

STATE OF NEW YORK

8583

IN SENATE

May 10, 2018

Introduced by Sen. MAYER -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public service law, in relation to utility preparedness for outages and disruptions of service

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "utility
2 preparedness act of 2018".

3 § 2. The public service law is amended by adding a new section 66-p to
4 read as follows:

5 § 66-p. Utility preparedness for outages and disruptions of service.

6 1. Definitions. As used in this section:

7 (a) "Electric transmission and distribution company" or "transmission
8 and distribution company" or "company" shall mean: an investor-owned
9 utility having annual revenues in excess of two hundred million dollars
10 that transmits and distributes electricity within this state.

11 (b) "Vegetation management" shall mean: programs and practices
12 designed to prevent electric system disruptions or power outages caused
13 by the physical interference or collapse of trees, tree branches and
14 other vegetation on electric transmission and distribution lines.

15 2. Transmission and distribution company performance benchmarks and
16 standards. (a) No later than one year following the effective date of
17 this section, the commission shall establish, and each transmission and
18 distribution company is required to comply with, power restoration
19 performance benchmarks and standards to reduce the duration of outages
20 and disruptions and to facilitate restoration of power after outages or
21 disruptions. Prior to establishing such benchmarks and standards, the
22 commission may require companies to submit documents and any other
23 information in their possession in order to assist the commission in
24 establishing such benchmarks and standards.

25 (b) The benchmarks and standards established by the commission shall
26 be designed for power outages in which more than ten percent of a trans-
27 mission and distribution company's customers are without power for more

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 than forty-eight consecutive hours and shall include but not be limited
2 to, standards for:

3 (i) minimum staffing and equipment levels for each company, based on
4 the number of customers served by such company and the nature of the
5 infrastructure deployed to serve such company's customers in the event
6 of an emerging or wide-spread outage or disruption;

7 (ii) a timetable for restoration of power in outages affecting more
8 than ten percent, thirty percent, fifty percent and seventy percent of
9 such company's customers;

10 (iii) a timetable for restoration of power when outages are due to
11 blackouts of the entire grid;

12 (iv) creation of a communication plan between each company and its
13 customers, including, but not limited to, communication during time
14 periods that are not considered normal business hours;

15 (v) safety of companies' employees, work crews and private contrac-
16 tors;

17 (vi) creation of mutual aid agreements with other utilities in the
18 region and, as needed, in the United States and Canada, for mutual storm
19 restoration assistance, which such agreements shall be filed with the
20 commission;

21 (vii) notification of the commission and the public when a company has
22 requested aid for storm restoration assistance from other utilities
23 including the number of workers and/or additional equipment the company
24 has requested;

25 (viii) communication and coordination between each company and the
26 relevant state, municipal and/or emergency operations center officials
27 concerning emergency preparation, road clearing and the establishment of
28 restoration priorities;

29 (ix) tree trimming, cutting and removal by each transmission and
30 distribution company to reduce power outages caused by trees and limbs;

31 (x) communication and coordination, after consultation with the New
32 York state division of homeland security and emergency services, between
33 each transmission and distribution company and the public including, but
34 not limited to, standards concerning the use of any emergency notifica-
35 tion system to notify the public of power restoration status and any
36 dangerous conditions, including notification methods such as mobile
37 telephone text messages, electronic mail and any other electronic or
38 non-electronic means that the commission may require;

39 (xi) reimbursement to residential customers for:

40 (A) actual losses of food spoiled due to lack of refrigeration caused
41 during a power outage lasting forty-eight or more consecutive hours when
42 greater than ten percent of a company's residential customers have lost
43 power, in an amount up to two hundred dollars upon submission of an
44 itemized list and in an amount over two hundred dollars upon submission
45 of an itemized list and proof of loss, up to a maximum of four hundred
46 fifty dollars for any one customer for any one incident, which such
47 amounts may be periodically reviewed and changed by the commission;

48 (B) actual losses of perishable prescription medicine, spoiled due to
49 lack of refrigeration, upon submission of an itemized list and proof of
50 loss and, if requested by the company, submission of authorization to
51 enable the company to verify the claimed loss;

52 (xii) timely notification of power outages and restoration efforts by
53 each company to any relevant state or municipal agency or officials
54 including, but not limited to, any public safety agency or officials;

55 (xiii) the operation of an emergency call center by each company; and

56 (xiv) any other standards the commission deems necessary.

