<u>Customers Affected</u>
DTE	500,000
CE	372,000
Great Lakes Energy	72,500
I&M	20,000
Cherryland	14,560
Presque Isle	8,172
Cloverland	3,140
Midwest	3,100
Homeworks Tri-County	2,956
Total Outages Reported	996,428

August 10th-12th Storm Series

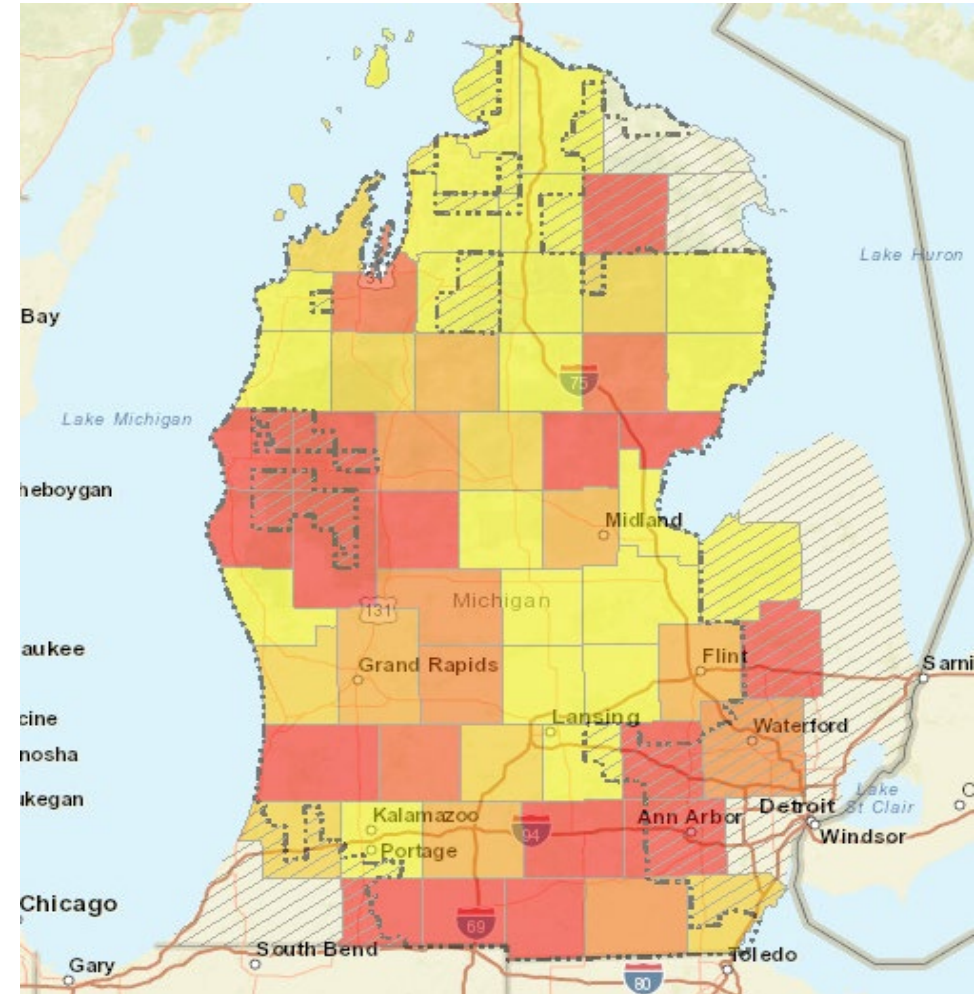
- Starting on the evening of August 10th and continuing through the morning of August 12th, a series of severe storms swept across Michigan, affecting many utilities including, Consumers Energy, DTE Energy, and Indiana Michigan Power (I&M).
- High winds (70+ mph), flooding and F1 tornadoes were reported in some areas as well.
- The severity of the weather caused severe damage to trees, utility poles and other equipment within their territories.

August 10th-12th Storm Series

- Restoration Challenges:
 - Limited Mutual Aid Assistance Available
 - Continued inclement weather
 - High heat and humidity
 - Outstanding customer outages stemming from previous weekend. (Some customers may have experienced additional delays to restoration)

August 10th-12th Storm Series – Consumers Energy

- 372,688 customers affected
- 8,018 downed wires
- 500 + restoration crews
- 70 mph winds