1 (c) The commission, in developing its power restoration performance
2 benchmarks and standards pursuant to paragraph (a) of this subdivision,
3 shall review:

4 (i) each transmission and distribution company's current practices
5 concerning power restoration after an emergency. Such review shall
6 include, but not be limited to, an analysis of each such company's: (A)
7 estimates concerning potential damage and power disruptions made prior
8 to a potential outage affecting more than ten percent of a company's
9 customers for a period of more than forty-eight consecutive hours; (B)
10 damage and power outage assessments after any emergency; (C) restoration
11 management after any emergency, including access to alternate restora-
12 tion resources via mutual aid agreements with other utilities for mutual
13 storm restoration assistance, including those entered into with other
14 transmission and distribution companies; (D) each company's plan for
15 at-risk and vulnerable customers including, but not limited to, custom-
16 ers identified in paragraphs (a) and (b) of subdivision three of section
17 thirty-two of this chapter; (E) policies concerning communication with
18 state and local officials and customers, including notification of
19 customer restoration estimates and the timeliness, accuracy and useful-
20 ness of such estimates; and (F) need for mutual aid agreements with
21 other utilities for mutual storm restoration including assistance from
22 crews serving other utilities or companies;

23 (ii) the adequacy of each transmission and distribution company's
24 infrastructure, facilities and equipment, including, but not limited to,
25 electric distribution lines, electric transformers and circuits, which
26 shall include an analysis of: (A) whether such company is following
27 standard industry practices for operation and maintenance of such
28 infrastructure, facilities and equipment; and (B) whether such company
29 has access to adequate replacement equipment for such infrastructure,
30 facilities and equipment during the course of a power outage affecting
31 more than ten percent of a company's customers for more than forty-eight
32 consecutive hours;

33 (iii) vegetation management policies of each transmission and distrib-
34 ution company including: (A) expenditures for tree trimming and other
35 practices to prevent interference of transmission and distribution lines
36 by vegetation; (B) incidence of power outages caused by vegetation
37 including falling trees and tree branches caused by weather or other
38 events; and (C) the amount and duration of power outages during previous
39 major storms caused by trees and limbs outside the current right of way
40 management with consideration given to the quantity and effectiveness of
41 prior tree trimming;

42 (iv) the impact, including, but not limited to, potential reduction of
43 power outages and potential cost of burying power lines underground were
44 such effort to be undertaken;

45 (v) the impact of expanding the area adjacent to distribution lines
46 for tree trimming, including an analysis of the benefits and the costs
47 of such expansion to ratepayers and the likelihood that such expansion
48 would decrease damage to infrastructure, facilities and equipment used
49 to distribute electricity and decrease power outage frequency or dura-
50 tion; and

51 (vi) any other policy or practice the commission deems necessary to
52 analyze in order to conduct the review required pursuant to this para-
53 graph.

54 (d) The commission shall permit each company to recover the reasonable
55 costs incurred by such company to maintain or improve the reliability of

1 such company's infrastructure necessary to meet the standards estab-
2 lished pursuant to this section.

3 (e) The commission may also establish standards for acceptable
4 performance by each transmission and distribution company in an emergen-
5 cy, in accordance with this section, upon a determination by the commis-
6 sion that the changed circumstances of any utility necessitates such
7 additional standards.

8 (f) No later than one year following the establishment of the bench-
9 marks and standards pursuant to paragraph (a) of this subdivision and
10 each year thereafter, each transmission and distribution company shall
11 provide an emergency response report to the commission. Such report
12 shall include information and an analysis concerning such company's
13 ability and performance during the preceding year to meet the emergency
14 preparedness and response standards established by the commission pursu-
15 ant to this section. In addition to the annual response report required
16 in this paragraph, the commission may require any utility to submit a
17 supplemental emergency response report after any storm, emergency or
18 event causing significant power disruptions.

19 3. The commission shall review the performance of each transmission
20 and distribution company after any emergency: (a) in which more than ten
21 percent of any such company's customers were without power for more than
22 forty-eight consecutive hours; or (b) at the commission's discretion.
23 The commission, upon a finding, after a hearing or opportunity to be
24 heard, that any such company failed to comply with any restoration stan-
25 dard required by this section or any order of the commission in prepara-
26 tion for a power outage, or in restoration of a power outage, shall
27 impose civil penalties against such company, not to exceed a total of
28 two and one-half percent of such company's gross annual revenues from
29 electric distribution. In determining the amount of any penalty, the
30 commission may consider whether such company recovered costs incurred
31 pursuant to paragraph (d) of subdivision two of this section to meet
32 infrastructure reliability efforts to improve such company's perform-
33 ance. Any such penalty imposed shall be paid to the customers or rate-
34 payers of such company in the form of a credit, which shall be credited
35 within one hundred twenty days of such order. Any such penalty shall not
36 be included as an operating expense of such company for the purposes of
37 ratemaking.

38 § 3. This act shall take effect immediately.