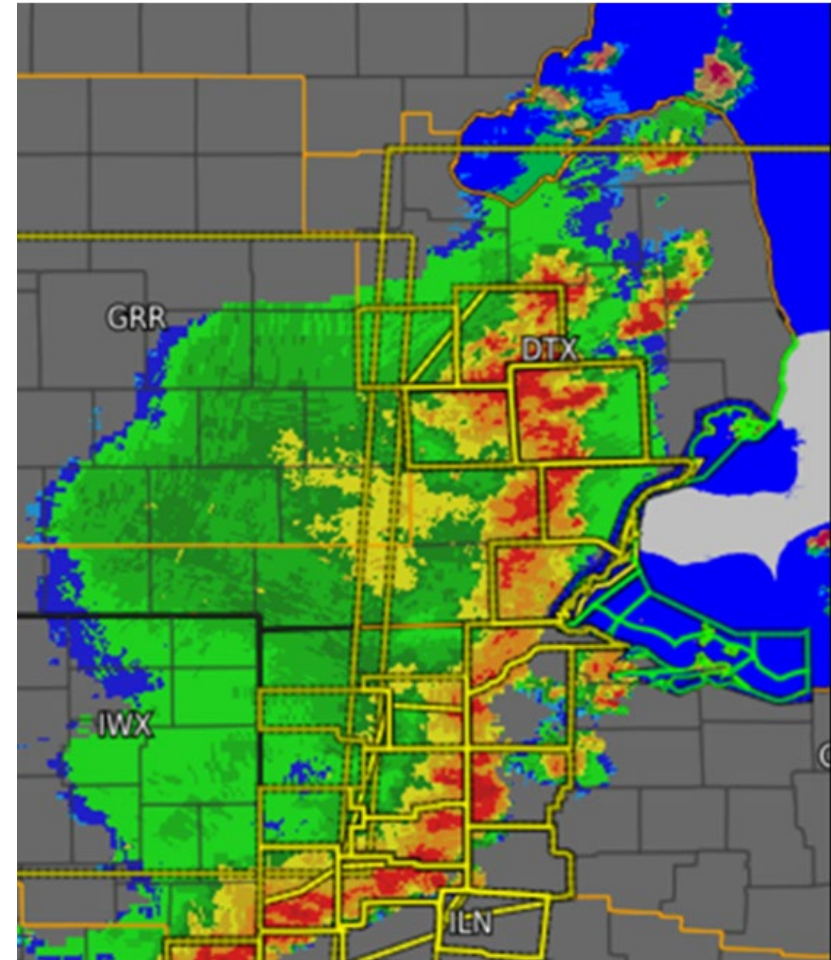


CE Damage Photos



August 10th-12th Storm Series – DTE Energy

- 700,000 customers affected
- 3,100 downed wires
- 2,800 crews
- 70 mph winds reported
- 3-5 inches of rain



DTE Damage Photos



August 10th-12th Storm Series – I&M

- 20,000 customers affected
- 347 downed wires
- 1,000 crew personnel
- 60 mph winds
- Substation Flooding (7 in. rain)



I&M Damage Photos





Making the Most of Michigan's Energy Future

Service Quality Ruleset Update



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- Focused, multi-year stakeholder initiative to maximize the benefits of the transition to clean, distributed energy resources for Michigan residents and businesses
- Engages utility customers and other stakeholders to help integrate new clean energy technologies and optimize grid investments for reliable, affordable electricity service
- Includes outreach, education, and regulatory reforms



Grid Security and Reliability Standards

- Workgroup initiated in September 2019 and held four stakeholder meetings as part of Phase I.
- Charged with recommending revisions to the Service Quality and Reliability Standards as well as the Technical Standards for Electric Service rulesets
- Identified gaps in existing rules and proposed solutions, including improvements in expected levels of performance, requiring automatic bill credits for customers who experience long-term or multiple outages, as well as strengthening cybersecurity monitoring and reporting.



Workgroup Initiated
9/11/2019

4 Stakeholder Meetings Conducted
12/3/2019 – 3/12/2020

Initial Report
7/31/2020

Final Report
12/15/2020

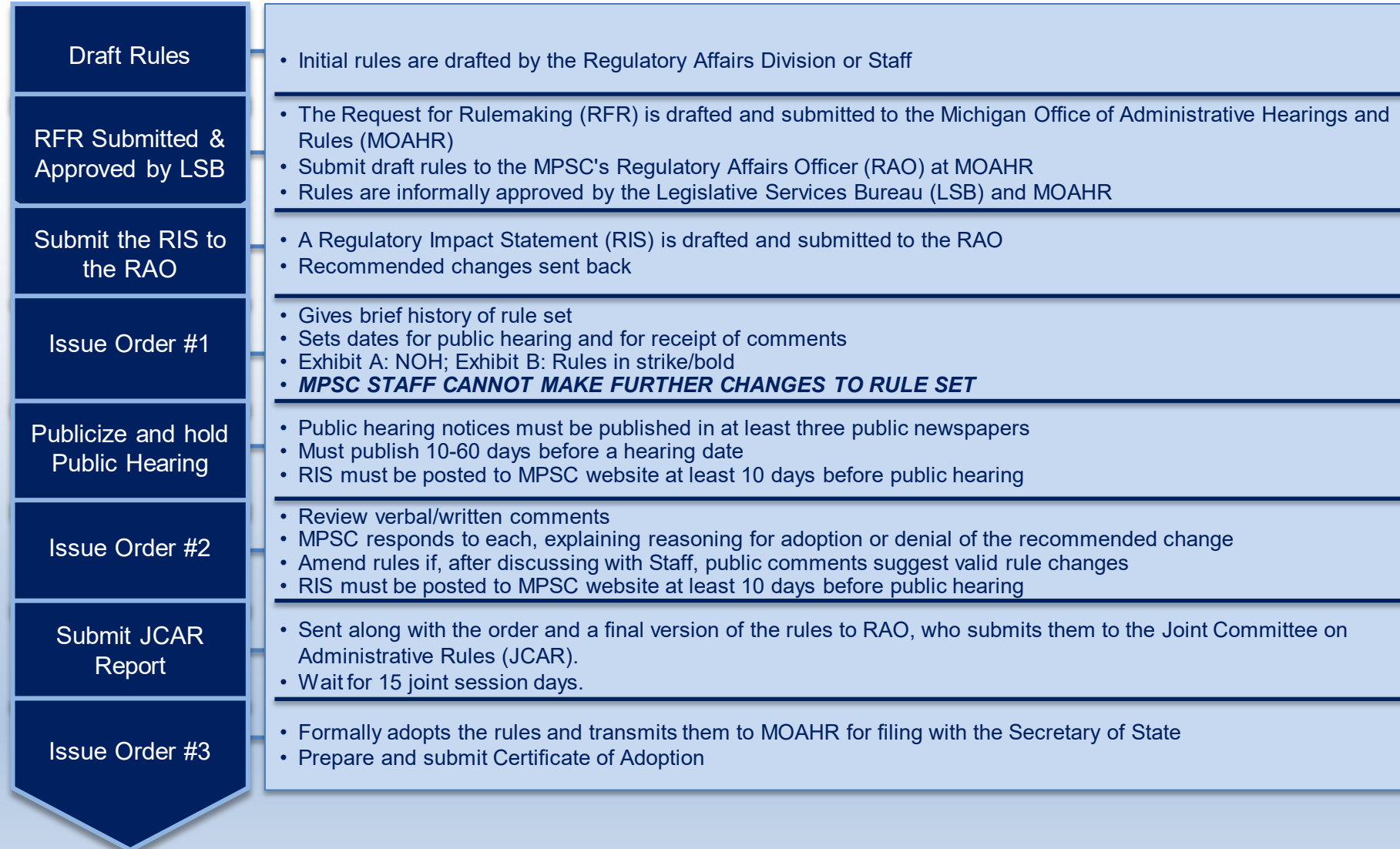
Service Quality Workgroup Overview

- Workgroup Participants and Commenters
 - Michigan's Attorney General, Michigan's Utilities, Michigan Fire Departments, MEGA, MECA, MAUI, State Rep. Yaroch, New Energy Advisors, CUB
- Timeline
 - December 2019 to March 2020
 - Monthly whole group sessions to discuss common issues
 - Separate subgroup sessions:
 - Two Definitions and Outage Reporting Meetings
 - Three Wire Down Meetings
 - January-August 2021
 - Internal review of proposed ruleset in preparation to move to rulemaking
- Issues Reviewed
 - Adopting more IEEE Definitions
 - Revising Wire Down Standby Times
 - Outage Reporting Requirements
 - Emergency Response Plans, AAR's
 - Service Performance Rules to be transferred to Billing Ruleset
 - Modifying Annual Reporting Requirements for all utilities
 - Outage Credits and Thresholds
 - Electric Service Reliability

Proposed Service Quality Changes

- Updates to Definitions to align with industry standard IEEE Terminology.
- Require utilities to automatically issue outage credits to customers who qualify.
- Increase in the base outage credit amount to \$35.00 and added \$2.00 per hour multiplier for long duration outages.
- Automatic adjustments to the outage credit amount to account for inflation annually.
- Repetitive outage threshold amendment for customers experiencing more than 4 outages annually.
- New mandates for repetitive and momentary outages.

MPSC Rulemaking Process



Next Steps

- Rulemaking is not a fast process and can be lengthy.
- The Commission will continue to monitor the outage performance of Michigan's utilities.
 - Rate Case Review (Tree Trimming/Storm Response)
 - Utility Five Year Distribution Planning Review
 - MI Power Grid Initiative
- Customers who were affected by longer outages can apply for an outage credit through their utility.
 - DTE has announced that they will voluntarily credit eligible customers who experienced qualifying outages up to \$100.

Additional Information

- Customers who have additional questions regarding their outage and their bill should reach out to their utility provider.
- In addition, the Customer Assistance Division at the MPSC can assist customers who have additional questions or concerns. Customer Service Division can be reached at (517) 284-8100.

Letter from Gov. Whitmer

- On August 20, 2021, Governor Gretchen Whitmer issued a letter to the Commission to request:
 - Prevent recovery of outage credit costs and other relief efforts in upcoming utility rate cases;
 - Expedite the promulgation of updated technical standards for electricity service and utility service quality rules as much as possible;
 - Consider requiring utilities to increase emergency preparedness planning around extreme weather, to add reporting requirements that add transparency around their efforts to improve system reliability, and to carefully review the recently filed utility distribution plans to gauge whether the proposed actions and investments are sufficient; and
 - Convene a technical conference on emergency preparedness, planning, and storm response.



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Thank You!



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